DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF EMITS BERHAD ("EMITS" OR THE "COMPANY") DATED 6 NOVEMBER 2026 ("PROSPECTUS")

Unless otherwise defined, all words and expressions used here shall carry the same meaning as ascribed to them in the Prospectus.

Unless the context otherwise requires, words used in the singular include the plural, and vice versa.

1. OPENING AND CLOSING OF APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 6 NOVEMBER 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 19 NOVEMBER 2026

Applications for our IPO Shares will open and close at the dates stated above.

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

Late Applications will not be accepted.

2. METHODS OF APPLICATIONS

2.1 Application for Our IPO Shares by the Malaysian Public and the Eligible Persons

Applications must accord with the terms of our Prospectus and our Constitution. You agree to be bound by our Constitution. The submission of an Application Form does not mean that your Application will succeed.

Types of Application and category of investors		Application method
Applications by the Eligible Persons		Pink Application Form only
Applications by the Malaysian Public:		
(i)	Individuals	▪ White Application Form; ▪ Electronic Share Application; or ▪ Internet Share Application.
(ii)	Non-Individuals	White Application Form only

2.2 Application of Our IPO Shares by selected investors via private placement

Types of Application and category of investors	Application method
Applications by the selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.

Eligible Persons and selected investors may still apply for our IPO Shares offered to the Malaysian Public using the White Application Form, Electronic Share Application or Internet Share Application.

3. ELIGIBILITY

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 set out in the list of ADAs in Section 12 of the "Detailed Procedures for Application and Acceptance" accompanying the electronic copy of our 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.

AN APPLICANT WISHING TO APPLY FOR IPO SHARES USING A JOINT BANK ACCOUNT SHOULD ENSURE THAT THEIR APPLICATION DETAILS MATCH THOSE OF THE CDS ACCOUNT INDICATED IN THE APPLICATION. ANY DISCREPANCY BETWEEN THE INFORMATION PROVIDED BY YOUR FINANCIAL INSTITUTION AND THE CDS ACCOUNT RECORD WILL RESULT IN APPLICATION REJECTION. TO AVOID ANY REJECTION, PLEASE CONTACT YOUR FINANCIAL INSTITUTION TO VERIFY THE DETAILS. PLEASE NOTE THAT THE COMPANY, PRINCIPAL ADVISER, AND ISSUING HOUSE WILL NOT BE LIABLE FOR ANY ISSUES ARISING THEREAFTER.

3.2 Application by 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 our Issuing House or an immediate family member of a director or employee of our 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.

3.3 Application by the Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation. The Eligible Persons must follow the notes and instructions in the said document and where relevant, in this Prospectus. All duly completed Pink Application Forms should be submitted to our Company through the Human Resources or Finance Department.

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.

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 or which are illegible will not be accepted.

The Malaysian Public must follow the following procedures in making their applications through the White Application Form.

(a) Obtain the relevant Application Form together with the Official "A" and "B" envelopes and the Prospectus.

The **White Application Forms** together with the Prospectus, can be obtained subject to availability from Mercury Securities Sdn Bhd, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia or Malaysian Investment Banking Association and our Issuing House and our Company.

(b) In accordance with Section 232(2) of the CMSA, the Application Forms are accompanied by the Prospectus. You are advised to read and understand the Prospectus before making your Application.

(c) Complete the relevant Application Form legibly and **STRICTLY** in accordance with the notes and instructions printed on it and in the Prospectus, including:

(i) Ensuring that your personal particulars submitted in your Application are identical with the records maintained by Bursa Depository. You are required to inform Bursa Depository promptly of any changes to your personal particulars as the notification letter of successful allocation will be sent to your registered or correspondence address last maintained with Bursa Depository.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

(ii) Stating your CDS account number in the space provided in the Application Form. Invalid or nominee or third party CDS accounts will **not** be accepted.

(iii) Stating the details of your payment in the appropriate boxes provided in the Application Form.

(iv) Stating the number of shares applied. Applications must be for at least 100 IPO Shares or multiples of 100 IPO Shares.

(d) Prepare the appropriate form of payment in RM for the FULL amount payable based on the IPO Price of RM0.16 for each IPO Share.

Payment must be made out in favour of **"TIIH SHARE ISSUE ACCOUNT NO. 840"** and crossed **"A/C PAYEE ONLY"** and endorsed on the reverse side with your name and address.

Only Banker's Draft or Cashier's Order drawn on a bank in Kuala Lumpur, Money or Postal Orders (Sabah and Sarawak only) and Guaranteed Giro Order from Bank Simpanan Nasional Malaysia Berhad will be accepted.

We will not accept Applications with excess or insufficient remittances or inappropriate forms of payment. Remittances must be completed in the appropriate boxes provided in the White Application Forms.

(e) Insert the White Application Form together with payment and a legible photocopy of your identification document (NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable)) into the Official "A" envelope and seal it. You must write your name and address on the outside of the Official "A" and "B" envelopes.

Affix RM1.50 stamp on the Official "A" envelope and insert the Official "A" envelope into the Official "B" envelope.

The name and address written must be identical to your name and address as in your NRIC or official valid temporary identity documents issued by the relevant authorities from time to time or the authority card (if you are a member of the armed forces or police) or certificate of incorporation or the certificate of change of name for corporate or institutional applicant (where applicable).

(f) 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:

Vistra Investor & Issuing House Services Sdn Bhd
(formerly known as 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) **DELIVERED BY HAND AND DEPOSIT** in the 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 19 November 2026** or by such other time and date specified in any change to the date or time for closing.

We, together with our 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 Forms to our Issuing House.

5. PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATIONS

5.1 Participating Financial Institutions

Only **Malaysian individuals** may apply for our IPO Shares offered to the Malaysian Public by way of Electronic Share Application.

The following processing fee for each Electronic Share Application will be charged by the respective Participating Financial Institutions (unless waived) as follows:

Participating Financial Institutions	Charges
Affin Bank Berhad	Free
Alliance Bank Malaysia Berhad	RM1.00
AmBank (M) Berhad	RM1.00
CIMB Bank Berhad	RM2.50
Malayan Banking Berhad	RM1.00
Public Bank Berhad	RM2.00
RHB Bank Berhad	RM2.50

Please note that these processing fees may be varied or waived from time to time at the discretion of the respective Participating Financial Institutions. Please contact the relevant Participating Financial Institutions for further enquiries.

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5.2 Procedures for Electronic Share Application

The exact procedures, terms and conditions for Electronic Share Application at ATMs of the Participating Financial Institutions are set out on the ATM screens of the relevant Participating Financial Institutions.

PLEASE READ THE TERMS OF THE PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR ELECTRONIC SHARE APPLICATIONS SET OUT BELOW AND AT THE RESPECTIVE ATM CAREFULLY PRIOR TOMAKING AN ELECTRONIC SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Participating Financial Institutions.

You must have an account with a Participating Financial Institution and an ATM card issued by that Participating Financial Institution to access the account. An ATM card issued by one of the Participating Financial Institutions cannot be used to apply for our IPO Shares at an ATM belonging to other Participating Financial Institutions.

You are to submit at least the following information through the ATM, where the instructions on the ATM screen require you to do so:

- Personal Identification Number ("**PIN**");
- **TIIH Share Issue Account No. 840**;
- Your CDS account number;
- Number of IPO Shares applied for and the RM amount to be debited from the account; and
- Confirmation of several mandatory statements as set out in Section 5.3 below.

Upon the completion of your Electronic Share Application transaction at the ATM, you will receive a computer-generated transaction slip ("**Transaction Record**"), confirming the details of your Electronic Share Application. The Transaction Record is only a record of the completed transaction at the ATM and not a record of the receipt of the Electronic Share Application or any data relating to such an Electronic Share Application by our Company or our Issuing House. The Transaction Record is for your records and should not be submitted with any Application Form.

5.3 Terms and Conditions for Electronic Share Application

You must have a CDS account to be eligible to use the Electronic Share Application. Invalid, nominee or third party CDS accounts will not be accepted.

YOU MUST ENSURE THAT YOU USE YOUR OWN CDS ACCOUNT NUMBER WHEN MAKING AN ELECTRONIC SHARE APPLICATION. IF YOU OPERATE A JOINT ACCOUNT WITH ANY PARTICIPATING FINANCIAL INSTITUTION, YOU MUST ENSURE THAT YOU ENTER YOUR OWN CDS ACCOUNT NUMBER WHEN USING AN ATM CARD ISSUED TO YOU IN YOUR OWN NAME. YOUR APPLICATION WILL BE REJECTED IF YOU FAIL TO COMPLY WITH THE ABOVE.

The Electronic Share Application shall be made on, and subject to, the above terms and conditions as well as the terms and conditions appearing below:

(a) The Electronic Share Application shall be made in relation to and subject to the terms of the Prospectus and our Company's Constitution.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

(b) You are required to confirm the following statements (by pressing pre-designated keys or buttons on the ATM keyboard) and undertake that the following information given are true and correct:

(i) You are at least 18 years old as at the date of the application for our IPO Shares;

(ii) You are a Malaysian citizen residing in Malaysia;

(iii) You have read the Prospectus and understood and agreed with the terms and conditions of the Application;

(iv) The Electronic Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public; and

(v) You consent to the disclosure by the Participating Financial Institutions and Bursa Depository of information pertaining to yourself and your account with the Participating Financial Institution and Bursa Depository to our Issuing House and other relevant authorities.

Your Application will not be successfully completed and cannot be recorded as a completed transaction at the ATM unless you complete all the steps required by the Participating Financial Institutions. By doing so, it is considered that you have confirmed each of the above statements as well as given consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act, 2013 and Section 45 of SICDA) to the disclosure by the relevant Participating Financial Institutions or Bursa Depository, as the case may be, of any of your particulars to our Issuing House or any relevant authorities.

(c) You confirm that you are not applying for our IPO Shares offered to the Malaysian Public as a nominee of any other person and that the Electronic Share Application that you make is made by you as the beneficial owner. You shall only make one Electronic Share Application and shall not make any other application for our IPO Shares offered to the Malaysian Public.

(d) You must have sufficient funds in your account with the relevant Participating Financial Institution at the time the Electronic Share Application is made, failing which the Electronic Share Application will not be completed. Any Electronic Share Application, which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Share Application is being made, will be rejected.

(e) You agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated in the Transaction Record or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Electronic Share Application. In the event that we decide to allot or allocate a lesser number of such IPO Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final. If your Electronic Share Application is successful, your confirmation (by your action of pressing the designated keys or buttons on the ATM keyboard) of the number of IPO Shares applied for shall signify, and shall be treated as, your acceptance of the number of IPO Shares that may be allotted or allocated to you and your acceptance to be bound by our Constitution.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

(f) Our Issuing House, on the authority of our Board, reserves the right to reject any Electronic Share Application or accept any Electronic Share Application in whole or in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating our IPO Shares to a reasonable number of Applicants with a view to establishing a liquid and adequate market for our Shares.

(g) You request and authorise us:

(i) to credit our IPO Shares allotted or allocated to you into your CDS account; and

(ii) to issue share certificate(s) representing such IPO Shares or jumbo certificates which represent, amongst others, such IPO Shares, allotted or allocated in the name of Bursa Malaysia Depository Nominees Sdn Bhd and send the same to Bursa Depository.

(h) You acknowledge that your Electronic Share Application is subject to the risks of electrical, electronic, technical, transmission, communication and computer-related faults and breakdowns, fires and other events beyond our control or the control of our Issuing House, Bursa Depository or the Participating Financial Institution, and irrevocably agree that if:

(i) our Company or our Issuing House does not receive your Electronic Share Application; or

(ii) the data relating to your Electronic Share Application is wholly or partially lost, corrupted or inaccessible, or not transmitted or communicated to our Company or our Issuing House,

you shall be deemed not to have made an Electronic Share Application and shall not make any claim whatsoever against our Company, our Issuing House or the Participating Financial Institution for our IPO Shares applied for or for any compensation, loss or damage.

(i) All of your particulars in the records of the relevant Participating Financial Institution at the time of making the Electronic Share Application shall be deemed to be true and correct, and our Company, our Issuing House and the relevant Participating Financial Institution shall be entitled to rely on their accuracy.

(j) You shall ensure that your personal particulars as recorded by both Bursa Depository and the relevant Participating Financial Institution are correct and identical. Otherwise, your Electronic Share Application will be rejected. You must inform Bursa Depository promptly of any change in address, failing which the notification letter of successful allotment will be sent to your registered or correspondence address last maintained with Bursa Depository.

(k) By making and completing an Electronic Share Application, you agree that:

(i) in consideration of us agreeing to allow and accept the application for our IPO Shares through the Electronic Share Application facility established by the Participating Financial Institutions at their respective ATMs, your Electronic Share Application is irrevocable;

(ii) we, the Participating Financial Institutions, Bursa Depository and our Issuing House shall not be liable for any delays, failures or inaccuracies in the processing of data relating to your Electronic Share Application due to a breakdown or failure of transmission or communication facilities or to any cause beyond our or the control of any of them;

(iii) notwithstanding the receipt of any payment by or on behalf of our Company, the acceptance of your offer to subscribe for and purchase our IPO Shares for which the Electronic Share Application has been successfully completed shall be constituted by the issue of notices of allotment in respect of the said IPO Shares;

(iv) you irrevocably authorise Bursa Depository to complete and sign on your behalf as transferee or renounce any instrument of transfer and other documents required for the issue or transfer of our IPO Shares allotted or allocated to you; and

(v) you agree that in relation to any legal action, proceedings or disputes arising out of or in relation to the contract between the parties and / or the Electronic Share Application and / or any terms of the Prospectus, all rights, obligations and liabilities of the parties shall be construed and determined in accordance with the laws of Malaysia and with all directives, rules, regulations and notices from regulatory bodies of Malaysia and that you irrevocably submit to the jurisdiction of the Courts of Malaysia.

(l) Our Issuing House, acting on the authority of our Board reserves the right to reject Applications which do not conform to these instructions.

6. APPLICATION BY WAY OF INTERNET SHARE APPLICATIONS

6.1 Internet Participating Financial Institutions or Participating Securities Firms

Only **Malaysian individuals** may use the Internet Share Application to apply for our IPO Shares offered to the Malaysian Public.

The following processing fee for each Internet Share Application will be charged by the respective Internet Participating Financial Institutions or Participating Securities Firms (unless waived) as follows:

YOU ARE ADVISED NOT TO APPLY FOR OUR IPO SHARES THROUGH ANY WEBSITE OTHER THAN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.

Internet ParticipatingFinancial Institution or Participating Securities Firm	**Website address**	**Fees charged**
Affin Bank Berhad	https://rib.affinalways.com	Free
Alliance Bank Malaysia Berhad	www.allianceonline.com.my	RM1.00
CGS International Securities Malaysia Sdn Bhd	www.eipo.cgsi.com.my	RM2.00 for payment through CIMB Bank Berhad or Malayan Banking Berhad

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Internet ParticipatingFinancial Institution or Participating Securities Firm	**Website address**	**Fees charged**
Hong Leong Investment Bank Berhad	https://www.hlebroking.com/v3/	RM1.00
iFast Capital Sdn Bhd	https://www.fsmone.com.my/	Free
Kenanga Investment Bank Berhad	https://kentrade.com.my/	Free
Malacca Securities Sdn Bhd	https://eipo.mplusonline.com	Free
Malayan Banking Berhad	www.maybank2u.com.my	RM1.00
Moomoo Securities Malaysia Sdn Bhd	https://www.moomoo.com/my/invest/ipo	Free
Public Bank Berhad	www.pbebank.com	RM2.00
RHB Bank Berhad	www.rhbgroup.com/index.html	RM2.50
TA Securities Holdings Berhad	https://eservices.tasecurities.com.my/auth/login	Free
UOB Kay Hian (M) Sdn Bhd	https://eipo.utrade.com.my	Free

Please note that these fees may be varied or waived from time to time at the discretion of the respective Internet Participating Financial Institutions or Participating Securities Firms. Please contact the relevant Internet Participating Financial Institutions or Participating Securities Firms for further enquiries.

PLEASE READ THE TERMS OF THE PROSPECTUS, THE TERMS AND CONDITIONS AND PROCEDURES FOR INTERNET SHARE APPLICATIONS SET OUT BELOW AND AT THE INTERNET FINANCIAL SERVICES WEBSITE OF THE RESPECTIVE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS CAREFULLY PRIOR TO MAKING AN INTERNET SHARE APPLICATION.

If you encounter any problems in your Application, you may refer to the respective Internet Participating Financial Institutions or Participating Securities Firms.

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6.2 Terms and Conditions for Internet Share Application

PLEASE NOTE THAT THE ACTUAL TERMS AND CONDITIONS OUTLINED BELOW SUPPLEMENT THE ADDITIONAL TERMS AND CONDITIONS FOR INTERNET SHARE APPLICATIONS CONTAINED IN THE INTERNET FINANCIAL SERVICES WEBSITE OF THE INTERNET PARTICIPATING FINANCIAL INSTITUTIONS OR PARTICIPATING SECURITIES FIRMS.

An Internet Share Application shall be made on and subject to the following terms and conditions:

(a) You can make an Internet Share Application if you fulfill all of the following:

(i) You are an individual with a CDS Account and in the case of a joint account, an individual CDS Account registered in your name which is to be used for the purpose of the application if you are making the application instead of a CDS Account registered in the joint account holder's name;

(ii) You have an existing account with access to Internet financial services facilities with an Internet Participating Financial Institution or Participating Securities Firm. You must have your user identification ("**User ID**") and PIN/password for the relevant Internet financial services facilities; and

(iii) You are a Malaysian citizen and have a mailing address in Malaysia.

You are advised to note that a User ID and PIN/password issued by one of the Internet Participating Financial Institutions or Participating Securities Firms cannot be used to apply for our IPO Shares at Internet financial service websites of other Internet Participating Financial Institutions or Participating Securities Firms.

(b) An Internet Share Application shall be made on and subject to the terms of the Prospectus and our Company's Constitution.

(c) You are required to confirm the following statements (by selecting the designated hyperlink on the relevant screen of the Internet financial services website of the Internet Participating Financial Institution or Participating Securities Firm) and to undertake that the following information given are true and correct:

(i) You are at least 18 years old as at the date of the application for our IPO Shares;

(ii) You are a Malaysian citizen residing in Malaysia;

(iii) You have, prior to making your Internet Share Application, received and/or have had access to a printed/electronic copy of the Prospectus, the contents of which you have fully read and understood;

(iv) You agree to all the terms and conditions of the Internet Share Application as set out in the Prospectus and have carefully considered the risk factors as well as all other information and statements set out in the Prospectus, before making your Internet Share Application;

(v) Your Internet Share Application is the only application that you are submitting for our IPO Shares offered to the Malaysian Public;

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

(vi) You authorise the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution to deduct the full amount payable for our IPO Shares from your account with the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution;

(vii) You give express consent in accordance with the relevant laws of Malaysia (including but not limited to Sections 133 and 134 of the Financial Services Act, 2013 and Section 45 of SICDA) to the disclosure by the Internet Participating Financial Institution or Participating Securities Firm, the Authorised Financial Institution and/or Bursa Depository, as the case may be, of your information, your Internet Share Application or your account with the Internet Participating Financial Institution or Participating Securities Firm, to our Issuing House and the Authorised Financial Institution, the SC and any other relevant authority;

(viii) You are not applying for our IPO Shares as a nominee of any other person and your Internet Share Application is made in your own name, as beneficial owner and subject to the risks referred to in the Prospectus;

(ix) You authorise the Internet Participating Financial Institution or Participating Securities Firm to disclose and transfer to any person, including any government or regulatory authority in any jurisdiction, our Company, Bursa Securities or other relevant parties in connection with our IPO, all information relating to you if required by any law, regulation, court order or any government or regulatory authority in any jurisdiction or if such disclosure and transfer is, in the reasonable opinion of the Internet Participating Financial Institution or Participating Securities Firm, necessary for the provision of the Internet Application services or if such disclosure is requested or required in connection with our IPO. Further, the Internet Participating Financial Institution or Participating Securities Firm will take reasonable precautions to preserve the confidentiality of information furnished by you to the Internet Participating Financial Institution or Participating Securities Firm in connection with the use of the Internet Share Application services.

(d) Your Application will not be successfully completed and cannot be recorded as a completed application unless you have paid for our IPO Shares through the website of the Authorised Financial Institution and completed all relevant application steps and procedures for the Internet Share Application which would result in the Internet financial services website displaying the Confirmation Screen.

For the purposes of the Prospectus, "Confirmation Screen" shall mean the screen which appears or is displayed on the Internet financial services website, which confirms that your Internet Share Application has been completed and states the details of your Internet Share Application, including the number of IPO Shares applied for which you can print out for your records.

Upon the display of the Confirmation Screen, you will be deemed to have confirmed the truth of the statements set out in Section 6.2 above. The Confirmation Screen is only a record of the completed transaction with an Internet Participating Financial Institution or Participating Securities Firm and not a record of the receipt of the Internet Share Application or any data relating to such an Internet Share Application by our Company or our Issuing House. The Confirmation Screen is for your record and should not be submitted with any Application Form.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

(e) You must have sufficient funds in your account with the Internet Participating Financial Institution or Participating Securities Firm or the Authorised Financial Institution at the time of making your Internet Share Application, to cover and pay for our IPO Shares and the related processing fees, charges and expenses, if any, to be incurred, failing which your Internet Share Application will not be deemed complete, notwithstanding the display of the Confirmation Screen. Any Internet Share Application which does not conform strictly to the instructions set out in the Prospectus or any instructions displayed on the screens of the Internet financial services website through which the Internet Share Application is made shall be rejected.

(f) You irrevocably agree and undertake to subscribe for or purchase and to accept the number of IPO Shares applied for as stated on the Confirmation Screen or any lesser number of IPO Shares that may be allotted or allocated to you in respect of your Internet Share Application. In the event that we decide to allot or allocate lesser number of such Shares or not to allot or allocate any IPO Shares to you, you agree to accept any such decision as final.

In the course of completing your Internet Share Application on the website of the Internet Participating Financial Institution, your confirmation of the number of IPO Shares applied for (by way of your action of clicking the designated hyperlink on the relevant screen of the website) shall be deemed to signify and shall be treated as:

(i) Your acceptance of the number of IPO Shares that may be allotted or allocated to you in the event that your Internet Share Application is successful or successful in part, as the case may be; and

(ii) Your agreement to be bound by the Constitution of our Company.

(g) You are fully aware that multiple or suspected multiple Internet Share Applications for our IPO Shares will be rejected. **A PERSON WHO SUBMITS MULTIPLE INTERNET SHARE 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.** Our Company reserves the right to reject any Internet Share Application or accept any Internet Share Application in part only without the need to give any reason. Due consideration will be given to the desirability of allotting or allocating the Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares.

(h) An Internet Share Application is deemed to be received only upon its completion, which is when the Confirmation Screen is displayed on the internet financial services website. You are advised to print out and retain a copy of the Confirmation Screen for reference and record purposes. Late Internet Share Applications will not be accepted.

(i) You acknowledge that your Internet Share Application is subject to risk of electrical, electronic, technical and computer-related faults and breakdowns, faults with computer software, problems occurring during data transmission, computer security threats such as viruses, hackers and crackers, fires, and other events beyond the control of the Internet Participating Financial Institution or Participating Securities Firm, the Authorised Financial Institution, our Issuing House and our Company and irrevocably agree that if:

(i) our Company, our Issuing House, the Internet Participating Financial Institution or Participating Securities Firm and/ or the Authorised Financial Institution do not receive your Internet Share Application and/ or payment; and

(ii) any data relating to your Internet Share Application or the tape or any other devices containing such data and/ or payment is lost, corrupted, destroyed or otherwise not accessible, whether wholly or partially and for any reason whatsoever,

you will be deemed not to have made an Internet Share Application and you will not make any claim whatsoever against our Company, our Issuing House, the Internet Participating Financial Institution or Participating Securities Firm and/ or the Authorised Financial Institution in relation to our IPO Shares applied for or for any compensation, loss or damage whatsoever, as a consequence thereof or arising therefrom.

(j) All of your particulars in the records of the relevant Internet Participating Financial Institution or Participating Securities Firm at the time of your Internet Share Application shall be deemed to be true and correct, and we, our Issuing House, the Internet Participating Financial Institutions or Participating Securities Firms and all other persons who, are entitled or allowed under the law to such information or where you expressly consent to the provision of such information shall be entitled to rely on the accuracy thereof.

You must ensure that your personal particulars as recorded by both Bursa Depository and the Internet Participating Financial Institution or Participating Securities Firm are correct and identical. Otherwise, your Internet Share Application will be rejected. The notification letter on successful allotment will be sent to your last address maintained with Bursa Depository. It is your responsibility to notify the Internet Participating Financial Institution or Participating Securities Firm and Bursa Depository of any changes in your personal particulars that may occur from time to time.

7. AUTHORITY OF OUR BOARD AND OUR ISSUING HOUSE

Your Application will be selected in a manner to be determined by our Board. Due consideration will be given to the desirability of allotting and allocating our IPO Shares to a reasonable number of applicants with a view to establishing a liquid and adequate market for our Shares. Our Issuing House, on the authority of our Board, reserves the right to:

(a) reject Applications which:

(i) do not conform to the instructions of the 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 9 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 our Issuing House at any time 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.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

8. OVER/ UNDER-SUBSCRIPTION

In the event of over-subscription, our 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 shares and the balloting results in connection therewith will be furnished by our Issuing House to Bursa Securities, all major Bahasa Malaysia and English newspapers as well as posted on our Issuing House's website at https://srmy.vistra.com within 1 Market Day after the balloting event.

Pursuant to the Listing Requirements we are required to have a minimum of 25% 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 the above 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 or any share of revenue or benefits arising therefrom) and if such monies are not returned in full within 14 days after our Company becomes liable to do so, the provision of Section 243(2) of the CMSA shall apply accordingly.

In the event of an under-subscription of our IPO Shares, subject to the clawback and reallocation as set out in Section 4.3.4 of this Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

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.

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 last address 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 National Registration Identity Card 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 our Issuing House as per items (a) and (b) above (as the case may be).

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

(d) Our 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 ordinar /registered post to your last address 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).

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 arranged with the Authorised Financial Institutions) or Participating Securities Firms 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.

(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 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 Participating Securities Firms will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institution or Participating Securities Firms will credit the Application monies or any part thereof (without interest) within 2 Market Days after the receipt of confirmation from the Issuing House.

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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 last address 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 securities to be deposited in the CDS subject to the provision of the SICDA and the Rules of Bursa Depository. As such, our IPO Shares offered through the 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.

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. (03)-2783 9299
Electronic Share Application	Participating Financial Institution
Internet Share Application	Internet Participating Financial Institution or Participating Securities Firm or Authorised Financial Institution

The results of the allocation of IPO Shares derived from successful balloting will be made available to the public at our 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 below.

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

12. LIST OF ADAS

The list of ADAs and their respective addresses, telephone numbers and broker codes are as follows:

Name	Address and telephone number	Broker code
KUALA LUMPUR		
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, Bangunan AHP No. 2, Jalan Tun Mohd Fuad 3 Taman Tun Dr Ismail 60000 Kuala Lumpur Tel No.: 03-7710 6688	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	Mezzanine & 3rd Floor Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel No.: 03-2143 8668	068-018
AFFIN HWANG INVESTMENT BANK BERHAD	38A & 40A, Jalan Midah 1 Taman Midah 56000 Cheras Kuala Lumpur Tel No.: 03-9130 8803	068-018
AMINVESTMENT BANK BERHAD	8-9, 11-18, 21-25th Floor Bangunan AmBank Group 55, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-2031 0102	086-001
BIMB SECURITIES SDN BHD	Level 34, Menara Bank Islam No 22, Jalan Perak 50450 Kuala Lumpur Tel No.: 03-2613 1700	024-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	3rd Floor, Lot 1511 & 1512 Jalan Mutiara Timur Satu Taman Mutiara Cheras 56100 Kuala Lumpur Tel No.: 03-9132 7424/7428/7429	065-001
CIMB SECURITIES SDN BHD	14th Floor, Chulan Tower No. 3, Jalan Conlay 50450 Kuala Lumpur Tel. No.: 03-2171 0216	053-001
FA SECURITIES SDN BHD	A-10-17 & A-10-1 Level 10, Menara UOA Bangsar No. 5, Jalan Bangsar Utama 1 59000 Kuala Lumpur Tel No.: 03-2288 1676	021-001
HONG LEONG INVESTMENT BANK BERHAD	Mezzanine Floor Level 3A, Block B, HP Towers No.12 Jalan Gelenggang	066-002

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
	60000 Kuala Lumpur Tel No.: 03-2080 8777	
HONG LEONG INVESTMENT BANK BERHAD	Level 27 & 28, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Tel No.: 03-2083 1800	066-008
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	West Wing, Level 13 Berjaya Times Square No. 1, Jalan Imbi 55100 Kuala Lumpur Tel No.: 03-2117 1888	054-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	Ground Floor, 7-0-8 Jalan 3/109F Danau Business Centre, Danau Desa 58100 Kuala Lumpur Tel No.: 03-7984 7796	054-003
IFAST CAPITAL SDN BHD	Level 28, Menara AIA Sentral No. 30, Jalan Sultan Ismail Kuala Lumpur Tel No.: 03-2149 0660	039-001
KENANGA INVESTMENT BANK BERHAD	Level 17, Kenanga Tower 237 Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-2172 2888	073-001
KENANGA INVESTMENT BANK BERHAD	Ground Floor West Wing ECM Libra Building 8, Jalan Damansara Endah Damansara Heights 50490 Kuala Lumpur Tel No.: 03-2089 2888	073-001
M & A SECURITIES SDN BHD	Level 1-3, No. 45 & 47 The Boulevard, Bandar Mid Valley Lingkaran Syed Putra 59200 Kuala Lumpur Tel No.: 03-2282 1820	057-002
MALACCA SECURITIES SDN BHD	No. 76-1, Jalan Wangsa Maju Delima 6 Pusat Bandar Wangsa Maju (KLSC) 53300 Setapak, Kuala Lumpur Tel No.: 03-4144 2565	012-001
MALACCA SECURITIES SDN BHD	B-M-10, Block B Plaza Arkadia Jalan Intisari Perdana Desa Park City 52200 Kuala Lumpur	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
	Tel No.: 03-2733 9782	
MALACCA SECURITIES SDN BHD	B01-A-13A Level 13A, Menara 2 No. 3 Jalan Bangsar KL ECO City 59200 Kuala Lumpur Tel No.: 03-2201 2100	012-001
MAYBANK INVESTMENT BANK BERHAD	Level 5, Tower C Dataran Maybank No. 1, Jalan Maarof 59000 Kuala Lumpur Tel No.: 03-2297 8888	098-001
MAYBANK INVESTMENT BANK BERHAD	27, 31 to 33 Floor Menara Maybank 100 Jalan Tun Perak 50050 Kuala Lumpur Tel No.: 03-2059 1888	098-001
MERCURY SECURITIES SDN BHD	L-7-2, No.2, Jalan Solaris Solaris Mont Kiara 50480 Kuala Lumpur Tel No.: 03-6203 7227	093-002
MOOMOO SECURITIES MALAYSIA SDN BHD	Level 9, Menara Khuan Choo 75A Jalan Raja Chulan Bukit Bintang 50200 Kuala Lumpur Tel No.: 03-9212 0718	062-001
PHILLIP CAPITAL SDN BHD	B-3-6, Block B Level 3 Megan Avenue II No.12, Jalan Yap Kwan Seng 50450 Kuala Lumpur Tel No.:03-2783 0361	076-001
NEWPARADIGM SECURITIES SDN BHD	Level 12, EXSIM Tower (Block D) Millerz Square @ Old Klang Road Megan Legasi No. 357, Jalan Klang Lama 58000 Kuala Lumpur Tel No.: 03-2054 8000	064-001
PUBLIC INVESTMENT BANK BERHAD	27th Floor, Menara Public Bank 2 No. 78, Jalan Raja Chulan 50200 Kuala Lumpur Tel No.: 03-2268 3000	051-001
RHB INVESTMENT BANK BERHAD	Level 1, Tower 3 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-9280 2233	087-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	Level 5, Tower 1 RHB Centre, Jalan Tun Razak 50400 Kuala Lumpur Tel No.: 03-9280 2453	087-001
RHB INVESTMENT BANK BERHAD	No. 62, 62-1 & 64, 64-1 Vista Magna Jalan Prima, Metro Prima 52100 Kepong Kuala Lumpur Tel No.: 03-6257 5869	087-028
RHB INVESTMENT BANK BERHAD	No. 5 & 7 Jalan Pandan Indah 4/33 Pandan Indah 55100 Kuala Lumpur Tel No.: 03-4280 4798	087-054
RHB INVESTMENT BANK BERHAD	Ground Floor No. 55, Zone J4 Jalan Radin Anum Bandar Baru Seri Petaling 57000 Kuala Lumpur Tel No.: 03-9058 7222	087-058
TA SECURITIES HOLDINGS BERHAD	34th Floor, Menara TA One No. 22, Jalan P. Ramlee 50250 Kuala Lumpur Tel No.: 03-2072 1277	058-003
UOB KAY HIAN (M) SDN BHD	Suite 12-05, Level 12 Wisma UOA Damansara II No. 6 Jalan Changkat Semantan Damansara Heights 50490 Kuala Lumpur Tel No.: 03-2147 1861	078-001
UOB KAY HIAN (M) SDN BHD	N3, Plaza Damas No. 60, Jalan Sri Hartamas 1 Sri Hartamas 50480 Kuala Lumpur Tel No.: 03-6205 6000	078-004
UOB KAY HIAN (M) SDN BHD	Ground & 19th Floor Menara Keck Seng No. 203, Jalan Bukit Bintang 55100 Kuala Lumpur Tel No.: 03-2147 1888	078-010
SELANGOR DARUL EHSAN		
AFFIN HWANG INVESTMENT BANK BERHAD	Suite B3A1, East Wing 3A, Wisma Consplant 2 No. 7, Jalan SS16/1 47500 Subang Jaya Selangor Darul Ehsan	068-019

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
	Tel No.: 03-5635 6688	
AFFIN HWANG INVESTMENT BANK BERHAD	4th Floor, Wisma Meru No. 1, Lintang Pekan Baru Off Jalan Meru 41050 Klang Selangor Darul Ehsan Tel No.: 03-3343 9999	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	No.79-1, Jalan Batu Nilam 5 Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No.: 03-3322 1999	068-019
AMINVESTMENT BANK BERHAD	4th Floor, Plaza Damansara Utama No. 2, Jalan SS 21/60 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7710 6613	086-001
APEX SECURITIES BHD	6th Floor, Menara Apex Off Jalan Semenyih, Bukit Mewah, 43000 Kajang Selangor Darul Ehsan Tel. No.: 03-8736 1118	079-001
APEX SECURITIES BHD	16th Floor Menara Choy Fook On No. 1B, Jalan Yong Shook Lin 46050 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7620 1118	079-002
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 1 & 2 3 Damansara Office Tower No.3 Jalan SS 20/27 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7717 3388	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. A-07-01 & A-07-02 Empire Office Tower Empire Subang Jalan SS 16/1 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5631 7934/7892	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor (No. 26-2) Lorong Batu Nilam 4B Bandar Bukit Tinggi 41200 Klang Selangor Darul Ehsan Tel No.: 03-3325 7105/7106	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor (No. 11A) Jalan Kenari 1 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-5891 6852	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No.26A(F), 26A(M) & 26A(B), Jalan SJ6 Taman Selayang Jaya 68100 Batu Caves Selangor Darul Ehsan Tel No.: 03-6137 1680	065-001
KENANGA INVESTMENT BANK BERHAD	Level 1, East Wing Wisma Consplant 2 No. 7, Jalan SS16/1 47610 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5621 2118	073-001
KENANGA INVESTMENT BANK BERHAD	Lot 240, 2nd Floor, The Curve No. 6, Jalan PJU 7/3 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7725 9095	073-001
KENANGA INVESTMENT BANK BERHAD	No. 35, (Ground, 1st & 2nd Floor) Jalan Tiara 3 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3348 8080	073-001
MALACCA SECURITIES SDN BHD	No. 16, Jalan SS15/4B 47500 Subang Jaya Selangor Darul Ehsan Tel No.: 03-5636 1533	012-001
MALACCA SECURITIES SDN BHD	No. 54M, Mezzanine Floor Jalan SS2/67 47300 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7876 1533	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
MAYBANK INVESTMENT BANK BERHAD	Wisma Bentley Music Level 1, No.3, Jalan PJU 7/2 Mutiara Damansara 47800 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-3050 8888	098-004
MAYBANK INVESTMENT BANK BERHAD	Suite 8.02, Level 8, Menara Trend Intan Millennium Square, No. 68 Jalan Batai Laut 4, Taman Intan, 41300 Klang, Selangor Darul Ehsan Tel No.: 03-3050 8888	098-003
MBSB INVESTMENT BANK BERHAD (Formerly known as MIDF Amanah Investment Bank Berhad)	Level 21, Menara MBSB Bank PJ Sentral, Lot 12, Persiaran Barat, Seksyen 52 46200 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-2173 8888	026-001
NEWPARADIGM SECURITIES SDN BHD	1st Floor, 157-A Jalan Kenari 23A Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan Tel No.: 03-8074 7094	064-003
NEWPARADIGM SECURITIES SDN BHD	No. 18 & 20, Jalan Tiara 2 Bandar Baru Klang 41150 Klang Selangor Darul Ehsan Tel No.: 03-3341 5300	064-007
RHB INVESTMENT BANK BERHAD	1,3 & 5, Tingkat 2 Jalan 52/18 New Town Centre 46200 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7873 6366/7875 8428	087-011
RHB INVESTMENT BANK BERHAD	1st Floor 10 & 11, Jalan Maxwell 48000 Rawang Selangor Darul Ehsan Tel No.: 03-6092 8916	087-047
RHB INVESTMENT BANK BERHAD	Ground & Mezzanine Floor No. 87 & 89, Jalan Susur Pusat Perniagaan NBC Batu 1 ½, Jalan Meru 41050 Klang Selangor Darul Ehsan	087-048

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
	Tel No.: 03-3343 9180	
RHB INVESTMENT BANK BERHAD	Unit 1B, 2B & 3B USJ 10/1J 47610 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8022 1888	087-059
SJ SECURITIES SDN BHD	26, Jalan Pendaftar U1/54 Temasya Glenmarie 40150 Shah Alam Selangor Darul Ehsan Tel No.: 03-5567 3000	096-001
SJ SECURITIES SDN BHD	No. A-3-11, Block Alamanda 3rd Floor, 10 Boulevard Lebuhraya Sprint PJU 6A 47400 Damansara Selangor Darul Ehsan Tel No.: 03-7732 3862	096-005
TA SECURITIES HOLDINGS BERHAD	No. 2-1,2-2,2-3 & 4-2 Jalan USJ 9/5T Subang Business Centre 47620 UEP Subang Jaya Selangor Darul Ehsan Tel No.: 03-8025 1880	058-005
TA SECURITIES HOLDINGS BERHAD	2nd Floor, Wisma TA No. 1A, Jalan SS 20/1 Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan Tel No.: 03-7795 5713	058-007
PERAK DARUL RIDZUAN		
AFFIN HWANG INVESTMENT BANK BERHAD	Tingkat Bawah, 1, 2 & 3 21, Jalan Stesen 30400 Taiping Perak Darul Ridzuan Tel No.: 05-8066 688	068-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st, 2nd & 3rd Floor No. 8, 8A-C Persiaran Greentown 4C Greentown Business Centre 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2088 688	065-001
HONG LEONG INVESTMENT BANK BERHAD	51-53, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2530 888	066-003

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BERHAD	Ground, 1st, 2nd & 4th Floor No. 63, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2422 828	073-022
M & A SECURITIES SDN BHD	5th, 6th & Unit 8A M & A Building 52A, Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel No.: 05-2419 800	057-001
MALACCA SECURITIES SDN BHD	1st Floor No. 3, Persiaran Greenhill 30450 Ipoh Perak Darul Ridzuan Tel No.: 05-2541 533	012-013
MAYBANK INVESTMENT BANK BERHAD	B-G-04 (Ground Floor), Level 1 & 2, No. 42, Persiaran Greentown 1, Pusat Dagangan Greentown, 30450 Ipoh, Perak Darul Ridzuan Tel No.: 05-2453 400	098-002
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 17, Jalan Intan 2, Bandar Baru 36000 Teluk Intan Perak Darul Ridzuan Tel No.: 05-6236 498	087-014
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 23 & 25, Jalan Lumut 32000 Sitiawan Perak Darul Ridzuan Tel No.: 05-6921 228	087-016
RHB INVESTMENT BANK BERHAD	Unit E-2-2A, E-3-2A, E-4-2A & E-5-2A, SOHO Ipoh 2 Jalan Sultan Idris Shah 30000 Ipoh Perak Darul Ridzuan Tel. No.: 05-2415 100	087-023
RHB INVESTMENT BANK BERHAD	Ground Floor No. 40, 42 & 44, Jalan Berek 34000 Taiping Perak Darul Ridzuan Tel No.: 05-8088 229	087-034

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	No. 1 & 3, First Floor Jalan Wawasan Satu Taman Wawasan Jaya 34200 Parit Buntar Perak Darul Ridzuan Tel No.: 05-7170 888	087-033
TA SECURITIES HOLDINGS BERHAD	Ground, 1st & 2nd Floor Plaza Teh Teng Seng, No. 227, Jalan Raja Permaisuri Bainun 30250 Ipoh Perak Darul Ridzuan Tel No.: 05-2531 313	058-001
UOB KAY HIAN (M) SDN BHD	153A, Jalan Raja Musa Aziz 30300 Ipoh Perak Darul Ridzuan Tel No.: 05-2411 290	078-002
PENANG		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 2, 3, 4, 5, 7 & 8 Wisma Sri Pinang 60, Green Hall 10200 Penang Tel No.: 04-2636 996	068-001
AFFIN HWANG INVESTMENT BANK BERHAD	1st, 2nd & 3rd Floor No. 2 & 4, Jalan Perda Barat Bandar Perda 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5372 882	068-001
AMINVESTMENT BANK BERHAD	Level 3, Menara Liang Court No. 37, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2261 818	086-001
APEX SECURITIES BERHAD	368-2-5 Jalan Burmah Belissa Row 10350 Pulau Tikus Penang Tel No.: 04-2289 118	079-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 2, Menara BHL 51, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2385 900	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 20-1 & 20-2 Persiaran Bayan Indah Bayan Bay, Sungai Nibong 11900 Bayan Lepas Penang Tel No.: 04-6412 881	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, Unit 1308 & 1309 Jalan Besar Sungai Bakap 14200 Sungai Jawi Penang Tel No.: 04-6412 881	065-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	Canton Square Level 2 & 3 No. 56 Cantonment Road 10250 Penang Tel No.: 04-2268 288	054-002
KENANGA INVESTMENT BANK BERHAD	7th, 8th & 16th Floor Menara Boustead 39, Jalan Sultan Ahmad Shah 10050 Penang Tel No.: 04-2283 355	073-023
MALACCA SECURITIES SDN BHD	28, Lorong Tangling Indah 3 Taman Tangling Indah 14100 Simpang Ampat Penang Tel No.: 04-5060 967	012-001
MALACCA SECURITIES SDN BHD	No.17, 1st Floor Persiaran Bayan Indah Taman Bayan Indah 11900 Bayan Lepas Penang Tel No.: 04-6421 533	012-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor Bangunan KWSP No. 38, Lot PT 8, Seksyen 14 Jalan Sultan Ahmad Shah 10050 Georgetown Penang Tel No.: 04-2196 888	098-006
MERCURY SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd floor No. 1, Jalan Todak 5 Pusat Bandar Seberang Jaya 13700 Prai, Penang Tel No.: 04-3322 123	093-001
MERCURY SECURITIES SDN BHD	2nd Floor Standard Chartered Bank Chambers 2 Lebuh Pantai 10300 Penang Tel No.: 04-2639 118	093-004
NEWPARADIGM SECURITIES SDN BHD	56B, 1st Floor Jalan Perak, Perak Plaza 10150 Penang Tel No.: 04-2273 000	064-004

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
PHILLIP CAPITAL SDN BHD	29A, Ground Floor Beach Street 10300 Penang Tel No.: 04-2616 363	076-015
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 2677, Jalan Chain Ferry Taman Inderawasih 13600 Seberang Prai Penang Tel No.: 04-3900 022	087-005
RHB INVESTMENT BANK BERHAD	Ground Floor – Tingkat 3 & Tingkat 5 – Tingkat 8 64 & 64-D Lebuh Bishop 10200 Penang Tel No.: 04-2634 222	087-033
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 15-G-5, 15-G-6, 15-1-5, 15-1-6 Medan Kampung Relau (Bayan Point) 11950 Penang Tel No.: 04-6404 888	087-042
TA SECURITIES HOLDINGS BERHAD	3rd Floor, Bangunan Heng Guan 171, Jalan Burmah 10050 Penang Tel No.: 04-2272 339	058-010
UOB KAY HIAN (M) SDN BHD	1st and 2nd Floor Bangunan Heng Guan No. 171 Jalan Burmah 10050 Penang Tel No.: 04-2299 318	078-002
UOB KAY HIAN (M) SDN BHD	21 Jalan Bayu Mutiara 2 Taman Bayu Mutiara 14000 Bukit Mertajam Pulau Pinang Tel No.: 04-5047 313/316	078-003
KEDAH DARUL AMAN		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 70A, B & C, Jalan Mawar 1 Taman Pekan Baru 08000 Sungai Petani Kedah Darul Aman Tel No.: 04-4256 666	068-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, No.102 Kompleks Persiaran Sultan Abdul Hamid Jalan Pegawai 05050 Alor Setar Kedah Darul Aman Tel No.: 04-7774 400/4401	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	No. 9, Tingkat Satu Kompleks Perniagaan LITC Jalan Putra Mergong 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7350 888	012-001
PHILLIP CAPITAL SDN BHD	Lot T-30, 2nd Floor Wisma PKNK Jalan Sultan Badlishah 05000 Alor Setar Kedah Darul Aman Tel No.: 04-7317 088/8270	076-004
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor 214-A & 214-B Medan Putra, Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7209 888	087-021
UOB KAY HIAN (M) SDN BHD	Lot 4, 4, & 5A, 1st Floor EMUM 55 No. 55, Jalan Gangsa Kawasan Perusahaan Mergong 2 Seberang Jalan Putra 05150 Alor Setar Kedah Darul Aman Tel No.: 04-7322 111	078-007
NEGERI SEMBILAN DARUL KHUSUS		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 29G, Jalan S2 B16 Pusat Dagangan Seremban 2 70300 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-6037 408	068-019
AFFIN HWANG INVESTMENT BANK BERHAD	No. 6, Upper Level Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553 188	068-019
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No.21 Jalan Mahligai 72100 Bahau Negeri Sembilan Darul Khusus Tel No.: 06-4553 155	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, Lot 3110 Jalan Besar, Lukut 71010 Port Dickson Negeri Sembilan Darul Khusus Tel No.: 06-6515 385	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 2, Wisma Dewan Perniagaan Melayu Negeri Sembilan Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7614 651	065-001
KENANGA INVESTMENT BANK BERHAD	1C & 1D, 1st Floor Jalan Tunku Munawir 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7655 998	073-001
MAYBANK INVESTMENT BANK BERHAD	Ground Floor, Wisma HM No. 43 Jalan Dr. Krishnan 70000, Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7669 555	098-005
NEWPARADIGM SECURITIES SDN BHD	Ground, 1st, 2nd & 3rd Floor 19, 20 & 21, Jalan Kong Sang 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7623 131	064-002
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 32 & 33 Jalan Dato' Bandar Tunggal 70000 Seremban Negeri Sembilan Darul Khusus Tel No.: 06-7641 641	087-024
MELAKA		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground, 1st & 2nd Floor No. 191 Taman Melaka Raya Off Jalan Parameswara 75000 Melaka Tel No.: 06-2898 897	065-001
KENANGA INVESTMENT BANK BERHAD	71 & 73 (Ground, A&B) Jalan Merdeka, Taman Melaka Raya 75000 Melaka Tel No.: 06-2881 720	073-001
MALACCA SECURITIES SDN BHD	No. 1, 3 & 5, Jalan PPM 9 Plaza Pandan Malim (Business Park) Balai Panjang P.O Box 248	012-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
	75250 Melaka Tel No.: 06-3371 533	
MERCURY SECURITIES SDN BHD	81, 81A & 81B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2921 898	093-003
NEWPARADIGM SECURITIES SDN BHD	No. 6-1, Jalan Lagenda 2 Taman 1 Legenda 75400 Melaka Tel No.: 06-2866 008	064-006
RHB INVESTMENT BANK BERHAD	19, 21, 23, Level 2 Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2825 211	087-026
TA SECURITIES HOLDINGS BERHAD	No. 59, 59A & 59B Jalan Merdeka Taman Melaka Raya 75000 Melaka Tel No.: 06-2862 618	058-003
UOB KAY HIAN (M) SDN BHD	7-2 Jalan PPM8 Malim Business Park 75250 Melaka Tel No.: 06-3352 511	078-014
JOHOR DARUL TAKZIM		
AFFIN HWANG INVESTMENT BANK BERHAD	Level 7, Johor Bahru City Square (Office Tower) 106-108 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2222 692	068-004
AMINVESTMENT BANK BERHAD	2nd & 3rd Floor, Penggaram Complex 1, Jalan Abdul Rahman 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4342 282	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 73 Ground Floor No. 73A & 79A, First Floor Jalan Kuning Dua 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3405 888	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, 101 Jalan Gambir 8 Bandar Baru Bukit Gambir 84800 Muar Johor Darul Takzim Tel No.: 07-9764 559/4560	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No. 384A Jalan Simbang, Taman Perling 81200 Johor Bahru Johor Darul Takzim Tel No.: 07-2329 673	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	2nd Floor, 113 & 114 Jalan Genuang 85000 Segamat Johor Darul Takzim Tel No.: 07-9311 509	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, No. 8A Jalan Dedap 20 Taman Johor Jaya 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3537 669	065-001
BERJAYA SECURITIES SDN BHD (formerly known as Inter-Pacific Securities Sdn Bhd)	95, Jalan Tun Abdul Razak 80000 Johor Bahru Johor Darul Takzim Tel No.: 07-2231 211	054-004
KENANGA INVESTMENT BANK BERHAD	Level 2, Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3333 600	073-004
KENANGA INVESTMENT BANK BERHAD	No. 57, 59 & 61, Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9531 222	073-001
KENANGA INVESTMENT BANK BERHAD	No. 33 & 35 A & B, Ground Floor Jalan Syed Abdul Hamid Sagaff 86000 Kluang Johor Darul Takzim Tel No.: 06-7771 161	073-001
KENANGA INVESTMENT BANK BERHAD	Ground Floor No.4 Jalan Dataran 1 Taman Bandar Tangkak 84900 Tangkak Johor Darul Takzim Tel No.: 06-9782 292	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BERHAD	No. 24, 24A & 24B Jalan Penjaja 3 Kim Park Centre 83000 Batu Pahat Tel No.: 06-4326 963	073-001
M & A SECURITIES SDN BHD	Suite 5.3A, Level 5 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3381 233	057-003
MALACCA SECURITIES SDN BHD	No. 40A, Jalan Perang Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3351 533	012-001
MALACCA SECURITIES SDN BHD	Lot 880, Batu 3 ½ Jalan Salleh 84000 Muar Johor Darul Takzim Tel No.: 06-9536 948	012-001
MERCURY SECURITIES SDN BHD	Suite 17.1, Level 17 Menara Pelangi Jalan Kuning, Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3316 992	093-005
NEWPARADIGM SECURITIES SDN BHD	Ground & 1st Floor No. 43 & 43A, Jalan Penjaja 3 Taman Kim's Park, Business Centre 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4333 608	064-001
PHILLIP CAPITAL SDN BHD	No. 73, Ground & 1st Floor Jalan Rambutan 86000 Kluang Johor Darul Takzim Tel No.: 07-7717 922	076-006
RHB INVESTMENT BANK BERHAD	53, 53-A & 53-B Jalan Sultanah 83000 Batu Pahat Johor Darul Takzim Tel No.: 07-4380 288	087-009
RHB INVESTMENT BANK BERHAD	No. 33-1, 1st and 2nd Floor Jalan Ali 84000 Muar Johor Darul Takzim Tel No.: 06-9538 262	087-025

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 119 & 121 Jalan Sutera Tanjung 8/2 Taman Sutera Utama 81300 Skudai Johor Darul Takzim Tel No.: 07-5577 628	087-029
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 3, Jalan Susur Utama 2/1 Taman Utama 85000 Segamat Johor Darul Takzim Tel No.: 07-9321 543	087-030
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 40, Jalan Haji Manan 86000 Kluang Johor Darul Takzim Tel No.: 07-7769 655	087-031
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 10, Jalan Anggerik 1 Taman Kulai Utama 81000 Kulai Johor Darul Takzim Tel No.: 07-6626 288	087-035
RHB INVESTMENT BANK BERHAD	Ground, 1st & 2nd Floor No. 21 & 23 Jalan Molek 1/30 Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3522 293	087-043
TA SECURITIES HOLDINGS BERHAD	7A, Jalan Genuang Perdana Taman Genuang Perdana 85000 Segamat Johor Darul Takzim Tel No.: 07-9435 278	058-009
TA SECURITIES HOLDINGS BERHAD	15, Jalan Molek 1/5A Taman Molek 81100 Johor Bahru Johor Darul Takzim Tel No.: 07-3647 388	058-011
TA SECURITIES HOLDINGS BERHAD	No. 29-03, Jalan Sri Pelangi Taman Pelangi 80400 Johor Bahru Johor Darul Takzim Tel No.: 07-3364 672	058-013
UOB KAY HIAN (M) SDN BHD	Level 6 & 7, Menara MSC Cyberport No. 5, Jalan Bukit Meldrum	078-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
	80300 Johor Bahru Johor Darul Takzim Tel No.: 07-3332 000	
UOB KAY HIAN (M) SDN BHD	No. 42-8, Main Road Kulai Besar 81000 Kulai Johor Darul Takzim Tel No.: 07-6635 651	078-001
KELANTAN DARUL NAIM		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 4, Wisma TCH (formerly known as Wisma Square Point) Jalan Pengkalan Chepa 15400 Kota Baru Kelantan Darul Naim Tel No.: 09-7419 050/9051/9052/9053	065-001
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 3953-H Jalan Kebun Sultan 15350 Kota Bharu Kelantan Darul Naim Tel No.: 09-7430 077	087-020
TA SECURITIES HOLDINGS BERHAD	298, Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7433 388/2288	058-004
UOB KAY HIAN (M) SDN BHD	Ground Floor & 1st Floor Lot 712, Sek 9, PT 62 Jalan Tok Hakim 15000 Kota Bharu Kelantan Darul Naim Tel No.: 09-7473 906	078-004
PAHANG DARUL MAKMUR		
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Ground 1st & 2nd Floor No. A-27, Jalan Dato' Lim Hoe Lek 25200 Kuantan Pahang Darul Makmur Tel No.: 09-5057 800	065-001
KENANGA INVESTMENT BANK BERHAD	A15, A17 & A19, Ground Floor Jalan Tun Ismail 2 Sri Dagangan 2 25000 Kuantan Pahang Darul Makmur Tel No.: 09-5171 698	073-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
MALACCA SECURITIES SDN BHD	P11-3 Jalan Chui Yin 28700 Bentong Pahang Darul Makmur Tel No.: 09-2220 993	012-001
PHILLIP CAPITAL SDN BHD	Ground, Mezzanine & 1st Floor B-400 Jalan Berserah 25300 Kuantan Pahang Darul Makmur Tel No.: 09-5660 800	076-002
RHB INVESTMENT BANK BERHAD	No. 12, Ground Floor 1st and 2nd Floor Jalan Putra Square 1 Putra Square 25300 Pahang Darul Makmur Tel No.: 09-5173 811	087-007
TERENGGANU DARUL IMAN		
PHILLIP CAPITAL SDN BHD	No. 46, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6317 922	076-009
RHB INVESTMENT BANK BERHAD	1st Floor No. 59, Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6261 816	087-055
UOB KAY HIAN (M) SDN BHD	No. 37-B, 1st Floor Jalan Sultan Ismail 20200 Kuala Terengganu Terengganu Darul Iman Tel No.: 09-6224 766	078-016
SABAH		
AFFIN HWANG INVESTMENT BANK BERHAD	No. 2 & 3 Block A Level 2, Luyang Commercial Centre Damai Plaza PH3 Jalan Damai, 88300 Kota Kinabalu Sabah Tel No.: 088-311 688	068-005
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st to 3rd Floor, Central Building No. 28, Jalan Sagunting 88000 Kota Kinabalu Sabah Tel No.: 088-328 878	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	1st Floor, Lot 12 Block A3, Phase 2 Utama Place	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
	Mile 6, Northern Road 90000 Sandakan Sabah Tel No.: 089-215 578	
KENANGA INVESTMENT BANK BERHAD	Level 8, Wisma Great Eastern 68, Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-236 188	073-032
RHB INVESTMENT BANK BERHAD	2nd Floor No. 81 & 83 Jalan Gaya 88000 Kota Kinabalu Sabah Tel No.: 088-269 788	087-010
UOB KAY HIAN (M) SDN BHD	11, Equity House, Block K Sadong Jaya, Karamunsing 88100 Kota Kinabalu Sabah Tel No.: 088-234 099	078-004
SARAWAK		
AFFIN HWANG INVESTMENT BANK BERHAD	2nd Floor, Lot No. 27, NBX 2 The Northbank Off Kuching-Samarahan Expressway 93350 Kuching, Sarawak Tel No.: 082-501 007	068-005
AMINVESTMENT BANK BERHAD	1st, 2nd, & 3rd Floor No. 162, 164, 166 & 168 Jalan Abell 93100 Kuching Sarawak Tel No.: 082-244 791	086-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	No. 6A, Ground Floor Jalan Bako, Off Brooke Drive 96000 Sibu Sarawak Tel No.: 084-367 700	065-001
CGS INTERNATIONAL SECURITIES MALAYSIA SDN BHD	Level 1 (North), Wisma STA No. 26, Jalan Datuk Abang Abdul Rahim 93450 Kuching Sarawak Tel No.: 082-358 688	065-001

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
KENANGA INVESTMENT BANK BERHAD	Lot 1866, Jalan MS 2/5 Marina Square 2 Marina Parkcity 98000 Miri Sarawak Tel No.: 085-435 577	073-001
KENANGA INVESTMENT BANK BERHAD	Level 2-4, Wisma Mahmud Jalan Sungai Sarawak 93400 Kuching Sarawak Tel No.: 082-338 000	073-001
KENANGA INVESTMENT BANK BERHAD	No. 11-12, (Ground & 1st Floor) Lorong Kampung Datu 3 96000 Sibu Sarawak Tel No.: 084-313 855	073-001
MERCURY SECURITIES SDN BHD	1st Floor No.16 Jalan Getah 96100 Sarikei Sarawak Tel No.: 084-659 019	093-001
RHB INVESTMENT BANK BERHAD	Yung Kong Abell Units No. 1-10, 2nd Floor Lot 365, Section 50 Jalan Abell 93100 Kuching Sarawak Tel No.: 082-250 888	087-008
RHB INVESTMENT BANK BERHAD	102, Pusat Pedada Jalan Pedada 96000 Sibu Sarawak Tel No.: 084-329 100	087-008
RHB INVESTMENT BANK BERHAD	Ground & 1st Floor No. 221, Park City Commerce Square Phase III Jalan Tun Ahmad Zaidi 97000 Bintulu Sarawak Tel No.: 086-311 770	087-053
TA SECURITIES HOLDINGS BERHAD	12G, H & I Jalan Kampong Datu 96000 Sibu Sarawak Tel No.: 084-319 998	058-002
UOB KAY HIAN (M) SDN BHD	Lot 1265, 1st Floor Centre Point Commercial Centre	078-017

DETAILED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

Name	Address and telephone number	Broker code
	Jalan Melayu 98000 Miri Sarawak Tel No.: 085-324 128	
UOB KAY HIAN (M) SDN BHD	Ground Floor & First Floor No. 16, Lorong Intan 6 96000 Sibu Sarawak Tel No.: 084-252 737	078-018

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NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF EMITS BERHAD ("EMITS" OR "COMPANY") DATED 6 NOVEMBER 2026 ("ELECTRONIC PROSPECTUS")

(Unless otherwise stated, all defined terms and abbreviations used in this notice shall carry the same meaning as those defined under the 'Definitions' of the Prospectus)

Website

The Electronic Prospectus can be viewed or downloaded from Bursa Malaysia Securities Berhad's ("**Bursa Securities**") website at www.bursamalaysia.com ("**Website**").

Availability and Location of Paper/Printed Prospectus

Any applicant in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from the Company, Mercury Securities Sdn Bhd ("**Mercury Securities**"), or Vistra Investor & Issuing House Services Sdn Bhd (formerly known as Tricor Investor & Issuing House Services Sdn Bhd). Alternatively, the applicant may obtain a copy of the Prospectus from participating organisations of Bursa Securities, members of the Association of Banks in Malaysia and members of the Malaysian Investment Banking Association.

Prospective investors should note that the Application Forms are not available in electronic format.

Jurisdictional Disclaimer

The IPO and the distribution of the Electronic Prospectus are subject to Malaysian law. The Electronic Prospectus will not be distributed outside Malaysia. Bursa Securities, Mercury Securities and the Company have not authorised anyone and take no responsibility for the distribution of the Electronic Prospectus outside Malaysia. No action has been taken to permit any offering of the IPO Shares based on the Electronic Prospectus in any jurisdiction other than Malaysia. Accordingly, the Electronic Prospectus may not be used for the purpose of and does not constitute an offer for the subscription or purchase of, or an invitation to subscribe for or purchase, the IPO Shares to any person outside Malaysia or in any jurisdiction or in any circumstance in which such an offer is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation. Prospective applicants who may be in possession of the Electronic Prospectus are required to take note, to inform themselves, and to observe such restrictions.

Close of Application

Applications will be accepted from **10.00 a.m.** on **6 November 2026** and will close at **5.00 p.m.** on **19 November 2026**. In the event there is any change to the timetable, the Company will make an announcement on the Website and advertise the notice of the change in widely circulated daily English and Bahasa Malaysia newspaper within Malaysia.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No securities will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users' access to the Website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.



EMITS BERHAD

PROSPECTUS

EMITS BERHAD
(Registration No. 202501005450 (1606864-T))
(Incorporated in Malaysia under the Companies Act 2016)

ADDRESS
Plot 152, Bayan Lepas Free Industrial Zone,
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PROSPECTUS

EMITS BERHAD

(Registration No. 202501005450 (1606864-T))
(Incorporated in Malaysia under the Companies Act 2016)

INITIAL PUBLIC OFFERING ("**IPO**") IN CONJUNCTION WITH THE LISTING OF AND QUOTATION FOR THE ENTIRE ISSUED SHARE CAPITAL OF EMITS BERHAD ("**EMITS**" OR "**COMPANY**") ON THE ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("**BURSA SECURITIES**") COMPRISING:

(I) PUBLIC ISSUE OF 93,754,000 NEW ORDINARY SHARES IN EMITS ("**SHARES**") IN THE FOLLOWING MANNER:

- 23,439,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 11,719,000 NEW SHARES MADE AVAILABLE FOR APPLICATION BY THE ELIGIBLE DIRECTORS AND EMPLOYEES OF EMITS AND ITS SUBSIDIARIES (COLLECTIVELY, OUR "**GROUP**"), AS WELL AS PERSONS WHO HAVE CONTRIBUTED TO THE SUCCESS OF OUR GROUP;
- 58,596,000 NEW SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS; AND

(II) OFFER FOR SALE OF 37,502,000 EXISTING SHARES BY WAY OF PRIVATE PLACEMENT TO SELECTED INVESTORS,

AT AN IPO PRICE OF RM0.16 PER SHARE PAYABLE IN FULL UPON APPLICATION.

PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT

MERCURY SECURITIES SDN BHD
(Registration No. 198401000672 (113193-W))
(A Participating Organisation of Bursa Malaysia Securities Berhad)

THIS PROSPECTUS IS DATED 6 NOVEMBER 2026

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 OUR IPO 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.

NO SECURITIES WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 6 MONTHS FROM THE DATE OF THIS PROSPECTUS.

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 ISSUED SHARE CAPITAL ON THE ACE MARKET OF BURSA SECURITIES. THIS PROSPECTUS HAS BEEN REGISTERED BY BURSA SECURITIES. THE APPROVAL OF OUR IPO 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 SHARES BEING OFFERED FOR INVESTMENT.

BURSA SECURITIES IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF OUR 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.

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, PLEASE SEE "RISK FACTORS" COMMENCING ON PAGE 171.



Unless otherwise stated, all defined terms and abbreviations used in this Prospectus shall carry the same meaning as those defined under the 'Definitions' and 'Glossary of Technical Terms' sections of this Prospectus.

RESPONSIBILITY STATEMENTS

Our Directors, Promoters and Selling Shareholders 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 there is no false or misleading statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Mercury Securities, 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 entire enlarged issued share capital on the ACE Market. Our admission to the Official List of Bursa Securities is not to be taken as an indication of the merits of our IPO, our Company or our IPO Shares.

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

OTHER STATEMENTS

Investors should note that they 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 will be 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 being offered in Malaysia solely based on the contents of this Prospectus. We and our Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by us or our Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent, or any of their respective directors or any other persons involved in our IPO.

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 and our Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent have not authorised, and take no responsibility for, the distribution of this Prospectus (in preliminary or final form) outside Malaysia. 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 IPO 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. The distribution of this Prospectus and the offering of our IPO Shares in certain jurisdictions may be restricted by law. Persons who may be in possession of this Prospectus are required to inform themselves and to observe such restrictions.

We will not, prior to acting on any acceptance in respect of our IPO Shares, 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 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 would not be in contravention of any laws of such countries or jurisdictions other than Malaysia to which you may be subject to. We will further assume that you had accepted our IPO Shares in Malaysia and will be at all applicable times be subject only to the laws of Malaysia in connection therewith. However, we reserve the right, in our absolute discretion, to treat any acceptances as invalid if we believe that such acceptance may violate any law or applicable legal or regulatory requirements.

Further, it shall be your sole responsibility to consult your legal and/or other professional advisers on the laws to which our IPO, or you are or might be, subjected to. Neither we nor our Directors, Promoters, Selling Shareholders, Principal Adviser, Sponsor, Underwriter and Placement Agent nor any other advisers in relation to our IPO will accept any responsibility or liability in the event any application made by you shall become illegal, unenforceable, voidable or void in any such country or jurisdiction.

ELECTRONIC PROSPECTUS

This Prospectus can also be viewed or downloaded from Bursa Securities' website at www.bursamalaysia.com. The contents of the Electronic Prospectus and this Prospectus registered by 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 subject to the risk of problems occurring during 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 as to the validity or integrity of an Electronic Prospectus, you should immediately request from us or our Principal Adviser or Issuing House, a paper/printed copy of this Prospectus. In the event of any discrepancies 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 is identical to the copy of the Prospectus registered by Bursa Securities, shall prevail.

In relation to any reference in this Prospectus to third party internet sites ("**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 to 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 in 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 or 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, damage or cost 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 on any data, information, files or other material provided by such parties; and

(iii) any data, information, files or other material downloaded from the 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 material.

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 liable in respect of the integrity of the contents of the 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 your web browser or other relevant software;

(ii) the Internet Participating Financial Institutions or Participating Securities Firms shall not be responsible in any way for the integrity of the contents of the 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 the Electronic Prospectus, the accuracy and reliability of the 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 cost, 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 the Electronic Prospectus which may arise in connection with or as a result of any fault or faults with the web browsers or other relevant software, any fault or faults on you 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.

INDICATIVE TIMETABLE

The indicative timetable for our IPO is as follows:

Event	Tentative time and date
Issuance of this Prospectus/Opening of Application	10.00 a.m., 6 November 2026
Closing of Application	5.00 p.m., 19 November 2026
Balloting of Application	23 November 2026
Allotment/Transfer of IPO Shares to successful Applicants	30 November 2026
Listing on the ACE Market	1 December 2026

In the event there are any change to the timetable, we will advertise the notice of 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.

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PRESENTATION OF INFORMATION

All references to "our Company" or "Emits" in this Prospectus are to Emits Berhad. All references to "our Group" or "Emits Group" are to our Company and subsidiaries taken as a whole.

All references to "we", "us", "our" and "ourselves" are to our Company and where the context otherwise requires, to our Group. All references to "Management" are to our Executive Directors and key senior management and statements as to our beliefs, expectations, estimates and opinions are those of our Management.

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

Other abbreviations, acronyms and technical terms used in this Prospectus are defined in the Definitions and Glossary of Technical Terms sections of this Prospectus.

Words denoting the singular shall, where applicable, include the plural and vice versa. Words denoting the masculine gender shall, where applicable, include the feminine and neuter genders, and vice versa. References to persons shall include companies and corporations.

References to any statute and legislation in this Prospectus shall be a reference to the statute or legislation of Malaysia, including any statutory modification, amendment of re-enactment thereof, unless otherwise stated.

References to a date and time in this Prospectus shall be a reference to a date and time in Malaysia, unless otherwise stated.

References to "RM" and "sen" are to the lawful currency of Malaysia. Certain numbers presented in this Prospectus have been rounded off to the nearest million or thousand or 1 decimal place, where applicable and hence may not be exact. Any discrepancies in the tables included in this Prospectus between the amounts listed and the total thereof are due to rounding.

This Prospectus includes statistical data provided by us and various third parties and cites third-party projections regarding growth and performance of the market and industries in which we operate or are exposed to. 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. Where no source is stated, it can be assumed that the information originates from us or is extracted from the IMR Report in Section 8 of this Prospectus. We believe that the statistical data and projections cited in this Prospectus are useful in helping you understand the major trends in the industry in which we operate.

The information on our website, or any website directly and indirectly linked to such website does not form part of this Prospectus and you should not rely on such information for the purpose of your decision whether or not to invest in our Shares.

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

FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements. All statements other than those of historical facts, included in this Prospectus, including, without limitation, those regarding our financial position, business strategies, future plans and prospects are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statement reflects our current view with respect to future events but do not guarantee future performance.

Forward-looking statements can be identified by the use of forward-looking terminology such as the words "may", "will", "would", "could", "believe", "expect", "anticipate", "envisage", "intend", "estimate", "aim", "plan", "project", "forecast" or similar expressions, and include all statements that are not historical facts. Such forward looking statements include, without limitations, statements relating to:

(i) our business strategies, trends and competitive position;

(ii) our future plans and objectives for future operations;

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

(iv) our ability to pay future dividend; and

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

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) demands of our customers;

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

(iii) government policy, legislation or trade policy of countries where we export our products;

(iv) finance costs, interest rates, tax rates and exchange rates;

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

(vi) availability and fluctuations in prices of input materials and services;

(vii) reliance on licenses, permits and approvals; and

(viii) 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 (Risk Factors) and Section 12.2 (Management's Discussion and Analysis of Financial Conditions and Results of Operations) of this Prospectus. Due to these and other uncertainties, we cannot assure you that forward-looking statements made in this Prospectus will be realised. In light of these uncertainties, the inclusion of such forward-looking statements should not be regarded as a representation or warranty by us or our advisers that such plans and objectives will be achieved.

Should we become aware of any subsequent material change or development affecting a matter disclosed in this Prospectus arising from the date of registration of this Prospectus but before the date of allotment/transfer 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) as well as Rule 3.12D(1) of the Listing Requirements.

DEFINITIONS

Unless otherwise stated, all defined terms and abbreviations used in this Prospectus shall carry the same meaning as those defined below:

ACE Market	:	ACE Market of Bursa Securities
Acquisition	:	Acquisition by our Company of the entire issued share capital of Emits Technology, which has been completed on 22 September 2026. Please refer to Section 6.2.3 of this Prospectus for further details
Act or Companies Act	:	Companies Act 2016
ADA	:	Authorised Depository Agent
AGM	:	Annual General Meeting
Applicant(s)	:	Applicant(s) for our IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application(s)	:	Application(s) for our IPO Shares by way of Application Form, Electronic Share Application or Internet Share Application
Application Form(s)	:	Pink Application Form(s) and White Application Form(s) for the application of our IPO Shares accompanying this Prospectus
ATM	:	Automated teller machine
Authorised Financial Institution	:	Authorised financial institution participating in the Internet Share Application, with respect to payments for our IPO Shares
Board	:	Board of Directors of our Company
Bumiputera	:	In the context of: (i) individuals - Malays and the aborigines as well as the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies - company that fulfils, among others, the following criteria or such other criteria as may be imposed by MITI: (a) registered under the Act as a private company; (b) its shareholders are 100.0% Bumiputera; and (c) its board of directors (including its staff) are at least 51.0% Bumiputera; and (iii) cooperatives - cooperative whose shareholders or cooperative members are at least 95.0% of Bumiputera or such other criteria as may be imposed by MITI
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (198701006854 (165570-W))
Bursa Securities	:	Bursa Malaysia Securities Berhad (200301033577 (635998-W))
CAGR	:	Compound annual growth rate

DEFINITIONS (cont'd)

Capitalisation	:	Issuance of 5,000,000 new ET Shares to Dato' Seri Goh to partly settle the Shareholder's Advances by RM5.0 million, which has been completed on 29 March 2024. Please refer to Section 6.2.2 of this Prospectus for further details
CCC	:	Certificate of completion and compliance
CCI	:	Communication Components, Inc, a customer of our Group
CCI 5G Base Station Antennas Project	:	Estimated annual mass production order of 5G base station antennas that CCI may require from us of between 4,000 to 6,000 units. As at the LPD, discussion with CCI to advance and secure the CCI 5G Base Station Antennas Project is on-going. Please refer to Section 7.18.1 of this Prospectus for further details
CCM	:	Companies Commission of Malaysia
CDS	:	Central Depository System
CDS Account(s)	:	Account(s) established for a Depositor by Bursa Depository for the recording of deposits or withdrawals of securities and for dealings in such securities by the Depositor
CMSA	:	Capital Markets and Services Act 2007
Constitution	:	Constitution of our Company
COS	:	Cost of sales
Dato' Seri Goh	:	Dato' Seri Goh Eng Hoe
Depositor	:	A holder of a CDS Account
Director(s)	:	An executive or non-executive director of our Group and within the meaning given in Section 2(1) of the Companies Act and Section 2(1) of the CMSA
EBIT	:	Earnings before interest and taxation
EBITDA	:	Earnings before interest, taxation, depreciation and amortisation
Electronic Prospectus	:	A copy of this Prospectus that is issued, circulated and disseminated via the internet and/or an electronic storage medium
Electronic Share Application	:	Application for our IPO Shares through Participating Financial Institutions' ATM
Eligible Person(s)	:	Collectively, the eligible Directors and employees of our Group as well as persons who have contributed to the success of our Group, who are entitled to apply for our Issue Shares under the Pink Form Allocation
Emits or Company	:	Emits Berhad (202501005450 (1606864-T))
Emits Group or Group	:	Collectively, our Company and our subsidiaries
EPS	:	Earnings per Share
ET Shares	:	Ordinary shares in Emits Technology

DEFINITIONS (cont'd)

ET Shares Disposal	:	Disposal of 2,550,000 ET Shares by Dato' Seri Goh to Ts. Loy Boon Liang, H'ng Chuen Yeou, Por Chee Seong and Ho Kooi Yong, which has been completed on 15 December 2025. Please refer to Section 6.2.2 of this Prospectus for further details.
Financial Years and Period Under Review	:	Collectively, the FYE 2023, FYE 2024, FYE 2025 and FPE 2026
FYE	:	Financial year ended / ending 31 December
FPE	:	6-month financial period ended 30 June
GP	:	Gross profit
IFRS	:	International Financial Reporting Standards
IMR or PROVIDENCE	:	Providence Strategic Partners Sdn Bhd (201701024744 (1238910-A))
IMR Report	:	Independent market research report dated 2 November 2026 prepared by PROVIDENCE as set out in Section 8 of this Prospectus
Internet Participating Financial Institutions or Participating Securities Firms	:	Participating financial institutions or participating securities firms for the Internet Share Application, as listed in Section 16 of this Prospectus
Internet Share Application	:	Application for our IPO Shares through an online share application service provided by the Internet Participating Financial Institutions or Participating Securities Firms
IPO	:	Initial public offering of our IPO Shares in conjunction with our Listing
IPO Price	:	The issue/offer price of RM0.16 per IPO Share
IPO Shares	:	Collectively, the Issue Shares and Offer Shares
Issue Shares	:	93,754,000 new Shares to be issued by our Company pursuant to the Public Issue
Issuing House	:	Vistra Investor & Issuing House Services Sdn Bhd (formerly known as Tricor Investor & Issuing House Services Sdn Bhd) (197101000970 (11324-H))
Jy Chyun	:	Jy Chyun Enterprise Co., Ltd., a major supplier of our Group
Listing	:	Listing of and quotation for the entire enlarged issued share capital of our Company on the ACE Market
Listing Requirements	:	ACE Market Listing Requirements of Bursa Securities
LPD	:	6 October 2026, being the latest practicable date of this Prospectus
Main Market	:	Main Market of Bursa Securities
Malaysian Public	:	Malaysian citizens, companies, societies, co-operatives and institutions incorporated or organised under the laws of Malaysia, excluding our Directors, substantial shareholders and persons connected with any of them (as defined under the Listing Requirements)

Market Day(s)	:	Any day on which Bursa Securities is open for trading of 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
MBPP	:	Majlis Bandaraya Pulau Pinang (City Council of Penang Island)
MCCG	:	Malaysian Code on Corporate Governance issued by the SC
Mercury Securities or Principal Adviser or Sponsor or Underwriter or Placement Agent	:	Mercury Securities Sdn Bhd (198401000672 (113193-W))
MFRS	:	Malaysian Financial Reporting Standards
MIDA	:	Malaysian Investment Development Authority
MITI	:	Ministry of Investment, Trade and Industry of Malaysia
Motorola	:	Motorola Solutions, Inc, a major customer of our Group
Motorola Group	:	Collectively, Motorola and its subsidiaries
N/A	:	Not applicable
NA	:	Net assets
NBV	:	Net book value
Offer for Sale	:	Offer for sale of 37,502,000 Offer Shares by our Selling Shareholders at the IPO Price
Offer Shares	:	37,502,000 existing Shares in our Company to be offered for sale by our Selling Shareholders at the IPO Price pursuant to the Offer for Sale
Official List	:	A list specifying all securities which have been admitted for listing on the ACE Market and not removed
PAT	:	Profit after taxation
Participating Financial Institution	:	Participating financial institution for the Electronic Share Application
PBT	:	Profit before taxation
Penang Factory	:	Our headquarter and manufacturing plant bearing postal address at Plot 152, Bayan Lepas Free Industrial Zone, Phase 1, Jalan Sultan Azlan Shah, MK12, 11900, Bayan Lepas, Penang, Malaysia
PE Multiple	:	Price-to-earnings multiple
Pink Application Form(s)	:	Application form(s) for the application of our Issue Shares by the Eligible Persons accompanying this Prospectus
Pink Form Allocation	:	11,719,000 Issue Shares made available for application by the Eligible Persons, which forms part of our Public Issue

PPE	:	Property, plant and equipment
Pre-Listing Investors	:	Collectively, Lim Kean Yap and Tiong Keng Woo, both of them are third-party investors and they are not persons connected to our Promoters, substantial shareholders, Directors and key senior management
Promoters	:	Collectively, Dato' Seri Goh, Ts. Loy Boon Liang and H'ng Chuen Yeou
Prospectus	:	This Prospectus dated 6 November 2026 issued by our Company
Public Issue	:	Public issue of 93,754,000 Issue Shares at the IPO Price, subject to the terms and conditions of this Prospectus
R&D	:	Research and development
RBA	:	Responsible Business Alliance, an industry coalition dedicated to responsible business conduct in global supply chains
Record of Depositors	:	A record of securities holders established by Bursa Depository under the Rules of Bursa Depository
Rules of Bursa Depository	:	The rules of Bursa Depository as issued pursuant to the SICDA
RCPS	:	387,500 redeemable convertible preference shares in Emits Technology, which have been fully converted into 387,500 new ET Shares on 3 December 2025. Please refer to Section 6.2.1 of this Prospectus for further details
RCPS Issuance	:	Issuance of 325,000 RCPS to Lim Kean Yap and 62,500 RCPS to Tiong Keng Woo at the RCPS Issue Price pursuant to the RCPS Subscription Agreements
RCPS Issue Price	:	RM8.00 for each RCPS issued
RCPS Subscription Agreements	:	Subscription agreements dated 16 July 2024 (and supplemented by supplemental agreements dated 15 January 2025) between: (i) Emits Technology and Lim Kean Yap, for the subscription by Lim Kean Yap of 325,000 RCPS at the RCPS Issue Price; and (ii) Emits Technology and Tiong Keng Woo, for the subscription of by Tiong Keng Woo of 62,500 RCPS at the RCPS Issue Price
RM and sen	:	Ringgit Malaysia and sen, respectively
SC	:	Securities Commission Malaysia
Selling Shareholders	:	Collectively, Dato' Seri Goh, Ts. Loy Boon Liang, H'ng Chuen Yeou, Por Chee Seong and Ho Kooi Yong
Service Agreement	:	An agreement dated 25 August 2025 between Emits Radio Wave and Jy Chyun, which set out the terms and scope of service of Jy Chyun as an OEM service provider to our Group. Please refer to Section 7.22 of this Prospectus for the salient terms of this agreement

DEFINITIONS (cont'd)

Share(s)	:	Ordinary share(s) in Emits
Shareholder's Advances	:	RM14.5 million shareholder's advances by Dato' Seri Goh to Emits Technology which have been fully settled on 3 April 2024. Please refer to Section 6.2.2 of this Prospectus for further details
Share Registrar	:	Securities Services (Holdings) Sdn Bhd (197701005827 (36869-T))
Share Split	:	Subdivision of every 1 existing Share into 15 sub-divided Shares, which has been completed on 6 October 2026
SICDA	:	Securities Industry (Central Depositories) Act 1991
Specified Shareholders	:	Collectively, Dato' Seri Goh, Ts. Loy Boon Liang, H'ng Chuen Yeou and Chan Tsai-Huo
Supply Agreement	:	An agreement dated 29 July 2024 between Emits Technology and Motorola, which set out the terms and scope of service of our Group as an OEM service provider to Motorola Group. Please refer to Section 7.22 of this Prospectus for the salient terms of this agreement
Taiwan Assembly Line	:	Our assembly and testing operation in Taiwan bearing postal address at 5th Floor, No. 9, Ln. 119, Dazhu Rd., Luzhu Dist., Taoyuan City 338, Taiwan
Underwriting Agreement	:	The underwriting agreement dated 19 October 2026 (and as supplemented by a supplemental letter dated 30 October 2026) between our Company and Mercury Securities pursuant to our IPO
USA	:	United States of America
White Application Form(s)	:	Application form(s) for the application of our Issue Shares allocated for application by the Malaysian Public accompanying this Prospectus

Companies within our Group

Emits Berhad	:	Emits Berhad (202501005450 (1606864-T))
Emits Radio Wave	:	Emits Radio Wave Ltd (GUI Number: 50909132)
Emits (RF)	:	Emits (RF) Technology Sdn Bhd (201901026883 (1336212-H))
Emits Technology	:	Emits Technology Sdn Bhd (201501038540 (1163861-X))

DEFINITIONS (cont'd)

Measurement

sq ft	:	Square feet
sq m	:	Square meter
MHz	:	Megahertz

Currencies

RM and sen	:	Ringgit Malaysia and sen, respectively
CNY	:	Renminbi Yuan
JPY	:	Japanese Yen
TWD	:	Taiwan Dollar
USD	:	United States Dollar

The exchange rate as at the LPD is as follows:

RM : CNY	:	0.6093
RM : JPY100	:	2.5823
RM : TWD100	:	12.8516
RM : USD	:	4.0853

(Source: Bank Negara Malaysia)

Major Customers and Major Suppliers

Due to confidentiality obligations arising from the commercial business agreements between our Group and our customers and suppliers, we are required to obtain the consents of our customers and suppliers for the disclosure of their names in our Prospectus. The following major customers and major supplier of our Group have not given their consents for their names to be disclosed in our Prospectus. Hence, their names are redacted throughout this Prospectus:

Customer A : Customer A is an electronic component manufacturer based in Johor, Malaysia. Its principal business activities are manufacturing of telecommunication equipment. Based on our company search from CCM, this customer recorded a total revenue of RM484.8 million and PAT of RM8.8 million in its last financial year ended 31 March 2025.

Holding company of Customer A is based in Japan, and is presently listed on the prime market of Tokyo Stock Exchange with a total market capitalisation of approximately JPY165.3 billion (or equivalent to RM4.3 billion) as at the LPD. The principal business activities of this listed holding company are manufacturing and sales of automotive components. Based on its annual report 2025, this listed holding company recorded a total revenue of JPY370,308 million (or equivalent to RM9,562.5 million) and a total profit after tax and minority interest of JPY20,276 million (or equivalent to RM523.6 million) in its last financial year ended 31 March 2025.

The name of this major customer is not disclosed in this Prospectus as it had declined our request for the disclosure of its name, due to commercially sensitive reasons in view of our nature of business as an OEM service provider to this customer.

Customer B Group : Customer B Group comprises 2 private limited companies based in Hong Kong, which are principally involved in the business of provision of telecommunication services. There is no publicly available key financial information about the Customer B Group.

Holding company of the Customer B Group is based in China, and is presently listed on the Shenzhen Stock Exchange with a market capitalisation of approximately CNY14.7 billion (or equivalent to RM8.9 billion) as at the LPD. The principal business activities of this listed holding company are sales of telecommunication products and services, mainly for public service, industrials and enterprises uses such as public safety, mining, hospital, school, utilities, emergency response, infrastructure plant, hospitality, events, manufacturing and retail. Based on its annual report 2025, this listed holding company recorded a total revenue of CNY6,009.0 million (or equivalent to RM3,661.3 million) and a total loss after tax and minority interest of CNY257.8 million (or equivalent to RM157.1 million) in its last financial year ended 31 December 2025.

The name of this major customer is not disclosed in this Prospectus as they had declined our request for the disclosure of their names, due to commercially sensitive reasons in view of our nature of business as an OEM service provider to them.

Customer C Group : Customer C Group comprises:

(i) a private limited company based in Penang, Malaysia, which is principally involved in the business of provision of manufacturing services for electronics products. Based on our company search from CCM, this company recorded a total revenue of RM2,667.7 million and PAT of RM 86.5 million in its last financial year ended 27 September 2025; and

(ii) a private limited company based in Mexico, which is principally involved in the business of provision of manufacturing services for electronic products. There is no publicly available key financial information about this company.

Holding company of the Customer C Group is based in the USA, and is presently listed on the Nasdaq Global Select Market Exchange with a market capitalisation of approximately USD12.2 billion (or equivalent to RM49.8 billion) as at the LPD. The principal business activities of this listed holding company are provision of manufacturing services for electronic, optical and mechanical systems, as well as for radio frequency, optical and precision machined components. Based on its annual report 2025, this listed holding company recorded a total revenue of USD8,128.4 million (or equivalent to RM33,207.0 million) and a total profit after tax and minority interest of USD245.9 million (or equivalent to RM1,004.6 million) in its last financial year ended 27 September 2025.

The name of this major customer is not disclosed in this Prospectus as they had declined our request for the disclosure of their names, due to commercially sensitive reasons in view of our nature of business as an OEM service provider to them.

Customer D : Customer D is a private limited company based in the United Kingdom. Its principal business activities are design and manufacturing of antennas for public service sector, transportation, enterprise and industrial internet-of-things. There is no publicly available key financial information about Customer D.

The name of this major customer is not disclosed in this Prospectus as it had declined our request for the disclosure of its name, due to commercially sensitive reasons in view of our nature of business as an OEM service provider to this customer.

Customer E : Customer E is a private limited company based in the USA. Its principal business activities are the provision of recreational vehicle and housing components. There is no publicly available key financial information about Customer E.

Holding company of Customer E is based in the USA, and is presently listed on the New York Stock Exchange with a market capitalisation of approximately USD2.0 billion (or equivalent to RM8.2 billion) as at the LPD. The principal business activities of this listed holding company are manufacturing and supply of engineered components for manufacturers of recreational vehicles and adjacent industries. Based on its annual report 2025, this listed holding company recorded a total revenue of USD4,122.0 million (or equivalent to RM16,839.6 million) and a total PAT of USD188.3 million (or equivalent to RM769.3 million) in its last financial year ended 31 December 2025.

The name of this major customer is not disclosed in this Prospectus as it had declined our request for the disclosure of its name, due to commercially sensitive reasons in view of our nature of business as an OEM service provider to this customer.

Customer F : Customer F is a private limited company based in Kedah, Malaysia. Its principal business activities are manufacturing of electronic products. Based on our company search from CCM, this customer recorded a total revenue of RM162.2 million and a total profit after tax of RM3.5 million in its last financial year ended 31 December 2025.

The name of this major customer is not disclosed in this Prospectus as it had declined our request for the disclosure of its name, due to commercially sensitive reasons in view of our nature of business as an OEM service provider to this customer.

DEFINITIONS (cont'd)

Supplier A	:	Supplier A is a private limited company based in Penang Malaysia. Its principal business activities are manufacturing of flexible printed circuit boards. Based on our company search from CCM, this supplier recorded a total revenue of RM138.7 million and a total loss after tax of RM2.0 million in its last financial year ended 31 May 2025. The name of this major supplier is not disclosed in this Prospectus as it had declined our request for the disclosure of its name, due to commercially sensitive reasons in view of its nature of business as a manufacturer of semiconductor components to various customers.

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GLOSSARY OF TECHNICAL TERMS

This glossary contains explanation of certain terms used throughout this Prospectus in connection with our Group's businesses. The terminologies and their meanings may not correspond to the standard industry meanings or usage of these terms.

3D	:	Three-dimensional. An object having the three dimensions of length, width and height
5G	:	A cellular technology designed to increase speed, reduce latency and improve the flexibility of wireless services
Antenna	:	A device used to transmit and receive electromagnetic terrestrial signals. An antenna facilitates wireless communication links between devices and a network infrastructure
Antenna radiators	:	The components of an antenna that transmits and receives radio signals
Automotive electronics	:	Electronic systems used in vehicles, including vehicle audio products and components (such as vehicle infotainment systems and audio video accessories) as well as air-conditioning control panels, USB chargers, mirror switches, switch clusters and power sockets
Bandwidth	:	The maximum capacity of a wired or wireless communications link to transmit data over a network connection in a given amount of time. Bandwidth is typically defined as the number of bits, kilobits, megabits or gigabits that may be sent in one second
Base station	:	A central point for transmission and reception for a network which typically contains 1 or more antennas providing 360-degree transmission pattern when network coverage in all directions is required
BeiDou	:	BeiDou Navigation Satellite System. A satellite-based radio navigation system operated by the China Satellite Navigation Office that provides positioning, navigation and timing services to its users
Connectors	:	Components that provide connection between electrical components to enable the transmission of power or signals
Dipole	:	An antenna that comprises two equal and opposite poles which transmit or receive electromagnetic waves
Dome antenna	:	Omni-directional antennas designed to be installed in the ceiling of buildings or on the roofs of vehicles
Embedded antenna	:	Metallic conductors embedded in a dielectric material within a device or component and has a dielectric constant greater than 1
EMS	:	Electronics manufacturing service of electronic parts, products or services
Flexible circuits	:	Electrical circuits built on a flexible and stretchable substrates instead of rigid PCBs
Gerber file	:	A file format developed using electronic data automation or computer aided design software and used in the electronics industry to encode information about the shapes, locations and features of each layer of the PCB, including copper traces, solder mask, silkscreen and drill data
GLONASS	:	Global Navigation Satellite System. A satellite-based navigation system operated by the Russian Federation's Ministry of Defence that provides positioning, navigation and timing services to its users

GLOSSARY OF TECHNICAL TERMS (cont'd)

GPS	:	Global positioning system. A satellite-based navigation system operated by the USA Department of Defence that provides positioning, navigation and timing services to its users
GSM	:	Global system for mobile communications. A digital standard for telecommunications used for second generation digital cellular networks
IoT	:	Internet of Things. A type of network that enables intelligent identification, positioning, tracking, monitoring and management of targeted objects achieved through the exchange of information and communication between such targets and the internet via intelligent terminal products under a pre-determined protocol
LMR antenna	:	Land mobile radio antenna. A two-way radio wireless communication network device that transmits and receives voice or data signals between mobile users
LTE	:	Long term evolution. A standard used for wireless networks supporting cellular mobile devices and data terminals
Machining parts	:	Metal or plastic components that are precisely cut and shaped to form specific profiles and sizes through machining processes
ODM	:	Original design manufacturer
OEM	:	Original equipment manufacturer
Omnidirectional	:	An antenna providing a 360-degree transmission pattern. This type of antenna is used when coverage in all directions is required
PCB	:	Printed circuit boards. A laminated structure of conductive and insulating layers used to mechanically support and electrically connect electronic components using conductive pathways, tracks or signal traces etched from copper sheets laminated onto a non-conductive substrate
PCBA	:	Printed circuit board assemblies. Assembled printed circuit boards that form the functional structure of the electronic parts, which are subsequently incorporated into sub-assemblies or directly into finished products
Penta band dual feed	:	A single antenna that can transmit or receive signals at five different frequency bands
PIM	:	Passive intermodulation. Unwanted signal interference that is created when two or more RF signals mix with passive devices (such as antennas, cables and connectors), and which can affect the reliability, capacity and data rate of wireless systems by limiting the receiving sensitivity
Quad band mobile	:	A device that operates at four frequency bands such as 850 MHz, 900 MHz, 1800 MHz and 1900 MHz
RF	:	Radio frequency. The oscillating rate of electromagnetic waves that is used to transmit data wirelessly through a range of frequencies
RF gain	:	Radio frequency gain measuring how a radio frequency signal is amplified
RFID	:	Radio-frequency identification. A wireless technology that uses radio waves to identify people or objects *via* tags attached to them

GLOSSARY OF TECHNICAL TERMS (cont'd)

Semiconductor components	:	Electronic devices made from semiconductor materials with electrical conductivity properties between of a conductor, such as copper and an insulator such as glass
Software Defined Radio	:	A radio communication system that uses software to modulate and demodulate radio signals as opposed to conventional analog hardware
Telematics	:	A technology combining elements of telecommunications, vehicular technologies, electrical engineering and information technology that is used to monitor mobile assets such as vehicles
Telemetry	:	A process of measuring and transmitting data from remote sources
UHF	:	Ultra High Frequency. The frequency ranges from 300 MHz to 3 GHz
VHF	:	Very High Frequency. The frequency ranges from 30 MHz to 300 MHz
Wi-Fi	:	A wireless network technology used to connect computers, tablets, smartphones and other devices to the internet

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1. CORPORATE DIRECTORY

BOARD OF DIRECTORS

Name and designation	Address	Nationality	Gender
Dato' Low Suet Moi (Independent Non-Executive Director/ Chairperson)	38, Jalan Tempua 5, Bandar Puchong Jaya, 47100 Puchong, Selangor Darul Ehsan	Malaysian	Female
Ts. Loy Boon Liang (Non-Independent Executive Director/ Group Managing Director)	No.7, Jalan Rajawali 9, 11900 Bayan Lepas, Pulau Pinang	Malaysian	Male
H'ng Chuen Yeou (Non-Independent Executive Director)	99E 18-6, Ideal Regency, Jalan Bukit Gambir, 11700 Gelugor, Pulau Pinang	Malaysian	Male
Chan Tsai-Huo (Non-Independent Non-Executive Director)	2, Lebuh Bukit Jambul, 11900 Bayan Lepas, Pulau Pinang	Malaysian	Male
Foong Wai Leng (Independent Non-Executive Director)	No. 11, Jalan SL 11/1, Bandar Sungai Long, 43000 Kajang, Selangor Darul Ehsan	Malaysian	Female
Ewe Keang Teong (Independent Non-Executive Director)	No. 1, Jalan Sungai Ara 3, Taman Sungai Ara, 11900 Bayan Lepas, Pulau Pinang	Malaysian	Male
Tan Chye Suan (Independent Non-Executive Director)	26 Lebuhraya Bodhi, 10400 Georgetown, Pulau Pinang	Malaysian	Female

AUDIT AND RISK MANAGEMENT COMMITTEE

Name	Designation	Directorship
Foong Wai Leng	Chairperson	Independent Non-Executive Director
Ewe Keang Teong	Member	Independent Non-Executive Director
Tan Chye Suan	Member	Independent Non-Executive Director

NOMINATION COMMITTEE

Name	Designation	Directorship
Ewe Keang Teong	Chairman	Independent Non-Executive Director
Tan Chye Suan	Member	Independent Non-Executive Director
Chan Tsai-Huo	Member	Non-Independent Non-Executive Director

1. CORPORATE DIRECTORY (cont'd)

REMUNERATION COMMITTEE

Name	Designation	Directorship
Tan Chye Suan	Chairperson	Independent Non-Executive Director
Ewe Keang Teong	Member	Independent Non-Executive Director
Chan Tsai-Huo	Member	Non-Independent Non-Executive Director

REGISTERED OFFICE : Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No. : +603-2084 9000

HEAD OFFICE : Plot 152, Bayan Lepas Free Industrial Zone, Phase 1
Jalan Sultan Azlan Shah
MK12, 11900 Bayan Lepas
Pulau Pinang
Malaysia

Telephone No. : +604-611 6222
Website : www.emits.com.my
Email : contactus@emits.com.my

COMPANY SECRETARIES : **Yeow Sze Min (MAICSA 7065735)**
SSM Practising Certificate No. 201908003120

Cheng Chia Ping (MAICSA 1032514)
SSM Practising Certificate No. 202008000730

Securities Services (Holdings) Sdn Bhd
Level 7, Menara Milenium
Jalan Damanlela, Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No. : +603-2084 9000

PRINCIPAL ADVISER, SPONSOR, UNDERWRITER AND PLACEMENT AGENT : **Mercury Securities Sdn Bhd**
L-7-2, No. 2 Jalan Solaris
Solaris Mont' Kiara
50480 Kuala Lumpur
Wilayah Persekutuan
Malaysia

Telephone No. : +603-6203 7227

1. CORPORATE DIRECTORY (cont'd)

LEGAL ADVISERS FOR OUR IPO	:	To our Company as to the laws of Malaysia **CY Poon & CM Lim** Unit 11-01, 11th Floor, Menara K1 No. 1 Lorong 3/137C, Off Jalan Klang Lama 58200 Kuala Lumpur Malaysia Telephone No. : +603-7772 5607 To our Company as to the laws of Taiwan **Stellex Law Firm** 16F., No.109, Sec. 3, Minsheng E. Rd. Songshan Dist. Taipei City 10544 Taiwan, R.O.C. Telephone No. : +886-2-27129096
AUDITORS AND REPORTING ACCOUNTANTS	:	**TGS TW PLT** Firm No: 202106000004 (LLP0026851-LCA) & AF002345 Unit E-16-2B, Level 16, Icon Tower (East) No.1, Jalan 1/68F, Jalan Tun Razak 50400 Kuala Lumpur Malaysia Telephone No. : +603-9771 4326 Partner-in-charge : Teoh Chey Yeat Approval No. : (03447/08/2027 J) Professional Qualification : (i) Chartered Accountant of the Malaysian Institute of Accountants; and (ii) Fellow Member of the Association of Chartered Certified Accountants
INDEPENDENT MARKET RESEARCHER	:	**Providence Strategic Partners Sdn Bhd** P-6-5, Pacific Towers Jalan 13/6 46200 Petaling Jaya Selangor, Malaysia Telephone No. : +603-7625 1769 Person-in-charge : Elizabeth Dhoss Professional Qualification : Bachelor of Business Administration from University of Malaya
SHARE REGISTRAR	:	**Securities Services (Holdings) Sdn Bhd** Level 7, Menara Milenium Jalan Damanlela, Pusat Bandar Damansara Damansara Heights 50490 Kuala Lumpur Wilayah Persekutuan Malaysia Telephone No. : +603-2084 9000

1. CORPORATE DIRECTORY (cont'd)

ISSUING HOUSE	:	**Vistra Investor & Issuing House Services Sdn Bhd (formerly known as 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, Malaysia Telephone No. : +603-2783 9299
LISTING SOUGHT	:	ACE Market of Bursa Securities
SHARIAH STATUS	:	Approved by the Shariah Advisory Council of the SC

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2. APPROVALS AND CONDITIONS

2.1 APPROVALS FROM RELEVANT AUTHORITIES

2.1.1 Bursa Securities

Bursa Securities had, *vide* its letter dated 19 August 2026, approved:

(i) the admission of our Company to the Official List;

(ii) the listing of and quotation for our Company's entire enlarged issue share capital on the ACE Market; and

(iii) the approval-in-principle for the registration of our Prospectus.

The approval of 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 and Pre-Listing Investors to Bursa Depository: (i) name of shareholders; (ii) number of Shares; and (iii) date of expiry of the moratorium for each block of Shares;	Complied
2.	Approvals from other relevant authorities have been obtained for implementation of the Listing;	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 our Company at least 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 2 Market Days prior to the Listing date;	Complied

2. APPROVALS AND CONDITIONS (cont'd)

No.	Details of conditions imposed	Status of compliance
7.	In relation to the public offering to be undertaken by our Company, to announce at least 2 Market Days prior to the Listing date, the result of the offering including the following: (i) level of subscription of public balloting and placement; (ii) basis of allotment / allocation; (iii) a table showing the distribution for placement tranche as per the prescribed format by Bursa Securities; and (iv) disclosure of placees who become substantial shareholders of our Company arising from the public offering, if any; Mercury Securities must ensure that the overall distribution of our Company's securities is properly carried out to mitigate any disorderly trading in the secondary market; and	To be complied
8.	Emits/Mercury 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 our 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 27 August 2026, approved our application under the Bumiputera equity requirement for public companies pursuant to our Listing, subject to the following conditions:

No.	Details of conditions imposed	Status of Compliance
1.	Emits to make available at least 50% of the Shares offered to the Malaysian public investors via balloting to Bumiputera public investors at the point of Listing;	To be complied
2.	Emits to allocate 12.5% of its enlarged number of issued Shares to Bumiputera investors to be approved or recognised by MITI within 1 year after achieving the profit requirement for companies seeking listing on the Main Market of Bursa Securities or 5 years after being listed on the ACE Market, whichever is earlier ("**Compliance Date**").	To be complied
3.	Emits to submit to the SC a proposal to comply with the equity condition stated in item (2) above, at least 6 months prior to the Compliance Date.	To be complied
4.	Mercury Securities or Emits to submit Emits' equity structure to the SC upon completion of the Listing.	To be complied

The Shariah Advisory Council of the SC had on 7 May 2026 classified our Shares as Shariah-Compliant.

2. APPROVALS AND CONDITIONS (cont'd)

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 the Shares held by our Specified Shareholders as follows:

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

(ii) upon the expiry of the First 6-Month Moratorium, our Company must ensure that our Specified Shareholders' aggregate shareholdings amounting to at least 45.0% of our total number of issued Shares remain under moratorium for another period of 6 months ("**Second 6-Month Moratorium**"); and

(iii) upon the 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 their Shares held under moratorium.

The details of our Specified Shareholders and their Shares which will be held under moratorium are as follows:

	First 6-Month Moratorium		**Second 6-Month Moratorium**	
Specified Shareholders	**No. of Shares**	**[(a)]%**	**No. of Shares**	**[(a)]%**
Dato' Seri Goh	159,351,350	34.0	118,358,326	25.2
Loy Boon Liang	62,327,600	13.3	46,293,862	9.9
H'ng Chuen Yeou	62,327,600	13.3	46,293,862	9.9
Chan Tsai-Huo[(b)]	[(c)]300,000	0.1	-	-
Total	**284,306,550**	**60.7**	**210,946,050**	**45.0**

	Year 2 after our Listing		**Year 3 after our Listing**	
Specified Shareholders	**No. of Shares**	**[(a)]%**	**No. of Shares**	**[(a)]%**
Dato' Seri Goh	78,905,550	16.8	39,452,775	8.4
Loy Boon Liang	30,862,575	6.6	15,431,287	3.3
H'ng Chuen Yeou	30,862,575	6.6	15,431,287	3.3
Chan Tsai-Huo[(b)]	-	-	-	-
Total	**140,630,700**	**30.0**	**70,315,349**	**15.0**

Notes:

(a) Based on our enlarged issued share capital of 468,769,000 Shares upon Listing.

(b) Chan Tsai-Huo is deemed a person connected to Dato' Seri Goh by virtue of him being a son-in-law of Dato' Seri Goh.

(c) Assuming he fully subscribes for his entitlement of 300,000 Issue Shares under the Pink Form Allocation.

The moratorium has been fully accepted by our Specified Shareholders who have provided a written undertaking that they will not sell, transfer or assign their Shares held under moratorium during the moratorium period.

2. APPROVALS AND CONDITIONS (cont'd)

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under moratorium held by our Specified Shareholders to ensure that our Share Registrar will not register any sale, transfer or assignment that are not in compliance with the aforesaid restrictions.

2.2.2 Pre-Listing Investors

In accordance with Rule 3.19A of the Listing Requirements, our Pre-Listing Investors have provided a written undertaking that they will not sell, transfer or assign their respective shareholdings in our Company for a period of 6 months from the date of our admission to the Official List, as follows:

	First 6-Month after our Listing	
Pre-Listing Investors	**No. of Shares**	**[(a)]%**
Lim Kean Yap	15,450,000	3.3
Tiong Keng Woo	2,970,000	0.6
Total	**18,420,000**	**3.9**

Note:

(a) Based on our enlarged issued share capital of 468,769,000 Shares upon Listing.

The moratorium has been fully accepted by our Pre-Listing Investors who have provided a written undertaking that they will not sell, transfer or assign their Shares held under moratorium during the moratorium period.

The moratorium restrictions are specifically endorsed on the share certificates representing the Shares under moratorium held by our Pre-Listing Investors to ensure that our Share Registrar will not register any sale, transfer or assignment that are not in compliance with the aforesaid restrictions.

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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

Our IPO entails the offering of 131,256,000 IPO Shares at the IPO Price. Our IPO Shares will be allocated in the following manner:

	Issue Shares		Offer Shares		Total	
Allocation	**No. of Shares**	**[(a)]%**	**No. of Shares**	**[(a)]%**	**No. of Shares**	**[(a)]%**
Retail offering						
– Malaysian Public via balloting	23,439,000	5.0	-	-	23,439,000	5.0
– Eligible Persons	11,719,000	2.5	-	-	11,719,000	2.5
Private placement						
Selected investors	58,596,000	12.5	37,502,000	8.0	96,098,000	20.5
Total	**93,754,000**	**20.0**	**37,502,000**	**8.0**	**131,256,000**	**28.0**

Our enlarged issued share capital upon Listing	**468,769,000**
IPO Price	**RM0.16**
Market capitalisation upon our Listing	**RM75.0 million**

Note:

(a) Based on our enlarged issued share capital of 468,769,000 Shares upon Listing.

Please refer to Section 4.3 of this Prospectus for further details of our IPO.

In compliance with the Listing Requirements, our Specified Shareholders and Pre-Listing Investors have provided their undertakings not to sell, transfer or assign their respective shareholdings in our Company during the prescribed moratorium periods as set out in Section 2.2 of this Prospectus.

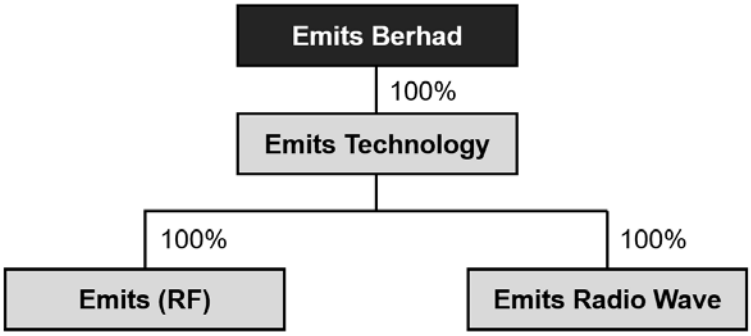
3.2 OVERVIEW OF OUR BUSINESS

Our Company is principally an investment holding company. Through our subsidiaries, we are an OEM service provider, specialising in the provision of end-to-end manufacturing services for passive antennas to brand or product owners (who are mostly telecommunication companies) and EMS providers. Passive antennas are electronic components used in telecommunication devices or equipment that can operate without external power sources to process or amplify signals.

The antennas that we manufacture can find their application in a range of telecommunication devices such as walkie talkies, in-building communication systems, radio transceivers, in built GPS system, barcode scanners and vehicle fins, over multiple frequency bands and mobile carrier network such as VHF, UHF, 5G, Wi-Fi, GPS, LTE and Bluetooth. Our sales markets cover Malaysia and foreign countries such as the USA and Germany. Please refer to Section 7 of this Prospectus for further details of our business overview.

3.3 GROUP STRUCTURE

Our Company was incorporated in Malaysia to act as the listing vehicle of Emits Technology. Our Group was formed after the completion of the Acquisition. Our Group's structure upon our Listing is depicted below:



3.4 COMPETITIVE STRENGTHS

(i) We have a proven track record as an OEM service provider for passive antennas

Our Group has approximately 10 years of operating track record as an OEM service provider for manufacturing passive antennas. Over the years, we have progressively expanded our production capacity, widened our customer base and enhanced competencies in passive antenna manufacturing services.

The antennas that we manufacture can find their applications in a variety of telecommunication devices or equipment. The wide range of applications of the antennas that we produce enables us to capture a wider market and customer base. Our continued focus on product quality, timely delivery and customer-centric service has also enabled us to foster long-standing relationships with our customers. Our ability to maintain long-term relationships with customers is a testament to our competencies and track record.

(ii) Our customers are mainly listed companies

Majority of our major customers are listed companies, who are mostly brand or product owners. Our customers have stringent supplier selection processes whereby they conduct detailed audits to ensure their suppliers are able to deliver their products based on, amongst others, their product and quality requirements. As a supplier to these listed companies, we had undergone and satisfied their audits and assessments, and our success in securing and retaining these customers is a testament to our expertise in delivering quality products and meeting their service standards.

(iii) We have strong commitment to quality and customer service

We place strong emphasis on product quality and are committed to manufacturing quality antennas that can consistently meet our customers' quality and service requirements. Hence, we have implemented stringent testing procedures at each stage of our production activities as part of our quality control and assurance procedures.

To reinforce our commitment in practising and delivering systematic and quality manufacturing processes, Emits Technology, our main operating subsidiary, has been accredited with ISO 14001: 2015 and ISO 9001:2015.

(iv) We invest in specialised testing facilities, equipment and production facilities

We recognise that our continuous investment in specialised machinery and equipment, as well as testing and production facilities, have been an important factor in sustaining our competitiveness. In addition, we also constantly invest in our R&D facilities in order to enable us to adapt and enhance our capability in rapid prototyping involving a wide range of antennas. This strategic focus reinforces our position as an OEM service provider for antennas.

(v) We are located within the Bayan Lepas Free Industrial Zone and in Taiwan

Our Penang Factory is located within the Bayan Lepas Free Industrial Zone in Penang. This strategic operating location provides us with several operational advantages such as eligibility for tax incentives and exemptions on imported raw materials and machinery for our production activities. In addition, the Penang Factory also enables us to achieve shorter manufacturing lead time due to close proximity to our suppliers, and connectivity to international markets through air and sea routes, thereby facilitating the export of our products to key sales markets.

In addition, we have an assembly line in Taiwan. Taiwan offers an established semiconductor and electronics industry as well as an established industry value chain for semiconductor and electronics manufacturing, which grants us easy access to suppliers and connectivity to international markets for our export sales.

(vi) We have experienced key senior management

We have been operating our business for approximately 10 years and our business operations are primarily managed by our Group Managing Director, Ts. Loy Boon Liang, who has more than 34 years of experience in business management and mechanical engineering. He is supported by our Executive Director and key senior management, who possess the requisite experience and expertise in their respective disciplines. The leadership and dedication of our key senior management is expected to continue contributing positively to our Group's business operations and future prospects.

(vii) We operate in a growing industry

Global sales of passive antennas grew from USD3.4 billion in 2021 to USD 4.8 billion in 2025, reflecting a CAGR of 9.0%, mainly driven by higher demand for telecommunication devices or equipment. Moving forward, future demand for passive antennas is expected to be supported by the growth of telecommunications, automotive, consumer electronics as well as aerospace and defence segments globally. As reference, PROVIDENCE projects the global passive antenna industry, in terms of the sales of passive antennas, to increase from USD4.8 billion in 2025 to USD5.7 billion in 2028, reflecting a CAGR of 5.9%. As an industry player, the positive industry outlook is envisaged to positively support our future growth.

Please refer to Section 7.17 of this Prospectus for further details of our competitive strengths.

3.5 BUSINESS STRATEGIES AND FUTURE PLANS

Our business strategies and future plans are as follows:

(i) We intend to expand our product portfolio to include 5G base station antennas

To capture a wider market, we are expanding our business to include manufacturing of 5G base station antennas. As part of our efforts to secure customers for our 5G base station antennas, as at the LPD, we are in discussions with CCI for manufacturing of 5G base station antennas on an OEM basis. For information purposes, CCI is a private limited company based in the USA that is mainly involved in the business of sales of wireless network equipment.

Our ability to secure the CCI 5G Base Station Antennas Project is dependent on, amongst others, our ability to produce demonstration units that meet the technical requirements and product specifications of CCI. As at the LPD, discussion with CCI to advance and secure the CCI 5G Base Station Antennas Project is on-going.

In the event we are unable to secure the CCI 5G Base Station Antennas Project or the actual purchase volumes from CCI are less than anticipated, we will repurpose all unutilised machinery and equipment that are dedicated for manufacturing of our 5G base station antennas, to produce other types of 5G antennas, for other potential customers that we may secure.

(ii) We intend to expand our R&D capabilities

Presently, we have an R&D department to undertake R&D activities. Our R&D activities require the use of various machinery and equipment to perform RF data analysis and internal sample tests. Some of these machinery and equipment are presently used for our production purposes. To better facilitate our R&D activities, we have allocated up to RM4.0 million of the proceeds from our Public Issue for purchases of new equipment and machinery that are dedicated for our R&D usage. In addition, we also intend to recruit 2 additional engineers to enhance our R&D capabilities.

The purchase of these new equipment and machinery would allow our R&D department to have a dedicated line of R&D infrastructure, enabling us to better spearhead our future R&D activities such as polarisation, frequency control patterns, RF gain, signal coverage and endurance to harsh environments (i.e. durability tests). These machinery and equipment can also be repurposed for our production activities to accommodate for large customer orders or purchase orders that requiring expeditious fulfilment.

Please refer to Section 7.18 of this Prospectus for further details of our business strategies and future plans.

3.6 RISK FACTORS

Before investing in our Shares, you should carefully consider, along with the other matters set out in this Prospectus, the risks and investment considerations. Set out below are some of the key risks relating to our Group's business and operations:

(i) We are highly dependent on Motorola Group as it accounts for a significant portion of our Group's revenue and the loss of this major customer could materially and adversely impact our business and future financial performance

Our business relationship with Motorola began in 2016 and since then, we have maintained a continuous business relationship with the Motorola Group. We are highly dependent on Motorola Group as it accounted for a significant portion of our Group's revenue. During the Financial Years and Period Under Review, Motorola Group was our largest customer, which constituted 65.6%, 80.5%, 72.9% and 78.1% of our Group's revenue in the FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively.

Although we have maintained a long-term business relationship with Motorola Group, there is no assurance that we can retain Motorola Group as a customer or that the Motorola Group will continue to maintain a similar purchase volume from our Group. If Motorola Group is dissatisfied with the quality of our products and such dissatisfaction not adequately addressed, it may switch to other suppliers or reduce purchases from our Group, which in turn may adversely affect our business and future financial performance.

(ii) Our financial performance may be subject to unfavourable foreign exchange rates as some of our sales and purchases are transacted in foreign currencies

Our Group is exposed to foreign exchange rate risks, especially the RM/USD exchange rate, as majority of our sales and purchases are transacted in USD. Unfavourable changes in foreign currency exchange rates may adversely impact our financial results when our revenue, purchases and cash proceeds denominated in foreign currencies are translated or when converted into the RM, being our functional currency.

Although we regularly monitor the prevailing exchange rates of the transacting currencies, there is no certainty that future fluctuations in foreign exchange rates would not have a material impact to our Group's business operations and financial performance.

(iii) There is no certainty that we are able to secure the CCI 5G Base Station Antennas Project and that the GP margin from the CCI 5G Base Station Antennas Project may be lower than our Group's historical average GP margin

One of our future plans is to expand our product portfolio to include manufacturing of 5G base station antennas. Our ability to secure the CCI 5G Base Station Antennas Project is dependent on, amongst others, our ability to produce demonstration units that meet the technical requirements and product specifications of CCI, failing which we may not be able to complete the pre-qualification tests, which in turn will result in a loss of business opportunity. Further, in the event we are unable to secure the CCI 5G Base Station Antennas Project or the actual purchase volumes from CCI are less than anticipated, we may have to incur additional costs to repurpose our machinery and equipment to produce other types of 5G antennas for other potential customers that we may secure. The costs of repurposing our machinery and equipment may adversely impact our Group's financial resources

Further, there is no certainty that the CCI 5G Base Station Antennas Project is able to yield a GP that approximates to our Group's historical average GP margin during the Financial Years and Period Under Review of between 25.3% and 30.2%, as 5G base station antennas require high volumes of input materials and labor costs. Hence, its direct production costs are expected to be relatively higher as compared to our other existing antennas products. Further, in the event the actual annual mass production volume from CCI is significantly lower than our estimate, we may not be able to achieve sufficient economies of scale from the CCI 5G Base Station Antennas Project, which in turn may result in a lower GP margin.

(iv) We are dependent on our Executive Directors, Key Senior Management, skilled engineering and technical staff

Our growth and success is also dependent on the expertise and contributions of our Executive Directors and key senior management for their leadership, management roles and technical know-how, as well as the expertise and experience of our engineers and technical personnel.

While we offer competitive remuneration packages, there is no certainty that we can always maintain sufficient talent pool for our business activities. Loss of any key personnel and/or our inability to timely find suitable replacement may adversely impact our business operations.

(v) We require licenses, permits and approvals from relevant government authorities and regulatory agencies for our business operations

We are required to maintain and renew our licenses, permits and approvals to carry out our existing business operations. Generally, our licenses, permits and approvals are subject to a variety of conditions. These conditions are, either stipulated in the licenses, permits or approvals, or under the particular legislation governing the licenses, permits and approvals.

If we fail to meet the terms and conditions imposed by the relevant governing authorities, we may not be able to renew or obtain the requisite licenses, permits or approvals which in such an event, could disrupt our business operations. Further, failure to maintain or renew our licenses, permits or approvals may result in suspension of the affected business operations.

(vi) We are exposed to risks of defects liabilities claims

Generally, our products are subject to a warranty period of up to 18 months from the date of delivery to our customers. If there is a material defect in our products, such as defects in design, materials, workmanship or labelling, we are required to replace or repair the defective products at our own cost and expense, or to issue a credit note to deduct selling value of the defective item.

In such event, we may need to incur costs to repair or replace the defective items, which may be substantial. Besides, if we are unable to provide the necessary rectification works or remedial actions to the satisfaction of our customers, our relationship with the affected customer will be adversely impacted.

(vii) We are dependent on Jy Chyun to carry out certain assembly and testing services

We are dependent on Jy Chyun as we engaged them to assemble certain semi-finished LMR antenna products produced from our Penang Factory, into finished LMR antenna products for final delivery to a specified customer of our Group.

Although Jy Chyun performs its assembly and testing services based on our prescribed procedures, there is no certainty that Jy Chyun will be able to consistently deliver and fulfill our quality requirements. In the event of material defects arising from the assembly and testing services performed by Jy Chyun, or a material delay in the final production by Jy Chyun, our relationship with the affected customer will be adversely impacted.

(viii) We require adequate supply of input materials and at competitive prices

We require various input materials for our production activities. Hence, significant or prolonged shortages of key input materials could disrupt our production activities. Save for the Service Agreement with Jy Chyun, we generally do not enter into long-term supply agreements with our suppliers or store large quantities of input materials at our Penang Factory.

In the absence of long-term supply agreements with our suppliers, there is no certainty that we can always obtain a stable source of input materials from our suppliers. Inability to obtain adequate and timely amount of quality input materials may potentially lead to production delay. Production delay could adversely affect our operating track record and credibility and/or exposing our Group to risks of late delivery penalties by our customers. Further, market price of our input materials may fluctuate from time to time, due to various market factors such as inflation. In the event of a material increase in the market price of input materials and we are unable to pass on such price increase to our customers, our profit margin will be eroded.

(ix) We may not have adequate insurance to cover all losses or liabilities

We have procured several insurance policies to insure our Group against certain risks and perils that may occur in the ordinary course of our business operations. While we regularly monitor and evaluate our insurance needs and requirements, there can be no assurance that our existing insurance coverages are sufficient to cover all losses or liabilities that may occur in our ordinary course of business. Losses exceeding our insured limit or arising from perils not covered by our insurance policies could adversely impact our business operations and profitability.

Please refer to Section 9 of this Prospectus for further details of our risk factors.

3.7 BASIS OF ARRIVING AT OUR IPO PRICE

Our IPO Price was determined and agreed upon between our Directors and Promoters together with Mercury Securities, our Principal Adviser, Sponsor, Underwriter and Placement Agent, after taking into consideration the following key factors:

(i) PE Multiple of approximately 14.4 times based on our combined EPS of 1.11 sen for the FYE 2025, calculated based on our audited combined PAT for the FYE 2025 of RM5.2 million and our enlarged issued share capital of 468,769,000 Shares upon our Listing;

(ii) our historical financial track record during the Financial Years and Period Under Review as summarised below:

	Audited			
	FYE 2023	**FYE 2024**	**FYE 2025**	**6-month FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	32,008	40,991	39,648	18,150
GP	8,101	12,381	11,121	4,841
PAT	2,168	5,831	5,204	2,071
EBIT	4,204	8,579	6,630	2,684
EBITDA	5,781	9,900	7,830	3,587
GP margin (%)	25.3%	30.2%	28.0%	26.7%
PAT margin (%)	6.8%	14.2%	13.1%	11.4%

(iii) our audited pro forma combined NA per Share as at 30 June 2026 after our Public Issue and utilisation of proceeds of RM0.097, calculated based on our pro forma combined NA of approximately RM45.6 million and our enlarged number of 468,769,000 Shares upon Listing.

3.8 UTILISATION OF PROCEEDS

Based on the IPO Price, the total gross proceeds to be raised from our Public Issue totalling RM15.0 million will be utilised by our Group in the following manner:

Purposes	**RM'000**	**%**	**Estimated timeframe for utilisation from the date of our Listing**
Working capital	6,801	45.3	Within 24 months
Purchase of machinery and equipment	4,000	26.7	Within 24 months
Estimated expenses for our Listing	4,200	28.0	Within 1 month
Total	**15,001**	**100.0**	

Please refer to Section 4.9 of this Prospectus for further details of the use of proceeds from our Public Issue.

3.9 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

The details of our Promoters and substantial shareholders, as well as their respective shareholdings in our Company before and upon our Listing, are as follows:

		After the Pre-IPO Restructuring but before Listing				Upon Listing			
		Direct		Indirect		Direct		Indirect	
Promoters	**Nationality**	**No. of Shares**	**[a]%**	**No. of Shares**	**[a]%**	**No. of Shares**	**[b]%**	**No. of Shares**	**[b]%**
Promoter and substantial shareholder									
Dato' Seri Goh	Malaysian	174,727,350	46.6	-	-	[c]159,351,350	34.0	[d]300,000	0.1
Promoters, substantial shareholders, Directors and key senior management									
Ts. Loy Boon Liang	Malaysian	71,328,000	19.0	-	-	[c]62,327,600	13.3	-	-
H'ng Chuen Yeou	Malaysian	71,328,000	19.0	-	-	[c]62,327,600	13.3	-	-
Substantial shareholder and key senior management									
Por Chee Seong	Malaysian	28,516,200	7.6	-	-	[c]25,516,000	5.4	-	-

Notes:

(a) Based on our issued share capital of 375,015,000 Shares after the pre-IPO restructuring.

(b) Based on our enlarged issued share capital of 468,769,000 Shares upon our Listing.

(c) The decrease in number of Shares held is due to the Offer for Sale as set out in Section 4.3.2 of this Prospectus.

(d) Deemed interest by virtue of the shareholding of his son-in-law (Chan Tsai-Huo) held in our Company pursuant to Section 59 of the Companies Act, assuming Chan Tsai-Huo fully subscribes for the 300,000 Issue Shares allocated to him under the Pink Form Allocation.

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

3.10 DIRECTORS AND KEY SENIOR MANAGEMENT

As at the LPD, our Directors and key senior management are set out below:

Name	Designation
Directors	
Dato' Low Suet Moi	Independent Non-Executive Director/Chairperson
Ts. Loy Boon Liang	Non-Independent Executive Director/Group Managing Director
H'ng Chuen Yeou	Non-Independent Executive Director
Chan Tsai-Huo	Non-Independent Non-Executive Director
Foong Wai Leng	Independent Non-Executive Director
Ewe Keang Teong	Independent Non-Executive Director
Tan Chye Suan	Independent Non-Executive Director
Key senior management	
Ts. Loy Boon Liang	Group Managing Director
H'ng Chuen Yeou	Executive Director
Teh Su Kang	Group Financial Controller
Por Chee Seong	Chief Technical Officer
Ho Kooi Yong	Chief Operating Officer

Please refer to Section 5 of this Prospectus for further details of our Directors and key senior management.

3.11 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. Notwithstanding the foregoing, our Company targets a dividend payout ratio of approximately 20% of PAT for each financial year on a consolidated basis. However, our ability to pay dividends or make other distributions to our shareholders in the future is dependent on, amongst others, our future financial performance, capital requirements and/or cash flow position.

Please refer to Section 12.14 of this Prospectus for further details on our dividend policy.

3.12 FINANCIAL HIGHLIGHTS

Our Group was profitable and generated positive cash flows from operating activities over the Financial Years and Period Under Review. Set out below is a summary of our combined financial information over the Financial Years and Period Under Review:

	Audited			
	FYE 2023	**FYE 2024**	**FYE 2025**	**6-month FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue				
- LMR antennas	29,212	38,335	36,300	17,337
- Embedded antennas	1,307	1,451	883	287
- Dome antennas	794	650	1,510	-
- Others	695	555	955	526
Group's revenue	**32,008**	**40,991**	**39,648**	**18,150**
Other income	255	752	643	374

	Audited			
	FYE 2023	**FYE 2024**	**FYE 2025**	**6-month FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
GP	8,101	12,381	11,121	4,841
EBITDA	5,781	9,900	7,830	3,587
EBIT	4,204	8,579	6,630	2,684
PBT	3,012	7,902	6,195	2,516
PAT	2,168	5,831	5,204	2,071
Basic EPS[(a)] / Diluted EPS (sen)[(b)]	0.46	1.24	1.11	0.44
Selected financial information				
GP margin (%)	25.3	30.2	28.0	26.7
PBT margin (%)	9.4	19.3	15.6	13.9
PAT margin (%)	6.8	14.2	13.1	11.4
Effective tax rate (%)	28.0	26.2	16.0	17.7
Current ratio (times)	2.7	2.3	2.9	3.5
Gearing ratio (times)	0.8	0.4	0.2	0.2
Cash flows				
Net cash from operating activities	8,654	8,878	6,819	2,664
Net cash used in investing activities	(100)	(433)	(4,282)	(470)
Net cash used in financing activities	(6,770)	(3,780)	(2,299)	(1,394)
Cash and cash equivalents at end of the financial year/period	3,031	7,597	6,888	7,857

Notes:

(a) Calculated based on our combined PAT divided by our enlarged issued share capital of 468,769,000 Shares upon our Listing.

(b) Our diluted EPS is the same as our basic EPS, following full conversion of the RCPS into new ET Shares on 3 December 2025 as part of our pre-IPO restructuring exercise. As at the LPD, Our Company does not have any outstanding convertible securities in issue.

Our historical combined financial statements have been prepared in accordance with MFRS and IFRS. There were no audit qualification by TGS TW PLT, our Auditors and Reporting Accountants, on our audited combined financial statements for the Financial Years and Period Under Review. For information purposes, as disclosed in Note 1(f) of our Accountants' Report in Section 13 of this Prospectus, the audited financial statements of Emits Radio Wave for the FYE 2023 was previously qualified by its local auditor in Taiwan in respect of the existence of inventories, as no physical inventory count was then performed by the local auditor during audit review. In response to this, TGS TW PLT, had conducted physical inventory count procedures for the FYE 2024, and rollback procedures to verify Emits Radio Wave's inventory quantities as at 31 December 2023. Following this, TGS TW PLT had determined that the carrying value of Emits Radio Wave's inventory at 31 December 2023 is fairly stated, and therefore, the matter giving rise to the previous qualification has been rectified.

Please refer to Sections 12 and 13 of this Prospectus for further details of our financial information.

3.13 INTERRUPTIONS TO BUSINESS AND OPERATIONS

Our Group did not experience any interruptions in our operations in the past 12 months up to the LPD which had a significant effect on our operations.

4. PARTICULARS OF OUR IPO

4.1 OPENING AND CLOSING OF APPLICATION

The Application for our IPO Shares will open at 10:00 a.m. on 6 November 2026 and will remain open until 5:00 p.m. on 19 November 2026. **Late Applications will not be accepted.**

4.2 INDICATIVE TIMETABLE

The indicative timetable for our IPO is as follows:

Event	Tentative time and date
Issuance of this Prospectus/Opening of Application	10:00 a.m., 6 November 2026
Closing of Application	5:00 p.m., 19 November 2026
Balloting of Application	23 November 2026
Allotment/Transfer of IPO Shares to successful Applicants	30 November 2026
Listing on the ACE Market	1 December 2026

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

4.3 DETAILS OF OUR IPO

Our IPO consists of the Public Issue and Offer for Sale, totalling 131,256,000 IPO Shares, representing approximately 28.0% of our enlarged issued share capital. Our IPO is subject to the terms and conditions of this Prospectus.

Our IPO Shares will be allocated in the following manner, subject to the clawback and reallocation provisions as set out in Section 4.3.3 of this Prospectus:

	Issue Shares		Offer Shares		Total	
Allocation	**No. of Shares**	**[(a)]%**	**No. of Shares**	**[(a)]%**	**No. of Shares**	**[(a)]%**
Retail offering						
– Malaysian Public via balloting	23,439,000	5.0	-	-	23,439,000	5.0
– Eligible Persons	11,719,000	2.5	-	-	11,719,000	2.5
Private placement						
Selected investors	58,596,000	12.5	37,502,000	8.0	96,098,000	20.5
Total	**93,754,000**	**20.0**	**37,502,000**	**8.0**	**131,256,000**	**28.0**

Note:

(a) Based on our enlarged issued share capital of 468,769,000 Shares upon Listing.

4. PARTICULARS OF OUR IPO (cont'd)

4.3.1 Public Issue

Our Public Issue of 93,754,000 Issue Shares, representing approximately 20.0% of our enlarged issued share capital, will be offered for application at the IPO Price in the following manner:

(i) Malaysian Public

23,439,000 Issue Shares, representing approximately 5.0% of our enlarged issued share capital, will be made available for application by the Malaysian Public via balloting in the following manner:

(a) 11,719,500 Issue Shares, representing 2.5% of our enlarged issued share capital, will be made available for application by the Bumiputera public investors; and

(b) 11,719,500 Issue Shares, representing 2.5% of our enlarged issued share capital, will be made available for application by all public investors.

(ii) Eligible Persons

11,719,000 Issue Shares, representing approximately 2.5% of our enlarged issued share capital, will be made available for application by the Eligible Persons under the Pink Form Allocations as follows:

Eligible Person	Note	No. of persons	No. of Issue Shares allocated
Eligible Directors	(a)	5	1,500,000
Eligible employees	(b)	49	4,919,000
Persons who have contributed to our success	(c)	48	5,300,000
Total		**102**	**11,719,000**

Notes:

(a) Reserved for application by our eligible Directors as follows:

Name	Designation	No. of Issue Shares allocated
Dato' Low Suet Moi	Independent Non-Executive Director/ Chairperson	300,000
Chan Tsai-Huo	Non-Independent Non-Executive Director	300,000
Foong Wai Leng	Independent Non-Executive Director	300,000
Ewe Keang Teong	Independent Non-Executive Director	300,000
Tan Chye Suan	Independent Non-Executive Director	300,000
		1,500,000

The allocation to our eligible Directors is based on, amongst others, their respective roles and responsibilities in our Company.

The other Directors, namely Ts. Loy Boon Liang and H'ng Chuen Yeou, who are also our Selling Shareholders, will not participate in the Pink Form Allocation.

(b) Reserved for application by our eligible employees, who are full-time confirmed employees.

The allocation to each respective eligible employees will be based on, amongst others, their respective role and seniority in our Group, as well as their respective length of service and level of contribution to our Group.

Out of the total Pink Form Allocation to our eligible employees, a total of 300,000 Issue Shares have been reserved for application by the following key senior management of our Group:

Name	Designation	No. of Issue Shares allocated
Teh Su Kang	Group Financial Controller	300,000

The other key senior management of our Group, namely Ts. Loy Boon Liang, H'ng Chuen Yeou, Por Chee Seong and Ho Kooi Yong, who are also our Selling Shareholders, will not participate in the Pink Form Allocation.

(c) Reserved for application by persons who have contributed to the success of our Group, which may include our customers, suppliers and business associates.

The criteria for allocation of the Issue Shares to persons who have contributed to the success of our Group are based on amongst others, their nature and length of business relationships with our Group, as well as their level of contributions to our business.

For avoidance of doubt, these persons shall not be a person related to our Promoters, Selling Shareholders, substantial shareholders and Directors.

Other than Chan Tsai-Huo, who is our eligible Director and a person connected to Dato' Seri Goh, there are no other allocation of Issue Shares for application by persons connected to our Promoter, substantial shareholder and Director. The nature of relationship of Chan Tsai-Huo as a person connected to Dato' Seri Goh is as follows:

Name	Designation	Nature of relationship	No. of Issue Shares allocated
Chan Tsai-Huo	▪ Non-Independent Non-Executive Director of our Company ▪ Director of Emits Technology	Son-in-law of Dato' Seri Goh. Dato' Seri Goh is our promoter and substantial shareholder.	300,000

(iii) Placement to selected investors

58,596,000 Issue Shares, representing approximately 12.5% of our enlarged issued share capital, will be made available for application by way of private placement to selected investors.

4. PARTICULARS OF OUR IPO (cont'd)

4.3.2 Offer for Sale

Our Selling Shareholders are offering for sale of 37,502,000 Offer Shares, representing approximately 8.0% of our enlarged issued share capital, at the IPO Price, by way of private placement to selected investors. Details of our Selling Shareholders and their respective Offer Shares are as follows:

			Before our IPO		Offer for Sale			Upon our Listing	
Name	**Address**	**Nature of relationship**	**No. of Shares**	**[a]%**	**No. of Offer Shares**	**[a]%**	**[b]%**	**No. of Shares**	**[b]%**
Dato' Seri Goh	Unit 1-05-02, Level 5, e-Gate, Lebuh Tunku Kudin, 11700 Gelugor, Pulau Pinang	Promoter and substantial shareholder	174,727,350	46.6	15,376,000	4.1	3.3	159,351,350	34.0
Ts. Loy Boon Liang	No.7, Jalan Rajawali 9, 11900 Bayan Lepas, Pulau Pinang	Promoter, substantial shareholder and Non-Independent Executive Director/Group Managing Director	71,328,000	19.0	9,000,400	2.4	1.9	62,327,600	13.3
H'ng Chuen Yeou	99E 18-6, Ideal Regency, Jalan Bukit Gambir, 11700 Gelugor, Pulau Pinang	Promoter, substantial shareholder and Non-Independent Executive Director	71,328,000	19.0	9,000,400	2.4	1.9	62,327,600	13.3
Por Chee Seong	2, Lebuh Rambai Lima, 11060 Paya Terubong, Pulau Pinang	Substantial shareholder and key senior management	28,516,200	7.6	3,000,200	0.8	0.6	25,516,000	5.4
Ho Kooi Yong	M-8-8, Desa Medura, Lebuh Relau 6, Taman Desa Relau, 11900 Relau, Pulau Pinang	Shareholder and key senior management	10,695,450	2.9	1,125,000	0.3	0.2	9,570,450	2.0

Notes:

(a) Based on our issued share capital of 375,015,000 Shares after the pre-IPO restructuring exercises but before our IPO.

(b) Based on our enlarged issued share capital of 468,769,000 Shares upon Listing.

Based on the IPO Price, the Offer for Sale will raise total gross proceeds of RM6.0 million, which will accrue entirely to the Selling Shareholders. All expenses relating to the Offer for Sale of up to RM0.15 million will be fully borne by the Selling Shareholders. The Offer for Sale is subject to the terms and conditions of this Prospectus.

4.3.3 Clawback and Reallocation

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

(i) Malaysian Public

If there is an under-subscription in the allocation to Malaysian Public via balloting and there is an over-subscription in the private placement to selected investors, such undersubscribed Issue Shares will be clawed back from the allocation to Malaysian Public and reallocated to selected investors via private placement.

However, if there is an under-subscription in the allocation to Malaysian Public via balloting but no over-subscription in the private placement to selected investors, such remaining unsubscribed Issue Shares will be underwritten by our Underwriter.

(ii) Eligible Persons

Any Issue Share not taken up by the respective Eligible Persons based on their pre-determined allocation shall be made available for application by the other Eligible Persons (excluding eligible Directors) who have applied for excess Issue Shares in addition to their pre-determined allocation ("**Excess Issue Shares**").

Such Excess Issue Shares will be allocated to these other Eligible Persons (excluding eligible Directors) on a fair and equitable basis in the following priority:

(a) firstly, on a pro-rata basis, to the Eligible Persons (excluding eligible Directors) who have applied for the Excess Issue Shares based on the number of Excess Issue Shares applied for; and

(b) secondly, to minimise odd lots.

Our Board reserves the right to allocate to the Eligible Persons (excluding eligible Directors) who have applied for Excess Issue Shares in addition to their predetermined allocation at their discretion in such manner as it deems fit and expedient in the best interest of our Company. Our Board also reserves the right to accept or reject any Excess Issue Shares application, in full or in part, without assigning any reason thereto.

Any further Issue Shares which are not subscribed for under the Pink Form Allocation will be clawed back and reallocated for application in the following order:

(a) by the Malaysian Public via balloting;

(b) by selected investors via private placement; and

(c) lastly by our Underwriter.

4. PARTICULARS OF OUR IPO (cont'd)

(iii) Placement to selected investors

If there is an under-subscription in the allocation to selected investors via private placement and there is an over-subscription in the allocation to the Malaysian Public, such undersubscribed IPO Shares will be clawed back from the private placement to selected investors and reallocated to the Malaysian Public via balloting.

For clarity, 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 for acceptance and receipt of Applications/subscription for our IPO Shares.

The allocation of our IPO Shares will be made in a fair and equitable manner, and will also 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 so to meet the public shareholding spread requirements of Bursa Securities, as well as to establish a liquid market for our Shares.

There is no over-allotment or "greenshoe" option that will result in an increase in the number of our IPO Shares.

As at the LPD, to the extent known to our Company:

(i) there is no person who intends to subscribe for more than 5.0% of our IPO Shares; and

(ii) save for the Pink Form Allocation made available for application by the Eligible Persons as set out in Section 4.3.1(ii) above, none of our Promoters, Selling Shareholders, substantial shareholders, Directors or key senior management have the intention to apply and subscribe for our IPO Shares.

4.3.4 Minimum Subscription

There is no minimum level of subscription in terms of the proceeds to be raised by us from our IPO. However, in order to comply with the public shareholding spread requirements of Bursa Securities, we are required to have at least 25.0% of our enlarged issued share capital to be held by a minimum of 200 public shareholders, holding not less than 100 Shares each. We expect to meet the public shareholding spread requirement at the point of our Listing.

If we fail to meet the abovesaid requirements, 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, all monies paid in respect of all the 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.

4.3.5 Price Stabilisation Mechanism

We will not be employing any price stabilisation mechanism (which is in accordance with the Capital Markets and Services (Price Stabilisation Mechanism) Regulations 2008) for our IPO.

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4.4 ISSUED SHARE CAPITAL AND MARKET CAPITALISATION UPON LISTING

Our issued share capital and market capitalisation upon Listing is as follows:

Details	No. of Shares	RM
After the pre-IPO restructuring	375,015,000	25,001,000
New Shares to be issued pursuant to our Public Issue	93,754,000	[(a)]13,926,408
Enlarged issued share capital upon our Listing	**468,769,000**	**38,927,408**

IPO Price	**RM0.16**
Market capitalisation upon our Listing	**RM75.0 million**

Note:

(a) After deducting the estimated Listing expenses directly attributable to the issuance of our Issue Shares of approximately RM1.1 million.

4.5 CLASSES OF SHARES AND RANKING

As at the date of this Prospectus, we only have one class of share, being ordinary shares, all of which rank equally with each other.

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

Our Offer Shares rank equally in all respects with our other existing Shares, including voting rights and rights to all dividends and distributions that may be declared subsequent to the date of transfer of the Offer Shares.

Subject to any special rights attaching to any Shares which we may issue in the future, our shareholders shall, in proportion to the amount paid on our Shares held by them, be entitled to share the whole of the profits paid out by us as dividends and other distributions, and the whole of any surplus in the event of our liquidation, such surplus to be distributed among the members in proportion to the issued share capital at the commencement of the liquidation, in accordance with our Constitution and provisions of the Companies Act.

At any general meeting of our Company, each shareholder shall be entitled to vote in person, by proxy or by attorney or by a duly authorised representative under the instrument of proxy or certificate of appointment of corporate representative or power of attorney ("**Authorised Representative**"). Subject to the Listing Requirements, any resolution put to vote in the general meeting shall be decided by way of poll. On a vote by way of poll, each present shareholder either in person, by proxy or by Authorised Representative shall have 1 vote for each Share held. On a show of hands, each present shareholder either in person, by proxy or by Authorised Representative shall have 1 vote. A proxy may, but need not be, a shareholder of our Company.

4.6 OBJECTIVES OF OUR LISTING AND IPO

The objectives of our Listing and IPO are as follows:

(i) to gain recognition through our prestigious listing status as an ACE Market listed issuer, which will enhance our brand name and corporate profile;

(ii) to tap into to the equity capital market for fund raising exercises, and to provide us with financial flexibility to pursue future growth opportunities that may arise; and

(iii) to provide an opportunity for the Malaysian Public, our eligible Directors and employees to participate in our equity.

4.7 BASIS OF ARRIVING AT OUR IPO PRICE

Our IPO Price was determined and agreed upon between our Directors and Promoters together with Mercury Securities, our Principal Adviser, Sponsor, Underwriter and Placement Agent, after taking into consideration the following key factors:

(i) PE Multiple of approximately 14.4 times based on our combined EPS of 1.11 sen for the FYE 2025, calculated based on our audited combined PAT for the FYE 2025 of RM5.2 million and our enlarged issued share capital of 468,769,000 Shares upon our Listing;

(ii) our historical financial results during the Financial Years and Period Under Review as summarised below:

	Audited			
	FYE 2023	**FYE 2024**	**FYE 2025**	**6-month FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	32,008	40,991	39,648	18,150
GP	8,101	12,381	11,121	4,841
PAT	2,168	5,831	5,204	2,071
EBIT	4,204	8,579	6,630	2,684
EBITDA	5,781	9,900	7,830	3,587
GP margin (%)	25.3%	30.2%	28.0%	26.7%
PAT margin (%)	6.8%	14.2%	13.1%	11.4%

(iii) our pro forma combined NA per Share as at 30 June 2026 after our Public Issue and utilisation of proceeds of RM0.097, calculated based on our pro forma combined NA of approximately RM45.6 million and our enlarged number of 468,769,000 Shares upon Listing. Please refer to Section 14 of this Prospectus for details of our audited pro forma combined NA per Share as at 30 June 2026;

(iv) our competitive strengths as set out in Section 7.17 of this Prospectus;

(v) our business strategies and future plans as set out in Section 7.18 of this Prospectus; and

(vi) the outlook of the industry in which we operate as set out in the IMR Report in Section 8 of this Prospectus.

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

4. PARTICULARS OF OUR IPO (cont'd)

4.8 DILUTION

4.8.1 NA per Share

Dilution is the amount computed as the difference between our IPO Price and our pro forma combined NA per Share immediately after our IPO. The following table illustrates such dilution on a per Share basis:

	Formula	RM
IPO Price	(A)	0.160
Pro forma combined NA per Share as at 30 June 2026 after our pre-IPO restructuring	(B)	0.092
Pro forma combined NA per Share as at 30 June 2026 after our Public Issue and use of proceeds	(C)	0.097
Increase in pro forma combined NA per Share to our existing shareholders	(C) – (B)	0.005
Dilution in the pro forma combined NA per Share to our new investors	(C) – (A)	0.063
Dilution in the pro forma combined NA per Share to our new investors as a percentage of our IPO Price	{(C) – (A)}/(A)	39.4%

4.8.2 Effective Cost Per Share

Save for the following and the Pink Form Allocation to our eligible Directors and key senior management, there has been no other acquisition or subscription of any of our Shares by our Promoters, substantial shareholders, Directors and key senior management and/or persons connected to them, or any transaction entered into by them which grants them the right to acquire any of our Shares since the incorporation of our Company and up to the date of this Prospectus:

Name	No. of Shares held after the pre-IPO restructuring but before our Listing	Total Consideration	Average effective cost per Share
		RM	RM
Promoter and substantial shareholder			
Dato' Seri Goh	174,727,350	3,675,490	0.02
Promoters, substantial shareholder and Director			
Ts. Loy Boon Liang	71,328,000	1,500,200	0.02
H'ng Chuen Yeou	71,328,000	1,500,200	0.02
Substantial shareholder and key senior management			
Por Chee Seong	28,516,200	600,080	0.02
Key senior management			
Ho Kooi Yong	10,695,450	225,000	0.02

4.9 UTILISATION OF PROCEEDS

Based on the IPO Price, we will raise total gross proceeds of approximately RM15.0 million from our Public Issue, which will be utilised by our Group in the following manner:

Purposes	Note	RM'000	%	Estimated timeframe for utilisation from the date of our Listing
Working capital	4.9.1	6,801	45.3	Within 24 months
Purchase of machinery and equipment	4.9.2	4,000	26.7	Within 24 months
Estimated expenses for our Listing	4.9.3	4,200	28.0	Within 1 month
Total		**15,001**	**100.0**	

Pending utilisation of the proceeds raised from our Public Issue, the funds will be placed in interest-bearing accounts with licensed financial institutions or short-term money market instruments. Interest earned from placement of the proceeds in the interest-bearing accounts with licensed financial institutions and/or gains from short-term money market instruments will be utilised as additional working capital for our Group. Further details on the use of proceeds from our Public Issue are as follows:

4.9.1 Working Capital

For the past 3 FYEs, our revenue had grown from RM32.0 million in the FYE 2023 to RM39.6 million in the FYE 2025, reflecting a CAGR of 11.2%. In tandem with our revenue growth, our COS had also grown from RM23.9 million in the FYE 2023 to RM28.5 million in the FYE 2025, reflecting a CAGR of 9.2%. Input materials and labour supply costs were the main components of our COS, collectively accounted for 82.5%, 83.0% and 82.3% of our COS in the FYE 2023, FYE 2024 and FYE 2025 respectively.

Our working capital requirements will typically increase as our business grows. This is in view that we are required to purchase input materials and to recruit contract workers at production stage. Thus, in view of our future plans as set out in Section 7.18 of this Prospectus and the positive industry outlook as set out in Section 8 of this Prospectus, we anticipate that our working capital requirements will increase as our business poised to grow.

Accordingly, RM6.8 million of the total gross proceeds to be raised from our Public Issue are earmarked to fund our future working capital requirements, as follows:

	RM'000
New projects	6,000
General working capital requirements	801
Total	**6,801**

While we have been able to generate positive cash flows from our operating activities during the Financial Years and Period Under Review, the additional working capital injected into our Group will enhance our overall cash flows position and liquidity, which in turn would allow us to conduct our business and operations more efficiently and without being overly reliant on banking and trade facilities for growth.

4. PARTICULARS OF OUR IPO (cont'd)

(i) New Projects

We are actively seeking for new customers and more manufacturing projects to embark on as we strive to grow our business.

As set out in Section 7.18.1 of this Prospectus, one of our future plans is to expand our products porfolio to include manufacturing of 5G base station antennas. The product details of our 5G base station antennas are set out in Section 7.2 of this Prospectus.

Given that 5G base station antenna is a new product offering of our Group, to expand into this business, we have set up 4 new production lines at our Penang Factory, which are operationally ready for manufacturing of 5G base station antennas with total annual manufacturing capacity for approximately 6,336 units of 5G base station antennas. .

The total costs incurred to set up the said 4 new production lines were approximately RM5.5 million, and these capital expenditures have been fully financed and defrayed through our Group's internally-generated funds and proceeds from the RCPS Issuance, details of which are set out in Section 7.18.1 of this Prospectus.

As with other OEM manufacturing projects, prior to securing purchase orders for a new product from an existing or new customer, we are required to, amongst others, produce demonstration units for their pre-qualification tests and acceptance.

As part of our efforts to secure new customer for this new product offering, at the LPD, we are in discussion with CCI, a private limited company based in the USA that is mainly involved in the business of sales of wireless network equipment, to manufacture 5G base station antennas on an OEM basis.

During the 1st quarter of 2026, our Group had produced and delivered [(a)]40 demonstration units of 5G base station antennas to CCI for pre-qualification tests. These antennas were built according to the existing engineering design and product requirements of CCI.

The [(a)]40 demonstration units comprised 2 models of 5G base station antennas, wherein we had in May 2026 obtained CCI's conditional approval for 1 of the models, while pre-qualification tests for the other model was not completed by CCI, as CCI had in end-July 2026 requested for additional product specifications to be included in both models of our demonstration units.

The engineering change order by CCI was intended to enhance the application and functionality of its 5G base station antennas, whereby one of the key enhanced features is to extend the current low band antenna frequency range from 698 MHz down to 617 MHz to support spectrum requirements for certain software applications.

In September 2026, we have been requested by CCI to produce new set of demonstration units based on the revised engineering design/product requirements of its 5G base station antennas. Based on current business engagement with CCI, we expect CCI to provide us with the revised engineering design/ product requirements of its 5G base station antennas within 6 to 9 months from the LPD, as CCI requires some time to finalise the revised engineering design. Upon receiving the revised engineering design/ product requirements from CCI, we will then proceed to produce the requisite new set of demonstration units for CCI's pre-qualification tests and acceptance.

For information, the pre-qualification tests may take up to approximately 6 months to complete as 5G base station antennas are technically more complex as compared to other types of antennas (such as LMR antenna) that we currently produce.

Note:

(a) We did not incur significant direct production costs to produce the demonstration units as elaborated in Section 7.18.1 of this Prospectus.

Upon passing the pre-qualification tests, CCI may require us to manufacture between 4,000 to 6,000 units of 5G base station antenna on an annual basis. Indicatively, the estimated selling price of our 5G base station antenna is at least USD 1,000 per unit (or equivalent to approximately RM4,085 per unit).

To meet the estimated annual production volume and considering our average trade receivable turnover periods of approximately 107 days over the Financial Years and Period Under Review, we may require additional funding of up to RM6.0 million to finance the estimated working capital requirements for mass production of 5G base station antennas under the CCI 5G Base Station Antennas Project. The allocated proceeds will be mainly utilised for the following purposes:

Utilisation	**RM'000**
- Purchase of raw materials such as cables, PCBA, cable routing accessories, metal and stamping parts, plastic moulding, screws and nuts, insulators, gaskets, rivets and adhesive.	[(a)]5,200
- Recruit additional 40 contract workers to carry out relevant manual sub-assembly works	[(b)]300
- Factory overheads and direct staff costs	[(c)]500
Total	**6,000**

Notes:

(a) Estimated based on our actual unit purchase price of raw materials in producing demonstration units, and the estimated amount of raw materials that we need to purchase to meet first 3 months of production volume.

(b) Estimated based on the projected headcount of contract workers that we need to recruit and the current wage rates of our existing contract workers.

(c) Estimated based on the projected utilities as well as general upkeep and maintenance costs that we need to incur to operationalise the 4 new production lines installed for the CCI 5G Base Station Antennas Project, and the estimated staffs costs that we need to incur for hiring up to 7 additional production staffs to support the operation of the said 4 new production lines.

With the allocated proceeds, we would be able to fund the estimated working capital needs for the CCI 5G Base Station Antennas Project without increasing our Group's gearing ratio and finance costs as compared to bank borrowings. As at 30 June 2026, our Group's gearing ratio stood at approximately 0.2 times.

As at the LPD, discussions with CCI to advance and secure the CCI 5G Base Station Antennas Project is on-going. In the event we are unable to secure the CCI 5G Base Station Antennas Project, or the actual purchase volumes from CCI are less than anticipated, we will repurpose all unutilised machinery and equipment that are dedicated for the manufacturing of our 5G base station antennas, to produce other types of 5G antennas, for other potential customers that we may secure. Accordingly, any remaining unutilised proceeds will be utilised for purchases of raw materials for other 5G antennas manufacturing orders that we may secure.

For information purposes, upon Listing, in compliance with Rule 9.22 of the Listing Requirements, our Company is required to issue an interim financial report on a quarterly basis, within 2 months after the end of each quarter of our financial year. Amongst others, our interim financial report is required to set out a brief explanation of the status of utilisation of the proceeds raised from our Public Issue including how are the unused balance is being held by our Company. Thus, necessary status updates pertaining to the utilisation of proceeds will be set out in our quarterly interim financial report.

(ii) General Working Capital Requirements

The allocated proceeds will be utilised to fund the enlarged working capital requirements of our Group as our business grow:

Utilisation	**RM'000**
- Insurance costs	[(a)]400
- Marketing expenditures	[(b)]200
- General administrative expenses	[(c)]201
Total	**801**

Notes:

(a) We expect to scale our business operations over time. Thus we would need to increase our insurace coverage in order to insure our Group against our enlarged operational risks such as fire, commercial general liability and professional liability risks.

The allocated proceeds will be utilised for purchases of additional insurance policies, where necessary and deemed fit by our Executive Directors, based on the prevailing scale of our business operations.

(b) As our sales markets include foreign countries, we intend to conduct more customer presentations in both Malaysia and overseas to enhance our visibility and market reach. These inititiaves aim to create greater awareness of our Group's market presence, and to establish a closer relationship with our customers.

Proceeds earmarked for this purpose will be mainly utilised for business travel and accommodation costs, marketing costs and/or introducer fees. The overseas markets that we intend to further expand into are the USA, Europe, United Kingdom and Japan, which are also currently our key sales markets.

(c) Other general and administrative expenses mainly comprise professional fees to be incurred post-Listing (such as sponsorship, share registrar, company secretary and investor relations consultant fees), general meeting expenses, and for general welfare activities for our employees.

In the event the actual utilisation is higher than the allocated proceeds, the shortfall will be funded from our internally-generated funds. Conversely, if the actual utilisation are lower than the allocated proceeds, the surplus will be utilised to fund the working capital requirements of new projects that we may secure.

4.9.2 Purchases of Machinery and Equipment

We constantly undertake R&D activities to enhance our competitiveness, especially in terms of our capabilities in rapid prototyping and antenna engine design services.

As at the LPD, some of our R&D activities are undertaken using the machinery and equipment of our production lines. To minimise operations disruption, up to RM4.0 million of the proceeds from our Public Issue have been earmarked for purchases of the following machinery and equipment for our R&D department:

Machinery and equipment	**Purpose**	**Estimated costs**
Prototyping and design machine	▪ To purchase: ➢ 1 unit of 3D prototyping machine; ➢ 1 unit of PCB prototyping machine; ➢ 1 unit of 3D printer; and ➢ 1 unit of Modex 3D professional. ▪ Rapid prototyping is the process of quickly creating physical models of a product using 3D computer-aided design data. These machines thereby allows our engineers to quickly produce and test iterations of a design, helping to validate design ideas, reduce development time and refine product characteristics such as shape, size and usability.	**RM'000** [(a)]1,000
Moulding machine	▪ To purchase: ➢ 3 units of moulding machines; and ➢ 1 unit of resin mixer. ▪ Moulding machines are used for shaping our antenna products. Our Group currently has 13 injection moulding machines for our own production activities. Purchasing additional moulding machines will allow us to have a dedicated set of moulding machines for our R&D activities.	[(a)]2,500
Interconnect machine	▪ To purchase: ➢ 2 units of laser spot welding machines. ▪ Laser spot welding machines are high precision machines used for joining 2 or more separate metal surfaces at a single spot.	[(a)]300
Testing equipment machine	▪ To purchase: ➢ 1 unit of thermal shock chamber. ▪ Thermal shock chamber is a specialised environmental test chamber designed to rapidly expose materials or products to harsh conditions and sudden temperature changes in order to assess their durability.	[(a)]200

Note:

(a) The estimated costs are arrived at based on sales quotations from our suppliers as follows:

Machinery and equipment	**Estimated unit price**
	RM'000
- 3D prototyping machine	50
- PCB prototyping machine	300
- 3D printer	50
- Modex 3D professional	600
- Moulding machine	800
- Resin mixer	100
- Laser spot welding machine	150
- Thermal shock chamber	200

Having these additional machinery and equipment would enable our R&D department to have a dedicated line of R&D infrastructure, thereby allowing them to undertake relevant R&D activities from time to time. For clarity, the above machinery and equipment can also be repurposed for our production activities when there are major purchase orders from our customers or purchase orders requiring urgent fulfillment.

In the event the actual total purchase costs are higher than the allocated proceeds, the shortfall will be funded from our internally-generated funds. Conversely, if the actual total purchase costs are lower than the allocated proceeds, the surplus will be utilised to fund the working capital requirements of new projects that we may secure.

4.9.3 Estimated Expenses for Our Listing

We intend to allocate up to RM4.2 million of the gross proceeds from our Public Issue to defray our estimated Listing expenses, which mainly comprise the following:

Estimated Listing expenses	**RM'000**
Professional fees[(a)]	3,250
Estimated underwriting, placement and brokerage fees for our Public Issue	490
Processing fees to authorities	150
Printing, advertising and other miscellaneous expenses	310
Total	**4,200**

Note:

(a) Comprise mainly advisory and professional fees to our advisers for our Listing exercise such as our Principal Adviser, Legal Advisers, Reporting Accountants and Auditors and IMR.

In the event the actual utilisation is higher than the allocated proceeds, the shortfall will be funded from our internally-generated funds. Conversely, if the actual utilisation is lower than the allocated proceeds, the surplus will be utilised to fund the working capital requirements of new projects that we may secure.

4.10 UNDERWRITING COMMISSION, BROKERAGE AND PLACEMENT FEES

4.10.1 Underwriting Commission

Our Underwriter has agreed to underwrite 35,158,000 Issue Shares which are available for application by the Malaysian Public and Eligible Persons. We are obliged to pay our Underwriter an underwriting commission at the rate of 2.5% of the total value of the underwritten Shares at our IPO Price.

4.10.2 Brokerage Fee

We will pay brokerage fee at the rate of 1.0% of our IPO Price in respect of successful Applications bearing the stamp of Mercury Securities, participating organisations of Bursa Securities, members of the Association of Banks in Malaysia, members of the Malaysian Investment Banking Association or our Issuing House.

4.10.3 Placement Fee

Our Placement Agent has agreed to place out 58,596,000 Issue Shares made available by way of private placement to selected investors as set out in Sections 4.3.1(iii) of this Prospectus. We will pay our Placement Agent a placement fee of up to 2.5% of the total value of the Issue Shares placed out to selected investors at the IPO Price.

Our Placement Agent has agreed to place out 37,502,000 Offer Shares made available by way of private placement to selected investors as set out in Sections 4.3.2 of this Prospectus, at placement fee of up to 2.5% of the total value of the Offer Shares placed out to selected investors at the IPO Price. The placement fee to be incurred on the placement of the Offer Shares will be fully borne by our Selling Shareholders.

4.11 SALIENT TERMS OF THE UNDERWRITING AGREEMENT

Our Company had on 19 October 2026 entered into the Underwriting Agreement with our Underwriter, whereby our Underwriter had agreed to underwrite 35,158,000 Issue Shares at the IPO Price, which will be made available for application by the Malaysian Public via balloting and the Eligible Persons ("**Underwritten Shares**"), upon the terms and subject to the conditions therein contained.

4.11.1 Obligations of our Underwriter

The obligation of our Underwriter to underwrite the Underwritten Shares under the Underwriting Agreement is conditional on the performance of our Company of our obligations under the Underwriting Agreement as at the date of the Underwriting Agreement, date of opening of Applications, date of closing of Applications and/or prior to the date of our Listing, as the case may be and conditional on, amongst others, the following:

(i) our Underwriter receiving the certificate in the form or substantially in the form contained in the Underwriting Agreement, one dated the date of registration of the Prospectus and the other dated on the date of closing of Applications, both of which are to be signed by at least one Director of our Company (on behalf of our Board) stating that, to the best of knowledge and belief, after having made all reasonable enquiries with our Directors and management of our Company, there has been no such change, development or occurrence as set out in the Underwriting Agreement and being provided with the reports or confirmation and being satisfied at the date of registration of the Prospectus and the closing date of the Applications respectively that, among others:

(a) there has been no material change or any development likely to result in a prospective change in the financial position, cash flows, business or operations or other conditions (financial, operational or otherwise) of our Group taken as a whole and from that set out in the Prospectus which would have or is likely to have a material adverse effect, amongst others, the conditions (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; or the ability of our Company to perform in any respect our obligations under or with respect to, or to consummate the transactions contemplated by the Prospectus or the Underwriting Agreement; or the ability of our Company and/or our Group to conduct our businesses and to own or lease our assets and properties as described in the Prospectus; or our IPO including but not limited to the success of our IPO or the distribution or the sale of our IPO Shares pursuant to our IPO ("**Material Adverse Effect**");

(b) there has not occurred any event or the discovery of any facts or circumstances or omission of any material facts or development which would render any representations, warranties or undertakings as set out in the Underwriting Agreement to be untrue or inaccurate, misleading or incorrect, not complied with, failure to be performed in any respect or result in a breach of the Underwriting Agreement by our Company;

(c) there is no occurrence of any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political, trade policies of major Malaysian trading partners, social or fiscal or economic and other conditions or exchange control or currency exchange rates which in the opinion of our Underwriter would have or is likely to have a Material Adverse Effect (whether in the primary market or in respect of dealings in securities including our Shares in the secondary market). For the avoidance of doubt, if the FTSE Bursa Malaysia KLCI ("**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 of the Applications,

lower than 90% of the level of Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;

(d) there is no breach by our Company of any of our obligations under the Underwriting Agreement;

(e) all undertakings, representations, warranties and covenants of our Company under the Underwriting Agreement have been complied with and not breached; and

(f) our Company has satisfied all the conditions as set out in the Underwriting Agreement on our part to be performed and fulfilled; and

4. PARTICULARS OF OUR IPO (cont'd)

(ii) 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;

(iii) the Prospectus being in the form and substance satisfactory to our Underwriter;

(iv) the issue of the Prospectus not later than 2 months from the date of the Underwriting Agreement or such later date as our Underwriter and our Company may mutually agree in writing;

(v) the registration of the Prospectus and such other documents as may be required in accordance with the CMSA, the Act and the Listing Requirements in relation to our IPO are registered with Bursa Securities and the lodgement of the same with the Registrar of Companies of Malaysia ("**ROC**") by the date of opening of Applications;

(vi) all necessary approvals including, but not limited to, the approvals referred to in the Underwriting Agreement remaining in full force and effect up to and including the date of our Listing and that all conditions to the approvals (except for any which can only be complied with after our Listing has been completed) have been complied with;

(vii) the approval of Bursa Securities for our IPO, Listing and the admission of our Company to the Official List being obtained on terms acceptable to our Underwriter and the approval of Bursa Securities and all such other approvals remaining in full force and effect and that all conditions (except for any which can only be complied with after our Listing has been completed) have been complied with to our Underwriter's reasonable satisfaction;

(viii) our Underwriter being satisfied that our Company will, after the date of opening of Applications and following completion of the closing date of the Applications, be admitted to the Official List and our entire enlarged issued share capital listed and quoted on the ACE Market no later than 2 months from the date of the Underwriting Agreement unless mutually agreed to in writing by our Company and our Underwriter;

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

(a) approving the Prospectus and the Application Forms for registration with Bursa Securities and lodgement of the same with ROC (including a confirmation that our Directors, collectively and individually, accept full responsibility for the accuracy of all information stated in the Prospectus), the Underwriting Agreement and the transactions contemplated by it;

(b) authorising the issuance of the Prospectus and Application Forms including the date of opening of Applications and the closing date of the Applications;

(c) authorising at least one Director to sign and deliver the Underwriting Agreement on behalf of our Company;

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

(e) approving the allotment and issuance of our Issue Shares and/or transfer of the Offer Shares to successful investors/applicants under our IPO.

(x) all the resolutions referred to in subsection (i) above remaining in full force and effect up to and including the date of our Listing and none having been rescinded or revoked or varied;

4. PARTICULARS OF OUR IPO (cont'd)

(xi) our IPO and/or our 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 our IPO and/or our Listing have been obtained and are in force up to and including the date of our Listing;

(xii) our Company and/or our Subsidiary does not have any actual or contingent liability under applicable laws or regulations or generally accepted accounting standards including but not limited to issues concerning human health and safety, pollution or protection of the environment or in relation to any interest in land and other assets which would have a Material Adverse Effect on our Group's conditions (financial, operational or otherwise) including our IPO and/or our Listing save as disclosed in our Prospectus;

(xiii) our Underwriter being satisfied that our Company has complied with and that our IPO and our Listing are in compliance with the policies, guidelines and requirements of Bursa Securities, the SC, the ROC, the MITI and all other applicable securities laws and regulations, including all revisions, amendments and/or supplements to it;

(xiv) there being no occurrence of any specified event (i.e. an event which occurs after the date of the Underwriting Agreement, date of opening of Applications or date of closing of Applications and on or prior up to the date of our Listing, which if it had occurred before the date of the Underwriting Agreement would have rendered any of the representations, warranties and undertakings in the Underwriting Agreement to be untrue, inaccurate, misleading or incorrect) up to and including the date of our Listing;

(xv) there not having occurred on or prior to the date of our Listing any breach of and/or failure to perform any of the undertakings by our Company contained in the Underwriting Agreement;

(xvi) there not being any investigation, directions or actions or orders by any judicial, governmental or relevant authorities in relation to our Listing and/or in connection with compliance with any laws by our Group, Directors, Selling Shareholder and/or our Promoter which is still subsisting or unresolved to the satisfaction of our Underwriter up to and including the date of our Listing;

(xvii) there having been, as at the closing date of the Applications, no registration or lodgement of any amendment, supplement, or replacement to the Prospectus with Bursa Securities or the ROC without the prior written approval of our Underwriter;

(xviii) the obligations of our Underwriter to subscribe for and/or procure subscriptions for the Underwritten Shares not being prohibited by any statute, order, external rule, directive or regulation amended, supplemented or introduced after the date of the Underwriting Agreement by any legislative, executive or regulatory body or authority in Malaysia at any time on or before the date of our Listing; and

(xix) our Underwriter being satisfied with the arrangements of our Company to pay the expenses as set out in the Underwriting Agreement.

4.11.2 Termination of the Underwriting Agreement

Notwithstanding anything contained in the Underwriting Agreement, our Underwriter may at its sole and absolute discretion terminate the Underwriting Agreement and withdraw its Underwriting Commitment upon the occurrence of any of the following:

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

(ii) there is failure on the part of our Company or our Selling Shareholder to perform any of its obligations contained in the Underwriting Agreement;

(iii) there is withholding of information from our Underwriter which is required to be disclosed pursuant to the Underwriting Agreement which, in the opinion of our 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 our IPO, or the distribution or sale of our IPO Shares;

(iv) there shall have occurred, or happened any material and adverse change in the business or financial condition or operations or prospects of our Group and/or occurrence of event(s) expected to have a Material Adverse Effect;

(v) the closing date of the Applications and subscription of our IPO Shares does not occur within 1 month from the date of opening of Applications, subject to the extension of the closing date of the Applications which is approved by our Underwriter in consultation with Bursa Securities and/or the SC;

(vi) the occurrence of any *force majeure* event or any event or series of events beyond the reasonable control of our Underwriter including (without limitation) acts of government, acts of God (including, without limitation, the occurrence of a tsunami and/or earthquakes), pandemic, epidemic, acts of terrorism, strikes, national disorder, declaration of a state of emergency, lockouts, fire, explosion, flooding, landslide, civil commotion, sabotage, acts of war, diseases or accidents 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 our IPO by closing date of the Applications or pursuant to the underwriting of the Underwritten Shares;

(vii) there shall have occurred any material adverse change in national or international monetary, financial and capital markets (including stock market conditions and interest rates), political, trade and tariff policies of major Malaysian trading partners, social or fiscal or economic conditions or exchange control or currency exchange rates which in the opinion of our Underwriter would have or is likely to have a Material Adverse Effect (whether in the primary market or in respect of dealings in securities including the Shares in the secondary market). For the avoidance of doubt, if the Index is, at the close of normal trading on Bursa Securities, on any Market Day:

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

(b) prior to the closing date of the Applications,

lower than 90% of the level of Index at the last close of normal trading on Bursa Securities on the Market Day immediately prior to the date of the Underwriting Agreement and remains at or below that level for at least 3 consecutive Market Days, it shall be deemed a material adverse change in the stock market condition;

4. PARTICULARS OF OUR IPO (cont'd)

(viii) any new law or change in law, regulation, directive, policy or ruling in any jurisdiction, interpretation or application by the court/authorities which has/likely to have a Material Adverse Effect on our Group and/or materially prejudice the financial performance and financial condition, business or prospects or operations of our Group, the success of our IPO, or our Listing or market conditions generally or which has or is likely to have the effect of making the Underwriting Agreement incapable of performance in accordance with its terms;

(ix) any imposition of moratorium, suspension or material restriction on trading of securities on Bursa Securities;

(x) 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 and financial condition or business or prospects or operations of our Group or the sale and distribution of our IPO Shares, the success of our IPO or our Listing;

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

(xii) any commencement of legal proceedings or action by relevant authorities and creditors against our Company and any member of our Group or any of our Directors, Selling Shareholder and Promoter which in the opinion of our Underwriter, would have or is likely to have a Material Adverse Effect or make it impracticable to market our IPO or to enforce contracts to allot, issue and/or transfer our IPO Shares;

(xiii) any one of the Prospectus and Application Forms (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;

(xiv) any of the resolutions or approvals referred to in Section 4.11.1 of this Prospectus 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;

(xv) 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 our 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 and selected investors;

(xvi) any other event in which a Material Adverse Effect has occurred or which in the opinion of our Underwriter is likely to occur;

(xvii) if the obligations of our 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

(xviii) in the event that our Listing is withdrawn or not procured or procured but subject to conditions not acceptable to our Underwriter or does not take place within two (2) months from the date of the Underwriting Agreement or such other extended date as may be agreed in writing by our Underwriter in consultation with Bursa Securities and/or the SC (if applicable).

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

5.1 PROMOTERS AND SUBSTANTIAL SHAREHOLDERS

5.1.1 Promoters' and Substantial Shareholders' Shareholdings

The details of our Promoters and substantial shareholders, as well as their respective shareholdings in our Company before and upon our Listing are as follows:

		After the pre-IPO restructuring but before Listing				Upon Listing			
		Direct		Indirect		Direct		Indirect	
Name	Nationality	No. of Shares	[(a)]%	No. of Shares	[(a)]%	No. of Shares	[(b)]%	No. of Shares	[(b)]%
Promoter and substantial shareholder									
Dato' Seri Goh	Malaysian	174,727,350	46.6	-	-	[(c)]159,351,350	34.0	[(d)]300,000	0.1
Promoters, substantial shareholders, Directors and key senior management									
Ts. Loy Boon Liang	Malaysian	71,328,000	19.0	-	-	[(c)]62,327,600	13.3	-	-
H'ng Chuen Yeou	Malaysian	71,328,000	19.0	-	-	[(c)]62,327,600	13.3	-	-
Substantial shareholder and key senior management									
Por Chee Seong	Malaysian	28,516,200	7.6	-	-	[(c)]25,516,000	5.4	-	-

Notes:

(a) Based on our issued share capital of 375,015,000 Shares after the pre-IPO restructuring.

(b) Based on our enlarged issued share capital of 468,769,000 Shares upon our Listing.

(c) The decrease in number of Shares held is due to the Offer for Sale as set out in Section 4.3.2 of this Prospectus.

(d) Deemed interest by virtue of the shareholding of his son-in-law (Chan Tsai-Huo) held in our Company pursuant to Section 59 of the Companies Act, assuming Chan Tsai-Huo fully subscribes for the 300,000 Issue Shares allocated to him under the Pink Form Allocation.

The Shares held by our Promoters and substantial shareholders have the same voting rights as the Shares held by other shareholders of our Company.

Save as disclosed above, there is no other person who is able to, directly or indirectly, jointly or severally, exercise control over our Company. As at the LPD, there is no arrangement between our Company and the Promoter and/or our substantial shareholders, with any third party, which may result in a change in control of our Company at a date subsequent to our IPO and Listing.

5.1.2 Changes in Shareholdings of Our Promoters and Substantial Shareholders During the Past Three Years

The changes in our Promoters' and substantial shareholders' shareholdings in our Company since the date of our incorporation on 7 February 2025 up to our Listing are as follows:

		As at the date of incorporation of our Company				After the pre-IPO restructuring but before Listing			
		Direct		Indirect		Direct		Indirect	
Name	**Nationality**	**No. of Shares**	**[(a)]%**	**No. of Shares**	**[(a)]%**	**No. of Shares**	**[(b)]%**	**No. of Shares**	**[(b)]%**
Promoter and substantial shareholder									
Dato' Seri Goh	Malaysian	490	49.0	-	-	174,727,350	46.6	-	-
Promoters, substantial shareholders, Directors and key senior management									
Ts. Loy Boon Liang	Malaysian	200	20.0	-	-	71,328,000	19.0	-	-
H'ng Chuen Yeou	Malaysian	200	20.0	-	-	71,328,000	19.0	-	-
Substantial shareholder and key senior management									
Por Chee Seong	Malaysian	80	8.0	-	-	28,516,200	7.6	-	-

		Upon Listing			
		Direct		Indirect	
Name	**Nationality**	**No. of Shares**	**[c]%**	**No. of Shares**	**[c]%**
Promoter and substantial shareholder					
Dato' Seri Goh	Malaysian	[d]159,351,350	34.0	[e]300,000	0.1
Promoters, substantial shareholders, Directors and key senior management					
Ts. Loy Boon Liang	Malaysian	[d]62,327,600	13.3	-	-
H'ng Chuen Yeou	Malaysian	[d]62,327,600	13.3	-	-
Substantial shareholder and key senior management					
Por Chee Seong	Malaysian	[d]25,516,000	5.4	-	-

Notes:

(a) Based on our issued share capital of 1,000 Shares as at the date of our incorporation.

(b) Based on our issued share capital of 375,015,000 Shares after the pre-IPO restructuring.

(c) Based on our enlarged issued share capital of 468,769,000 Shares upon our Listing.

(d) The decrease in the number of Shares held is due to the Offer for Sale as set out in Section 4.3.2 of this Prospectus.

(e) Deemed interest by virtue of the shareholding of his son-in-law (Chan Tsai-Huo) held in our Company pursuant to Section 59 of the Companies Act, assuming Chan Tsai-Huo fully subscribes for the 300,000 Issue Shares allocated to him under the Pink Form Allocation.

5.1.3 Profiles of Our Promoters and Substantial Shareholders

The profiles of our Promoters and substantial shareholders are as follows:

(i) Dato' Seri Goh
Promoter and substantial shareholder

Dato' Seri Goh, Malaysian, aged 73, is our Promoter and substantial shareholder. He is a businessman and company director by profession.

Dato' Seri Goh completed his secondary education at Sultan Abdul Hamid College in Alor Setar, Kedah in 1970 and upon graduation, he was mainly involved in the trading and sales businesses relating to office equipment and industrial supplies, primarily serving the semiconductor industry in Penang. This initial engagement afforded him with valuable exposure to the industrial sector and cultivated his interest in scrap metal recycling business.

In April 1984, Dato' Seri Goh set up IRM Industries Sdn Bhd to venture into the business of recycling and reclamation of non-ferrous and precious metals from electronic production rejects, computer parts and telecommunication equipment.

Leveraging on his track record in the scrap metal recycling business, Dato' Seri Goh had in April 1992 founded Reclaimtek (M) Sdn Bhd, which focus on the business of provision of waste management solutions for plastic and electronic scraps.

In pursuit of greater business expansions, Dato' Seri Goh set up EHG Asset Holdings Sdn Bhd in August 2000 and EHG Capital Sdn Bhd in May 2007 as his private investment vehicles that invest in various securities and assets in Malaysia such as quoted shares, unit trusts funds, real estate investment trust funds, real estate properties and private equity with particular focus on local enterprises.

In addition to his business endeavours, Dato' Seri Goh also holds other roles in local associations and philanthropic organisations. Amongst others, since March 2020, he has been the Vice President of Penang Premium Business Enterprise Association, a non-profit organisation that promotes business synergy, network and knowledge sharing among its members, where he supports the president in decision-making on key operational and strategic matters. Further, since June 2004, he also serves as the Charter President of Lions Club 308B2 of Bayan Baru. In recognition of his philanthropic work for the communities in Malaysia as well as the Southeast Asian countries, he was honoured as a Lions Club Humanitarian Partner by Lions Clubs International Foundation in November 2017.

Dato' Seri Goh has been a major shareholder of Emits Technology since February 2016 and leveraging on his extensive experience as a company director and businessman, he regularly provides strategic business advise to our Executive Directors and proposes new growth areas for our Group to explore.

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

(ii) Ts. Loy Boon Liang
Promoter, substantial shareholder and Group Managing Director

Ts. Loy Boon Liang, Malaysian, aged 58, is our Promoter, substantial shareholder and Group Managing Director. He was appointed to our Board on 7 February 2025 and he is primarily responsible for managing the day-to-day operations, as well as overseeing the overall corporate planning and business development activities of our Group.

He completed his diploma in Mechanical Engineering at Universiti Teknologi Malaysia in April 2000 and as at the LPD, he has more than 34 years of experience in business management and mechanical engineering, which includes technical leadership in the following key areas:

(a) Lean Sigma initiatives;

(b) new products introduction and project transfer activities;

(c) integration of test processes across front-end and back-end operations;

(d) resources management, including production costs targets; and

(e) failure analysis, problem-solving and cross-functional team collaboration.

Further, as at the LPD, he possesses the following professional qualifications and memberships as an engineer:

(a) Chartered Engineer by the Engineering Council, United Kingdom, and a member of the Institution of Mechanical Engineers since March 2019;

(b) Certified Technologist in Manufacturing and Industrial Technology (Mechanical Engineering) by the Malaysian Board of Technologists since June 2020; and

(c) Certified Professional Technologist in Manufacturing and Industrial Technology (Mechanical Engineering) by the Malaysian Board of Technologists since October 2023.

Ts. Loy Boon Liang began his career in June 1991 with TIM Electronics Sdn Bhd (now known as Etria Manufacturing Malaysia Sdn Bhd), an OEM service provider of electronic equipment, as Mechanical Engineer. He then progressed to Senior Engineer in April 1996, Assistant Manager in April 1998, and Manager in April 2001, where he was mainly responsible for managing the company's manufacturing activities, including performing manufacturing optimisation and failure analysis.

He left TIM Electronics Sdn Bhd (now known as Etria Manufacturing Malaysia Sdn Bhd) in December 2005 and joined Jabil Circuit Sdn Bhd, an OEM of PCBAs, in the same month, as Manager of the Manufacturing Engineering Department, where he was mainly responsible for managing the company's manufacturing activities.

He left Jabil Circuit Sdn Bhd in January 2007 and joined Plexus Manufacturing Sdn Bhd, a semiconductor and electronic component manufacturer, in the same month, as Focus Factory Manager, where he was mainly responsible for managing the company's business units to achieve revenue and production targets.

He left Plexus Manufacturing Sdn Bhd in October 2008 and joined Amphenol Malaysia Sdn Bhd, an electronic component manufacturer, in the same month, as Operation Manager, where he was mainly responsible for managing the company's overall factory operations. He then became General Manager in March 2012, where he was mainly responsible for managing the company's overall antenna manufacturing division. He left Amphenol Malaysia Sdn Bhd in December 2015 as the said company relocated its business operations to China.

On 28 October 2015, Ts. Loy Boon Liang incorporated Emits Technology together with H'ng Chuen Yeou to venture into the antenna manufacturing business in Malaysia. Over the past 10 years, Ts. Loy Boon Liang has been instrumental in leading and managing the strategic business direction and growth of our Group.

Please refer to Section 5.2.3(i) of this Prospectus for further details of his involvement in other businesses outside our Group as at the LPD.

(iii) H'ng Chuen Yeou

Promoter, substantial shareholder and Executive Director

H'ng Chuen Yeou, Malaysian, aged 58, is our Promoter, substantial shareholder and Executive Director. He was appointed to our Board on 7 February 2025 and is primarily responsible for formulation and execution of business development strategies for our Group.

He completed his secondary education from Heng Ee High School in December 1986 and attended a short-term 2-year study in Singapore relating to plastic injection moulding technology and mould design. He also obtained a Diploma in Management Specialist from the Institute of Management Specialists in August 2000.

He began his career in January 1993 with Robert Bosch Sdn Bhd, a company mainly involved in the business of automobile spare parts, power tools and workshop testing equipment as a factory trainee, where he was mainly responsible for custom mould setup, machine parameter configuration and resin preconditioning.

He left Robert Bosch Sdn Bhd in August 1997 and joined LKT Plastic Technology Sdn Bhd (now known as Infinic Plastic Technology Sdn Bhd), an engineering plastic injection moulding manufacturer previously involved in the production of aerospace, automotive and disk drive-related products, in September 1997, as Production Executive. He then promoted to Production Manager in April 2002 and later in April 2006, he progressed to Factory Manager for Custom Moulding where he was mainly responsible for managing the company's manufacturing operations relating to custom moulding.

He left LKT Plastic Technology Sdn Bhd (now known as Infinic Plastic Technology Sdn Bhd) in August 2008 and joined WSP Plastic Industry Sdn Bhd, a plastic component manufacturer, in September 2008, as General Manager, where he was mainly responsible for managing the company's overall daily operations. He left the company in January 2010 as the company relocated its headquarter and operations to Johor Bahru.

In March 2010, he set up Starlax Polymer Sdn Bhd to venture into the business of trading in industrial plastic products. On 28 October 2015, he incorporated Emits Technology together with Ts. Loy Boon Liang to venture into antenna manufacturing business in Malaysia. As he focused on growing our Group's business, in December 2015, he had divested his entire equity interest in Starlax Polymer Sdn Bhd to his business associate.

Please refer to Section 5.2.3(ii) of this Prospectus for further details of his involvement in other businesses outside our Group as at the LPD.

(iv) Por Chee Seong
Substantial shareholder and Chief Technical Officer

Por Chee Seong, Malaysian aged 57, is our substantial shareholder and Chief Technical Officer. He is primarily responsible for managing our Group's R&D department and providing technical guidance to our engineers relating to antenna and radio frequency.

He obtained a certificate in Radio and Colour Television Servicing from the Asia Institute of Electronics in December 1987, followed by a Diploma in Technology (Electronic Engineering) from Tunku Abdul Rahman College in May 1992.

He has also completed The Engineering Council Examination in May 1994 and obtained a Master of Science in Electronics from The Queen's University of Belfast in December 1993. Further, he also holds a Class B amateur radio licence issued by the Malaysian Communications and Multimedia Commission since October 1997.

He began his career in February 1994 with Motorola Malaysia Sdn Bhd (now known as NXP Malaysia Sdn Bhd), as Engineer, where he was mainly responsible for assisting in R&D activities involving radio circuit design. In January 1998, he was transferred to Motorola Technology Sdn Bhd (now known as Motorola Solutions Malaysia Sdn Bhd) as Senior Engineer.

He left Motorola Technology Sdn Bhd (now known as Motorola Solutions Malaysia Sdn Bhd) in March 2000 and in the same month, he joined Centurion Wireless Components (M) Sdn Bhd, a manufacturer of wireless electronic components, as Sales Engineer, where he was primarily responsible for the marketing and sales of antenna and battery products.

He left Centurion Wireless Components (M) Sdn Bhd in November 2000 and joined IQ Group Sdn Bhd, a manufacturer of, amongst others, passive infrared detectors and wireless video communication devices, in the same month, as Senior Staff Engineer in R&D department, where he was mainly responsible for assisting in R&D activities relating to door chimes and sensor lighting products.

He left IQ Group Sdn Bhd in November 2001 and rejoined Centurion Wireless Components (M) Sdn Bhd, in the same month, as R&D Engineer, where he was mainly responsible for assisting in R&D activities relating to antennas. He was promoted to R&D Manager in January 2003, where he was mainly responsible for planning and managing R&D activities relating to antennas.

He left Centurion Wireless Components (M) Sdn Bhd in September 2006 and in the same month, he joined Amphenol Malaysia Sdn Bhd, an electronic component manufacturer, as R&D Manager, where he was primarily responsible for assisting in R&D activities relating to antenna and hinge products.

He left Amphenol Malaysia Sdn Bhd in August 2011 and joined Laird Technologies (M) Sdn Bhd ("**Laird**"), a manufacturer of, amongst others, antennas and rechargeable batteries in September 2011, as Product Development Engineering Manager, where he was primarily responsible for assisting R&D activities relating to antennas.

He left Laird in August 2016 as his employment was terminated due to his subscription of 80 ET Shares at RM1.00 each in December 2015, which Laird alleged it was a breach of employment term.

He joined Emits Technology in September 2017 as our Technical Director. He was then promoted to Senior Technical Director in December 2019, and re-designated to Chief Technology Officer on 1 October 2025, a position he holds to-date. As our Chief Technology Officer, he is mainly responsible for leading antenna design initiatives, as well as providing technical guidance to our engineers relating to RF technology.

He does not have any involvement in business activities and directorships outside our Group for the past 5 years preceding the LPD.

5.1.4 Amount Paid or Intended to be Paid to Our Promoters and Substantial Shareholders

Save as disclosed below, 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:

(i) Remuneration and benefits-in-kind

Details on the aggregate remuneration and benefits-in-kind paid or proposed to be paid to our Promoter and substantial shareholders who are also our Directors and/or key senior management (namely Ts. Loy Boon Liang, H'ng Chuen Yeou and Por Chee Seong) are set out in Sections 5.2.4 and 5.3.4 of this Prospectus.

(ii) Dividends

Our Group had, over the Financial Years and Period Under Review, declared and paid the following dividends to our shareholders (which include our Promoters and substantial shareholders) on a pro rata basis:

	FYE 2023	FYE 2024	FYE 2025	FPE 2026
	RM'000	RM'000	RM'000	RM'000
Total dividends declared and paid by our Group	-	2,700	1,000	-
Dividend received by our Promoters and/or substantial shareholders:				
- Dato' Seri Goh	-	2,241	830	-
- Ts. Loy Boon Liang	-	181	67	-
- H'ng Chuen Yeou	-	181	67	-
- Por Chee Seong	-	72	26	-

There were no dividends being declared and paid by our Group since the FPE 2026 and up to the LPD.

5.2 DIRECTORS

5.2.1 Directors' Shareholdings

The details of our Directors and their respective shareholdings in our Company before and upon our Listing are as follows:

		After the pre-IPO restructuring but before Listing				Upon Listing			
		Direct		Indirect		Direct		Indirect	
Name	**Designation**	**No. of Shares**	**[a]%**	**No. of Shares**	**[a]%**	**No. of Shares**	**[b]%**	**No. of Shares**	**[b]%**
Dato' Low Suet Moi	Independent Non-Executive Director/ Chairperson	-	-	-	-	[c]300,000	0.1	-	-
Ts. Loy Boon Liang	Non-Independent Executive Director/ Group Managing Director	71,328,000	19.0	-	-	[d]62,327,600	13.3	-	-
H'ng Chuen Yeou	Non-Independent Executive Director	71,328,000	19.0	-	-	[d]62,327,600	13.3	-	-
Chan Tsai-Huo	Non-Independent Non-Executive Director	-	-	-	-	[c]300,000	0.1	-	-
Foong Wai Leng	Independent Non-Executive Director	-	-	-	-	[c]300,000	0.1	-	-
Ewe Keang Teong	Independent Non-Executive Director	-	-	-	-	[c]300,000	0.1	-	-
Tan Chye Suan	Independent Non-Executive Director	-	-	-	-	[c]300,000	0.1	-	-

Notes:

(a) Based on our issued share capital of 375,015,000 Shares after the pre-IPO restructuring.

(b) Based on our enlarged issued share capital of 468,769,000 Shares upon our Listing.

(c) Assuming he/she fully subscribes for his/her entitlement under the Pink Form Allocation.

(d) The decrease in the number of Shares held is due to the Offer for Sale as set out in Section 4.3.2 of this Prospectus.

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

5.2.2 Profile

Profiles of our Directors are as follows:

(i) Dato' Low Suet Moi
Independent Non-Executive Director/Chairperson

Dato' Low Suet Moi, Malaysian, aged 58, was appointed to our Board on 12 November 2025 as our Independent Non-Executive Director. She also serves as the chairperson of our Board.

She obtained a Diploma in Accounting & Finance from the Association of Chartered Certified Accountants in September 1999 and later in May 2001, she was awarded the designation of Certified Internal Auditor.

In January 2005, she graduated with a Master of Business Administration (General Management) from the University of Hull, United Kingdom and later in January 2008, she was awarded the designation of Certified Fraud Examiner from the Association of Certified Fraud Examiners.

In October 2012, she was awarded the professional designation of Certification in Risk Management Assurance by the Institute of Internal Auditors and later in July 2014, she was admitted as a member of the Information Systems Audit and Control Association as a Certified Information Systems Auditor. In July 2020, she was certified as a Human Resources Development Fund Certified Trainer. In September 2024, she was certified as a Human Resources Development Fund Accredited Trainer by the Human Resource Development Corporation.

Dato' Low Suet Moi began her career in May 1989 with EY Malaysia, an accounting firm, as an Audit Articled Clerk. Later in 1994, and she was promoted to Audit Assistant where she was mainly responsible for assisting the audit teams on small and medium-sized client engagements.

She left EY Malaysia in August 1994 and joined Overall Management Sdn Bhd in September 1994, a company mainly involved in the business of distribution of industrial electric induction motors, as Internal Auditor, where she was mainly responsible to carry out the internal audit activities.

She left Overall Management Sdn Bhd in May 2000 and joined APM Automotive Holdings Berhad (a Main Market listed company in Malaysia), in the same month, as Head of Group Systems & Internal Audit, where she was mainly responsible for managing the company's overall internal audit function. She was promoted to Senior Manager in January 2003.

She left APM Automotive Holdings Berhad in July 2006 and joined Tan Chong Motor Holdings Berhad (a Main Market listed company in Malaysia) in July 2006 as Head of Group Systems & Internal Audit, where she was mainly responsible for managing the company's overall internal audit function.

She left Tan Chong Motor Holdings Berhad in December 2012 and joined Mayflower Holidays Sdn Bhd, a travel agency and car rental service provider, in January 2013, as Chief Executive Officer, where she was mainly responsible for managing the company's overall business operation. Mayflower Holidays Sdn Bhd is a wholly-owned subsidiary of Warisan TC Holdings Berhad (a Main Market listed company in Malaysia).

Between 2013 to 2015, she acted as the Chairman of the Finance Subcommittee and Honorary Treasurer of the Executive Council of Malaysian Association of Tour & Travel Agents ("**MATTA**"), where she oversaw the overall financial and treasury functions of MATTA.

In October 2015, she was appointed as the Executive Director and Chairman of Risk Management Committee of Warisan TC Holdings Berhad, where she was mainly responsible for managing Mayflower Holidays Sdn Bhd's business and Warisan TC Holdings Berhad's enterprise risk management system. She left Mayflower Holidays Sdn Bhd and Warisan TC Holdings Berhad in July 2016 for a career break.

In May 2017, she joined PKF Sdn Bhd, an accounting and business advisory firm, as Director of the Risk and Governance Advisory Division. In January 2022, she was transferred to the Group Marketing and Business Development Division of PKF Sdn Bhd as Director, where she was primarily responsible for managing various marketing and business development activities.

She left PKF Sdn Bhd in January 2023 and in February 2023, she joined Prasarana Malaysia Berhad, a public transportation service provider, as Chief Internal Audit Officer, where she was mainly responsible in managing the company's overall internal audit function.

She left Prasarana Malaysia Berhad in November 2023 in order to focus on her own business namely Sephine Consulting PLT, a business management and consulting firm established in January 2017. As at the LPD, she also serves as an Independent Non-Executive Director of Saliran Group Berhad, a company listed on the ACE Market, and HPMT Holdings Berhad, a company listed on the Main Market.

Please refer to Section 5.2.3(iii) of this Prospectus for details of her involvement in other businesses outside our Group as at the LPD.

(ii) Ts. Loy Boon Liang
Non-Independent Executive Director/Group Managing Director

Please refer to Section 5.1.3(ii) of this Prospectus for his profile.

(iii) H'ng Chuen Yeou
Non-Independent Executive Director

Please refer to Section 5.1.3(iii) of this Prospectus for his profile.

(iv) Chan Tsai-Huo
Non-Independent Non-Executive Director

Chan Tsai-Huo, Malaysian, aged 47, was appointed to our Board on 7 February 2025 as our Non-Independent Non-Executive Director. He also serves as a member of our Nomination Committee as well as a member of our Remuneration Committee. He is the son-in-law of Dato' Seri Goh, a Promoter and substantial shareholder of our Company.

He obtained a Diploma in Computing and Information Technology from the Asia Pacific Institute of Information Technology in June 1998 and later in October 1999, he obtained a Higher Diploma in Business Information Technology from the same institute. In August 2002, he graduated with a Bachelor of Network Computing from Monash University, Australia.

He began his career in November 2003 with EHG Asset Holdings Sdn Bhd, an investment holding company mainly owned by Dato' Seri Goh, as an Information and Research Executive, where he was mainly responsible for developing and implementing a portfolio record keeping system.

In July 2006, he was promoted to Portfolio Manager, and progressed to Vice President of Portfolio Management of EHG Asset Holdings Sdn Bhd in January 2008, where he was mainly responsible for managing and overseeing the proprietary investment assets of EHG Asset Holdings Sdn Bhd, a position he held until December 2017.

In January 2018, he was transferred to and assumed the role of Vice President of Portfolio Management of EHG Capital Sdn Bhd, an investment holding company mainly owned by Dato' Seri Goh, where he was mainly responsible for managing and overseeing the proprietary investment assets of EHG Capital Sdn Bhd. In addition, he also assists Dato' Seri Goh, from time to time, to oversee the proprietary investment assets of EHG Asset Holdings Sdn Bhd. In January 2019, he was promoted to Director of Portfolio Management of EHG Capital Sdn Bhd, a position which he holds to-date.

On 15 January 2016, he was appointed as a Director of Emits Technology, where he is mainly responsible for monitoring Emits Technology's business development, where he joins regular management meetings with our Executive Directors to discuss on, amongst others, Emits Technology's business plans, business development progress and financial performance. For clarity, Chan Tsai-Huo is not an executive Director of our Company as he is not involved in the day-to-day business operations of our Group.

Please refer to Section 5.2.3(iv) of this Prospectus for details of his involvement in other businesses outside our Group as at the LPD.

(v) Foong Wai Leng
Independent Non-Executive Director

Foong Wai Leng, Malaysian, aged 57, was appointed to our Board on 12 November 2025 as our Independent Non-Executive Director. She also serves as the chairperson of our Audit and Risk Management Committee.

She graduated with a Bachelor of Business (Accounting & Finance) from the University of Technology Sydney in July 2000. As at the LPD, she possesses the following professional qualifications and memberships:

(a) Certified Practising Accountant of CPA Australia since November 2006, and Fellow Certified Practising Accountant of CPA Australia since October 2023;

(b) Profession Member of the Institute of Internal Auditors Malaysia since November 2010;

(c) Chartered Accountant of the Malaysian Institute of Accountants since March 2013; and

(d) Member of the Institute of Corporate Directors Malaysia since August 2025.

She began her career in July 1989 with Lord Safe Sdn Bhd, a company principally involved in the provision of safe boxes services, as an Accounts Clerk, where she was mainly responsible for preparing the company's management accounts. She left the company in June 1991 in order to pursue full time studies under the Association of Chartered Certified Accountants (ACCA) programme.

Upon completing her studies, she joined DHL Worldwide Express Sdn Bhd, a logistics company, in February 1993, as Accounts Assistant, where she was mainly responsible for preparing the company's management accounts. She left the company in January 1997 to pursue her full time studies for Bachelor of Business (Accounting & Finance) from the University of Technology Sydney.

Upon graduation in July 2000, she joined Giant TMC Berhad, a hypermarket operator, in November 2000, as an Internal Audit Executive, where she was mainly responsible for participating in the company's internal audit exercises.

She left the company in April 2003 and joined IGB Corporation Berhad (a Main Market listed company in Malaysia) in May 2004, as an Internal Audit Executive. She was then promoted to Senior Internal Audit Executive in January 2005, Assistant Manager in January 2007 and Senior Internal Audit Manager in January 2009, where she was mainly responsible for performing internal audit.

She left IGB Corporation Berhad in June 2013 for a career break and between July 2013 to December 2015, she ventured into small scale catering business.

In January 2016, she joined YL Chee & Co, an audit firm, as a freelance consultant, where she performed various financial services for clients such as financial audit, financial due diligence and accounting services.

She left the firm in December 2016 and joined Blackwood Trading Sdn Bhd, a company principally involved in the trading of pet food, in January 2017, as an Accounts and Administration Manager, where she was mainly responsible for overseeing the company's overall accounting and administrative functions.

She left Blackwood Trading Sdn Bhd in March 2019 and joined PKF Risk Management Sdn Bhd, a business advisory and consulting firm, as Internal Audit Manager in April 2019, where she was mainly responsible for providing internal control advisory services to various clients.

She left PKF Risk Management Sdn Bhd in June 2021 and in July 2021, she joined Atrium REIT Managers Sdn Bhd, a company which is principally involved in providing management and administrative services to real estate investment trusts, as Senior Finance Manager cum Compliance Officer, where she was mainly responsible for preparing quarterly financial statements and overseeing the said company's overall corporate governance matters and enterprise risk systems. In June 2022, she was promoted to the role of Executive Director and Head of Risk and Compliance, a position she holds to-date, where she was mainly responsible for overseeing financial reporting, regulatory compliance, risk assessments, and internal policy frameworks of Atrium REIT (a Main Market listed real estate investment trust in Malaysia).

She currently holds a Capital Markets and Services Representative's Licence (CMSRL) issued under Section 59 of the Capital Markets and Services Act 2007 by the SC.

Please refer to Section 5.2.3(v) of this Prospectus for details of her involvement in other businesses outside our Group as at the LPD.

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

(vi) Ewe Keang Teong
Independent Non-Executive Director

Ewe Keang Teong, Malaysian, aged 73, was appointed to our Board on 12 November 2025 as our Independent Non-Executive Director. He also serves as the Chairperson of our Nomination Committee, a member of our Audit and Risk Management Committee, as well as a member of our Remuneration Committee.

He graduated with a Bachelor of Arts (Honours) in Accountancy from the University of Bolton, United Kingdom in September 2006 and later in October 2010, he obtained a Master of Commerce (Professional Accounting) from the University of New England, New South Wales, Australia.

As at the LPD, he possesses the following professional qualifications/memberships:

(a) Fellow Member of the Chartered Tax Institute of Malaysia since December 2010;

(b) Fellow Member of the Institute of Public Accountants, Australia since February 2007;

(c) Fellow Member of the Institute of Financial Accountants, United Kingdom since February 2007; and

(d) Associate Member of the Taxation Institute of Australia since February 2007.

Between July 2007 to June 2013, he served as the Northern Branch Chairman of the Chartered Tax Institute of Malaysia.

He began his career in January 1977 as an articled student with KPMG Malaysia, an audit firm. In January 1981, he joined the tax division of KPMG Malaysia as a tax semi-senior. He then progressed to Deputy Manager (Tax division) in October 1987, where he was mainly responsible for the daily supervision of the tax division, providing tax compliance and advisory services to various clients.

He left KPMG Malaysia in September 1988 and took a short exploratory engagement with American International Assurance Co, Ltd (now known as AIA Company Limited), to understand how selected insurance products such as keyman insurance could support tax-efficiency planning for clients.

In January 1990, he joined the tax division of PricewaterhouseCoopers Malaysia, an audit firm, as a Senior Tax Consultant, where he was mainly responsible for overseeing tax team operations as well as providing tax compliance and advisory services to various clients.

He left PricewaterhouseCoopers Malaysia in December 1991 and joined the tax division of Russ Ooi & Associates (formerly a member firm of RSM International), an audit firm, in January 1992, as Executive Tax Director, where he was mainly responsible for overseeing tax function of the firm, as well as providing tax compliance and advisory services to various clients. He left Russ Ooi & Associates in December 1999 and co-founded Mcmillan Andrew Mathew Sdn Bhd, a tax consulting firm, with his business associate.

Mcmillan Andrew Mathew Sdn Bhd is the tax advisory firm of McMillan Woods Mathew & Partners, a licensed audit firm in Malaysia, which is also an independent member firm of McMillan Woods Worldwide. As at the LPD, he is an Audit Principal of McMillan Woods Mathew & Partners and a Tax Director of Mcmillan Andrew Mathew Sdn Bhd, where he leads the tax function of the firm, providing strategic tax advisory, ensuring compliance with regulatory and technical standards, as well as overseeing major client engagements and complex tax matters.

Please refer to Section 5.2.3(vi) of this Prospectus for details of his involvement in businesses outside our Group as at the LPD.

(vii) Tan Chye Suan
Independent Non-Executive Director

Tan Chye Suan, Malaysian, aged 58, was appointed to our Board on 12 November 2025 as our Independent Non-Executive Director. She also serves as the chairperson of our Remuneration Committee, a member of our Audit and Risk Management Committee as well as a member of our Nomination Committee.

She graduated with a Bachelor of Laws (Hons) from University of Malaya in August 1992 and was admitted as an advocate and solicitor in the High Court of Malaya in February 1993. She is involved in the following organisations:

(a) Disciplinary Committee of the Advocates' & Solicitors' Disciplinary Board as a current member;

(b) Women Centre for Change as a life member and currently holding the position as an Honorary Treasurer;

(c) Federation of Women's Lawyers of North Malaya, Penang as a life member and currently serves as a Deputy President;

(d) Pertubuhan Gabungan Pertubuhan-pertubuhan Wanita Pulau Pinang as a member and currently serves as an Honorary Assistant Secretary; and

(e) Alumni Convent Light Street, Penang as a committee member.

She began her career in March 1993 with Messrs Ban Eng, Anual & Foong, a law firm, as an advocate and solicitor, where she was mainly responsible for providing legal services relating to litigation and conveyancing matters. She then left to join Messrs Lim Huck Aik & Co as a Partner, a law firm, in January 1996 where she was mainly responsible for providing legal services relating to conveyancing, corporate and estate matters.

In January 1999, she co-founded Messrs See, Ramsun & Tan, a law firm, to provide legal services. Currently, she is the managing partner of Messrs See, Ramsun & Tan and specialises in legal services relating to conveyancing, corporate, estate and adoption matters. As at the LPD, Tan Chye Suan also serve as an Independent Non-Executive Director of UMedic Group Berhad, a Main Market listed company in Malaysia.

Please refer to Section 5.2.3(vii) of this Prospectus for details of her involvement in other businesses outside our Group as at the LPD.

5.2.3 Principal Directorships and Business Activities Performed Outside Our Group

Dato' Seri Goh

Set out below are Dato' Seri Goh's involvement in business activities outside our Group for the past 5 years prior to the LPD:

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
Present involvement							
1.	Reclaimtek (M) Sdn Bhd	Recycling of electronic, plastic scraps and non-ferrous precious metals, agents and contractors of transportation.	Director/ Shareholder	24 April 1992	-	84.1	[(a)]15.9
2.	Pantai Acheh Realty Sdn Bhd	Investment holding (real estate letting and investment holding activities).	Director/ Shareholder	14 May 1998	-	70.0	[(b)]30.0
3.	EHG Asset Holdings Sdn Bhd	Investment holding (investment in real estate properties and provision of agriculture related businesses).	Director/ Shareholder	20 September 2000	-	[(c)]95.2	[(b)]4.8
4.	IRM Industries Sdn Bhd	Recycling of electronic and plastic scraps, non-ferrous and precious metals and agents, engaged as contractors of transportation, investment holding and letting of properties.	Director/ Shareholder	15 May 1989	-	65.0	[(d)]5.0
5.	IRM Industries (Penang) Sdn Bhd	Recycling of electronic, plastic scraps, and non-ferrous and precious metals.	Director/ Shareholder	20 November 1995	-	99.0	[(a)]1.0
6.	EHG Capital Sdn Bhd	Investment holding (investment in various securities such as quoted shares, unit trusts and real estate investment trust funds).	Director/ Shareholder	8 May 2007	-	50.0	[(b)]50.0

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

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
7.	EHG Properties Sdn Bhd	Investment holding (real estate investment holding activities).	Director/ Shareholder	26 July 2010	-	70.0	-
8.	KCNN EHG Technology Capital Sdn Bhd	Investment holding company, financial and investment advisory and research	Director/ Shareholder	27 May 2021	-	-	(e)20.00
9.	KCNN Venture Capital Sdn Bhd	Long term investment holding, financial and investment advisory and research.	Shareholder	1 November 2020	1 November 2025	10.0	-
10.	EHG Holding Sdn Bhd (formerly known as EMITS Holding Sdn Bhd)	Investment holding (real estate investment holding activities).	Shareholder	-	-	(c)97.0	-
11.	Engkim Capital Limited	Investment holding activities in various financial instruments	Director/ Shareholder	31 October 2014	-	100.0	-
12.	EHG Holding Pte. Ltd.	Involved in trust, funds, and similar financial entities (except those with rental income).	Director/ Shareholder	8 December 2022	-	100.0	-
13.	Engkim Capital Pte. Ltd.	Single/ multiple family office activities.	Director/ Shareholder	9 December 2022	-	-	(f)100.0
14.	Integrated Recycling Industries Philippines, Inc	Reclamation and recycling of non-ferrous metals, engineering and plastic materials from production rejects and other solid scrap materials generated by semiconductor and electronic assembly industries.	Director/ Shareholder	7 December 2000	-	99.9	-

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

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
15.	IRI Holdings, Inc	Ecozone facilities enterprise building for lease	Director/ Shareholder	8 December 2000	-	-	[g]40.0
Past involvement							
1.	EHG Land Sdn Bhd	Real estate activities with own or lease properties.	Director/ Shareholder	17 April 2024	22 April 2024	-	[b]80.0
2.	Eastway Capital Sdn Bhd	Investment holding in properties, investment holding in shares, stock, debenture stocks, bonds and securities	Director/ Shareholder	4 March 2015	Dissolved on 18 December 2025	50.0	[b]50.0
3.	Metre Industries (Malaysia) Sdn Bhd	Dormant	Director/ Shareholder	25 June 2007	Dissolved on 18 March 2021	-	[h]60.0

Notes:

(a) Deemed interests by virtue of his controlling shareholdings in IRM Industries Sdn Bhd pursuant to Section 8 of the Companies Act.

(b) Deemed interests by virtue of the shareholdings of his daughter, namely Goh Hui Lynn, pursuant to Section 59 of the Companies Act.

(c) Represent his total enlarged equity interest in the company, including all preference shares held.

(d) Deemed interests by virtue of the shareholdings of his spouse, namely Datin Chong Lay Har, pursuant to Section 59 of the Companies Act.

(e) Deemed interests by virtue of his controlling shareholdings in EHG Capital Sdn Bhd pursuant to Section 8 of the Companies Act.

(f) Deemed interests by virtue of his controlling shareholdings in EHG Holding Pte Ltd.

(g) Deemed interests by virtue of his controlling shareholdings in Integrated Recycling Industries Philippines, Inc, whereby IRI Holdings, Inc is a 40%-owned subsidiary of Integrated Recycling Industries Philippines, Inc.

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

(h) Deemed interests by virtue of his controlling shareholdings in Reclaimtek (M) Sdn Bhd pursuant to Section 8 of the Companies Act.

The above tabulation excludes Dato Seri Goh's quoted shares held in public listed companies as a minority shareholder (i.e. less than 5.0% of the total number of issued shares of the public listed company) in which he does not hold any directorship and the quoted investment held is mainly for trading and personal investment purposes only. The involvement of Dato' Seri Goh in businesses outside our Group as stated above will not give rise to any conflict of interest situation with our Group, as their principal business activities are different than those of our Group.

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

Our Directors

Save as disclosed below, none of our Directors are involved in business activities and directorships in any other businesses/corporations outside our Group for the past 5 years prior to the LPD:

(i) Ts. Loy Boon Liang

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
Present involvement							
1.	EHG Holding Sdn Bhd (formerly known as EMITS Holding Sdn Bhd)[(a)]	Investment holding (real estate investment holding activities)	Director/ Shareholder	5 June 2017	-	1.0	-

(ii) H'ng Chuen Yeou

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
Present involvement							
1.	EHG Holding Sdn Bhd (formerly known as EMITS Holding Sdn Bhd)[(a)]	Investment holding (real estate investment holding activities)	Director/ Shareholder	5 June 2017	-	1.0	-

(iii) Dato' Low Suet Moi

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
Present involvement							
1.	Sephine Consulting PLT	Provision of business management, financial and management consultancy services, other management consultancy activities, personal development course / motivational	Partner and Compliance Officer	17 January 2017	-	-	-

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

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
2.	Saliran Group Berhad	An investment holding company listed on the ACE Market. Its subsidiaries are mainly involved in the business of supply and distribution of pipes, fittings and flanges as well as steel products	Independent Non-Executive Director / Shareholder	6 June 2024	-	*	-
3.	HPMT Holdings Berhad	An investment holding company listed on the Main Market. Its subsidiaries are principally involved in the manufacturing, trading, and coating of high-precision cutting tools	Independent Non-Executive Director	1 April 2026	-	-	-
Past involvement							
1.	Proven Venture Capital Three PLT	Activities of holding companies	Partner	29 November 2022	30 November 2024	N/A	N/A

(iv) Chan Tsai-Huo

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
Present involvement							
1.	EHG Land Sdn Bhd	Real estate activities with own or leased property	Director/ Shareholder	31 May 2024	-	20.0	[b]80.0
2.	KCNN EHG Technology Capital Sdn Bhd	Investment holding company, financial and investment advisory and research	Alternate Director to Dato' Seri Goh/ Shareholder	10 August 2022	-	-	[b]10.0

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

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
3.	Kennyrich Capital Sdn Bhd	To invest and maintain, manage, control, own, hold or keep, or to transact the business of F&B restaurants, coffee-houses, cafes, bars, coffee shops and selling and preparing, serving foods and liquid beverages	Shareholder	-	-	*	-
4.	EHG Holding Sdn Bhd (formerly known as EMITS Holding Sdn Bhd)	Investment holding (real estate investment holding activities)	Director	5 June 2017	-	-	-
5.	TTOT Sdn Bhd[(c)]	Manufacture of diodes, transistors and similar semiconductor devices	Director/ Shareholder	11 August 2022	15 April 2024	-	[(b)]10.0

(v) Foong Wai Leng

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
Present involvement							
1.	Atrium REIT Managers Sdn Bhd	Providing management and administrative services to real estate investment trusts	Director	28 June 2022	-	-	-

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

(vi) Ewe Keang Teong

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
Present involvement							
1.	Astute CEO Support Services	Providing personal assistance to CEO and directors of companies	Sole proprietor	1 March 2019	-	100.0	-
2.	Ultimate Class Sdn Bhd	Property investment	Director/ Shareholder	30 August 1996	-	-	(d)25.0
3.	Mcmillan MVL Sdn Bhd	To provide members voluntary liquidation services	Director/ Shareholder	27 April 1999	-	100.0	-
4.	Mathew & Ewe Consultancy Sdn Bhd	To provide members voluntary liquidation services	Director/ Shareholder	4 July 2000	-	50.0	-
5.	Astral Grace Sdn Bhd	Engaged in property investment	Director/ Shareholder	12 December 1996	-	75.0	(e)25.0
6.	Mathew & Partners Consulting (KL) Sdn Bhd	Providing tax, management and business advisory services	Director/ Shareholder	31 March 2009	-	50.0	-
7.	Fidelity East Sdn Bhd	Investment holding (real estate investment holding activities)	Director/ Shareholder	30 March 2001	-	0.20	(e)99.8
8.	Sky Light Property Nine Sdn Bhd	Investment holding (real estate investment holding activities)	Director/ Shareholder	11 May 2017	-	50.0	(e)50.0
9.	Mcmillan Andrew Matthew Sdn Bhd	Engaged in provision of consultancy, taxation and accounting services	Director/ Shareholder	23 December 1999	-	50.0	-

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

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
10.	CBL Global Sdn Bhd	Investment holding (real estate investment holding activities)	Director/ Shareholder	1 August 2014	6 August 2025	50.0	-
11.	Sierra Avenue BPO Sdn Bhd	Provision of business process outsourcing services	Director/ Shareholder	31 December 2025	-	50.0	-
Past involvement							
1.	Goldmint Industries Sdn Bhd	Other retail sale in non-specialised stores.	Director/ Shareholder	29 August 1991	Dissolved on 7 September 2023	5.0	[e]95.0

(vii) Tan Chye Suan

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
Present involvement							
1.	UMedic Group Berhad	An investment holding company presently listed on Main Market. Its subsidiaries are mainly involved in marketing and distribution of medical devices.	Independent Non-Executive Director/ Shareholder	7 October 2021	-	*	-

Notes:

* Represents less than 0.1%

(a) EHG Holding Sdn Bhd is a private limited company incorporated under the Companies Act, wherein Dato' Seri Goh owns 97.0% of its total enlarged equity interest.

(b) Deemed interests by virtue of the shareholdings of his spouse, namely Goh Hui Lynn, pursuant to Section 59 of the Companies Act.

(c) TTOT Sdn Bhd is not a supplier of our Group.

(d) Deemed interest by virtue of his controlling interest in Astral Grace Sdn Bhd pursuant to Section 8 of the Companies Act.

(e) Deemed interests by virtue of the shareholdings of his spouse, namely Hor Yoon Sim, pursuant to Section 59 of the Companies Act.

The involvement of our Directors in businesses outside our Group as stated above will not give rise to any conflict of interest situation with our Group, or materially affect their commitment, ability to perform their responsibilities as well as contribution to our Group in their respective roles as our Directors.

The involvement of our Executive Directors in businesses outside our Group does not preclude them from allocating or committing their time and effort to our Group as they are not involved in the management and day-to-day operations of these businesses outside our Group, other than attending meetings of the board of directors on which they serve. Hence, their involvement in such businesses do not require a significant amount of time or commitment on a daily basis.

The involvement of Mr. Chan Tsai-Huo (our Non-Independent Non-Executive Director) and our Independent Non-Executive Directors in businesses outside our Group does not preclude them from allocating or committing their time and efforts to our Group as they are not involved in the management and day-to-day management of our Group.

Save as disclosed in Section 11.2 of this Prospectus in relation to the related party transactions between our Group and IRM Industries (Penang) Sdn Bhd and Reclaimtek (M) Sdn Bhd, none of our Directors are involved in any companies or businesses that are customers and suppliers of our Group for the past 5 years prior to the LPD.

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

5.2.4 Directors' Remunerations and Material Benefits-in-Kind

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

(i) FYE 2025 (Actual)

Name	Fees	Salary	Bonus	Allowances	[(a)]Statutory contributions	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Executive Directors							
- Ts. Loy Boon Liang	-	567	82	-	95	-	745
- H'ng Chuen Yeou	-	431	54	-	72	-	557
Non-Executive Directors							
- Dato' Low Suet Moi	-	-	-	2	-	-	2
- Chan Tsai-Huo	-	-	-	2	-	-	2
- Foong Wai Leng	-	-	-	2	-	-	2
- Ewe Keang Teong	-	-	-	2	-	-	2
- Tan Chye Suan	-	-	-	1	-	-	1

Note:

(a) Comprise mainly employer's contribution to Employees Provident Fund, Social Security Organisation and Employment Insurance System.

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

(ii) FYE 2026 (Estimated)

Name	Fees	Salary	Bonus	Allowances	[(b)] Statutory contributions	Benefits-in-kind	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Executive Directors							
- Ts. Loy Boon Liang	-	624	[(a)]-	-	100	-	724
- H'ng Chuen Yeou	-	474	[(a)]-	-	75	-	549
Non-Executive Directors							
- Dato' Low Suet Moi	[(c)][(d)]67	-	-	[(e)]5	-	-	72
- Chan Tsai-Huo	[(c)]55	-	-	[(e)]5	-	-	60
- Foong Wai Leng	[(c)]55	-	-	[(e)]5	-	-	60
- Ewe Keang Teong	[(c)]55	-	-	[(e)]5	-	-	60
- Tan Chye Suan	[(c)]55	-	-	[(e)]5	-	-	60

Notes:

(a) Bonus for FYE 2026 has not been determined as at the LPD as it is dependent on the actual performances of our Group for the FYE 2026, as well as subject to the recommendation by our Remuneration Committee and the approval of our Board.

(b) Comprise mainly employer's contribution to Employees Provident Fund, Social Security Organisation and Employment Insurance System.

(c) The proposed Directors' fees to our Non-Executive Directors shall only commence after our Listing.

(d) The higher Director fees to Dato' Low Suet Moi is in view of her capacity and responsibilities as the Chairperson of our Board.

(e) Being the estimated Board meeting allowances payable to our Non-Executive Directors in the FYE 2026. Each non-Executive Director of our Company is entitled up to RM1,200 of meeting allowance for each Board meeting attended.

The remuneration for our Directors, which includes Directors' fees, bonuses, allowances and benefits-in-kind must be considered and recommended by our Remuneration Committee and subsequently, be approved by our Board. The Directors' fees and allowances payable to our Non-Executive Directors must also be approved by our shareholders at a general meeting.

5.3 KEY SENIOR MANAGEMENT

Our key senior management as at the LPD comprises the following:

Name	Designation	Nationality	Age	Gender	Length of services with our Group
Ts. Loy Boon Liang	Group Managing Director	Malaysian	58	Male	11 years
H'ng Chuen Yeou	Executive Director	Malaysian	58	Male	11 years
Teh Su Kang	Group Financial Controller	Malaysian	57	Male	[(a)]1 year
Por Chee Seong	Chief Technical Officer	Malaysian	57	Male	9 years
Ho Kooi Yong	Chief Operating Officer	Malaysian	55	Male	10 years

Note:

(a) Prior to his appointment, our accounting and finance functions were mainly managed by Yeap Pheal Koon, Finance Manager and supported by 1 Accountant and 2 Finance Executives. These finance personnels currently report to him.

Yeap Pheal Koon, Malaysian, female, aged 45, graduated with a Bachelor of Arts in Accounting and Finance from the University of Abertay Dundee in 2010. She began her career in 2003 with Amphenol Malaysia Sdn Bhd, an electronic component manufacturer, as an Account Executive. She left the company in August 2016 as Amphenol Malaysia Sdn Bhd relocated its business operations to China. She joined Emits Technology as Finance Manager in March 2017, a position she holds to-date.

5.3.1 Shareholdings

The shareholdings of Ts. Loy Boon Liang, H'ng Chuen Yeou and Por Chee Seong in our Company are disclosed in Section 5.1.1 of this Prospectus. The shareholdings of the other key senior management in our Company before and upon our Listing are as follows:

		After the pre-IPO restructuring but before Listing				Upon Listing			
		Direct		Indirect		Direct		Indirect	
Name	Designation	No. of Shares	[(a)]%	No. of Shares	[(a)]%	No. of Shares	[(b)]%	No. of Shares	[(b)]%
Teh Su Kang	Group Financial Controller	-	-	-	-	[(c)]300,000	0.1	-	-
Ho Kooi Yong	Chief Operating Officer	10,695,450	2.9	-	-	[(d)]9,570,450	2.0	-	-

Notes:

(a) Based on our issued share capital of 375,015,000 Shares after the pre-IPO restructuring.

(b) Based on our enlarged issued share capital of 468,769,000 Shares upon our Listing.

(c) Assuming he fully subscribes for his entitlement under the Pink Form Allocation.

(d) The decrease in the number of Shares held is due to the Offer for Sale as set out in Section 4.3.2 of this Prospectus.

5.3.2 Profile

The profiles of Ts. Loy Boon Liang, H'ng Chuen Yeou and Por Chee Seong have been disclosed in Section 5.1.3 of this Prospectus. The profiles of our other key senior management are as follows:

(i) Teh Su Kang
Group Financial Controller

Teh Su Kang, Malaysian, aged 57, is our Group Financial Controller. He is primarily responsible for overseeing our Group's accounting and finance functions.

He graduated with a Bachelor's Degree in Accounting (Honours) from Universiti Utara Malaysia in August 1994 and obtained a Master's Degree in Business Administration from Universiti Putra Malaysia in August 1999. He is currently a member of the Malaysian Institute of Accountants.

He began his career in July 1994 with Deloitte Malaysia as Staff Assistant and was promoted to Senior Audit in May 1997, where he assisted in performing audit assurance services.

He left Deloitte Malaysia in December 1997 and joined Hotline Furniture Berhad, a manufacturer of furniture, in the same month, as Accountant, where he was mainly responsible for preparing the company's management accounts.

He left Hotline Furniture Berhad in August 2001 and joined PCCS Group Berhad (a Main Market listed company in Malaysia) in October 2001, as Internal Audit Manager. In January 2006, he was appointed as the Head of Finance and Accounts of PCCS Garments (Suzhou) Limited, a wholly-owned subsidiary of PCCS Group Berhad, where he was mainly responsible for managing the company's overall accounting and finance functions.

He left PCCS Garments (Suzhou) Limited in May 2008 and joined Shanghai Hyster International Trading Ltd, a manufacturer of industrial vehicles, in the same month, as Finance Controller, where he was mainly responsible for overseeing the company's finance functions and tax planning.

He left in Shanghai Hyster International Trading Ltd in June 2012 and joined HICOM Holdings Berhad (a Main Market listed company in Malaysia) in November 2012 as Senior Manager under the Finance Department. At the same time, he was also seconded to Motosikal & Enjin Nasional Sdn Bhd, a subsidiary of HICOM Holdings Berhad, which is mainly involved in the manufacturing, assembly, distribution and servicing of motorcycles, as Chief Financial Officer, where he was mainly responsible for overseeing the said company's finance function.

Between September 2012 to April 2014, he was appointed as an Independent Non-Executive Director of MQ Technology Berhad (an ACE Market listed company in Malaysia).

He left Motosikal & Enjin Nasional Sdn Bhd in November 2015 and joined Sichuan ECI-Metro Engineering Services Co. Ltd in January 2016 as Senior General Manager under the Finance and Accounting Department, where he was mainly responsible for overseeing the said company's treasury and financial reporting functions. He left the company in June 2021.

In March 2021, he incorporated Super Kangaroo Global Solutions Sdn Bhd to venture into the business of provision of postal and courier services. The said company was subsequently dissolved on 30 May 2023 due to challenging business environment.

In October 2022, he joined Edgenta First Sdn Bhd, a wholly-owned subsidiary of UEM Edgenta Berhad (a Main Market listed company in Malaysia) as Deputy Head, Finance Shared Services, where he was mainly responsible for performing internal audit and financial reporting due diligence reviews on the said company's overseas operations. He left Edgenta First Sdn Bhd in January 2023 as he declined to a new job assignment that required him to be relocated and based in Saudi Arabia where the weather condition in Saudi Arabia was not suitable to him.

He then took a career break between January 2023 to June 2025 and enrolled into Post-Graduate Diploma in Education program at UNITAR International University on 16 September 2024.

Given his extensive expertise in accounting and finance, on 9 June 2025, he joined Emits Technology as Group Financial Controller, a position he holds to-date.

Please refer to Section 5.3.3(i) of this Prospectus for details of his involvement in other businesses outside our Group as at the LPD.

(ii) Ho Kooi Yong
Chief Operating Officer

Ho Kooi Yong, Malaysian, aged 55, is our Chief Operating Officer, where he is primarily responsible for overseeing our Penang Factory's day-to-day manufacturing activities, including mechanical engineering support, manufacturing operation and supply chain management. Further, he also oversees the assembly and testing procedures carried out at our Taiwan Assembly Line.

He obtained a Diploma in Electronic Engineering from the Federal Institute of Technology Malaysia, which was affiliated to and recognised by Newcastle Upon Tyne Polytechnic and Sunderland Polytechnic of United Kingdom, in July 1996.

He began his career in March 1996 with TIM Electronics Sdn Bhd (now known as Etria Manufacturing Malaysia Sdn Bhd), an OEM service provider of electronic equipment, as Engineer under the manufacturing department, where he was mainly responsible for overseeing the company's day-to-day production activities, including resolving downtime issues on the production floors.

He left TIM Electronics Sdn Bhd (now known as Etria Manufacturing Malaysia Sdn Bhd) in April 2004 and joined Amphenol Malaysia Sdn Bhd, an electronic component manufacturer, in the same month, as a Staff Engineer, where he was mainly responsible for assisting in antenna manufacturing activities. He left the company in December 2015 as Amphenol Malaysia Sdn Bhd relocated its business operations to China.

He joined Emits Technology in January 2016 as Mechanical Engineer. He was then promoted to Mechanical Engineering Director in December 2019, where he headed the mechanical engineering function of our Group. On 1 October 2025, he was re-designated to Chief Operating Officer, a position he holds to-date. He does not have any involvement in business activities and directorships outside our Group for the past 5 years preceding the LPD.

5.3.3 Principal Directorships and Business Activities Performed Outside Our Group

Save as disclosed below and Section 5.2.3 of this Prospectus for Ts. Loy Boon Liang and H'ng Chuen Yeou, none of our other key senior management has any involvement in business activities and directorships in any other businesses/corporations outside our Group for the past 5 years prior to the LPD:

(i) Teh Su Kang

No.	Company	Principal activities	Involvement in business	Date of appointment	Date of resignation	Equity interest as at LPD	
						Direct (%)	Indirect (%)
Present involvement							
1.	Kejap Food ECF2 PLT	Investment holding of shares of a subsidiary involved the business of food delivery service.	[(a)]Partner	13 July 2023	-	0.6	-
Past involvement							
1.	Super Kangaroo Global Solutions Sdn Bhd	National postal services/courier activities other than national post activities/wholesale of a variety of goods without any particular specialisation	Director/ Shareholder	25 March 2021	Dissolved on 30 May 2023	25.0	-

Note:
(a) He is not involved in the day-to-day operations of the business.

(ii) Por Chee Seong

He does not have any involvement in business activities and directorships outside our Group for the past 5 years preceding the LPD.

(iii) Ho Kooi Yong

He does not have any involvement in business activities and directorships outside our Group for the past 5 years preceding the LPD.

Our Board is of the view that the involvement of Teh Su Kang in businesses outside our Group as stated above will not give rise to any conflict of interest situation with our Group, or materially affect his commitment, ability to perform his responsibilities as well as contribution to our Group in as a key senior management. Further, the involvement of Teh Su Kang in businesses outside our Group does not preclude him from allocating or committing his time and effort to our Group as he is not involved in the management and day-to-day operations of these businesses outside our Group, other than attending relevant meetings on which he serves. For clarity, none of our key senior management are involved in any companies or businesses that are customers or suppliers of our Group for the past 5 years prior to the LPD.

5.3.4 Key Senior Management's Remunerations and Material Benefits-in-Kind

The remunerations and material benefits-in-kind paid and proposed to be paid to Ts. Loy Boon Liang and H'ng Chuen Yeou are set out in Section 5.2.4 of this Prospectus.

The remuneration and material benefits-in-kind paid and proposed to be paid to our other key senior management for the FYE 2025 and FYE 2026 are as follows:

	[(a)]Remuneration band (in bands of RM50,000)	
Name	**FYE 2025 (Actual)**	**FYE 2026 (Estimated)**
	RM'000	**RM'000**
Teh Su Kang	[(b)]50 – 100	100 – 150
Por Chee Seong	400 – 450	450 – 500
Ho Kooi Yong	350 – 400	400 – 450

Notes:

(a) The remuneration for key senior management mainly comprises salaries, bonusses, and employer's contributions to Employees Provident Fund, Social Security Organisation and Employment Insurance System.

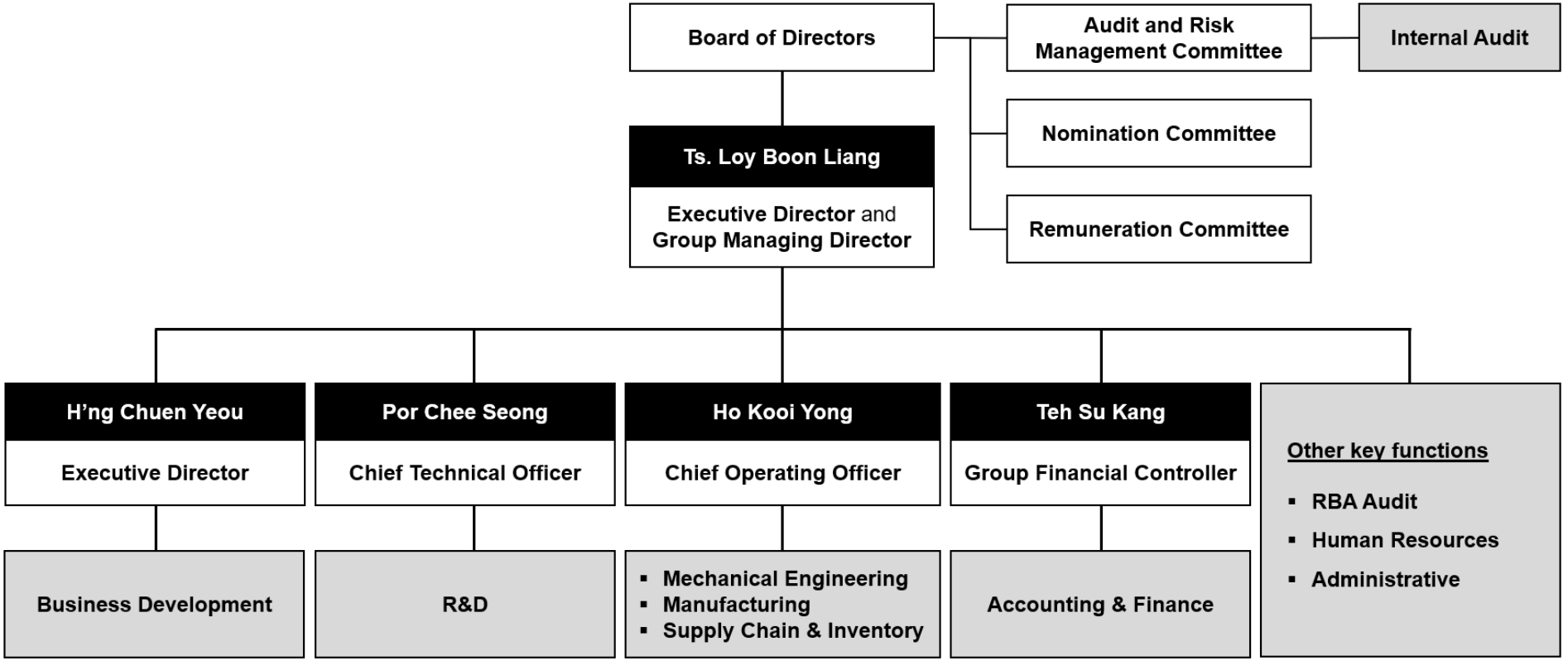
(b) Computed from the date he joined our Group in June 2025.

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

5.4 MANAGEMENT REPORTING STRUCTURE

The management reporting structure of our Group is as follows:



5.5 BOARD PRACTICES

Our Board recognises that the MCCG provides guidance for listed companies to enhance their corporate governance practices, which forms an integral part of their business operations and organisation culture. We regard corporate governance as an on-going and fundamental discipline that supports sustainable and long-term value creation for our shareholders and other stakeholders.

In line with the above, save for the recommended practices of the MCCG that are only applicable to our Group upon or after our Listing, we have adopted the relevant recommended practices of the MCCG that are required to be implemented before our Listing. These recommended practices of the MCCG include, amongst others, the following:

(i) establishing a board charter that clearly define the roles and responsibilities of our Board, Board committees and Executive Directors, in accordance with Practice 2.1 of the MCCG;

(ii) adopting a code of conduct and ethics, as well as a whistleblowing policy and an anti-bribery and corruption policy that promote professional and ethical conduct and provide avenues for reporting of alleged misconduct within our Group, in accordance with Practices 3.1 and 3.2 of the MCCG;

(iii) establishing an enterprise risk management framework that can systematically identify, assess, implement action plans, monitor and report significant business risks across our Group's business and operations, in accordance with Practice 9.5 of the MCCG;

(iv) establishing a Board composition that:

  (a) at least half of the Board members comprise Independent Non-Executive Directors, in accordance with Practice 5.2 of the MCCG. In fact, our Board comprises a majority of Independent Non-Executive Directors; and

  (b) at least 30% of the Board members comprises women Directors, in accordance with Practice 5.9 of the MCCG;

(v) the positions of Chairman of our Board and the Chief Executive Officer/Group Managing Director are held by different individuals, in accordance with Practice 1.3 of the MCCG;

(vi) the Chairman of our Board is not a member of any of our Board committees, in accordance with Practice 1.4 of the MCCG;

(vii) the Chairman of the Audit and Risk Management Committee is not the Chairman of our Board, in accordance with Practice 9.1 of the MCCG;

(viii) our Audit and Risk Management Committee members are all Independent Non-Executive Directors, in accordance with Practice 9.4 of the MCCG; and

(ix) our Nomination Committee and Remuneration Committee are chaired by an Independent Non-Executive Director, in accordance with Practice 5.8 of the MCCG.

After our Listing, we will progressively adopt other relevant recommended practices of the MCCG, where applicable.

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

5.5.1 Directors' Term of Office

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 for which our Directors have served in that office are as follows:

No.	Name / Designation	Date of Appointment	Date of expiration of the current term of office	No. of years in office up to the LPD
(i)	**Dato' Low Suet Moi** Independent Non-Executive Director/ Chairperson	12 November 2025	Subject to retirement by rotation at our AGM to be held in year 2028	Less than 1 year
(ii)	**Ts. Loy Boon Liang** Non-Independent Executive Director/ Group Managing Director	7 February 2025	Subject to retirement by rotation at our AGM to be held in year 2027	Less than 2 year
(iii)	**H'ng Chuen Yeou** Non-Independent Executive Director	7 February 2025	Subject to retirement by rotation at our AGM to be held in year 2027	Less than 2 year
(iv)	**Chan Tsai-Huo** Non-Independent Non-Executive Director	7 February 2025	Subject to retirement by rotation at our AGM to be held in year 2027	Less than 2 year
(v)	**Foong Wai Leng** Independent Non-Executive Director	12 November 2025	Subject to retirement by rotation at our AGM to be held in year 2028	Less than 1 year
(vi)	**Ewe Keang Teong** Independent Non-Executive Director	12 November 2025	Subject to retirement by rotation at our AGM to be held in year 2028	Less than 1 year
(vii)	**Tan Chye Suan** Independent Non-Executive Director	12 November 2025	Subject to retirement by rotation at our AGM to be held in year 2029	Less than 1 year

In accordance with our Company's Constitution, all the Directors shall retire from office at the first AGM of our Company and 1/3 (or the number nearest to 1/3) of our Directors for the time being, shall retire by rotation at the AGM of our Company in every subsequent year and shall be eligible for re-election, provided always that all Directors shall retire from office at least once every 3 years but shall be eligible for re-election.

A retiring Director shall retain office until the close of the next AGM at which he/she retires. The Directors to retire in every year shall be the Directors who have been longest since the Directors' appointment or last election.

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

A Director appointed either to fill a casual vacancy or as an addition, shall hold office only until the next AGM and shall then be eligible for re-election. None of our Directors has been appointed for a fixed term.

Our Board has adopted a board charter, which sets out, amongst others, the following principal policies of our Board for effective discharge of their respective roles and responsibilities:

(i) promote good corporate governance culture within our Company/Group which reinforces ethical, prudent and professional behaviour;

(ii) ensure our Company has effective Board committees as required by the Listing Requirements, which include those as recommended by the MCCG;

(iii) ensure our Group has an effective management team and structure as well as develop management skills and putting in place an effective management succession plan to sustain continuity of operations;

(iv) adopt good corporate governance practices in relation to, amongst others, code of conduct and ethics, anti-bribery and anti-corruption policy so to safeguard our Group's reputation, businesses and employees, and to ensure compliance with the applicable laws and regulations;

(v) oversee the conduct of our Group's businesses, as well as to evaluate and assess our management's performances to ensure our businesses are properly managed;

(vi) ensure our Group has put in place an appropriate framework for internal controls and risk management, as well as setting appropriate risk appetite within which our Board expects our management to operate, supported by a sound framework that could identify, analyse, evaluate, manage, and monitor significant financial and non-financial risks;

(vii) review our strategic plans to ensure long-term value creation, which include incorporating economic, environmental, social and governance considerations;

(viii) review, challenge and decide on our management's proposals and to monitor the implementation by our management of such approved proposals;

(ix) review and approve our Group's annual business plans, financial statements and annual reports;

(x) ensure that our Group has put in place appropriate procedures that enable effective communication with our shareholders and stakeholders; and

(xi) carry out or perform any other functions necessary for the discharge of its fiduciary duties under the relevant laws and regulations.

5.5.2 Audit and Risk Management Committee

Our Audit and Risk Management Committee was established on 12 November 2025. As at the LPD, our Audit and Risk Management Committee comprise the following members:

Name	Designation	Directorship
Foong Wai Leng	Chairperson	Independent Non-Executive Director
Ewe Keang Teong	Member	Independent Non-Executive Director
Tan Chye Suan	Member	Independent Non-Executive Director

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

The main functions of our Audit and Risk Management Committee are to assist our Board in fulfilling its fiduciary responsibilities relating to, amongst others, accounting and reporting practices, internal control, corporate governance processes, sustainability governance and practices as well as risk management policies and strategies of our Group.

Our Audit and Risk Management Committee's duties and responsibilities as stated in its terms of reference include, amongst others, the following:

External audit

(i) review and recommend to our Board on the appointment of external auditors and to consider their fees (both audit and non-audit services);

(ii) assess the suitability, objectivity and independence of the external auditors on an annual basis, including obtaining written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements; and

(iii) review and discuss with the external auditors on the:

(a) audit plan, scope and nature of audit of our Group;
(b) evaluations of the accounting policies and systems of internal control of our Group;
(c) audit report and audit findings and recommendations; and
(d) assistance given by our employees and management to the external auditors.

Internal audit

(i) establish an internal audit function which is independent of the activities it audits;

(ii) consider and approve the appointment of the internal auditors, the internal audit fee and any question of resignation or dismissal;

(iii) review the adequacy of the scope, competency and resources of the internal audit function, and that it has the necessary authority to carry out its work;

(iv) review the risk-based internal audit plan, programmes and processes, the results of the internal audit and major findings reported by the internal auditors, and whether or not appropriate action is taken on the recommendations of the internal auditors and follow up on the management's implementation of the recommended actions;

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

(vi) review the internal audit reports and findings by the internal auditors, fraud investigations and actions and steps taken by the management in response to audit findings;

(vii) appraise or assess the performance of members of the internal audit function; and

(viii) monitor the overall performance of the Company's internal audit function.

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

Risk management

(i) review the adequacy and effectiveness of our risk management, internal control and governance systems;

(ii) review and recommend changes as needed to ensure that our Group has in place a risk management policy that addresses, amongst others, operational, financial and compliance risk;

(iii) implement and maintain a sound risk management framework which identifies, assesses, manages and monitors the Group's material business risks;

(iv) review the reporting guidelines for our management to report to our Audit and Risk Management Committee on the effectiveness of our management of material business risks;

(v) review our risk profile and proposed measures to mitigate identified material business risks; and

(vi) review the adequacy of our management's response to issues identified to risk registers, to ensure that the risks are appropriately mitigated, monitored and managed within our Group's risk appetite.

Financial reporting

(i) review the quarterly and annual financial statements of our Group before recommending to our Board for approval, focusing particularly on:

  (a) changes in or implementation of major accounting policies and practices;

  (b) significant matters highlighted, including financial reporting issues, significant judgments made by our management, significant and unusual events or transactions, and how these matters are addressed; and

  (c) compliance with applicable accounting and financial reporting standards and other legal requirements.

(ii) discuss issues and reservations arising from the interim and final audits, and any matter the external auditors may wish to discuss;

(iii) review and ensure our financial statements are prepared in accordance with the applicable financial reporting standards;

(iv) review the Corporate Governance Report and Annual Report which includes, amongst others, the Statement of Risk Management and Internal Control, Sustainability Statement, Corporate Governance Overview Statement; and

(v) report its key findings on the financial statements and our management's performance, and other material related matters to our Board.

Related party transactions and conflict of interest

(i) review and evaluate any related party transactions and conflict of interest situation that arose, persist or may arise within our Group including any transaction, procedure or course of conduct that raises questions of management integrity and the measures taken to resolve, eliminate, or mitigate such conflicts, as well as make the relevant disclosures in the annual report, if so applicable; and

(ii) review and ensure that related party transactions are undertaken on an arms-length basis and on normal commercial terms that are not more favorable to the related party than those generally available to the public.

The recommendations of our Audit and Risk Management Committee are subject to the approval of our Board.

5.5.3 Nomination Committee

Our Nomination Committee was established on 12 November 2025. As at the LPD, our Nomination Committee comprises the following members:

Name	Designation	Directorship
Ewe Keang Teong	Chairman	Independent Non-Executive Director
Tan Chye Suan	Member	Independent Non-Executive Director
Chan Tsai-Huo	Member	Non-Independent Non-Executive Director

The main functions of our Nomination Committee as stated in its terms of references includes, amongst others, the following:

(i) review, assess and recommend suitable candidates for appointment as Director of our Company, as well as retiring Directors seeking re-election at the AGM. When making recommendations to our Board regarding directorship or re-appointment, our Nomination Committee must consider the "Fit and Proper" criteria outlined in our Company's policy. These criteria include, but are not limited to:

   (a) character, competency, knowledge and experience;

   (b) professionalism;

   (c) integrity and credibility;

   (d) fit and properness under Rule 15.01A of the Listing Requirements on a continuing basis;

   (e) time commitment, particularly number of other directorships; and

   (f) in the case of the candidates for the position of Independent Non-Executive Directors, our Nomination Committee shall also evaluate the candidates' ability to discharge such responsibilities or functions as expected from the Independent Non-Executive Directors;

(ii) assess, on an annual basis, the size and composition of our Board, such as skills mix, experience, gender diversity and other qualities which our Directors should have;

(iii) assess the effectiveness of our Board and our Board committees;

(iv) assess our Directors' experience, knowledge, credibility and credentials, including their effectiveness and contribution in carrying out their respective roles and responsibilities to our Group;

(v) assess the independence of each Director annually so to ensure that the independent Directors can bring independence and objective judgement to Board deliberations;

(vi) review, on an annual basis, the terms of office and the performance of our Audit and Risk Management Committee and Remuneration Committee and each of its members, so to determine whether its members have carried out their duties in accordance with their respective terms of reference;

(vii) ensure an appropriate framework and plan for the Board and senior management succession;

(viii) assess and recommend the re-election of Directors who are due to retire in accordance with our Company's Constitution; and

(ix) review and assess that our Directors undergo continuous training in order to broaden their perspectives and keeping abreast with, amongst others, recent developments in marketplace as well as changes in statutory and regulatory requirements.

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

5.5.4 Remuneration Committee

Our Remuneration Committee was established on 12 November 2025. As at the LPD, our Remuneration Committee comprises the following members:

Name	Designation	Directorship
Tan Chye Suan	Chairperson	Independent Non-Executive Director
Ewe Keang Teong	Member	Independent Non-Executive Director
Chan Tsai-Huo	Member	Non-Independent Non-Executive Director

The main function of our Remuneration Committee as stated in its terms of references includes, amongst others, the following:

(i) review and recommend to our Board the appropriate remuneration packages for our Executive Directors and key senior management;

(ii) establish a transparent procedure for setting policy on the remuneration package of our Non-Executive Directors, Group Managing Director, Executive Director and key senior management;

(iii) review the performance of our Group Managing Director, Executive Director and key senior management on an annual basis, and to recommend to our Board, appropriate amount of annual salary increments, bonuses and other benefits-in-kind for our Executive Directors and key senior management;

(iv) ensure that our Non-Executive Directors, Group Managing Director, Executive Director and key senior management are fairly rewarded for their individual contribution to our Company's overall performance and that the remuneration commensurate with the level of executive responsibility and is appropriate in light of the Company's performance; and

(v) ensure that the remuneration packages and benefits for our Independent Non-Executive Directors do not conflict with their obligations to bring objective and independent judgement to our Board.

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

5.6 RELATIONSHIPS AND/OR ASSOCIATIONS

Chan Tsai-Huo, our Non-Independent Non-Executive Director, is the son-in-law of Dato' Seri Goh, who is a Promoter and substantial shareholder of our Company.

Save as disclosed above, there are no other family relationship or association between our Promoters, substantial shareholders, Directors and our key senior management.

5.7 SERVICE AGREEMENTS

As at the LPD, none of our Directors and key senior management have any existing or proposed service agreement with our Group which provide for benefits upon termination of employment.

5.8 DECLARATIONS BY OUR PROMOTERS, DIRECTORS AND KEY SENIOR MANAGEMENT

Our Promoters, Directors and key senior management have confirmed that, as at the LPD, he or she is not and has not been involved in any of the following events, whether in or outside Malaysia:

(i) in the last 10 years, a petition under any bankruptcy or insolvency law was filed (and not struck out) against him/her or any partnership in which he/she was a partner, or any corporation of which he/she was a director or a member of key senior management;

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

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

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

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

(vi) 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;

(vii) 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

(viii) any unsatisfied judgment against him/her.

5.9 SUSTAINABILITY PRACTICES

We are committed to ensure that our Group's operations are carried out in a responsible and sustainable manner. Our key economic, environmental, social and governance ("**EESG**") commitments are summarised as follows:

(i) promote and ensure all employees are aware of, and committed to, implementing and measuring sustainability activities by considering EESG factors;

(ii) promote sustainable practices within our Group and our stakeholders with an emphasis on integrating EESG considerations into the day-to-day operations;

(iii) ensure that our Board and senior management are involved in implementation of the sustainabiliy policy and review the sustainability performance;

(iv) integrate the principles of sustainability into our Group's strategies, policies and procedures and business decisions;

(v) establish, monitor and review our Company's EESG performance targets to ensure continual improvement and accountability; and

(vi) adopt and adhere to the Responsible Business Alliance ("**RBA**") code of conduct which promotes safe working conditions in supply chains, resposible and ethical business conduct, and with respect for human rights and the environment. RBA is an industry coalition dedicated to responsible business conduct in global supply chains.

5.9.1 Economic

Our Group recognises the importance of contributing positive economic values that can benefit both the organisation as well as stakeholders, through the following initiatives:

(i) monitor our Group's financial performance and develop strategies to drive sustainable business growth; and

(ii) prioritise the sourcing and procurement of materials and services locally, where applicable, in an ethical and responsible manner.

5.9.2 Environmental

Our Group recognises the importance of environmental protection and commits to minimise the environmental impact in our ordinary course of business through the following initiatives:

(i) encourage mindful usage of electricity among employees when using office equipment, amenities and other facilities in the workspace;

(ii) reduce the consumption of paper and other materials through the digitalisation of processes and encourage the practice of reduce, reuse and recycle;

(iii) minimise the level of pollutants entering into the air and water from daily business operations;

(iv) encourage mindful waste management among our Group when disposing or handling the waste from daily business operation;

(v) disposing scheduled waste from our normal daily operations only to licensed scheduled waste collector; and

(vi) comply with environmental regulations and legal requirements.

During the Financial Years and Period Under Review and up to the LPD, we did not encounter any instances of environmental issues which materially affected our business and operations.

Greenhouse gas ("GHG") emissions

The estimated total GHG emission by Emits Technology, the principal subsidiary of our Group, in year 2024 was approximately 7,405.5 tonnes of CO_2 equivalent (**"tCO_2e**"), as follows:

	GHG Emission (tCO_2e)			
Year	**[(a)]Scope 1**	**[(a)]Scope 2**	**[(a)]Scope 3 (Category 1)**	**Total**
2024	14.08	658.65	6,732.78	7,405.51

Note:

(a) Scope 1 : Scope 1 emissions originate from the sources directly owned or controlled by Emits Technology such as fuel combustion in on-site equipment and company-owned vehicle (mainly forklifts).

Scope 2 : Scope 2 emissions result from the generation of electricity purchased and consumed at Emits Technology's facilities.

Scope 3 : Scope 3 emissions encompass the upstream emissions associated with the production of goods and services that Emits Technology procures. Key contributors to Scope 3 (Category 1) are the raw materials and parts/components for the production of antennas and the outsourced services that support production and administrative activities of Emits Technology.

Based on public statistics by the International Energy Agency ("**IEA**"), Malaysia's total GHG emission in year 2024 was approximately 283.0 million metric tonnes of CO_2 equivalent ("**$MtCO_2eq$**").

Based on the abovesaid statistics, Emits Technology's total GHG emissions of 7,405.51 tCO_2eq in year 2024 represents a negligible fraction (i.e. less than 0.003%) over Malaysia's total of 283.0 million $MtCO_2eq$.

Further, the industry where Emits Technology operates in is not listed in First Schedule of the Environment Quality (Clean Air) Regulations 2014. First Schedule set out those industries that need to comply with Regulation 6 (Measures to Reduce Emission) and Regulation 13 (Limits value and technical standards) of the Environment Quality (Clean Air) Regulations 2014.

Premised on the above, Emits Technology is not viewed to be a high pollutant and GHG emission company.

5.9.3 Social

As a responsible corporate entity, our Group is committed to ensure the wellbeing of the society we serves and ensure an inclusive and non-discriminatory work environment that provides equal opportunities for all. Our approach to social sustainability practices include the following:

(i) safeguard the safety, health and wellbeing of its employees through the cultivation of a robust occupational health and safety culture at all its operating sites;

(ii) make charity donations that promote our social well-being;

(iii) promote racial harmony and prevent racial discrimination or prejudicial behavior;

(iv) prevent sexual harassment and other forms of violence against women;

(v) provide fair and market competitive employee remuneration and benefits;

(vi) plan and organise training programs and relevant job skills training to address competency gaps in the workforce;

(vii) maintain high employee morale through feedback gathering and employee engagement activities;

(viii) enable employees to further develop their professional and personal skills;

(ix) engage positively with communities and stakeholders where we operate;

(x) respond in a professional and timely manner to public enquiries;

(xi) continue improving public perception and experience of our Group; and

(xii) support and encourage community development.

5.9.4 Governance

Our Group recognises the importance of governance sustainability and conducts its businesses with utmost integrity, transparency and accountability to manage risks, ensure operational and business sustainability, and retains the confidence of stakeholders by having the following in place:

(i) establish, maintain and fortify our Group's corporate governance and internal control measures and ensure its adherence to all applicable laws and regulatory requirements, standards and industry best practices;

(ii) advocate a high standard of integrity and ethical business conduct in all its financial and non-financial dealings and uphold the principles of fairness, transparency and responsibility;

(iii) enforce and strengthen the anti-corruption and anti-bribery protocols across our Group and our stakeholders;

(iv) ensure sustainability forms an integral part of the strategic planning;

(v) enhance sustainability through regular updates of strategies, policies, procedures and provide relevant training;

(vi) plan for long term resources including human and financial; and

(vii) uphold good corporate governance and ethical conduct in accordance with the principles and guidance of corporate governance as set out in the MCCG.

5.10 MANAGEMENT SUCCESSION PLAN

Our Board believes that the success of our Group depends on, amongst others, the ability and retention of our Executive Directors and key senior management. Therefore, we have made efforts to train our employees and remunerate them accordingly. Our future success will also depend on our ability to attract and retain new skilled personnel.

We have a management succession plan consisting of:

(i) structured career planning and development;

(ii) competitive remuneration and employee benefits; and

(iii) continuous training and development.

In addition, our key senior management have defined leadership roles and responsibilities to support to our Group Managing Director and Executive Director in managing the day-to-day operations of our Group. Further, from time to time, we are actively seeking suitable candidates to join our Group. This essentially forms part of our long-term strategy to maintain an adequate and diverse talents pool to support our on-going business operations moving forward.

As part of our management succession plan, we have also put in place appropriate processes to groom new management staff to gradually assume the responsibilities of our key senior management. These include providing on-the-job trainings as well as promoting suitable and friendly working culture within our organisation.

Our Group's strategy for management continuity is driven by our Board and assisted by the Nomination Committee as well as the top management who is responsible for identifying key competencies and recruitment of candidates with suitable knowledge and expertise for our businesses.

Our Nomination Committee will review and update the succession plan at least once annually to ensure our Group has reassessed the development progress of the identified successors and whether any recruitment is required for further deliberations by our Board.

6. INFORMATION ON OUR GROUP

6.1 GROUP OVERVIEW

6.1.1 Background Information

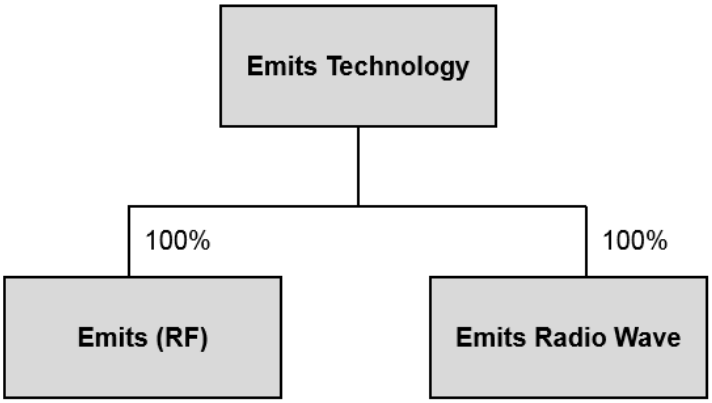
Our Company was incorporated in Malaysia on 7 February 2025 under the Companies Act as a private limited company under the name of Emits Sdn Bhd.

On 27 October 2025, our Company was converted into a public limited company and assumed our present name. Our Company was incorporated as a special purpose vehicle to undertake the Listing. Further details of our businesses are set out in Section 7 of this Prospectus.

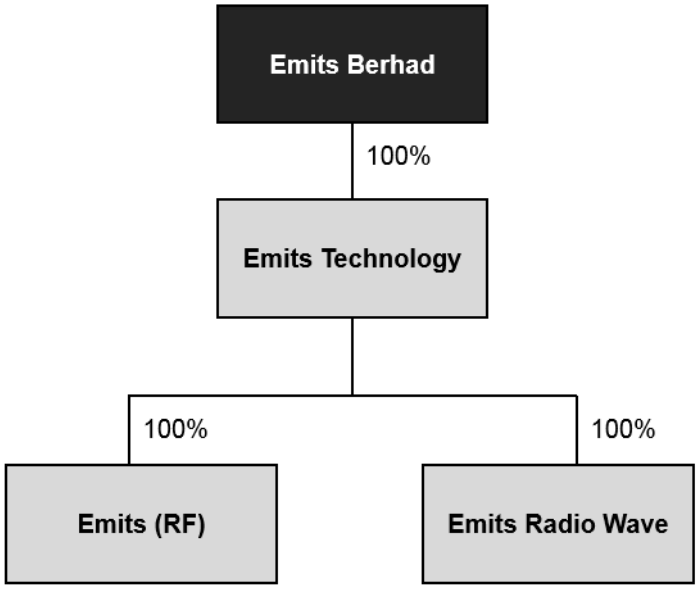
6.1.2 Corporate and Shareholding Structure

Corporate structure

Our corporate structure over the Financial Years and Period Under Review and up to the LPD is as follows:



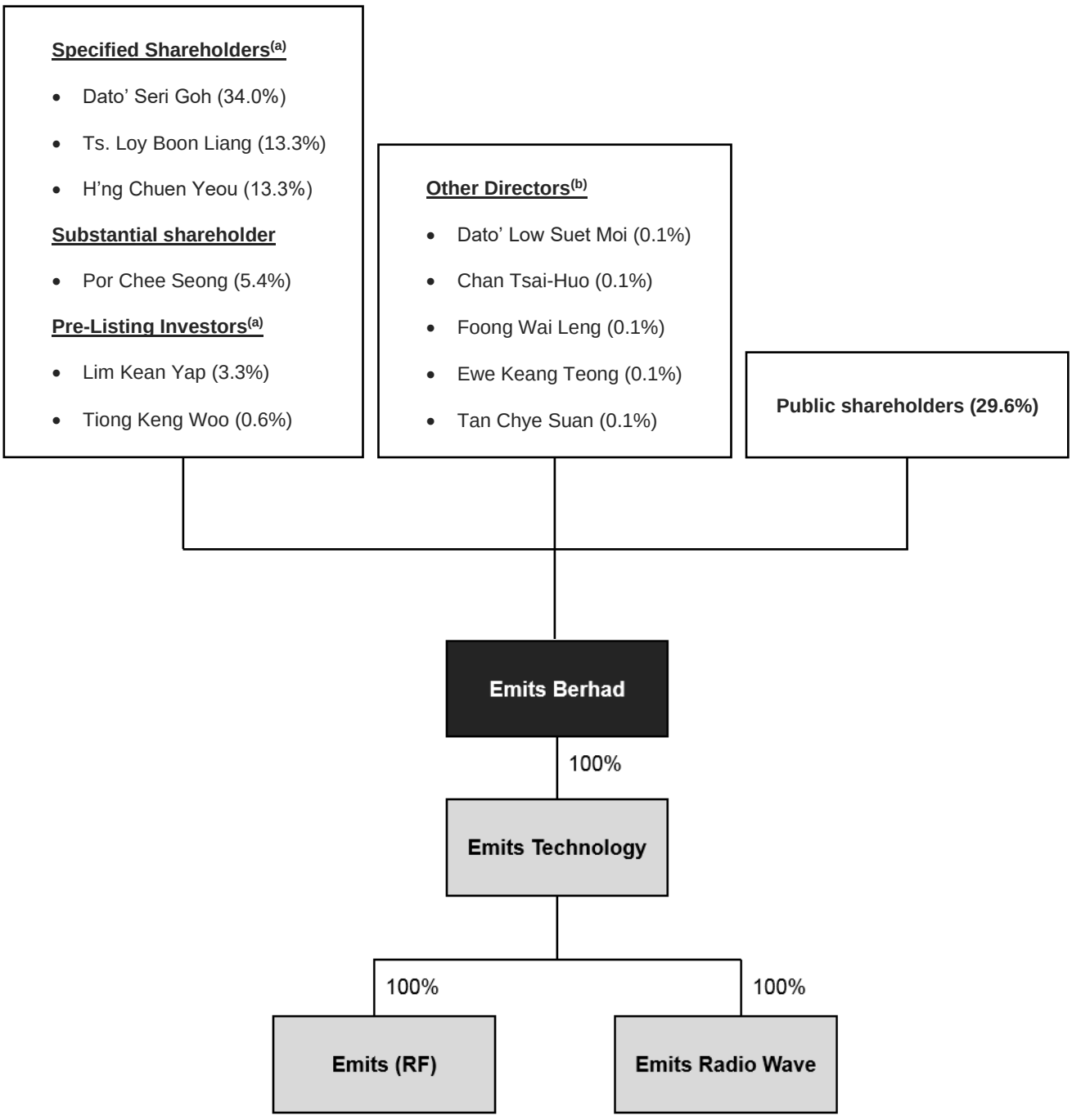
Our Company had on 22 September 2026 completed the Acquisition in order to become the listing vehicle of Emits Technology. Our Group's structure after the Acquisition is as follows:



6. INFORMATION ON OUR GROUP (cont'd)

Shareholding structure

Our Group's shareholding structure upon the Listing is as follows:



Notes:

(a) The shareholdings of our Specified Shareholders and the Pre-Listing Investors in our Company are subject to moratorium as set out in Section 2.2 of this Prospectus.

(b) Assuming he/she fully subscribes for his/her entitlement under the Pink Form Allocation as set out in Section 4.3.1 of this Prospectus.

6.1.3 History of Our Group

Our Group's history can be traced back to 28 October 2015 when Emits Technology was incorporated by our Executive Directors, namely Ts. Loy Boon Liang and H'ng Chuen Yeou, to venture into the antenna manufacturing business in Malaysia. Below are the key events and milestones in the history and development of our Group:

Year	Key events
2015	• Incorporation of Emits Technology on 28 October 2015.
2016	• Commenced business from a rented factory at Mak Mandin, Penang, which had a total production floor space of approximately 10,000 sq ft.
2017	• Emits Technology was certified compliant with the International Standard for Quality Management System ISO 9001: 2015 for the scope of manufacturer of antenna and wireless telecommunication devices.
2018	• Relocated our business to a larger rented factory at Bayan Lepas, Penang, which had a total production floor space of approximately 15,000 sq ft.
2019	• Incorporation of Emits Radio Wave on 7 January 2019 to expand our antenna manufacturing business to Taiwan. Please refer to Section 6.1.4.2 of this Prospectus for further details of our operations in Taiwan.
2020	• Acquisition of our Penang Factory on 10 July 2020 (a larger operating premise with total built-up area of approximately 47,132 sq ft) from a third party vendor for a total cash consideration of RM11.5 million. Since then, we primarily operate from our Penang Factory. • The acquisition of our Penang Factory was funded through the Shareholders' Advances, which have been fully settled on 3 April 2024. Please refer to Section 6.2.2 of this Prospectus for further details.
2021 - 2026	• Emits Technology was certified compliant with the Environmental Management System ISO 14001: 2015 for the scope of manufacture of antenna and wireless telecommunication devices. • We focused on growing our revenue and customer base leveraging on, amongst others, our operating track record and the larger production floor of our Penang Factory. • Between 2021 to 2025, our revenue grew from RM15.2 million in FYE 2021 to RM39.6 million in FYE 2025, reflecting a CAGR of 27.0%. • As set out in Section 7.18.1 of this Prospectus, one of our future plans is to expand our product portfolio to include manufacturing of 5G base station antennas. To meet this future plan, we had, in year 2025, set up 4 new production lines at our Penang Factory for the manufacturing of 5G base station antennas on an OEM basis. Please refer to Section 7.18.1 of this Prospectus for the details of this initiative.

There have been no material changes in the manner in which we conduct our businesses or activities since the incorporation of our Company and subsidiaries up to the LPD.

6.1.4 Principal Places of Operation

Our principal places of operations comprise the following:

Operating location	Premise	Address	Function	Total built-up/ floor area	Owned/ Rented
Malaysia	Penang Factory	Plot 152, Bayan Lepas Free Industrial Zone, Phase 1, Jalan Sultan Azlan Shah, MK12, 11900, Bayan Lepas, Penang, Malaysia	▪ Head Office ▪ Full range antenna OEM manufacturing plant for all customers of our Group	47,132 sq ft/ built-up area	Owned
Taiwan	Taiwan Assembly Line	5th Floor, No. 9, Ln. 119, Dazhu Rd., Luzhu Dist., Taoyuan City 338, Taiwan	Assembly and testing for certain semi-finished LMR antennas produced from our Penang Factory into finished LMR antennas. Please refer to Section 6.1.4.2 of this Prospectus for further details.	1,068 sq ft/ rented floor area	Rented and designated entirely for Emits Radio Wave's manufacturing use only

6.1.4.1 Penang Factory

We primarily operate from our Penang Factory (as depicted below) which has all the necessary machinery, equipment, tooling and engineers that enables us to provide full range antenna OEM manufacturing services to all of our customers:



6. INFORMATION ON OUR GROUP (cont'd)

Our Penang Factory has a total built-up area of 47,132 sq ft, comprising the following:

Building	Functions			
	Production activity	**Administrative Office**	**Others**	**Total**
	Sq ft	**Sq ft**	**Sq ft**	**Sq ft**
Main factory building				
- Ground floor	12,002	3,264	-	15,266
- 1st floor	8,655	6,622	-	15,277
Second factory building				
- Ground floor	10,573	-	-	10,573
- 1st floor	3,349	-	-	3,349
Separate buildings annexed to the main factory building				
- 1-storey anechoic chamber	952	-	-	952
- 1-storey cafeteria building	-	-	1,715	1,715
Total	**35,531**	**9,886**	**1,715**	**47,132**

The production floors of our Penang Factory are for the following production activities:

Building		**Sq ft**	**Products**	**Production lines and activities**
Main Factory Building	▪ Ground floor	12,002	5G base station antenna	4 production lines and 5 shield rooms for manufacturing of 5G base station antennas.
	▪ 1st floor	4,327	Dome and embedded antenna	➢ 2 production lines for manufacturing of dome and embedded antennas.
		4,328	-	➢ Vacant and reserved for future projects.
Second Factory Building	▪ Ground floor	10,573	LMR antenna	13 production lines for manufacturing of LMR antennas.
	▪ 1st floor	3,349	-	Vacant and reserved for future projects.
Anechoic chamber		952	-	R&D facilities, as well as RF testing chamber for our LMR antennas.
Total		**35,531**	**-**	**-**

As our Penang Factory has all the necessary machinery, equipment, tooling and engineers that enable us to provide full range antenna manufacturing services, the majority of our Group's products are produced and sold from our Penang Factory. For illustrative purposes, over the Financial Years and Period Under Review, more than 75% of our Group's revenue was derived from the sales to customers from our Penang Factory, and the remaining revenue was generated from the sales to customer from our Taiwan Assembly Line.

6.1.4.2 Taiwan Assembly Line

In addition to our Penang Factory, we engaged Jy Chyun, a third party contract manufacturer in Taiwan, to set up an assembly line in Taiwan for our Group to assemble certain semi-finished LMR antenna produced from our Penang Factory, into finished LMR antennas.

Our Taiwan Assembly Line serves customers based in the USA that require for certain models of our LMR antennas to be produced from a country that has entered into a trade agreement with the government of USA ("**Designated Country**").

As Malaysia is not a Designated Country, our Penang Factory would not be able to fulfil such specific requirement. Hence, we have set up the Taiwan Assembly Line to serve customers based in the USA that may require us to produce certain models of LMR antennas from a production location at the Designated Country.

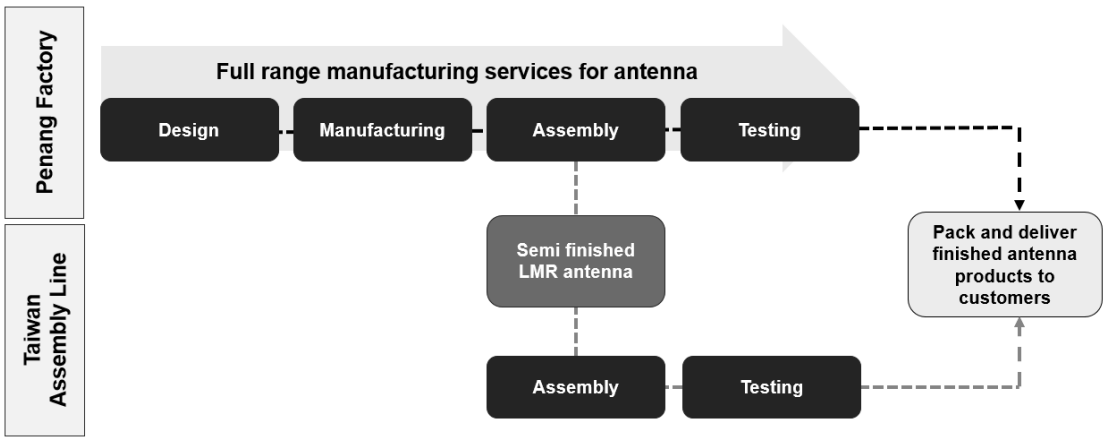
Our Taiwan Assembly Line commenced operations since October 2018. Taiwan was selected as the base for our operations in view of the following key factors:

(i) Taiwan is a Designated Country;

(ii) Taiwan has an established semiconductor and electronics industry and it plays a major role in the global semiconductor industry; and

(iii) Taiwan has an established industry value chain for semiconductor and electronics manufacturing, including electronic manufacturing service providers to undertake the LMR antenna manufacturing that we require.

Below is an overview of the operations flows between our Penang Factory and the Taiwan Assembly Line:



For our Taiwan Assembly Line:

(i) upon receiving purchase orders from our customers, our engineers and technical personnel at our Penang Factory will arrange for the relevant production activities at our Penang Factory, so to produce the requisite semi-finished LMR antenna;

(ii) the semi-finished LMR antenna produced from our Penang Factory will then be delivered to our Taiwan Assembly Line where Jy Chyun will perform the final assembly and testing procedures; and

(iii) upon passing the RF tests, finished LMR antenna will then be packed by Jy Chyun at our Taiwan Assembly Line for delivery to our customers, which is based on the delivery schedules as coordinated by our headquarter personnel at the Penang Factory.

Responsibility of Jy Chyun

Jy Chyun has been our OEM service provider in Taiwan since October 2018. Jy Chyun was selected as a contract manufacturer of our Group in Taiwan given that it is an established electronic component manufacturer in Taiwan and has obtained, amongst others, ISO 9001:2015 certification for the scope of manufacturing and supply of antenna and ancillary parts for communication receiving. Further, Jy Chyun is able to meet our supplier qualification audits which we carry out on a periodic basis. Pursuant to the Service Agreement, we engage Jy Chyun to perform the following services:

(i) assemble certain semi-finished LMR antenna produced from our Penang Factory into finished LMR antenna. The assembly services performed mainly comprise the following:

  (a) mounting connectors and attaching brackets, silicone and o-ring to seal the assembled LMR antenna;

  (b) visual inspection checks and surface treatment to rectify surface defects;

  (c) final RF test by placing the semi-finished LMR antenna in a reflection-free shielded box to test its signal strength. Finished LMR antenna that emits strong signal strength will pass the RF test and be accepted for sales to customers. Finished LMR antenna that emits low signal strength will be rejected for sales to customers.

(ii) supply necessary contract workers, parts and components that are required for the production of semi-finished LMR antenna into finished LMR antenna; and

(iii) any other scope of services as may be required by our Group.

For quality assurances purposes, all assembly and testing procedures performed by Jy Chyun are strictly based on our own set of operating manual and procedures, which are supervised by our headquarter personnel at our Penang Factory, whereby Jy Chyun is required to submit production and quality review reports to our headquarter personnel for every batch of production from our Taiwan Assembly Line. Below is an overview of our Taiwan Assembly Line:



6.2 PRE-IPO RESTRUCTURING

Our Company had completed the following exercises prior to our Listing:

(i) Full conversion of RCPS;

(ii) ET Shares Disposal;

(iii) Acquisition; and

(iv) Shares Split.

6.2.1 Full conversion of RCPS

On 16 July 2024, Emits Technology entered into the RCPS Subscription Agreements with Lim Kean Yap (Malaysian, aged 60) and Tiong Keng Woo (Malaysian, aged 60) for the RCPS Issuance. Both Lim Kean Yap and Tiong Keng Woo are third party investors and business owners, and they are not persons connected to our Promoters, substantial shareholders, Directors and key senior management of our Group.

The total number of RCPS issued pursuant to the RCPS Subscription Agreements were 387,500 RCPS, as follows:

Name	No. of RCPS issued	Issue price per RCPS	Subscription proceeds
		RM	**RM'000**
Lim Kean Yap	325,000	8	2,600
Tiong Keng Woo	62,500	8	500
Total	**387,500**		**3,100**

The RCPS were issued to the Pre-Listing Investors in 2 separate tranches as follows:

Issue date	Name	No. of RCPS issued	Subscription proceeds
			RM'000
First tranche			
27 November 2024	Lim Kean Yap	125,000	1,000
Second tranche			
5 March 2025	Lim Kean Yap	200,000	1,600
5 March 2025	Tiong Keng Woo	62,500	500
Total		**387,500**	**3,100**

The purpose of the RCPS Issuance was for our Group to raise additional capital of RM3.1 million to part finance the capital costs required to set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antennas. You may refer to Section 7.18.1 of this Prospectus for further details on the utilisation of proceeds raised from the RCPS Issuance.

6. INFORMATION ON OUR GROUP (cont'd)

The salient terms of the RCPS are as follows:

RCPS Issue Price	RM8.00 for each RCPS issued.
Conversion	Each RCPS is convertible into 1 new ET Share, if there were no changes in the total number of ET Shares in issue from the date of the RCPS Subscription Agreements up to the date of conversion of the RCPS.
Voting rights	No voting right at the general meeting of Emits Technology except on proposals that, amongst others, vary rights of the preferential shareholders.
Preferential dividends	No right to receive preferential dividends. Preferential dividends, if any, shall be determined by Emits Technology at its sole discretion. For clarity, there were no preferential dividends being declared and distributed to the RCPS holders since its issuance up to the LPD.

The RCPS Issue Price was arrived at on a negotiated basis based on our Group's then estimated EPS of approximately RM0.67 for the FYE 2024 (actual combined EPS in FYE 2024: RM0.76) times an agreed-upon PE multiple of 12 times.

In view of our Listing, the Pre-Listing Investors had on 3 December 2025 fully converted all their RCPS held into 387,500 new ET Shares as follows:

Name	No. of RCPS held prior to the conversion	Conversion ratio	No. of new ET Shares issued
Lim Kean Yap	325,000	1:1	325,000
Tiong Keng Woo	62,500	1:1	62,500
Total	**387,500**		**387,500**

This exercise has been completed on 3 December 2025.

6.2.2 ET Shares Disposal

Background information/Capitalisation

On 6 July 2020, Emits Technology entered into a shareholder's advances agreement with Dato' Seri Goh, our promoter and substantial shareholder, whereby Dato' Seri Goh had agreed to provide Emits Technology with total shareholders' advances of up to RM16.0 million.

The said shareholder's advances were intended for our Group to fund the acquisition of our Penang Factory for RM11.5 million, and the remaining balance of RM4.0 million was intended to fund our Group's general working capital requirements.

The acquisition of our Penang Factory was to expand our manufacturing capacity in view of its sizeable built-up area of approximately 47,132 sq ft. Further, the Penang Factory is located in the Bayan Lepas Free Industrial Zone in Penang, which provides us with several operational advantages as set out in Section 7.17(v) of this Prospectus.

The actual amount of advances received from Dato' Seri Goh was RM14.5 million, which have been fully utilised by our Group for the following purposes:

Utilisation	**RM' 000**
- Acquisition of our Penang Factory, which was completed on 10 July 2020	11,500
- General working capital requirements	3,000
Total	**14,500**

The Shareholder's Advances were unsecured, denominated in RM, subject to an annual interest rate of 5% (calculated on a daily rest basis on the outstanding amount of the advances) and shall be fully repaid by 6 July 2024. The Shareholder's Advances have been fully settled in FYE 2024 in the following manner:

Mode of repayment	**Repayment date**	**RM'000**
By Cash		
- Funds drawn from our secured term loan (by pledging our Penang Factory as a collateral)	15 January 2021	9,474
- Our internally-generated funds	3 April 2024	26
Via the Capitalisation		
- In March 2024, we had sought Dato' Seri Goh's agreement to partly settle RM5.0 million of the Shareholders' Advances via the Capitalisation	29 March 2024	5,000
Total		**14,500**

ET Shares Disposal

As set out in Section 6.4.1(iii) of this Prospectus, prior to the Capitalisation, Dato' Seri Goh held 49% shareholding in Emits Technology, while Ts. Loy Boon Liang, H'ng Chuen Yeou, Por Chee Seong and Ho Kooi Yong (who are also our key senior management) held the remaining 20%, 20%, 8% and 3% shareholding in Emits Technology respectively.

The Capitalisation had resulted in Dato' Seri Goh holding a substantially high shareholding percentage in Emits Technology of 83%, due to his receipt of 5,000,000 new ET Shares arising from the Capitalisation. You may refer to Section 6.4.1(iii) of this Prospectus for further details on changes in shareholdings of Emits Technology during the Financial Years and Period Under Review and up to the LPD.

In view of the foregoing, Dato' Seri Goh proposed to undertake the ET Shares Disposal in order to revert their respective shareholding in Emits Technology back to the original percentage of shareholding before the Capitalisation. The reversion was intended for the other shareholders, who have also been our key senior management for more than 8 years, to have a greater sense of ownership and participation in our Group.

Accordingly, on 14 November 2025, Dato' Seri Goh entered into a share sale agreement with Ts. Loy Boon Liang, H'ng Chuen Yeou, Por Chee Seong and Ho Kooi Yong to dispose of part of his shareholding in Emits Technology, comprising 2,550,000 ET Shares, at the disposal price of RM1.00 per ET Share, in the following manner:

Name/Acquirer	No. of ET Shares acquired from Dato' Seri Goh
Ts. Loy Boon Liang	1,000,000
H'ng Chuen Yeou	1,000,000
Por Chee Seong	400,000
Ho Kooi Yong	150,000
Total	**2,550,000**

The ET Shares Disposal has been completed on 15 December 2025.

6.2.3 Acquisition

Our Company was set up to act as the listing vehicle of Emits Technology. Hence, following completion of the conversion of RCPS on 3 December 2025 and the ET Shares Disposal on 15 December 2025, our Company had on 15 December 2025 entered into a conditional share sale agreement with all the shareholders of Emits Technology (collectively, the "**Vendors**") ("**SSA**") to acquire the entire issued share capital of Emits Technology, comprising 7,887,500 ET Shares, for a total consideration of RM25.0 million ("**Purchase Consideration**").

The Purchase Consideration was arrived at on a willing-buyer willing-seller basis, after taking into account the adjusted consolidated NA of Emits Technology as at 30 June 2025 as follows:

	RM'000
Audited consolidated NA of Emits Technology as at 30 June 2025	26,226
Less: Dividends declared on 21 November 2025	(1,000)
Adjusted consolidated NA of Emits Technology	**25,226**

Pursuant to the SSA, the Purchase Consideration will be fully satisfied via issuance of 25,000,000 new Shares to the Vendors in proportion to their respective shareholdings in Emits Technology as follows:

Name	Shareholding in Emits Technology as at the date of the SSA		Purchase consideration	No. of new Shares to be issued
	No. of ET Shares held	%	RM'000	
Existing shareholders				
– Dato' Seri Goh	3,675,000	46.6%	11,648	11,648,000
– Ts. Loy Boon Liang	1,500,000	19.0%	4,755	4,755,000
– H'ng Chuen Yeou	1,500,000	19.0%	4,755	4,755,000
– Por Chee Seong	600,000	7.6%	1,901	1,901,000
– Ho Kooi Yong	225,000	2.9%	713	713,000
	7,500,000	**95.1**	**23,772**	**23,772,000**
Pre-Listing investors				
– Lim Kean Yap	325,000	4.1%	1,030	1,030,000
– Tiong Keng Woo	62,500	0.8%	198	198,000
	387,500	**4.9%**	**1,228**	**1,228,000**
Total	**7,887,500**	**100.0**	**25,000**	**25,000,000**

The Acquisition is conditional upon fulfilment of the conditions precedent as set out in the SSA which include, amongst others, our Company obtaining Bursa Securities' approval for the Listing. The Acquisition has been completed on 22 September 2026.

6.2.4 Share Split

After the completion of the Acquisition, our Company had on 6 October 2026 completed a share split exercise, which entailed the subdivision of every 1 Share into 15 new subdivided Shares. The Share Split exercise is intended to enhance the liquidity of our Shares upon our Listing.

Set out below is an illustration of our Company's issued share capital before and after the Share Split:

	No. of Shares	RM'000
Issued share capital as at the LPD	1,000	1
Add: New Shares to be issued pursuant to the Acquisition	25,000,000	25,000
Issued share capital after the Acquisition	**25,001,000**	**25,001**
Add: New Shares pursuant to the Share Split	350,014,000	-
Enlarged issued share capital after the Share Split	**375,015,000**	**25,001**

The Share Split exercise has been completed on 6 October 2026.

6.3 OUR COMPANY'S ISSUED SHARE CAPITAL

As at the LPD, our Company has an issued share capital of RM25.0 million comprising 375,015,000 Shares. Changes in the issued share capital of our Company since the date of our incorporation up to the LPD is as follows:

Date of allotment	No. of Shares allotted	Consideration/ Nature of transaction	Cumulative issued share capital	
			No. of Shares	RM
7 February 2025	1,000	Cash/ Subscriber's share	1,000	1,000
22 September 2026	25,000,000	Otherwise than cash/ Allotment of shares pursuant to the Acquisition	25,001,000	25,001,000
6 October 2026	350,014,000	Otherwise than cash/ Allotment of shares pursuant to the Share Split	375,015,000	25,001,000

There were no discounts, special terms or instalment payment terms applicable to the consideration given for all the above Shares allotted.

As at the LPD, there are no outstanding warrants, options, convertible securities and/or uncalled capital in our Company.

Upon completion of our IPO, our issued share capital will increase to RM38.9 million comprising 468,769,000 Shares.

6.4 INFORMATION ON OUR SUBSIDIARIES

Salient details of our subsidiaries are as follows:

Name	Place and date of incorporation	Principal place of business	Issued share capital	Effective equity interest	Principal activities
Emits Technology (201501038540 (1163861-X))	Malaysia/ 28 October 2015	Malaysia	RM10.6 million	100%	Manufacture of antenna and other related components
Emits (RF) (201901026883 (1336212-H))	Malaysia/ 31 July 2019	Malaysia	RM2	100%	Dormant since incorporation. Its intended principal activities are manufacture of antenna and other related components
Emits Radio Wave (GUI Number: 50909132)	Taiwan/ 7 January 2019	Taiwan	TWD500,000 (or equivalent to RM0.1 million)	100%	Manufacture of antenna

As at the LPD, our subsidiaries do not have any outstanding warrants, options, convertible securities or uncalled capital.

6.4.1 Emits Technology

(i) Issued share capital

As at the LPD, Emits Technology has an issued share capital of RM10.6 million comprising 7,887,500 ET Shares. Changes in the issued share capital of Emits Technology over the Financial Years and Period Under Review and up to the LPD are as follows:

Date	No. of ET Shares allotted	Consideration/ Nature of transaction	Cumulative issued share capital	
			No. of ET Shares	RM
1 January 2023, being the beginning of FYE 2023	-	-	2,500,000	2,500,000
29 March 2024	5,000,000	Otherwise than cash/ Capitalisation	7,500,000	7,500,000
3 December 2025	387,500	Otherwise than cash/ Conversion of RCPS	7,887,500	10,600,000

Save as disclosed above, there were no discounts, special terms or instalment payment terms applicable to the payment of the consideration for the above allotment of ET Shares.

(ii) Directors

Ts. Loy Boon Liang, H'ng Chuen Yeou and Chan Tsai-Huo are the directors of Emits Technology over the Financial Years and Period Under Review and up to the LPD.

(iii) Shareholders

Save as disclosed below, there were no other changes in Emits Technology's shareholders over the Financial Years and Period Under Review and up to the LPD:

Date	Name	No. of ET Shares held	Total issued ET Shares	%
As at 1 January 2023, being the beginning of FYE 2023	Dato' Seri Goh	1,225,000	2,500,000	49.0
	Ts. Loy Boon Liang	500,000		20.0
	H'ng Chuen Yeou	500,000		20.0
	Por Chee Seong	200,000		8.0
	Ho Kooi Yong	75,000		3.0
29 March 2024	Dato' Seri Goh	(a)6,225,000	7,500,000	(a)83.0
	Ts. Loy Boon Liang	500,000		6.7
	H'ng Chuen Yeou	500,000		6.7
	Por Chee Seong	200,000		2.6
	Ho Kooi Yong	75,000		1.0
3 December 2025	Dato' Seri Goh	6,225,000	7,887,500	78.9
	Ts. Loy Boon Liang	500,000		6.3
	H'ng Chuen Yeou	500,000		6.3
	Por Chee Seong	200,000		2.5
	Ho Kooi Yong	75,000		1.0
	Lim Kean Yap	(b)325,000		(b)4.1
	Tiong Keng Woo	(b)62,500		(b)0.8
15 December 2025	Dato' Seri Goh	(c)3,675,000	7,887,500	(c)46.6
	Ts. Loy Boon Liang	(c)1,500,000		(c)19.0
	H'ng Chuen Yeou	(c)1,500,000		(c)19.0
	Por Chee Seong	(c)600,000		(c)7.6
	Ho Kooi Yong	(c)225,000		(c)2.9
	Lim Kean Yap	325,000		4.1
	Tiong Keng Woo	62,500		0.8
22 September 2026	Emits	7,887,500	7,887,500	100.0

Notes:

(a) The increase in his shareholding was due to his receipt of 5,000,000 new ET Shares pursuant to the Capitalisation.

(b) Became a shareholder pursuant to the conversion of RCPS as elaborated in Section 6.2.1 of this Prospectus.

(c) The changes in shareholdings were due to the ET Shares Disposal as elaborated in Section 6.2.2 of this Prospectus.

6.4.2 Emits (RF)

(i) Issued share capital

As at the LPD, Emits (RF) has an issued share capital of RM2 comprising 2 ordinary shares.

There have been no changes in the issued share capital of Emits (RF) over the Financial Years and Period Under Review and up to the LPD.

In addition, over the Financial Years and Period Under Review and up to the LPD, there were no ordinary shares in Emits (RF) being issued at a discount, on special terms or based on instalment payment terms.

(ii) Directors

Ts. Loy Boon Liang and H'ng Chuen Yeou are the directors of Emits (RF) over the Financial Years and Period Under Review and up to the LPD.

(iii) Shareholders

Emits Technology is the sole shareholder of Emits (RF) over the Financial Years and Period Under Review and up to the LPD.

6.4.3 Emits Radio Wave

(i) Issued share capital

As at the LPD, Emits Radio Wave has a paid-up capital of TWD500,000 (or equivalent to RM0.06 million).

There have been no changes in the issued share capital of Emits Radio Wave over the Financial Years and Period Under Review and up to the LPD.

In addition, over the Financial Years and Period Under Review and up to the LPD, there were no ordinary shares in Emits Radio Wave being issued at a discount, on special terms or based on instalment payment terms.

(ii) Directors

H'ng Chuen Yeou is the sole director of Emits Radio Wave over the Financial Years and Period Under Review and up to the LPD.

(iii) Shareholders

Emits Technology is the sole shareholder of Emits Radio Wave over the Financial Years and Period Under Review and up to the LPD.

6.5 MATERIAL INVESTMENT AND MATERIAL DIVESTITURES

6.5.1 Material Capital Investment

Save as disclosed below, there were no other material capital investments incurred by our Group over the Financial Years and Period Under Review and up to the LPD:

	FYE 2023	FYE 2024	FYE 2025	FPE 2026	1 July 2026 up to the LPD
	RM'000	RM'000	RM'000	RM'000	RM'000
Manufacturing equipment	[(a)]84	[(a)]384	[(b)]3,884	[(b)]458	10
Electrical installation and building improvement	-	-	225	-	16
Total	**84**	**384**	**4,109**	**458**	**26**

Notes:

(a) Comprise mainly machinery and equipment purchased for manufacturing of LMR antenna such as injection moulding machine.

(b) Comprise mainly machinery and equipment purchased to set up 4 new production lines for manufacturing of 5G base station antenna such as shielded room, PIM tester, network analysers, measuring machine, cable cutting and stripping machine.

These material capital expenditures were for our Penang Factory, and fully funded through our Group's internally-generated funds and proceeds from the RCPS issuance.

6.5.2 Material Capital Divestitures

There were no material capital divestitures incurred by our Group during the Financial Years and Period Under Review and up to the LPD.

6.6 PUBLIC TAKE-OVERS

During the Financial Years and Period Under Review and up to the LPD, there were no:

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

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

7. BUSINESS OVERVIEW

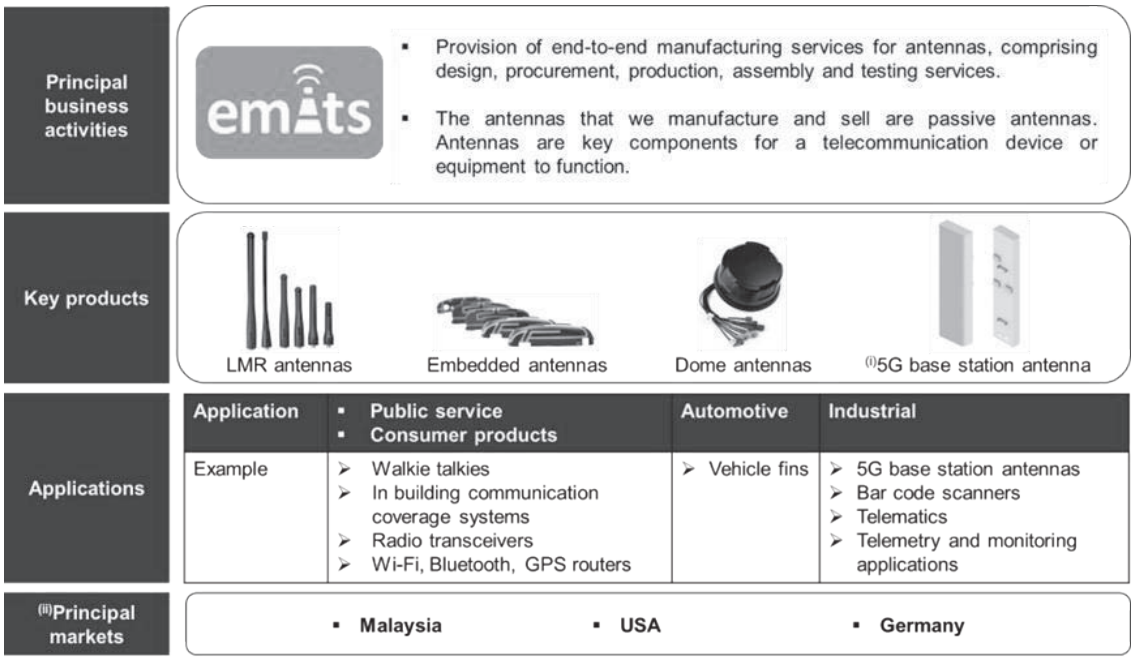
7.1 PRINCIPAL BUSINESS ACTIVITIES AND BUSINESS MODEL

We are an OEM service provider, where we specialise in the provision of end-to-end manufacturing services for passive antennas comprising design, procurement, production, assembly and testing services. Passive antennas are electronic components used in a telecommunication device or equipment that can operate without external power sources to process or amplify signals. Antennas are key components for a telecommunication device or equipment to function.

We carry out our manufacturing services on behalf of brand or product owners (who are mostly telecommunication companies) and for EMS providers. The antennas that we manufacture can find their application in a variety of telecommunication devices or equipment, which can be broadly categorised into the following applications:

No.	Applications		Example
(i)		Public services and consumer electronic devices	• Walkie talkies • In-building communication coverage systems • Radio transceivers • Wi-Fi, Bluetooth and GPS routers
(ii)		Automotive electronic devices	Vehicle fins
(iii)		Industrial electronic devices	• 5G base station antennas • Barcode scanners • Telematics • Telemetry and monitoring applications

Our principal sales market comprises Malaysia and overseas such as the USA and Germany. Set out below is our business model:



Notes:

(i) 5G base station antennas are a new product offering of our Group. We expect to commence manufacturing of 5G base station antennas by 1st quarter of 2028. Please refer to Section 7.18.1 of this Prospectus for further details.

(ii) Represent the sales markets that accounted for more than 5% of our Group's revenue during the Financial Years and Period Under Review.

7.2 OUR PRODUCTS

As antennas form part of a telecommunication device or equipment, our manufacturing services are typically customised based on the specific products requirements of our customers. As at the LPD, our products portfolio comprises mainly the following:

No.	Our product	Application	[(a)]Frequency band	Description
(i)	LMR antennas 	▪ Public service; and ▪ Consumer electronic products	➢ VHF; ➢ UHF; ➢ 7/8/900 MHz; and ➢ GPS	LMR antennas are mainly used in handheld mobile electronic devices for private mobile radio communication. Example of telecommunication devices that requires LMR antennas to function are walkie talkies.
(ii)	Embedded antennas  	Industrial electronics	➢ LTE; ➢ Cellular; ➢ Bluetooth; and ➢ Wi-Fi	Embedded antennas are metallic conductors embedded in a dielectric material within a device or component and has a dielectric constant greater than 1.
(iii)	Dome antennas 	▪ Consumer electronic products; ▪ Automotive electronics; and ▪ Industrial electronics.	➢ GPS; ➢ Cellular; ➢ LTE; and ➢ Wi-Fi	Dome antennas are omni-directional antennas designed to be installed in the ceiling of buildings or on the roofs of vehicles. Dome antennas are capable of receiving and transmitting signals in all directions, making it ideal for use in areas where signal coverage needs to be distributed evenly.

7. BUSINESS OVERVIEW (cont'd)

No.	Our product	Application	[(a)]Frequency band	Description
(iv)	5G base station antennas 	Industrial electronics	➢ 5G; ➢ Cellular; and ➢ LTE	5G base station antennas are used in 5G mobile networks to transmit and receive wireless signals between the network and devices.

Notes:

(a) Frequency refers to the wireless band designated for a telecommunication device or equipment to operate, and antennas are designed to support a range of frequencies within which the device or equipment operates.

For example, if a device is tuned to use Band 17(700 MHz), the corresponding antennas must operate within 704 to 746 MHz for transmission and reception. The frequency band and range that our antennas can function are as follows:

Frequency band	Frequency range
VHF	• 70MHz to 88MHz • 108MHz to 136MHz • 136MHz to 174MHz
UHF	• 300MHz to 530MHz
7/8/900MHz	• 760MHz to 941MHz
GPS / BeiDou / GLONASS	• 1176MHz • 1556MHz to 1616MHz • 2491MHz
Wi-Fi	• 2400MHz to 2500MHz • 5150MHz to 5350MHz • 5825MHz to 5875MHz
Bluetooth	• 2400MHz to 2500MHz
LTE	• 600MHz to 3800MHz

Our antenna products are manufactured in a complete and ready-to-function form. Accordingly, upon delivering these finished antenna products to our customers, these finished antenna products can be directly assembled into the telecommunication device or equipment of our customers for onward sales. For clarity, we are not involved in the subsequent assembly process for the telecommunication device or equipment of our customer.

7. BUSINESS OVERVIEW (cont'd)

7.2.1 Principal Markets

Our segmental revenue over the Financial Years and Period Under Review are as follows:

By product category

	Audited							
	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
Product category	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
– LMR antenna	29,212	91.2	38,335	93.5	36,300	91.6	17,337	95.5
– Embedded antenna	1,307	4.1	1,451	3.5	883	2.2	287	1.6
– Dome antenna	794	2.5	650	1.6	1,510	3.8	-	-
– Others[(a)]	695	2.2	555	1.4	955	2.4	526	2.9
Total revenue	**32,008**	**100.0**	**40,991**	**100.0**	**39,648**	**100.0**	**18,150**	**100.0**

Note:

(a) Comprise mainly metal stamped antennas (a type of antenna created by precisely stamping a thin sheet of metal into a specific shape) and industrial wireless antennas, both of which are not our key product offering.

By product application

	Audited							
	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
Product application	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
– Public service and consumer electronics	31,111	97.2	40,054	97.7	38,041	96.0	17,950	98.9
– Automotive electronics	794	2.5	650	1.6	1,510	3.8	-	-
– Industrial wireless electronics	103	0.3	287	0.7	97	0.2	200	1.1
Total revenue	**32,008**	**100.0**	**40,991**	**100.0**	**39,648**	**100.0**	**18,150**	**100.0**

By geographical location

Our Group's revenue over the Financial Years and Period Under Review were mainly derived from the USA, Malaysia and Germany. Set out below is the breakdown of our Group's revenue by geographical location, determined based on the delivery location of our products:

	Audited							
	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
Geographical location	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Malaysia	7,489	23.4	7,304	17.8	8,235	20.8	2,882	15.9
Overseas								
- USA	16,550	51.7	26,279	64.1	24,724	62.4	10,871	59.9
- Germany	4,959	15.5	4,665	11.4	4,130	10.4	2,634	14.5
- Hong Kong	1,742	5.4	1,084	2.6	1,613	4.1	1,385	7.6
- China	634	2.0	700	1.7	669	1.7	167	0.9
- United Kingdom	594	1.9	938	2.3	258	0.6	200	1.1
- Mexico	14	*	21	0.1	6	*	-	-
- South Korea	26	0.1	-	-	11	*	11	0.1
- Vietnam	-	-	-	-	2	*	-	-
	24,519	76.6	33,687	82.2	31,413	79.2	15,268	84.1
Total revenue	**32,008**	**100.0**	**40,991**	**100.0**	**39,648**	**100.0**	**18,150**	**100.0**

Note:
* Less than 0.1%.

Please refer to Section 12.2.2 of this Prospectus for the analysis of segmental revenue.

7.3 MODE OF OPERATIONS

7.3.1 Purchase Orders and Selling Prices

Our revenue and sales volumes are based on the purchase orders received from our customers, which contain information on the purchase price, type, quantity, delivery date and delivery location of the required antenna products. Typically, our customers will provide us with rolling purchase forecasts every 6 to 12 months for the planning of our manufacturing capacity and readiness. Our customers generally place purchase orders with our Group on a weekly or monthly basis.

We bill our customers based on actual sales volume, and we typically price our products using the 'cost-plus' model, where we add a predetermined mark-up to our product's estimated unit cost. The unit costs of our products mainly comprise the direct costs that we incur at the production stage such as input material costs, factory overheads and labour costs.

Our mark-up, on the other hand, is determined based on various commercial factors such as complexity of the design, production, assembly and testing services, volume of mass production as well as our length and working relationships with the customers.

Our selling prices are mostly quoted on a "free-carrier basis" and will usually remain the same for subsequent purchase orders of the same products to be placed by our customers in the next 6 to 12 months. In the "free-carrier basis" arrangement, we are responsible for delivering the finished antenna products to the specified carrier where we bear the transportation costs (which include general freight insurance coverage by our appointed logistic service providers) up to the point before loading onto the carrier. Subsequent thereto, our customers are responsible for bearing all associated shipment, insurance and other landed costs thereafter.

For long-term contract manufacturing services, we typically enter into an agreement with our customers to formalise our terms and scope of services. As at the LPD, we have entered into the Supply Agreement with Motorola, a major customer of our Group, which sets out the terms and our scope of services to Motorola. Please refer to Section 7.22 of this Prospectus for the salient terms of the Supply Agreement.

7.3.2 Warranty

We generally provide up to 18 months warranty against product defects based on a one-to-one replacement of defective products, or issuance of a credit note to deduct selling value of the defective items. Our warranty period starts from the date of delivery of the products to our customers.

In the event of defects, we will request our customers to return the defective items to our Penang Factory (for antennas sold by Emits Technology) or Taiwan Assembly Line (for antennas sold by Emits Radio Wave). Once we have received the defective items, we will inspect the defective items in order to determine the root causes. The inspection analysis will enable our engineers and technical personnel to implement appropriate measures to prevent similar recurrence of such defects. Our Group will bear all costs incurred for the collection and replacement of defective items.

During the Financial Years and Period Under Review, our Group did not experience any material goods returned from customers or material warranty claims arising from product defects, respectively.

7. BUSINESS OVERVIEW (cont'd)

7.4 DISTRIBUTION CHANNELS AND CUSTOMERS

We utilise both direct and indirect distribution channels for our sales and marketing activities as summarised below:



Set out below is an overview of our revenue segment by distribution channels over the Financial Years and Period Under Review:

Distribution channel	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
– Direct	28,635	89.5	38,089	92.9	37,642	94.9	17,427	96.0
– Indirect	3,373	10.5	2,901	7.1	2,006	5.1	723	4.0
Total	**32,008**	**100.0**	**40,991**	**100.0**	**39,648**	**100.0**	**18,150**	**100.0**

(i) Direct channel

Our Group prefers to deal with brand or product owners as they generally provide our Group with higher manufacturing order volume. Accordingly, we mainly utilise direct distribution channel for our sales and marketing activities, where we focus on directly marketing our services to brand or product owners (who are mostly telecommunication companies).

Our ability to work directly with the brand or product owners allow us to establish a close working relationship with them. Further, accumulated working experiences with these direct customers would also allow us to foster a deeper understanding of their product requirements. Over time, our familiarity with their technical processes and requirements would enable us to gain an added advantage to be considered as their OEM service provider for other new models of antennas, which in turn allow us to maintain a long-term business relationship with them.

(ii) Indirect channel

Our indirect distribution channel involves supplying antennas to EMS providers based on their requirements. Under the indirect distribution channels, we mainly market our services to the EMS providers instead of the ultimate brand or product owners.

The increasing revenue contribution from our direct distribution channel over the Financial Years and Period Under Review was mainly resulting from our business focus to drive revenue from customers who are brand or product owners such as Motorola, BK Technologies, Inc and Customer B Group.

7.5 MANUFACTURING OPERATIONS

We primarily operate from our Penang Factory and our manufacturing operations mainly comprise the following key activities:



Our customers' orders are typically turnkey contracts and we will commence mass production of the required antennas upon receiving their purchase orders. Generally, our manufacturing lead time from receipt of purchase order to completion of the manufacturing and delivery process ranges from 6 to 8 weeks. Further details on our manufacturing operations are set out below.

7.5.1 Design

Design is the initial stage of our manufacturing activity, during which our engineers and technical personnel will evaluate and develop the required antenna engine design or drawing, as well as the requisite manufacturing processes. This process involves a thorough review of the technical requirements of the antennas to be manufactured, as well as the estimated production costs, time and quality control and assurance steps required, before proceeding to mass production.

As antenna is an integral part of a telecommunication device or equipment, we work closely with our customers to ensure that each antenna engine design aligns precisely with the operating environment, spatial constraints and functional demands of its intended application, such as technical specifications relating to RF gain, power transfer, bandwidth, radiation pattern, efficiency, polarisation and impedance matching. We possess the following design capabilities for antennas:

- 3D antenna design;
- electronic and electrical design of PCBA;
- mechanical design of tools, jigs, fixtures and moulds;
- external casing and housing design utilising materials such as plastic resins to ensure durability and environmental resistance;
- design specification and selection of cables and connectors to ensure seamless integration;
- component selection for its manufacturability to optimise production quality, processes, cost and manufacturing lead time;
- prototype development to validate design; and
- developing appropriate testing procedures as part of the quality control and assurance procedures.

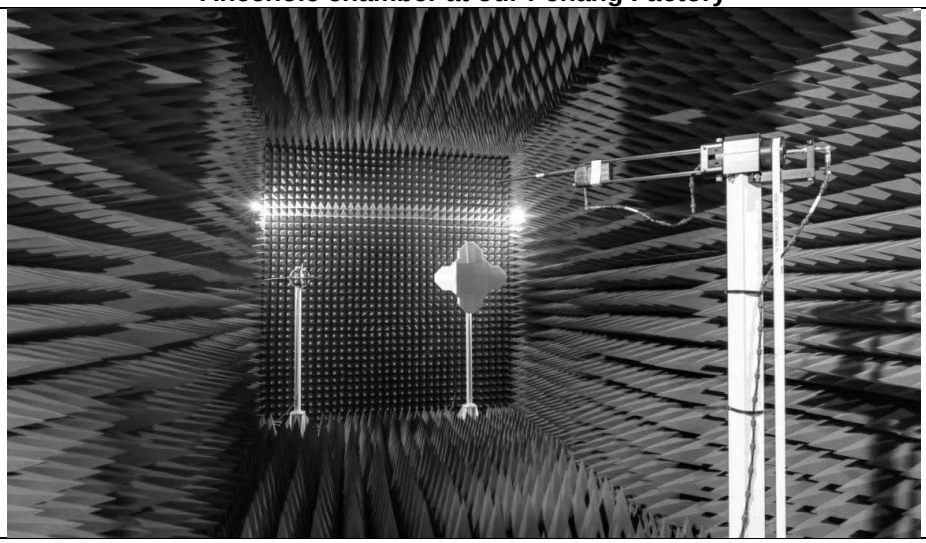
To strengthen our competencies in antenna engine design, we have established a R&D department that works closely with our engineers in antenna engine design services or rapid prototyping. The key function of our R&D department is to initiate relevant R&D activities relating to RF technology, which is to assist our engineers in testing their design ideas.

As part of our R&D efforts, we have also installed an anechoic chamber at our Penang Factory to conduct R&D activities relating to RF technology for antennas. Our anechoic chamber includes a 3D measurement system, which is capable of performing precise far field and near field RF measurements under interference-free conditions. Our R&D facilities enable our engineers to rapidly develop, test and validate prototypes that we design for our customers from time to time.

7. BUSINESS OVERVIEW (cont'd)

As LMR antennas are our current main product category, our anechoic chamber is mainly dedicated to conduct R&D activities for LMR antennas. For clarity, our anechoic chamber can also be utilised to conduct R&D activities for Embedded antenna and Dome antenna as and when the need arises.

Anechoic chamber at our Penang Factory



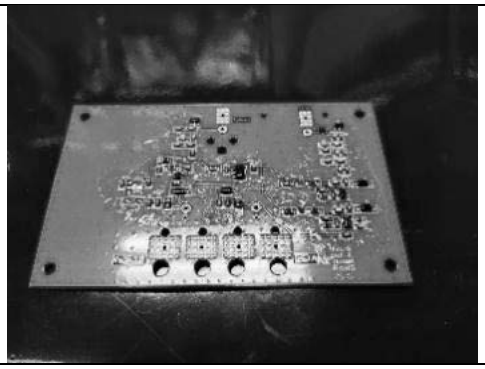
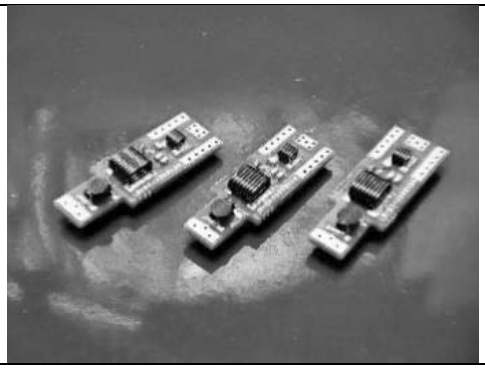
In most instances, our customers will provide us with the Gerber files for the PCBA design and layout. PCBA is a PCB that is surface-mounted with:

- semiconductor components such as integrated circuits, transistors, resistors, capacitors, and inductors that transmit electronic signals;
- electrical parts such as copper circuitry that connect the semiconductor components through predefined conductive metal pathways; and
- mechanical components such as wires that connect semiconductor components on the PCB.

However, we do offer antenna engine design services to customers that engage us to design the PCBA of their required antenna. Our PCBA design services mainly involve planning and drawing the structure of the PCBA layout in Gerber file format. This involves specifying how components will be laid out on the PCB, designing the electrical connections and ensuring compatibility with manufacturing processes. Once the PCBA drawing in the Gerber file format is completed by our engineers and technical personnel, as well as approved and accepted by our customers, we will engage our suppliers to manufacture the PCBA. Thereafter, we will purchase the completed PCBAs from our suppliers for assembly into our antennas.

If Gerber files for the PCBA design and layout are not provided by our customers, our engineers and technical personnel will develop the required Gerber files together with the bill of materials. The bill of materials sets out the parts, components and volume of materials required for the final version of the antennas to be manufactured. Once completed, we will submit the Gerber files and the bill of materials to our customers for approval. Upon acceptance, we will engage our suppliers to manufacture the PCBA. Proprietary rights to the Gerber files developed by our Group belong to our customers.

7. BUSINESS OVERVIEW (cont'd)

Examples of PCBA	
	

Occasionally, our customers require us to perform optimisation services, such as optimising the signal integrity and overall system efficiency for the antennas produced by other EMS service providers, OEM or ODM companies. To meet these requirements, we typically perform the following services or tests:

- product testing, diagnostic and troubleshooting;
- refinement of designs based on performance testing feedback, new use cases or evolving industry standards; and
- frequency and field coverage performance assessments.

For such services, we will charge a fee for the optimisation services rendered or prototypes built, which are generally priced at cost plus a pre-determined mark-up. As optimisation services are rendered on an ad hoc basis upon specified request of our customers, during the Financial Years and Period Under Review, the revenue generated from optimisation services performed were immaterial, which contributed to less than 1% of our Group's total revenue.

7.5.2 Procurement

Procurement refers to the process of purchasing the requisite input materials from suitable suppliers for the manufacturing of our antennas. As part of our quality control and assurance processes, all incoming input materials need to be inspected by our engineers or supply chain personnel prior to acceptance, these include:

- checking that items delivered match the purchase order and delivery order;
- visual inspections to filter out damaged items; and
- form, fit and functional tests, where applicable.

We maintain a network of multiple suppliers for purchases of input materials. For quality control purposes, all suppliers on our approved list are required to undergo our standard supplier pre-qualification process which include, amongst others, a company profile check, verification of manufacturing certifications, time resources and a quality review of their sample products.

In some cases, our customers may require us to procure certain input materials from their own approved list of suppliers. As part of our quality control and assurance processes, these suppliers nominated by our customers would also be required to undergo our standard supplier pre-qualification process before we initiate purchases from them.

During the Financial Years and Period Under Review, we had a total of 66, 70, 72 and 73 suppliers in FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively, which include the list of nominated suppliers of our customers.

Occasionally, some of our suppliers may require us to make advance payment for purchases of input material or equipment, based on mutually agreed terms with our Group. Upon receipt of the purchased item(s), our Group will firstly utilise the advance payment made to offset all amount due to the supplier, before making any balance payment in accordance with the agreed credit terms. In the event the purchased item(s) are not delivered to our Group, such advance payment will be refunded to our Group. During the Financial Years and Period Under Review and up to the LPD, all advance payments made have been duly utilised to offset our payment to the relevant suppliers.

7.5.3 Production

Upon receiving the requisite input materials from our suppliers, we will proceed to production activities. At our Penang Factory, we utilise the following machines to produce other key components for assembly:

(i) Moulding machines

We use vertical injection moulding machines for precision moulding of the rubber parts of our antenna products in a temperature and moisture-controlled environment for consistent quality. These synthetic rubber parts form the external casing and housing of the passive antennas that we produce. As at the LPD, we have 13 units of moulding machines.

(ii) Dehumidifiers

We use dehumidifiers to ensure that our materials are moisture-free, thereby preventing defects or water entry into the passive antenna products that we produce. As at the LPD, we have 10 units of dehumidifiers.

Precision vertical injection moulding machine	Dehumidifier
	

7.5.4 Assembly

Assembly involves the process of assembling various electronic components, mainly the PCBA with electrical, mechanical, metal and non-metal parts into a module (or a sub-assembly) that forms part of an antenna. These parts include external casing and housing as well as connectors. Each sub-assembly carries a specific function and when integrated, contributes to the overall antenna performance such as signal transmission, reception and processing.

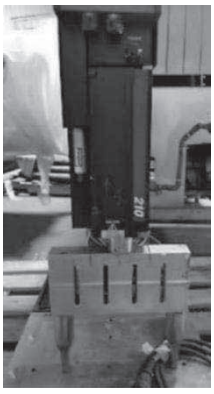
Assembly is an important manufacturing activity as misplacement of components may lead to reduced signal performance and cause product defects. Our assembly process is labour intensive and requires the use of several tools and equipment to fabricate and combine various sub-assemblies into a single item. Hence, it is not feasible for us to automate our entire production process as we normally undertake high mix low volume manufacturing.

As at the LPD, we have 13 production lines for manufacturing of LMR antennas, 2 shared production lines for manufacturing of Dome antennas and Embedded antennas, and 4 production lines for manufacturing of 5G base station antennas.

Example of our assembly activity:

Assembly line of our Penang Factory


The equipment and machinery that we utilise for our assembly activities mainly comprise the following:

Ultrasonic welding machine	**Laser spot welding machine**
	
Ultrasonic welding machine uses high-frequency mechanical vibrations to join materials into a single part.	Laser spot welding machine uses laser beam to join separate metal surfaces at a single spot.

7. BUSINESS OVERVIEW (cont'd)

Heat staking machine	Hydraulic press
	
Heat staking machine that is used to join two or more parts together where at least one part is made out of plastic.	Hydraulic press is used to assemble internal components into connectors.

Semi-automatic adhesive applicator with controller

Semi-automatic adhesive applicator with controller is used to set precise glue dispensing intervals and ensure optimal adhesive distribution.

We also utilise various cable and connector assembly tools to ensure secure electrical connections for our antenna products, as follows:

Cable cutting machine	Cable stripping machine
	
Cable cutter is used to cut wires and cables with minimal damage to the insulation or internal conductors.	Cable stripper is used to remove insulation or outer sheath from electrical wires and cables.

7. BUSINESS OVERVIEW (cont'd)

Crimping machine	Connector
	
Crimping tool is used to securely attach connectors to wire ends.	Connector assembler is used to link connectors.

7.5.5 Testing

The antennas that we manufacture are required to undergo various tests prior to packaging. Each antenna that we produce is required to undergo a stress test and a RF test in order to validate its durability and functionality. Further, as part of our quality control and assurance processes, we also carry out in-process quality control inspections on a sampling basis.

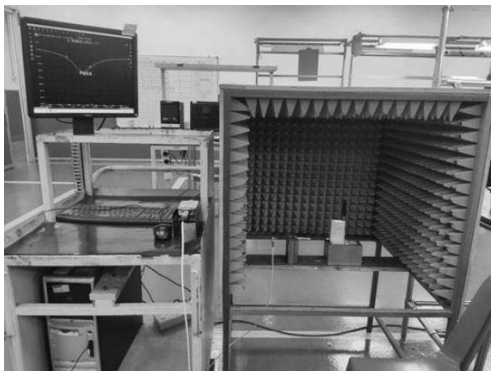
Antennas that pass our quality tests will then be sent for packing whilst antennas that do not pass our quality tests will be disassembled to identify the root cause and undergo rectification. Our testing and inspection tools mainly comprise the following:

Video measurement system	Profile projector
	
Video measurement system utilises a camera and lens system to capture magnified images of a specific part, and specialised software to analyse these images and extract dimensional data. This test is for inspection of the components in our antenna products.	Profile projector is a type of optical measuring instrument used to measure and inspect the dimensions of small components.

7. BUSINESS OVERVIEW (cont'd)

Moisture analyser	Dew point meter
	
Moisture analyser is used to determine the moisture content of a sample by measuring the weight loss after drying.	Dew point meter is used to measure dew point, temperature and pressure on a surface.

Network analyser	Melt flow index tester
	
Network analyser is used to measure the frequency response of components or networks by capturing both amplitude and phase of high-frequency signals at each frequency point.	Melt flow index tester is used to measure the flow properties of thermoplastic polymers when melted.

Shield box

Shield box is used to test LMR antenna signal strength, bandwidth and performance by isolating the antenna from external interference.

7. BUSINESS OVERVIEW (cont'd)

We also utilise various reliability test equipment to validate component durability and tolerances to environmental conditions, such as the following:

Environment temperature test chamber	Salt spray tester
	
Environment temperature test chamber is a controlled enclosure used to simulate various environmental conditions for testing the performance and durability of materials, components and products.	Salt spray tester is used to check corrosion resistance of materials and surface coatings.
Bend tester	**Swing tester**
	
Bend tester is used to evaluate LMR antenna ductility, bend strength, fracture strength and resistance to fracture.	Swing tester is used to test the performance and durability of LMR antenna under swing conditions, including swing frequency and swing amplitude.

Torque tester

Torque tester is used to measure turning force.

Example of durability testing of LMR antenna	
	

7.5.6 Packing and Delivery

After completing the quality tests, finished antennas that pass our quality tests will be labelled and carefully packed for delivery. We engage a third party logistics provider to manage the delivery of our antenna products from our Penang Factory to the port of departure, the clearance of exports by the Royal Malaysian Customs Department and the loading of the finished antenna products on board of the delivery vessel.

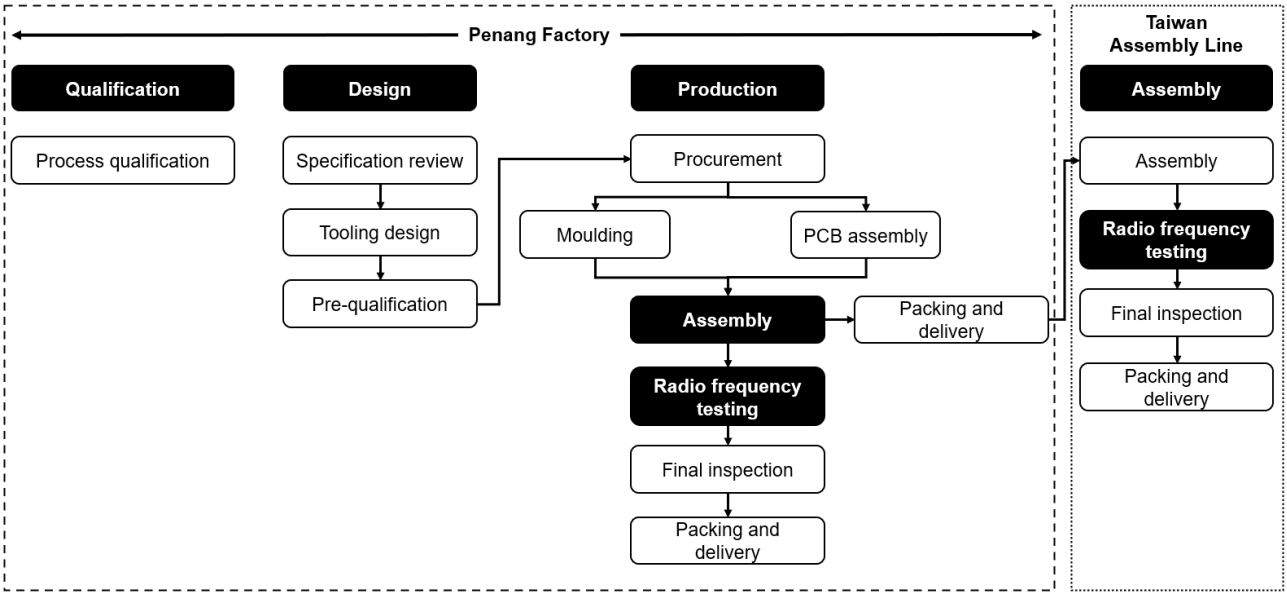
Packing and loading of finished antenna products	
	

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7. BUSINESS OVERVIEW (cont'd)

7.6 BUSINESS PROCESS

Our process flow is as follows:



Details of our process flows are as follows:

Qualification	Prior to securing the first order from a new customer, we generally need to undergo pre-qualification audits by the potential customers. During the initial stage of engagement, the potential customers would require us to provide them with various statutory information about our Group such as our operating track record, ISO certifications, production machine and equipment, technical capabilities, expertise of our engineering and R&D team and our historical financial performance. Thereafter, our potential customers will perform an on-site visit of our operating premise to assess, amongst others, the following: • our design, procurement, production, assembly and testing procedures; • our manufacturing, assembly and testing equipment and machinery; • our engineering and R&D team's technical know-how; and • our suppliers' lists as well as production costs and lead time analysis. After passing the initial pre-qualification tests, we are not required to undergo the same pre-qualification procedures for subsequent engagement or purchase orders raised by the same customers. However, some of our customers may perform a periodic process audit on our Group, normally on an annual basis or once every 2 years at their discretion, as part of their routine supplier qualification check procedures.

Design	**Design services** After passing the pre-qualification tests, we will conduct a technical walkthrough with our new customers to understand their product requirements. The scope of designs that we need to provide are based on the requests of our customers, which mostly encompasses antenna engine drawing as well as tooling or jigs required for the manufacturing process. Design is an important activity to ensure that the antenna engine drawing, as well as the intended manufacturing process flows are in accordance with the product requirements of our customers. • **When design services are required** During design, our engineers and R&D team will perform a feasibility study on the required technical aspects by building a simulation model. Thereafter, our design ideas will be tested and refined by multiple iterations of modelling and testing using various simulation and data analysis software. Our engineers and R&D team may also propose some adjustments to the key technical aspects required by our customers so to optimise the technical performance and/or manufacturability of the required antenna product. The software and design technology that we use includes, amongst others, the Creo Essential (for physical model design), CST Studio Suite (for RF simulation) and Minitab (for data analysis). Once the antenna engine design is validated to be in order, we will proceed to create physical models of the antenna products using 3D computer-aided design data to further assess its functionality. This entire process is described as rapid prototyping. All intellectual properties from our design services belong to our customers. • **When design services are not required** Our customers may require us to perform manufacturing services based on the existing antenna engine design of their products. In such circumstances, our customers will provide us with the existing antenna engine design of their antenna products, together with the technical performance data analysis for our manufacturability evaluation. After completing the specification review, our engineers and R&D team will then proceed to design the tooling or jigs required for manufacturing. The tooling or jigs designs are customised based on specifications of the antenna products to be manufactured. If the tooling or jig required are tailored based on the specifications of our customer's order and cannot be repurposed, the tooling costs will be fully borne by our customer. However, if the tooling can be utilised or repurposed for other projects, we will then spread out the tooling costs based on our estimates to the other customers. During the Financial Years and Period Under Review, our Group had manufactured a total of 147 models of antennas, of which we provided antenna engine design services for approximately 31% of the models of antennas manufactured.

	Demonstration units Prior to mass production, we are required to fabricate a small number of prototype units for internal sample tests. During such sample tests, we will perform various functionality checks, stress tests and visual inspections to ensure that the prototype units can meet all specified requirements of our customers. After completing our internal sample tests, the prototype units will be delivered to the operating premises of our customers (or their appointed EMS providers) for pre-qualification tests whereby our prototype units will be integrated into the telecommunication device or equipment of our customers to assess its compatibility and functionality. If the demonstration units are able to meet all the requisite requirements of our customers, these demonstration units will be accepted by our customers for mass production. If the demonstration units do not meet the requisite requirements of our customers, we will rework them and conduct a new trial run of the reworked units until the passing of the pre-qualification tests of our customers. Once the demonstration units are accepted by our customers, we are not required to repeat the design and pre-qualification procedures for subsequent purchase orders of similar accepted prototype design.
Production	**(i) Procurement** Our procurement process involves planning, order tracking, transportation, inspection and inventory management. We procure input materials or services from our network of suppliers as well as from suppliers nominated by our customers. Upon receiving the input materials, as part of our quality control and assurance processes, we will perform an inspection check to ensure all raw materials delivered to us are in good condition and in accordance with the required quality standards. Accepted input materials are held as inventory before production, whereas non-conforming input materials will be returned to suppliers for a refund in the form of a credit note. We practice 'just-in-time' inventory management whereby our inventory purchase volume will be based on our estimated production activities and we keep only an adequate quantity of raw materials at our Penang Factory. **(ii) Moulding** Certain components of the antenna product require moulding to achieve the desired shape and durability to ensure structural integrity before integration. The moulding of sub-assembled units provides structural support, shielding and durability. This process includes stubby over-moulding and sheath cover over-moulding which ensures that the antenna housing is capable of withstanding environmental conditions such as temperature fluctuations, water ingress and salt exposure.

7. BUSINESS OVERVIEW (cont'd)

Assembly	Our assembly process involves the integration of various electronic components and structural parts into a single module to create a fully functional antenna. We recruit contract workers to perform our assembly process, as it is a labour intensive process which requires the use of several tools and equipment to fabricate and combine various sub-assemblies.
Testing	Semi-finished antennas are required to undergo various quality testing prior to packing. At this stage, each antenna product will be tested in a test box, shielded room or anechoic chamber (where applicable) to validate its RF functionality, ensuring optimal signal integrity, efficiency and compliance with our customers' specifications. In addition, we also perform sample testing on antenna measurements and apply a control chart to maintain consistent quality and precision. We also perform a final quality control inspection to ensure the semi-finished antenna products meet design and functional specifications before packaging. This includes visual checks and stress tests (such as bending and drop tests to validate their durability).
Packing and delivery	Completed products are labelled and carefully packed to prevent damage during transportation. We engage a third party logistics provider to manage the delivery of our finished antenna products to the port of departure, the clearance of exports by the Royal Malaysian Customs Department and the loading of the finished antenna products on board of the delivery vessel.

Taiwan

As mentioned in Section 6.1.4.2 of this Prospectus, we appoint Jy Chyun to assemble certain semi-finished LMR antenna products produced from our Penang Factory, into finished LMR antenna products.

Pursuant to the Service Agreement, Jy Chyun is mandated to perform, amongst others, assembly and testing procedures of the semi-finished LMR antenna products based on our own set of standard operating manual and procedures.

The assembly and testing procedures performed by Jy Chyun are similar to the assembly and testing process flows carried out at our Penang Factory, while the delivery schedules are coordinated by our headquarter personnel at our Penang Factory.

7.7 QUALITY CONTROL PROCEDURES AND CERTIFICATIONS

We adopt stringent quality control and assurance practices to maintain our reputation and market standing as a reliable manufacturer. As such, we have established quality control and assurance procedures to closely monitor the quality of our manufacturing processes to ensure that it meets all our internal benchmarks and customers' expectations. As at the LPD, our Group has obtained the following certifications from CARE Certification International (M) Sdn Bhd, which reinforces our commitment in practising and delivering systematic and quality manufacturing processes:

Subsidiary	Certification	First year awarded	Current validity period	Scope
Emits Technology	ISO 9001:2015	2017	24 September 2026 to 4 October 2029	Manufacturer of antenna and wireless communication devices
	ISO 14001:2015	2021	4 October 2024 to 23 December 2027	

7. BUSINESS OVERVIEW (cont'd)

(i) Quality control on supply chain

We have adopted the RBA's code of conduct as a guiding framework for our operations and supply chain practices. The RBA's code of conduct is a supply chain initiative through which we actively promote and ensure the safety and sustainability of our supply chain.

Our adoption of the RBA's code of conduct reflects our commitment to conduct business responsibly and ethically, while upholding the high standards in labour practices, health and safety, environmental and business ethics.

(ii) Quality control on input materials

To ensure the desired quality of our finished products, we carefully select our suppliers including suppliers nominated by our customers based on stringent criteria such as product quality, timeliness of delivery, product warranties, and pricing.

We conduct inspections and quality checks on all incoming materials, evaluating both their condition and compliance with our predetermined technical specifications. This ensures that the input materials used for our production activities would comply with the required standards of performance, reliability and operational integrity.

(iii) Quality control on products

Testing forms an important step in our quality control and assurance processes, which entails conducting a comprehensive range of tests on our finished antenna products to assess their durability, quality and RF functionality. These tests include, but are not limited to the following:

(a) RF tests in a shield box to validate signal strength and performance;

(b) Statistical and network analyser tools to verify the amplitude and phase of signals;

(c) Chamber tests to validate durability and tolerance to environmental conditions;

(d) Torque and other stress tests to validate their structural integrity; and

(e) Dimensional tests to validate compliance with design specifications.

Each of the testing protocols is carried out to ensure that our finished products meet the quality requirements of our customers prior to packing and delivery.

For clarity, our antenna products are required to meet the purchasing customer's quality review, assessment and acceptance. Our antenna products are not subject to third party certification of its quality.

7.8 TYPES, SOURCES AND AVAILABILITY OF SUPPLIES

For the Financial Years and Period Under Review, the main types of input materials purchased and subcontracted processing services provided by our suppliers for our manufacturing activities are as follows:

	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
Breakdown of purchases	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Input materials								
– Connectors	1,851	15.5	2,769	14.2	2,485	13.2	1,406	16.3
– PCBs	1,310	10.9	1,779	9.1	1,975	10.5	655	7.6
– Antenna radiators	1,379	11.5	1,985	10.2	1,971	10.5	1,222	14.2
– Metal stamping parts	1,387	11.6	1,909	9.8	1,911	10.1	920	10.7
– Resins	1,685	14.1	2,212	11.4	1,906	10.1	1,110	12.9
– Flexible circuits	354	3.0	2,235	11.5	1,729	9.2	866	10.1
– Cables	425	3.6	992	5.1	1,551	8.2	454	5.3
– Machining parts	495	4.1	1,075	5.5	954	5.1	475	5.5
– Coil forms	422	3.5	902	4.6	834	4.4	183	2.1
– Leaflets	331	2.8	546	2.8	487	2.6	233	2.7
– Insulators	319	2.7	442	2.3	405	2.1	208	2.4
– Adhesives	124	1.0	288	1.5	269	1.4	150	1.8
– Plastic covers	200	1.7	31	0.2	185	1.0	20	0.2
– Others[(a)]	815	6.7	1,185	6.1	798	4.2	425	4.9
	11,097	**92.7**	**18,350**	**94.3**	**17,460**	**92.6**	**8,327**	**96.7**
Subcontracted processing services[(b)]	869	7.3	1,105	5.7	1,400	7.4	286	3.3
Total	**11,966**	**100.0**	**19,455**	**100.0**	**18,860**	**100.0**	**8,613**	**100.0**

Notes:

(a) Comprises mainly adaptors, packaging materials, o-rings, shrink tubes and solder wires.

(b) Comprises mainly OEM services fees to Jy Chyun and PCBA assembly services fees to Sunlite Electronic (Malaysia) Sdn Bhd, a major supplier.

We source input materials and subcontracted processing services from our network of suppliers (including suppliers nominated by our customers) mainly in Malaysia and Taiwan, as follows:

	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
Breakdown of purchases	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
– Malaysia	6,802	56.8	10,561	54.3	10,051	53.3	4,655	54.0
– Taiwan	4,331	36.2	7,561	38.9	7,492	39.7	3,385	39.3
– Others[(a)]	833	7.0	1,333	6.8	1,317	7.0	573	6.7
Total	**11,966**	**100.0**	**19,455**	**100.0**	**18,860**	**100.0**	**8,613**	**100.0**

Note:

(a) Comprised suppliers from China, Hong Kong, Singapore, United Kingdom and USA.

The main input materials for our production activities are connectors, PCBs, antenna radiators, metal stamping parts and resins, which collectively accounted for 63.6%, 54.7%, 54.4% and 61.7% of our total purchases for the FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively. During the Financial Years and Period Under Review, we did not experience supply shortages or difficulties in sourcing these materials.

Prices of our key input materials are subject to various market factors, such as inflation, foreign exchange rates, commodity prices and general demand and supply conditions. For instance, some of our key input materials such as connectors, metal stamping parts, cables, machining parts and coil forms are made from metals such as steel and copper. The market prices of these key input materials are therefore sensitive to global market prices of steel and copper. In the event of a sudden increase in market prices of key input material, and if such price increase cannot be fully passed on to our customers, our GP margin will be adversely impacted.

We mostly purchase input materials and subcontracted processing services in RM and USD as follows:

	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
Breakdown of purchases	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
– RM	4,582	38.3	5,874	30.2	6,163	32.7	3,181	36.9
– USD	7,383	61.7	13,578	69.8	11,461	60.8	4,806	55.8
– TWD	1	*	3	*	1,236	6.5	626	7.3
Total	**11,966**	**100.0**	**19,455**	**100.0**	**18,860**	**100.0**	**8,613**	**100.0**

Note:
* Less than 0.1%

Given that some of our purchases are settled in USD and TWD, our Group is exposed to the risks of fluctuations in foreign exchange rates. Unfavourable changes in foreign exchange rate may result in higher purchase cost for our input materials. In the event we are not able to pass on such cost increases to our customers, our GP margin will decline.

7.9 EMPLOYEES AND LABOUR STAFFING

Our Group's business operations are mainly supported by our Executive Directors, key senior management, employees and contract workers that we source from third party manpower service providers to undertake our manual assembly works. Further details are as follows:

7.9.1 Employees

(i) Malaysia

Tabulated below is the breakdown of our Group's employees in Malaysia based on job functions as at 31 December 2025 and as at the LPD:

	As at 31 December 2025	As at the LPD
Key senior management	5	5
Finance, administration and human resources	6	7
Manufacturing and production activities		
– Engineering and R&D	5	6
– Production	18	17
– Quality control	8	9
– Supply chain and inventory management	8	9
Sales, marketing and business development	1	1
Total	**51**	**54**

All of our employees are Malaysian and permanent employees. As at the LPD, none of our employees belong to any trade unions and there has been no industrial dispute over the Financial Years and Period Under Review and up to the LPD.

(ii) Taiwan

Our operations in Taiwan are mainly managed and supervised by our Executive Directors namely Ts. Loy Boon Liang and H'ng Chuen Yeou. They are supported by our headquarter personnel under our engineering, R&D, production, quality control, supply chain management and finance departments. As at the LPD, our Group does not have any local employee in Taiwan.

7.9.2 Labour Staffing

(i) Malaysia

As at the LPD, we have engaged 3 third party manpower service providers in Malaysia to provide contract workers to us. The contract workers that we source from the 3 third party manpower service providers are skilled Malaysian workers who are able to perform manual assembly works attentively as they are mainly tasked to perform assembly services at our Penang Factory that are manual and labour intensive, such as parts assembling, injection moulding, visual inspection and packaging works.

Below are the key terms of the service agreements between our Group and the third party manpower service providers for supplying contract workers to our Group:

Workers supply	The service provider shall: (a) ensure all contract workers supplied to our Group comply with the local employment laws and regulations; (b) pay the remuneration of the contract workers in compliance with the local employment laws and the regulations, and the employment contract entered into between the contract workers and the service providers; (c) manage and resolve issues in relation to the contract workers supplied to our Group, which shall include, but are not limited to, discipline and performance issues; (d) ensure that all contract workers comply with the rules, regulations, procedures and working ethics of our Group; and (e) ensure that there are no forced, bond or indentured labour or involuntary prison labor, slavery or trafficking of persons.
Payment	Our Group shall make payment to the service providers based on the fee schedule set forth in the respective service agreement.
Contract term	Normally over a term of 2 to 3 years. Upon expiry and in the event we intend to continue engaging the same service provider, we will enter into a new service agreement with them to govern their terms of service.
Governing laws	Laws of Malaysia.

Our rationale for engaging contract workers instead of direct recruitment is to enhance our administrative and operational efficiency, as:

(a) we can source contract workers based on our estimated production volumes, whereby we can recruit more contract workers during peak production periods without retaining them during low production periods. This in turn allows us to have greater flexibility in managing our labour costs; and

(b) the service providers will assist us to manage labour issues such as poor attendance or misconduct. This in turn minimises our human resource and administration workload.

Although we engaged third party manpower service providers to supply contract workers to our Group, we will also perform pre-screening of the contract workers prior to onboarding, such as:

(a) requesting for the relevant statutory documentation of the contract workers to ensure compliance with local employment laws and regulations; and

(b) background screening, if required.

During the Financial Years and Period Under Review, our total labour supply costs and the average monthly number of contract workers are as follows:

	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2026**
Labour supply costs (RM'000)	3,182	4,287	4,573	1,992
Average monthly number of contract workers	99	139	131	117

During the Financial Years and Period Under Review, our Group did not experience any shortages of contract workers for our manufacturing activities.

(ii) Taiwan

For our operations in Taiwan, Jy Chyun will provide the necessary workers to perform the assembly, testing, packing and delivery services as per the terms of the Service Agreement. Hence, we are not required to directly recruit any workers in Taiwan.

Some of our multinational customers would require us to ensure that our employment practice adhere to employment laws and practices. To align with our customers' expectations, in addition to complying with our local employment laws and practices, we have also adopted the RBA code of conduct as a guiding framework for our operations and supply chain practices, so to ensure that, amongst others, our Group adopts ethical labour practices and promote safe working conditions. The RBA code of conduct establishes standards that seek to promote that working conditions in supply chains are safe, and that business is conducted responsibly, ethically, and with respect for human rights and the environment.

7. BUSINESS OVERVIEW (cont'd)

7.10 MAJOR CUSTOMERS

Over the Financial Years and Period Under Review, we have transacted with more than 10 customers in each financial year and period as follows:

	FYE 2023	FYE 2024	FYE 2025	FPE 2026
No. of customers	15	11	16	17

Our top 5 customers during the Financial Years and Period Under Review comprise the following:

FYE 2023

No.	Name	Country	Main products sold	Revenue		[(a)]Length of relationship
				RM'000	%	Years
1.	Motorola Group	▪ USA, ▪ Germany ▪ Malaysia ▪ China	LMR antennas	20,997	65.6	7
2.	BK Technologies, Inc	USA	LMR antennas	2,991	9.3	3
3.	Customer A	Malaysia	LMR antennas	1,979	6.2	2
4.	Customer B Group	Hong Kong	LMR antennas	1,676	5.2	7
5.	Customer C Group	▪ Malaysia ▪ Mexico	▪ LMR antennas ▪ Embedded antennas	1,618	5.1	7
Total				**29,261**	**91.4**	

FYE 2024

No.	Name	Country	Main products sold	Revenue		[(a)]Length of relationship
				RM'000	%	Years
1.	Motorola Group	▪ USA, ▪ Germany ▪ Malaysia ▪ China	LMR antennas	33,007	80.5	8
2.	BK Technologies, Inc	USA	LMR antennas	1,692	4.1	4
3.	Customer C Group	▪ Malaysia ▪ Mexico	▪ LMR antennas ▪ Embedded antennas	1,582	3.9	8
4.	Customer B Group	Hong Kong	LMR antennas	1,084	2.6	8
5.	Customer D	United Kingdom	▪ LMR antennas ▪ Embedded antennas	938	2.3	5
Total				**38,303**	**93.4**	

7. BUSINESS OVERVIEW (cont'd)

FYE 2025

No.	Name	Country	Main products sold	Revenue		[(a)]Length of relationship
				RM'000	%	Years
1.	Motorola Group	▪ USA, ▪ Germany ▪ Malaysia ▪ China	LMR antennas	28,915	72.9	9
2.	BK Technologies, Inc	USA	LMR antennas	2,634	6.6	5
3.	Customer A	Malaysia	LMR antennas	1,839	4.6	4
4.	Customer B Group	Hong Kong	LMR antennas	1,613	4.1	9
5.	Customer E	USA	Dome antennas	1,345	3.4	6
Total				**36,346**	**91.6**	

FPE 2026

No.	Name	Country	Main products sold	Revenue		[(a)]Length of relationship
				RM'000	%	Years
1.	Motorola Group	▪ USA, ▪ Germany ▪ Malaysia ▪ China	LMR antennas	14,169	78.1	10
2.	Customer B Group	Hong Kong	LMR antennas	1,385	7.6	10
3.	BK Technologies, Inc	USA	LMR antennas	623	3.4	5
4.	Customer A	Malaysia	LMR antennas	616	3.4	4
5.	Customer F	Malaysia	▪ LMR antennas ▪ Stamped antennas	416	2.3	4
Total				**17,209**	**94.8**	

Note:

(a) The length of the relationship as at the respective financial year/period.

Our top 5 major customers collectively accounted for 91.4%, 93.4%, 91.6% and 94.8% of our Group's revenue in FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively.

Amongst the top 5 major customers, the Motorola Group was our single largest customer, accounting for 65.6%, 80.5%, 72.9% and 78.1% of our Group's revenue in FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively. Our business is highly dependent on the Motorola Group due to its sizeable revenue contribution to our Group over the Financial Years and Period Under Review. Other than the Motorola Group, there are no other major customers that accounted for more than 10% of our revenue during the Financial Years and Period Under Review.

7. BUSINESS OVERVIEW (cont'd)

Our business relationship with Motorola began in 2016. Motorola is a multinational company based in the USA, its principal business activities are sales of telecommunication products and services. Our sales to the Motorola Group are transacted on a purchase order basis and therefore, our revenue and financial results may be adversely impacted in the event:

(i) the Motorola Group materially reduces, or ceases to purchase from us; and/or

(ii) we are unable to substitute the loss of Motorola Group's revenue from our new or other existing customers that we may secure from time to time.

Since the commencement of our business dealing with Motorola in 2016, we have been able to maintain a strong and continuous working relationship with the Motorola Group.

7.11 MAJOR SUPPLIERS

Our top 5 suppliers during the Financial Years and Period Under Review are as follows:

FYE 2023

No.	Name	Country	Main products purchased	Purchases		[(a)]Length of relationship
				RM'000	%	Years
1.	Jy Chyun	Taiwan	▪ OEM services ▪ Connector ▪ Machining Parts ▪ Antenna radiators	4,277	35.7	7
2.	Starlax Polymer Sdn Bhd	Malaysia	Resins	1,436	12.0	7
3.	Bond Industrial Supply Sdn Bhd	Malaysia	▪ Connector ▪ Machining Parts ▪ Antenna radiators ▪ Insulator	1,294	10.8	6
4.	Sunlite Electronic (Malaysia) Sdn Bhd	Malaysia	▪ PCBA assembly service ▪ PCB ▪ PCBA	969	8.1	3
5.	PP Perfect Precision Sdn Bhd	Malaysia	▪ Connector ▪ Machining Parts ▪ Insulator	432	3.6	7
Total				**8,408**	**70.2**	

7. BUSINESS OVERVIEW (cont'd)

FYE 2024

No.	Name	Country	Main products purchased	Purchases		[(a)]Length of relationship
				RM'000	%	Years
1.	Jy Chyun	Taiwan	▪ OEM services ▪ Connector ▪ Machining Parts ▪ Antenna radiators	7,292	37.5	8
2.	Supplier A	Malaysia	Flexible circuits	2,235	11.5	6
3.	Bond Industrial Supply Sdn Bhd	Malaysia	▪ Connector ▪ Machining Parts ▪ Antenna radiators ▪ Insulator	1,846	9.5	7
4.	Starlax Polymer Sdn Bhd	Malaysia	Resins	1,808	9.3	8
5.	Yato Precision Engineering Sdn Bhd	Malaysia	Coilform	902	4.6	5
Total				**14,083**	**72.4**	

FYE 2025

No.	Name	Country	Main products purchased	Purchases		[(a)]Length of relationship
				RM'000	%	Years
1.	Jy Chyun	Taiwan	▪ OEM services ▪ Connector ▪ Machining Parts ▪ Antenna radiators	7,345	38.9	9
2.	Bond Industrial Supply Sdn Bhd	Malaysia	▪ Connector ▪ Machining Parts ▪ Antenna radiators ▪ Insulator	1,886	10.0	8
3.	Supplier A	Malaysia	Flexible circuits	1,729	9.2	7
4.	Starlax Polymer Sdn Bhd	Malaysia	Resins	1,638	8.7	9
5.	Yato Precision Engineering Sdn Bhd	Malaysia	Coilform	832	4.4	6
Total				**13,430**	**71.2**	

7. BUSINESS OVERVIEW (cont'd)

FPE 2026

No.	Name	Country	Main products purchased	Purchases		[(a)]Length of relationship
				RM'000	%	Years
1.	Jy Chyun	Taiwan	▪ OEM services ▪ Connector ▪ Machining Parts ▪ Antenna radiators	3,310	38.4	10
2.	Bond Industrial Supply Sdn Bhd	Malaysia	▪ Connector ▪ Machining Parts ▪ Antenna radiators ▪ Insulator	1,204	14.0	9
3.	Starlax Polymer Sdn Bhd	Malaysia	Resins	956	11.1	10
4.	Supplier A	Malaysia	Flexible circuits	864	10.0	7
5.	Empledesign Products	Malaysia	Packaging materials	204	2.4	10
Total				**6,538**	**75.9**	

Note:

(a) The length of the relationship as at the respective financial year/period.

Our top 5 major suppliers collectively accounted for approximately 70.2%, 72.4%, 71.2% and 75.9% of our Group's purchases in FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively. Amongst the top 5 major suppliers, Jy Chyun was our single largest supplier, which accounted for approximately 35.7%, 37.5%, 38.9% and 38.4% of our Group's purchases in FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively.

We have maintained a long-term relationship with Jy Chyun for approximately 10 years as Jy Chyun has been able to supply quality input materials and at competitive prices to out Group. As such, certain input materials that we require for our production activities in Malaysia and at the Taiwan Assembly Line are procured from Jy Chyun. However, we are not dependent on Jy Chyun, as the input materials that we purchase from Jy Chyun such as metal parts and spring can also be sourced from other suppliers in Malaysia and Taiwan.

However, our Taiwan Assembly Line operations are dependent on Jy Chyun as we engage Jy Chyun to assemble and test certain models of semi-finished LMR antenna from our Penang Factory, into finished LMR antenna products, which are for subsequent sales to certain customer of our Group.

The assembly and testing services performed by Jy Chyun are based on our own set of standard operating manual and procedures, which are similar to those adopted in our Penang Factory. To regulate our business relationship, we had on 25 August 2025 entered into the Service Agreement, which stipulates the terms and scope of services of Jy Chyun as an OEM service provider to our Group. Over the Financial Years and Period Under Review, Jy Chyun has been able to deliver its OEM services to the satisfaction of our Group.

7.12 PRODUCTION CAPACITY AND UTILISATION

Our Group's annual production capacity and utilisation rate in the FYE 2025 are calculated as follows:

Products	Production lines	Capacity Units	Actual output Units	Utilisation rate %
LMR antenna	13	[(a)]4,221,360	2,110,420	[(b)]50.0
Embedded antenna	2	[(c)]1,370,160	318,260	23.2
Dome antenna		[(c)]52,800	12,401	23.5
5G base station antenna	4	[(d)]6,336	[(e)]5	0.1
Others	[(f)]-	[(f)]765,600	637,500	83.3

Notes:

(a) Calculated based on our existing 13 production lines and operating two 11-hour shifts a day, over an average of 22 working days in a month during the FYE 2025.

(b) During the FYE 2025, all 13 production lines for our manufacturing of LMR antennas were in operation. However, the 13 production lines only achieved an average of 50% utilisation rate in the FYE 2025, of which, the low utilisation rate was mainly due to down time incurred as we reconfigure resources for production of different models of LMR antennas. In addition, we also reserve some spare capacity to accommodate ad hoc manufacturing orders that may arise from time to time.

(c) Calculated based on our existing 2 shared production lines and operating two 11-hour shifts a day, over an average of 22 working days in a month during the FYE 2025.

(d) Calculated based on our existing 4 production lines and operating two 11-hour shifts a day, over an average of 22 working days in a month during the FYE 2025.

(e) Being the demonstration units produced for pre-qualification tests. The 4 new production lines for manufacturing of 5G base station antennas were set up in December 2025. As at the LPD, we have yet to commence mass production of 5G base station antennas, pending acceptance of the demonstration units by our new customer.

(f) The production of other antennas is carried out on the existing production lines of our LMR, Embedded and Dome antennas, where there is excess capacity for production of such antennas. The capacity was calculated assuming 1 shared production line and operating two 11-hour shifts a day, over an average of 22 working days in a month during the FYE 2025.

As at the LPD, our Penang Factory has 7,677 sq ft of available floor space for future manufacturing activities. Please refer to Section 6.1.4.1 of this Prospectus for more information on our production floors.

7.13 BUSINESS DEVELOPMENT AND MARKETING STRATEGIES

Our business development and marketing strategies are mainly managed by H'ng Chuen Yeou, our Executive Director, supported by our sales, marketing and business development team. Their efforts are mainly focused on maintaining relationships with our existing customers, initiating new customer relationships and enhancing our market presence. Our business development and marketing strategies mainly comprise the following:

(a) Regular contact with customers

We are committed to building and maintaining strong working relationships with both existing and potential customers. By maintaining regular contact with them, we gain valuable insights about their product requirements and operational processes. This hands-on approach enables us to align our services more effectively to meet their requirements. Furthermore, we work closely with our customers on an ongoing basis to ensure that their expectations are consistently achieved and delivered by us.

(b) Corporate website

We have established a corporate website at https://www.emits.com.my/ which provides easy access to information on our range of services and manufacturing capabilities. The website also serves as a key point of contact for potential customers, providing a platform for enquiries regarding our manufacturing and services.

7.14 TECHNOLOGY USED OR TO BE USED

We utilise the following key technologies in our manufacturing operations, all of which are licensed third party software solutions:

(a) Creo Essential

Creo Essential is a comprehensive 3D computer-aided design software solution designed to support the product development process, from conceptual design to manufacturing. It offers advanced modeling, simulation and analysis tools that enable us to create precise and innovative product designs with enhanced efficiency and accuracy. Its modeling capabilities allow for flexible design iterations, while integrated simulation features facilitate early detection of potential issues, reducing development time and costs.

(b) CST Studio Suite

CST Studio Suite is a software package for designing, analysing and optimising electromagnetic components and systems. It enables our engineers and R&D team to model and analyse high-frequency components, low-frequency devices and static fields, making it particularly effective for antenna designing. By integrating multiple simulation methods within a single integrated environment, CST Studio Suite supports comprehensive design optimisation and validation.

(c) SAP Business One (SAP B1)

SAP B1 is an integrated enterprise resource planning solution specifically designed for small and medium-sized enterprises to streamline and automate core business processes. It consolidates functions such as financial management, sales, procurement, inventory management, customer relationship management and analytics into a single, unified system. It also provides real-time insights and customisable dashboards that enable data-driven decision-making and improved operational efficiency.

(d) Minitab

Minitab is a statistical software package designed to facilitate data analysis, quality improvement and process optimisation. It offers an extensive suite of tools for statistical analysis, including descriptive statistics, regression analysis, design of experiments and control charts. With integrated tools for data visualisation and predictive analytics, it enables us to enhance operational efficiency, improve product quality and achieve continuous improvement objectives.

7.15 RESEARCH AND DEVELOPMENT

To drive our business growth and manufacturing capabilities, we have set up a R&D department that works closely with our engineers in antenna engine design services or rapid prototyping.

The key functions of our R&D department are initiating relevant R&D activities relating to RF technology, as well as assisting our engineers to test their design ideas so to produce antennas that are efficient, durable and able to emit and receive strong and stable signals.

Typically, at our initial stage of production activities (i.e. at design stage), our engineers will perform antenna engine design services based on the product requirements of our customers, by building multiple simulation models. Our engineers will also create a demand list for our R&D department to conduct feasibility study on the draft antenna engine design in order to test the design ideas.

Thereafter, our engineers and technical personnel will build sample modules of the antennas for trial runs and statistical data tests. If the trial runs results were below expectation, our engineers with engage with technical personnel under the R&D department to propose adjustments to the draft antenna engine design. The re-worked design will then undergo multiple trial runs and statistical data tests until it meets the performance expectation.

Once the antenna engine design is verified to be in order and able to meet the product requirements of our customers, we will deliver the demonstration units and antenna engine design to our customers for pre-qualification tests and approval.

Our past and current key R&D efforts comprise the following:

Initiative	**Year**
Developed internal capabilities in the manufacturing of LMR antenna with tri-band design comprising UHF, 800MHz and GPS	2016
Developed internal capabilities in the manufacturing of multiband / all band LMR antenna	2016
Developed electromagnetic simulation technique to predict the performance of moulded LMR antennas	2016
Developed internal capabilities in the manufacturing of LMR antenna with UHF / 800MHz and GPS band	2017
Developed internal capabilities in the manufacturing of wearable LMR antennas	2017
Developed internal capabilities in the manufacturing of multi-band LMR antenna	2018
Developed internal capabilities in the manufacturing of LMR wide band / all band antenna using Software Defined Radio	2019
Developed internal capabilities in the manufacturing of all band LMR antenna using Software Defined Radio through liquid silicone rubber moulding	2020

7. BUSINESS OVERVIEW (cont'd)

Initiative	Year
Developed internal capabilities in the manufacturing of wide band / all band LMR antenna design using Software Defined Radio through laser direct structuring	2021
Developed internal capabilities in the manufacturing of multi-band multi-element LMR antenna with matching circuit inside connector	2022
Developed internal capabilities in the manufacturing of 25cm dual-band antenna for VHF and GPS LMR radio	2022
Developed internal capabilities in the manufacturing of 50cm dual-band antenna for VHF and GPS LMR radio	2023
Developed internal capabilities in the manufacturing of dual-band 800MHz + GPS whip LMR antenna	2024
Developed internal capabilities in the manufacturing of LMR antenna with silicone base material for high temperature environment defined under the National Fire Protection Association	2024
Developed internal capabilities in the manufacturing of LMR antenna with tri-band GPS	2025
Developed internal capabilities in the manufacturing of 5G base station antennas	2025-2026

Our R&D expenses and new product introduction costs amounted to RM0.97 million, RM0.84 million, RM1.03 million and RM0.5 million, representing 3.0%, 2.1%, 2.6% and 2.9% of our total revenue in the FYE 2023, FYE 2024, FYE 2025 and FPE 2026, respectively.

All R&D expenses incurred during the Financial Years and Period Under Review were fully charged to profit or loss as either COS or administrative expenses, as follows:

Breakdown of R&D expenses	FYE 2023	FYE 2024	FYE 2025	FPE 2026
	RM'000	RM'000	RM'000	RM'000
– COS[(a)]	336	159	325	94
– Administrative expenses[(b)]	631	684	708	440
Total	**967**	**843**	**1,033**	**534**

Notes:

(a) Mainly comprise input materials costs incurred to produce prototype units as part of our new LMR antenna products development.

(b) Mainly comprise staff costs of our R&D personnel and general expenses for our anechoic chamber.

7.16 MATERIAL EQUIPMENT AND MACHINERY

All of our production equipment and machinery are located at our Penang Factory. Our production equipment and machinery mainly comprise the following:

Material equipment and machinery	**Function**	**No. of units**	**Approximate age as at the LPD**	**Audited NBV as at 30 June 2026**
			Years	**RM'000**
Anechoic chamber equipment	To measure RF gain, frequency and radiation pattern under interference-free conditions.	1	4	1,005
Shielded room	To measure and evaluate the PIM performance of antennas under interference-free conditions.	5	Less than 1	608
Moulding machines	To mould rubber parts for passive antennas in a temperature and moisture-controlled environment.	13	8	159
Dehumidifiers	To remove excess moisture from the air, materials or equipment to maintain proper environmental conditions.	10	7	1
Manufacturing monitoring equipment	To measure antenna quality and monitor process conditions during the manufacturing process.	23	5	1,091
Interconnect machines	To assemble components.	25	7	536
Testing equipment	To test and validate the functionality and performance of passive antennas.	35	5	1,103
Lifting equipment	To lift and transport materials and products.	12	3	71

As at the LPD, our key production equipment and machinery is in good working condition.

7.17 COMPETITIVE STRENGTHS

(i) We have a proven track record as an OEM service provider for passive antennas

Our Group has approximately 10 years of operating track record as an OEM service provider for manufacturing of passive antennas. Over the years, we have progressively expanded our production capacity, widened our customer base and enhanced competencies in passive antenna manufacturing services, which stem from our organic growth.

The antennas that we manufacture can find their applications in a variety of telecommunication device or equipment such as walkie-talkies, in-building communication coverage systems, radio transceivers, Wi-Fi, Bluetooth, GPS routers, vehicle fins, 5G base stations, barcode scanners, telematics as well as telemetry and monitoring applications. The wide range of application of the antennas that we produce enables us to capture a wider market and customer base.

Further, our continued focus on product quality, timely delivery and customer-centric service has enabled us to cultivate long-standing relationships with our customers. Our ability to maintain a long-term relationship with our customers is a testament to our competencies and track record.

(ii) Our customers are mainly listed companies

Majority of our major customers are listed companies, who are mostly brand or product owners. Our customers have stringent supplier selection processes whereby they conduct detailed audits to ensure their suppliers are able to deliver their requested products based on their quality requirements. Many of these evaluation processes can take up 1 year to complete before the potential customer selects us.

As a supplier to these companies, we had undergone and satisfied their routine audits and assessments and our success in securing and retaining these customers demonstrates our expertise in delivering quality products and meeting their service levels. During the Financial Years and Period Under Review and up to the LPD, there were no audit issues raised by our customers that adversely affected our business relationship with them.

(iii) We have strong commitment to quality and customer service

We place strong emphasis on product quality and are committed to manufacturing quality antennas that can consistently meet the quality requirements of our customers. Hence, we have implemented stringent testing procedures at each stage of our production activities as part of our quality control and assurance procedures.

Our quality control and assurance processes cover every stage of production from incoming material checks to final inspection of antennas ensuring consistency across our manufacturing activities. This not only underscores the effectiveness of our quality management system but also reinforces our reputation as a dependable and quality-focused antenna solutions provider.

To reinforce our commitment to practising and delivering systematic and quality manufacturing processes, Emits Technology, our main operating subsidiary, has been accredited with ISO 14001: 2015 and ISO 9001:2015.

(iv) We invest in specialised testing facilities, equipment and production facilities

As technology evolves and market demands grow more complex, we recognise that continuous investment in specialised machinery and equipment, as well as testing and production facilities, has been an important factor in sustaining our competitiveness.

Presently, we have a dedicated production and R&D department to serve our day-to-day production activities. To maintain our market position, our R&D and production facilities are equipped with specialised tools, including an anechoic chamber for antenna performance measurement, 5 shielded rooms with PIM testers to maintain controlled testing conditions, as well as various testing tools that enables radio frequency evaluation, material and moisture analysis, dimensional and mechanical accuracy verification and environmental reliability testing.

Through these ongoing investments, we are able to enhance our capability and expertise in rapid prototyping involving a wide range of antennas. This strategic focus reinforces our position as an OEM service provider for antenna.

(v) We are located within the Bayan Lepas Free Industrial Zone and in Taiwan

Our Penang Factory is located within the Bayan Lepas Free Industrial Zone in Penang, a hub for semiconductor and electronics manufacturing and other export-oriented industries. This location provides us with several operational advantages such as eligibility for tax incentives and exemptions on imported raw materials and machinery used in our production processes.

This operating location also enables us to achieve shorter manufacturing lead times due to close proximity to our suppliers, as well as connectivity to international markets through air and sea routes, facilitating the export of our products to key sales markets.

In addition, we have an assembly line in Taiwan. Taiwan offers an established semiconductor and electronics industry as well as an established industry value chain for semiconductor and electronics manufacturing, which in turn enables us to have easy access to suppliers and connectivity to international markets for our export sales.

(vi) We have experienced key senior management

We have been operating our business for approximately 10 years and our business operations are primarily managed by our Group Managing Director, Ts. Loy Boon Liang, who has more than 34 years of experience in business management and mechanical engineering. He is supported by our Executive Director and the following key senior management of our Group:

Name	Designation	Years of relevant working experience
H'ng Chuen Yeou	Executive Director	33
Por Chee Seong	Chief Technical Officer	32
Teh Su Kang	Group Financial Controller	32
Ho Kooi Yong	Chief Operating Officer	30

Our key senior management personnel possess the requisite experience and expertise in their respective disciplines. Moving forward, the leadership and dedication of our senior management team is expected to continue contributing positively to our Group's future prospects. Please refer to Section 5.3.2 of this Prospectus for the profiles of our key senior management.

(vii) We operate in a growing industry

As set out in Section 8 of this Prospectus, global sales of passive antennas had grown from USD3.4 billion in 2021 to USD 4.8 billion in 2025, reflecting a CAGR of 9.0% whereby between 2021 and 2025, sales under:

(a) automotive segment increased from USD0.51 billion to USD0.79 billion, reflecting a CAGR of 11.5%;

(b) telecommunications segment increased from USD1.34 billion to USD1.84 billion, reflecting a CAGR of 8.2%; and

(c) others segment increased from USD0.27 billion to USD0.39 billion, reflecting a CAGR of 9.8%.

Moving forward, PROVIDENCE projects the global passive antenna industry, in terms of the sales of passive antennas, to increase from USD4.8 billion in 2025 to USD5.7 billion in 2028, reflecting a CAGR of 5.9%. Future demand for passive antennas will be driven by the growth of the telecommunications, automotive, consumer electronics as well as aerospace and defence segments globally. As an industry player, the positive industry outlook is envisaged to positively support our future growth.

7.18 BUSINESS STRATEGIES AND FUTURE PLANS

Our business strategies and future plans mainly comprise the following:

7.18.1 We intend to expand our product portfolio to include 5G base station antennas

As at the LPD, our product portfolio mainly comprises LMR antennas, Embedded antennas and Dome antennas. To capture a wider market, we are expanding our business to include the manufacturing of 5G base station antennas.

Production facility

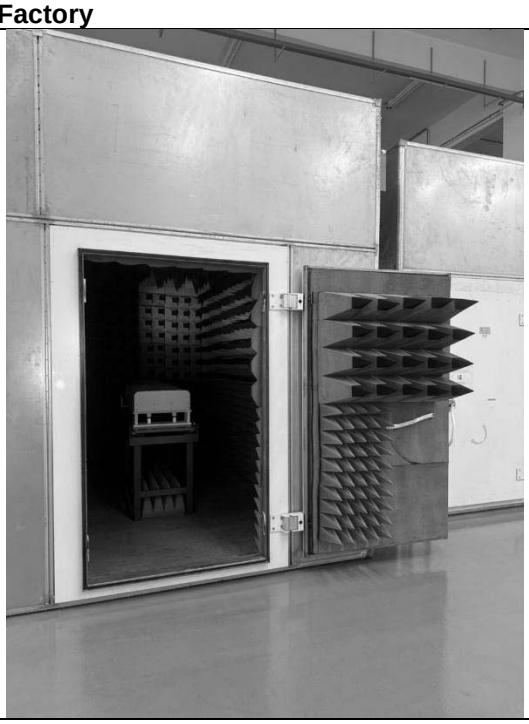
As 5G base station antennas are to be a new product offering of our Group, we are required to purchase new machinery and equipment in order to set up new production lines at our Penang Factory for the manufacturing of 5G base station antenna.

As at the LPD, we have set up 4 new production lines at our Penang Factory for the manufacturing of 5G base station antennas, which includes 5 shielded rooms with PIM testers for us to perform RF tests on the 5G base station antennas that we produce. The 4 new production lines are operational and ready for the manufacturing of 5G base station antennas, with an estimated total annual production capacity of approximately 6,336 units.

7. BUSINESS OVERVIEW (cont'd)

Example of a shielded room with PIM tester at our Penang Factory





The total costs incurred for setting up the said 4 new production lines at our Penang factory were approximately RM5.5 million, which have been fully funded through proceeds from our RCPS Issuance as well as from our Group's internally generated funds, as follows:

	Sources of financing		
	RCPS Issuance	**Internal funds**	**Total**
Utilisation	**RM'000**	**RM'000**	**RM'000**
- Renovate part of our production floor to fit the production layout for manufacturing of 5G base station antennas[(a)]	-	900	900
- Purchases of new machinery and equipment, to set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antennas, such as network analyser, PIM tester, cable strip and cut machine, soldering machines, cable tester and robotic machineries	3,100	1,450	4,550
Total	**3,100**	**2,350**	**[(b)]5,450**

Notes:

(a) Prior to the installation of the 4 new production lines for the CCI 5G Base Station Antennas Project, the designated production floor area was vacant.

(b) The total set-up costs of RM5.5 million have been fully defrayed by our Group as at the LPD.

7. BUSINESS OVERVIEW (cont'd)

Customer

As part of our continuing efforts to secure and expand our customers base and widen product offerings, we identified manufacturing of 5G base station antennas as an initiative to achieve these objectives. Besides incurring the capital expenditures for the 4 new production lines to position ourselves to manufacture 5G base station antennas, we had, in mid-2024 commenced discussion with CCI, a potential customer of our Group, for the manufacturing of 5G base station antennas on an OEM basis. For information, CCI is a private limited company based in the USA that is mainly involved in the business of sales of wireless network equipment.

During the 1st quarter of 2026, our Group had produced and delivered [(a)]40 demonstration units of 5G base station antennas to CCI for pre-qualification tests. These antennas were built according to the existing engineering design and product requirements of CCI.

The [(a)]40 demonstration units comprised 2 models of 5G base station antennas, wherein we had in May 2026 obtained CCI's conditional approval for 1 of the models, while pre-qualification tests for the other model was not completed by CCI, as CCI had in end-July 2026 requested for additional product specifications to be included in the 2 models of demonstration units.

The engineering change order by CCI was intended to enhance the application and functionality of its 5G base station antennas, whereby one of the key enhanced features is to extend the current low band antenna frequency range from 698 MHz down to 617 MHz to support spectrum requirements for certain software applications.

In September 2026, we have been requested by CCI to produce new set of demonstration units based on the revised engineering design/product requirements of its 5G base station antennas. Based on current business engagement with CCI, we expect CCI to provide us with the revised engineering design/ product requirements of its 5G base station antennas within 6 to 9 months from the LPD as it requires some time to finalise the revised engineering design.

Upon receiving the revised engineering design/ product requirements from CCI, we will then proceed to produce the requisite new set of demonstration units for CCI's pre-qualification tests and acceptance.

For information, the pre-qualification tests may take up to approximately 6 months to complete as 5G base station antennas are technically more complex as compared to other types of antennas (such as LMR antenna) that we currently produce.

As at the LPD, discussion with CCI to advance and secure the CCI 5G Base Station Antennas Project is on-going. Other than CCI, we have not been commissioned by any other potential customers for manufacturing of 5G base station antennas.

Note:

(a) Our Group did not incur significant direct production costs to produce the 40 demonstration units of 5G base station antennas to CCI as:

(i) all input materials required for the production of 40 demonstration units were supplied to us by CCI;

(ii) all assembly and testing services were carried out by our existing contract workers and engineers, with no additional material costs incurred; and

(iii) factory overhead costs incurred (mainly utilities costs) were minimal.

Working capital requirements

In view of the above future plans, we would require additional cash flows to finance the working capital requirements for the CCI 5G Base Station Antennas Project, as we are required to purchase various input materials and recruit contract workers at the production stage.

Hence, to ensure we have adequate funding to embark on this expansion plan, as elaborated in Section 4.9 of this Prospectus, RM6.0 million of the proceeds to be raised from our Public Issue has been earmarked to fund the estimated working capital requirements for mass production of 5G base station antennas under the CCI 5G Base Station Antennas Project. You may refer to Section 4.9 of this Prospectus for further details on the utilisation of proceeds. In summary, the total capital investment that we require to expand our business to include 5G base station antennas is approximately RM11.5 million, comprising the following:

Initial capital investments	RM'000	Sources of funding
Set-up costs		
- Renovation costs for our production floor	900	Fully funded from our internally generated funds and proceeds from the RCPS Issuance as mentioned above.
- Purchases of machinery and equipment to set up 4 additional production lines	4,550	
	5,450	
Production stage		
- Working capital	6,000	To be funded from part of the proceeds to be raised from our Public Issue
	11,450	

The estimated timeline to commence the CCI 5G Base Station Antennas Project is as follows:

Key milestone	Estimated timeframe
Completion of CCI's pre-qualification tests	4th quarter of 2027
Secure first mass production order from CCI	1st quarter of 2028
Secure additional mass production orders from CCI over a period of 12 months	2nd quarter of 2028 and onwards

The ability to secure the CCI 5G Base Station Antennas Project would enable us to increase our revenue streams, expand our customer base and broaden our product offering. In the event we are unable to secure the CCI 5G Base Station Antennas Project or the actual purchase volumes from CCI are less than anticipated, we will repurpose all unutilised machinery and equipment that are dedicated for manufacturing of 5G base station antennas, to produce other types of 5G antennas, for other potential customers that we may secure.

In such scenario, we will have to purchase additional or replacement parts such as tooling, jig and fixture, to repurpose our machinery and equipment. Based on our estimate, the estimated costs to repurpose our unutilised machinery and equipment is up to approximately RM0.1 million, which if incurred, will be fully funded from our Group's internally-generated funds.

Costs required to produce new set of demonstration units

Based on our current discussion with CCI, we expect CCI to supply us with all requisite input materials needed to produce the new set of demonstration units of 5G base station antennas Hence, we do not expect to incur input material costs to produce the new set of demonstration units. In addition, we do not expect to incur material labour and factory overhead costs to produce the new set of demonstration units as the number of units are nominal. Save for input materials, all other costs incurred for the production of demonstration units will be fully funded from our Group's internally-generated funds. As at 30 June 2026, our Group has total cash and bank balances of RM7.9 million.

7.18.2 We Intend to Expand Our R&D Capabilities

We are constantly undertaking R&D activities to enhance our technical expertise in RF technology in order to innovate more complex antenna engine design drawings. Our current R&D efforts and new product introduction activities rely on shared equipment and machinery used for our production purposes, which are frequently occupied with manufacturing operations.

Hence, to enhance our R&D capabilities, we have allocated up to RM4.0 million of the proceeds from our Public Issue for purchases of the following new equipment and machinery that are dedicated to our R&D use:

Equipment and machinery	**Purpose**	**Estimated costs (RM'000)**
Prototyping and design machine	▪ To purchase: ➢ 1 unit of 3D prototyping machine; ➢ 1 unit of PCB prototyping machine; ➢ 1 unit of 3D printer; and ➢ 1 unit of Modex 3D professional. ▪ Rapid prototyping is the process of quickly creating physical models of a product using 3D computer-aided design data. These machines thereby allows our engineers and R&D team to quickly produce and test iterations of a design, helping to validate design ideas, reduce development time and refine product characteristics such as shape, size and usability.	[(a)]1,000
Moulding machine	▪ To purchase: ➢ 3 units of moulding machines; and ➢ 1 unit of resin mixer. ▪ Moulding machines are used for shaping our antenna products. Our Group currently has 13 injection moulding machines for our own production activities. The purchase of additional moulding machines will allow us to have a dedicated set of moulding machines for our R&D activities only.	[(a)]2,500
Interconnect machine	▪ To purchase: ➢ 2 units of laser spot welding machines. ▪ Laser spot welding machines are high precision machines used for joining 2 or more separate metal surfaces at a single spot.	[(a)]300
Testing equipment machine	▪ To purchase: ➢ 1 unit of thermal shock chamber. ▪ Thermal shock chamber is a specialised environmental test chamber designed to rapidly expose materials or products to harsh conditions and sudden temperature changes in order to assess their durability.	[(a)]200

Note:

(a) Please refer to Section 4.9.2 of this Prospectus for the basis of determining the estimated costs of the equipment and machinery that are dedicated to our R&D use.

The purchase of these equipment and machinery would allow our R&D department to have a dedicated line of R&D infrastructure, enabling us to undertake relevant R&D activities from time to time. For clarity, the above machine and equipment can also be repurposed for our production activities to accommodate for large customer orders or purchase orders that requiring expeditious fulfilment. We intend to purchase the above equipment and machinery over a period of 24 months from the date of our Listing. The exact timing of purchases of the abovesaid equipment and machinery is dependent on the prevailing needs and roadmap of our R&D activities.

We also intend to strengthen internal capabilities by expanding our R&D team by recruiting 2 additional engineers for R&D department, the expenditure of which will be funded through our Group's internally-generated funds. The expanded R&D team is expected to enhance our capability and innovation in carrying out R&D initiatives and activities, which in turn will contribute positively to customer engagement and marketing strategies for newly developed antenna products.

7.19 SEASONALITY AND CYCLICALITY

We have not experienced any material seasonality in business as the demand for our services is not subject to seasonal fluctuations. However, our revenue is dependent on our customers' purchase orders and the completion of delivery of the finished antenna products in each reporting period.

7.20 INTERRUPTIONS IN BUSINESS

Our Group did not experience any interruption which has significantly affected our business during the past 12 months preceding the LPD.

7. BUSINESS OVERVIEW (cont'd)

7.21 MAJOR APPROVALS, LICENCES AND PERMITS

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

No.	Holder of licence	Description of licence	Approving authority	Licence / Reference no.	Validity	Major conditions imposed	Status of compliance
1.	Emits Technology	Manufacturing license for "Antennas"	MITI/ MIDA	A024590/ A040897	22 March 2022/ Valid until and unless revoked or surrendered	(a) The sale of shares in this company must be notified to MITI and MIDA.	Complied
						(b) The company must comply with the Capital Investment Per Employee ("**CIPE**") requirement of at least RM140,000.00.	Complied
						(c) Total full-time workforce shall comprise at least 80% Malaysians. Employment of foreign workers including outsourced workers shall be subject to current policies.	Complied
						(d) The company shall submit information on investment performance and project implementation under the Industrial Coordination Act, 1975 and the MIDA Act, 1965 when required by MIDA. Failure to submit such information may result in the Company: (i) being guilty of an offence and liable to a fine not exceeding RM1,000.00 or to imprisonment for a term not exceeding 3 months or to both and to a further fine not exceeding five hundred ringgit for each day during which the offence continues; or (ii) committing an offence if it furnishes any statement or other information which is false or misleading in any material particular and is liable to a fine not exceeding RM2,000.00 or to imprisonment	Complied

7. BUSINESS OVERVIEW (cont'd)

No.	Holder of licence	Description of licence	Approving authority	Licence / Reference no.	Validity	Major conditions imposed	Status of compliance
						for a term not exceeding 6 months or to both.	
2.	Emits Technology	Manufacturing warehouse license for antenna, antenna internet of things, RF cable assembly and base station antenna	Royal Malaysian Customs Department	P79 G6 2020 00000005	1 July 2025/ 30 June 2027	(a) The approved Gudang Pengilangan Berlesen ("**GPB**") License and Plan shall be displayed in a conspicuous place. (b) Changes to the structure of the building and equipment on the licensed premises are not permitted except with the written permission of the State Director of Customs. (c) The licensee shall submit to the Customs Office of the Industrial Branch a monthly statement in Bahasa Malaysia on or before the 28th day of the following month. (d) The licensee shall submit an Annual Return containing details of raw materials/components used, production of finished goods, releases and stock balances for the period 1 January to 31 December each year using the format as in Appendix M4 which shall be certified and signed by the company's accountant or other officer authorised by the licensee to the controlling station before 31 January of the following year. The return shall be accompanied by the Company's Annual Financial Report which has been audited by an independent audit. However, if the Company's Annual Financial Report does not coincide with the annual return period, the Company's Annual Financial Report shall be submitted to the Department within 30 days after the end of	Complied Noted Complied Complied

7. BUSINESS OVERVIEW (cont'd)

No.	Holder of licence	Description of licence	Approving authority	Licence / Reference no.	Validity	Major conditions imposed	Status of compliance
						the company's financial year. The Company's Annual Financial Report shall have been audited by an independent audit.	
						(e) Disposal of manufacturing waste and scrap must obtain written permission from the State Director of Customs.	Complied
						(f) The licensee will be required to provide a General Bond Guarantee of RM 10,000,000.00 to guarantee the security of duty on raw materials/components, finished goods stored in the licensed manufacturing warehouse and the transfer of dutiable goods.	Complied
3.	Emits Technology	Business license for: (i) Food establishment such as cafeteria; (ii) Trading business and industry – manufacturing of electronic and electrical tools; and (iii) Premises advertising boards.	Majlis Bandaraya Pulau Pinang ("**MBPP**")	KOM00008328	29 December 2025/ [(a)]31 December 2026	(a) This license is valid for the business activities as stated in the license.	Noted
						(b) This license shall be displayed in a conspicuous place.	Noted
						(c) Business activities should be carried out within the premises building only and it is prohibited to use feet/ 5 feet or open area without council approval for business activities or in connection with business activities.	Complied
						(d) The licensee is required to separate recyclable waste and residual waste.	Complied

Note:

(a) We intend to submit an application to MBPP for renewal of the business license by early December 2026.

As at the LPD, our Group has the necessary government approvals, licences or permits of any nature whatsoever which are required under any law, decree or regulation to carry on our business and operations and all such approvals, licences or permits are still valid and the same has not been revoked or threatened to be revoked.

7.22 MATERIAL DEPENDENCY ON COMMERCIAL OR FINANCIAL CONTRACTS / AGREEMENTS / INTELLECTUAL PROPERTY RIGHTS / LICENCES OR PERMITS / BUSINESS PROCESSES

As at the LPD, our Group is dependent on the following material contracts:

(i) Supply Agreement between Emits Technology (as supplier) and Motorola (as customer)

Emits Technology had on 29 July 2024 entered into the Supply Agreement with Motorola (which superseded the previous supply agreement dated 18 August 2016) pursuant to which Motorola Group may source products under the terms of the Supply Agreement. Set out below are the salient terms of the Supply Agreement:

Term	The Supply Agreement is for an initial term of 3 years from 29 July 2024 and will be automatically renewed for additional successive 1-year period, unless either party gives written notice of non-renewal in accordance with the terms thereof.
Pricing	All pricing is fixed during the initial term. For any renewal term, the Supplier may propose price adjustment which are subject to Motorola's prior approval. The product price offered to Motorola (net of all discounts and rebates, if any) shall not be higher than the price offered to other customers purchasing similar or fewer quantities of the same or similar type of product.
Supplier's warranty	(i) All products sold are free of environmental or safety hazard defect for a period of 18 months from the date of delivery of the product, or for the period of the Supplier's standard warranty, whichever is longer. Warranties benefit shall extend to Motorola and its end-customers. (ii) If the products sold are found to be defective, the Supplier shall, at its own costs and expenses, repair, replace or provide a refund for the affected products, expedite late deliveries and performance and pay related costs incurred by Motorola and its customers for the defects. (iii) If at any time 1 or more of the products experience excessive failure, then Motorola may, amongst others, reschedule or cancel all orders for the affected products without liability.
Intellectual property	Each party will have ownership of all technology, software and other proprietary materials developed before entering into the Supply Agreement or outside the scope of the Supply Agreement.
Trademarks	The Supplier does not have any right to use Motorola's trademarks without its prior approval.

7. BUSINESS OVERVIEW (cont'd)

Insurance	The Supplier is to maintain sufficient insurance coverage such as the following: **(i) Commercial General Liability Insurance** With limits of not less than USD5.0 million per occurrence or USD10.0 million in aggregate. **(ii) Error and Omissions/Professional Liability Insurance** With limits of not less than USD5.0 million per occurrence or USD10.0 million in aggregate. **(iii) Cyber Liability Insurance** With limits of not less than USD5.0 million per occurrence or USD10.0 million in aggregate. **(iv) Workers Compensation Insurance** With statutory limits as applicable in the relevant jurisdiction where the business is conducted and employer's liability insurance with limits of not less than USD1.0 million. **(v) Business Interruption Insurance (or equivalent)** An amount sufficient to fund the costs of compliance with the business interruption and recovery plan required by Motorola. The Supplier shall ensure all subcontractors maintain all of the above insurance requirements as imposed upon itself under the Supply Agreement.
Termination	(i) Without limitation to any other termination rights provided under the Supply Agreement, either party may terminate the Supply Agreement upon 30 days written notice to the other party of a material breach of the terms and conditions stipulated in the Supply Agreement (such as failure to safeguard Motorola's confidential information, data or intellectual properties, or use of generative artificial intellectual tools without Motorola's consents). Upon termination, the Supply Agreement or the statement of work, schedule or order (where applicable) will automatically terminate if the breach remains unremedied at the expiration of the notice period. (ii) Upon the expiration or termination of the Supply Agreement, the following consequences shall apply, amongst others: (a) Each party will immediately stop using, and return to the other party, or with the other party's written permission, destroy in lieu of returning, and certify the destruction of, all property and confidential information of the other party. (b) Motorola may continue to use and sell, in the ordinary course of business, any product, and at its request, the Supplier will provide Motorola a last time buy, on terms and conditions no less favourable than in the Supply Agreement.

On 26 August 2025, we had written to Motorola to seek a review of the insurance requirements under the Supply Agreement. On 31 March 2026, we had obtained a written confirmation from Motorola that the insurance coverage maintained by Emits Technology is sufficient to satisfy the insurance requirements under the Supply Agreement and is regarded as having fully complied with the insurance requirements applicable to Emits Technology and its approved subcontractor (i.e. Jy Chyun), that neither Emits Technology nor its approved subcontractor is in default of such requirements, and that no additional insurance requirements being imposed on Emits Technology for the purposes of the Supply Agreement. As at the LPD, there were no claims, disputes or legal suits raised by Motorola against our Group to any alleged breach of terms of the Supply Agreement.

Our Group has also entered into agreements with other major customers namely Customer A, Customer B Group and Customer E that set out the terms of our OEM services. However, our Group is not materially dependent on these agreements as revenue contribution from these major customers vary from year to year and each of them accounted for less than 10% of our Group's total revenue over the Financial Years and Period Under Review.

(ii) Service Agreement between Emits Radio Wave (as customer) and Jy Chyun (as service provider) dated 25 August 2025

As set out in Section 6.1.4.2 of this Prospectus, we engaged Jy Chyun as our subcontractor/OEM manufacturer to perform assembly and testing services for the semi-finished antenna products produced by our Group from our Penang Factory into finished antenna products. Thereafter, Jy Chyun shall, on the behalf of Emits Radio Wave, arrange for packing and delivery of the finished antenna products to our selected customers based in the USA. To regulate our business relationships, Emits Technology had on 25 October 2018 entered into a service agreement with Jy Chyun to formalise the terms of engagement of Jy Chyun ("**First SA**"). To better regulate their business relationships, on 25 August 2025, Emits Radio Wave had entered into the Service Agreement with Jy Chyun, which is a new and more comprehensive agreement that superseded the First SA. Set out below are the salient terms of the Service Agreement:

Term	The Service Agreement is effective from 25 August 2025 and shall remain in full force and effect unless earlier terminated in accordance to the Service Agreement.
Scope of services	Mainly the following: (i) assemble semi-finished materials supplied by Emits Radio Wave into finished antenna products based on the products specifications and quality requirements of Emits Radio Wave; (ii) supply certain parts and components required for the assembly of semi-finished materials supplied by Emits Radio Wave into finished antenna products; (iii) arrange delivery of the finished antenna products, on Emits Radio Wave's behalf, to the delivery location as specified by Emits Radio Wave; and (iv) performing any other services as may be required by Emits Radio Wave from time to time. (collectively, the "**Services**")

7. BUSINESS OVERVIEW (cont'd)

Fees and payment	The fees and currency for the Services shall be specified in each purchase order raised by Emits Radio Wave to Jy Chyun.
Termination	Emits Radio Wave may terminate the Service Agreement: (i) at any time, with or without cause, upon 30 days prior notice to Jy Chyun; or (ii) upon occurrence of any of the following events: (a) Jy Chyun is adjudged or becomes bankrupt or insolvent; (b) Jy Chyun voluntarily or involuntarily undertakes to dissolve or wind up its affairs; (c) Jy Chyun breaches any of its obligations under the Service Agreement and such breaches are not rectified within 10 days after receipt of written notice from Emits Radio Wave of such breach.
Warranty	Jy Chyun warrants that all components supplied under the Service Agreement shall be new and free from defects in design, materials and workmanship, and conforming to the specifications and quality requirements of Emits Radio Wave. The warranty period shall be 7 years, commencing from delivery to Emits Radio Wave's designated customers. During this period, if any components or final products are found to be defective or non-conforming, Jy Chyun shall, at its own cost and expense, promptly replace such items with conforming ones. All warranties provided hereunder shall extend to Emits Radio Wave and flow through to Emits Radio Wave's customers. Such warranties shall apply independently to each shipment, delivery, or replacement and shall survive any inspection, acceptance, payment, termination of this Service Agreement or subsequent transfer by Emits Radio Wave.
Insurance	Jy Chyun shall, throughout the terms of the Service Agreement, procure and maintain the insurance coverage as required by Emits Radio Wave's designated customers. Notwithstanding the foregoing, Emits Radio Wave may from time to time, require Jy Chyun to procure and maintain such insurance as necessary to meet the requirements of Emits Radio Wave's designated customers and Jy Chyun shall promptly comply with such requirements. Jy Chyun, at its option, is responsible for acquiring and maintaining all risk property or other insurance to cover the semi-finished materials, components and final products inventory for all damages or loss of or unaccounted for acts not caused by Emits Radio Wave's gross negligence.

As at the LPD, there were no any claims, disputes or legal suits raised by our Group against Jy Chyun for breach of terms of the Service Agreement.

7.23 MATERIAL PROPERTIES OF OUR GROUP

7.23.1 Properties Owned by Our Group

The summary of the material properties owned by our Group as at the LPD are set out below:

(i) Properties owned by our Group which are currently utilised for our existing business operations

As at the LPD, save for the Penang Factory as disclosed below, our Group does not own other land or buildings:

No.	Address/ Title details	Description of property/ Existing use/ Tenure of property/ Category of land use	Beneficial Owner / Registered Owner	Land area/ Built-up area	Date of purchase/ Date of CCC	Restrictions in interest / Encumbrance(s) / Express conditions
1.	Penang Factory • **Address** 152, Fasa 1, FTZ Jalan Sultan Azlan Shah, Mk. 12, 11900 Penang • **Title details** Pajakan Negeri 2753, Mukim 12, Lot 8076, Daerah Barat Daya, Negeri Pulau Pinang	**Description of property** 4 buildings consist of the followings: - (i) double storey production, (ii) double storey office and a single storey production, (iii) single storey pantry; and (iv) single storey chamber room. **Existing use** Industrial purpose **Tenure of property** 60 year leasehold expiring on 21 February 2049 **Category of land use** Commercial/ Industry	Emits Technology	**Land area** 6,055 sq m (or approximately 65,175 sq ft) **Built-up area** 47,132 sq ft	**Date of purchase** 10 July 2020 **Date of CCC** 6 September 2007 and 3 May 2023	**Restrictions in Interest** (a) The land owned is not allowed to be transferred, mortgaged, leased, sub-leased or disposed of without the written permission of the state authorities. (b) This land cannot be divided or subdivided. **Encumbrance(s)** Part of the land is leased to Tenaga Nasional Berhad for a term of 30 years expiring on 21 March 2021 vide lease presentation no. 0799SC1991019533, registered on 9 December 1991.(i) Charge to Hong Leong Bank Berhad and Hong Leong Islamic Bank Berhad ("**Banks**") on 16 December 2020 vide presentation no. 0799SC2020032914 and 0799SC2020032915.

7. BUSINESS OVERVIEW (cont'd)

Express conditions

Owners registered after the Penang Development Corporation must:

No.	Express Conditions	Status of compliance as at LPD
(a)	Within a period of 2 years from the date of the first registered transfer of ownership or within a specified period of time approved by the State Authority, erect a factory building or factory buildings on the land given ownership according to a plan approved by the Local Authority and must maintain the building or buildings that have been erected to the satisfaction of the Local Authority.	Complied
(b)	Cleaning, disposal or causing the cleaning or disposal of trade effluents in a form or manner that satisfies the relevant authorities.	Noted
(c)	Pay and settle all taxes, revenue payment rates and other payments assessed at that time against the land that is owned or any relevant portion imposed by the Seberang Perai Municipal Council / Penang Municipal Council.	Complied
(d)	Ensure that 30% of the workers employed in the business for this land are Bumiputras.	Complied

Note:

(i) As at the LPD, Emits Technology is in the midst of the registration of a new lease with Tenaga Nasional Berhad for an extended lease term until 21 February 2049 ("**Lease Registration**"). The Lease Registration form remains pending execution by the attorneys of the Banks, and the release of the original title by the Banks. The Banks, vide their respective letters dated 24 September 2026, have agreed to allow the original issue document of title to be presented at the relevant land office for the purpose of the Lease Registration, subject to the fulfilment of certain conditions, including, amongst others, (i) the provision of the requisite board resolution, indemnity letter and irrevocable authorisation and undertaking by Emits Technology authorising the Banks or their panel solicitors to collect the original issue document of title; (ii) an irrevocable undertaking by the Banks' panel solicitors to collect and return the original issue document of title to the Banks, with the Banks' existing charges remaining intact or carried forward in the new title, as applicable; and (iii) all legal documentation being handled by the Banks' panel solicitors. Upon receipt of the duly executed lease registration form and fulfilment of the Banks' conditions, Emits Technology will coordinate with the Banks' panel solicitors to facilitate the Lease Registration at the relevant land office.

As at the LPD, our Penang Factory has been issued with CCC and is not in breach of any land use conditions and complies with all current statutory requirements, building by-laws and regulations applicable to the property.

7.23.2 Properties Rented by Our Group

As at the LPD, save for the rented premise for our Taiwan Assembly Line as disclosed below, our Group has not rented other land or buildings:

No.	Landlord / Tenant	Address	Description of property / Existing use	Land Area/ Built-up area	Date of CCC	Tenure	Monthly Rental (RM)
1.	**Landlord** Jy Chyun **Tenant** Emits Radio Wave	5F., No.9, Ln. 119, Dazhu Rd., Luzhu Dist, Taoyuan City 338, Taiwan (R.O.C.)	**Description of property** Factory premises **Existing use** Manufacturing facility	**Leased area** 1,068 sq ft **Built-up area** 20,988 sq ft	**Date of occupancy permit** 14 February 2000 **Date of building ownership certificate** 16 January 2013	8 years commencing 10 December 2020	N/A as the monthly rental is part of the OEM service fees paid to Jy Chyun under the Service Agreement.

7. BUSINESS OVERVIEW (cont'd)

As at the LPD, the abovesaid rented premise has been issued with valid occupancy permit by the Taiwan local city council (equivalent to a CCC in Malaysia), and is not in breach of any land use conditions and complies with the local statutory requirements, building by-laws and regulations in all material aspects.

7.24 INTELLECTUAL PROPERTY

Save as disclosed below, as at the LPD, our Group does not own and has not applied for the registration of any brand names, patents, trademarks or other intellectual property rights:

Trademark No.	Trademark	Registered Owner	Authority	Class/ Description	Status	Validity Period
TM2025014397		Emits Technology	Intellectual Property Corporation of Malaysia (MyIPO)	Class 9(i)	Registered	6 May 2025 – 6 May 2035

Note:

(i) Includes Hdtv antennas; Antenna amplifiers; Antenna filters; Antenna rotators; Antenna sockets; Antennas; Antennas and parabolic antennas being communications apparatus; Antennas being communications apparatus; Antennas for telecommunications networks; Antennas for wireless communications apparatus; Component parts for antennas; Filters for antennas; Graphene antennas; Microwave antennas; Radar antennas; Radio antennas; Radio frequency antennas; Radio signal antennas; Satellite antennas; Sockets for antennas; Car antennas; Graphene-based flexible antennas; Radio and television antennas; Receiving antennas for satellite broadcast; High definition television antennas; Television antennas; Telecommunication antennas; Dish antennas; Parabolic antennas; Cable adapters; Cable adapters [electric]; Cable connectors; Cable junctions for electric cables; Electric cables; Electrical cables; Electronic cables; Fiber optic cables; Fibre interconnection cable; Optical fibre cables; Power cables; Radio relay cables; Telecommunication cables; Telecommunications cables; Cellular telecommunications apparatus; Connectors for telecommunications apparatus; Digital telecommunications apparatus; Mobile telecommunications apparatus; Telecommunication apparatus; Transmitting apparatus for telecommunications; Electronic apparatus for wireless reception, storage and transmission of data and messages; Wireless receivers; Wireless signal transmitters; Wireless transmitters; Wlan devices; Wireless local area network [wlan] devices; Labels with integrated rfid chips; Labels with integrated radio frequency identification [rfid] chips; Radio frequency identification [rfid] stickers; Radio frequency identification [rfid] tags; Radio-frequency identification [rfid] labels.

7.25 GOVERNING LAWS AND REGULATIONS

Our Group is subject to the following laws and regulations which are material to our business operations:

7.25.1 Malaysia

(i) Local Government Act 1976 ("LGA 1976")

The LGA 1976 is enacted to revise and consolidate the laws relating to local government in Peninsular Malaysia where a local authority in the granting of any licence or permit may prescribe the fees for such licence or permit and the charges for the inspection or supervision of any trade, occupation or premises in respect of which the licence is granted.

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. The local authority may at its discretion refuse to grant or renew any licence without assigning any reason therefor.

Every person to whom a licence has been granted shall exhibit his licence at all times in some prominent place on the licensed premises and shall produce such licence if required to do so by any officer of the local authority authorised to demand the same. Any person who fails to exhibit or to produce such licence shall be guilty of an offence and shall on conviction be liable to a fine not exceeding RM500 or to imprisonment for a term not exceeding 6 months or to both.

The Municipal Council of Penang Island has issued the Municipal Council of Penang Island (Trades, Businesses and Industries) By-Laws 1991 ("**Penang Municipal By-Laws**"). Pursuant to By-Law 3 of the Penang Municipal By-Laws, no person shall carry on or commence any form of trade, business or industry as specified in the first and second schedules of the Penang Municipal By-Laws respectively in any place or premises within the area of the Municipal Council of Penang Island without a licence issued thereof.

A local authority may, by by-law, rule or regulation prescribe for the breach of any by-law, rule or regulation a fine not exceeding RM2,000.00 or a term of imprisonment not exceeding one (1) year or to both and in the case of a continuing offence a sum not exceeding RM200.00 for each day during which such offence is continued after conviction.

As at the LPD, our Group holds and maintains valid licence for the Penang Factory as disclosed in Section 7.21 of this Prospectus. As at the date of this Prospectus, there is no breach of any by-laws, rules or regulations in relation to our Penang Factory which will materially affect our business operation.

(ii) Customs Act 1967 ("CA 1967")

The customs related matters in Malaysia are governed by the CA 1967. The Director General of Customs has the discretion to grant and revoke licences for the warehousing of goods subject to customs duty, upon payment of the prescribed fees.

Under Section 65 of the CA 1967, the Director General may, at his absolute discretion, on payment of such fees as may be fixed by him in each case, grant a licence to the licensee and when granted withdraw any such licence, to carry on any manufacturing process and other operation in respect of the goods liable to customs duties and any other goods. No goods which have undergone any manufacturing process in the warehouse may be released for home consumption or export without the prior approval of the Director General. If such goods are released from the warehouse for home consumption the customs duty thereon shall be calculated on the basis as if such goods had been imported.

The Minister may in any particular case exempt any person from the payment of the whole or part of such duty which may be payable by such person on any such goods and in granting such exemption the Minister may impose such conditions as he may deem fit.

Where in the course of any operation permissible to any goods liable to customs duty there is waste or refuse customs duty shall be remitted on the quantity of goods liable to customs duty in so much of the waste or refuse as has arisen from the operations carried on in relation to the goods which have undergone any manufacturing process. Such waste or refuse is destroyed subject to such conditions as the Director General may impose, or duty is paid on such waste or refuse as if it had been imported in that form.

Every omission or neglect to comply with, and every act done or attempted to be done contrary to, the provisions of the CA 1967, or any breach of the conditions and restrictions subject to, or upon which, any licence or permit is issued or any exemption is granted under the CA 1967, shall be an offence against the CA 1967 and in respect of any such offence for which no penalty is expressly provided the offender shall be liable to a fine of not exceeding RM50,000.00 or to imprisonment for a term not exceeding five (5) years or to both.

As at the LPD, our Group holds and maintains a manufacturing warehouse license for antenna, antenna internet of things, RF cable assembly and base station antenna and there is no non-compliance in relation to the licence.

(iii) Industrial Coordination Act 1975 ("ICA 1975")

Pursuant to Section 3(1) of the ICA 1975, no person shall engage in any manufacturing activity unless he is issued a licence in respect of such manufacturing activity. Failure to observe and adhere to the licensing requirements under the ICA 1975 will constitute an offence which is punishable on conviction by a fine not exceeding RM2,000.00 or to a term of imprisonment not exceeding 6 months and to a further fine not exceeding RM1,000.00 per day during which the non-compliance continues. The ICA 1975 defines "manufacturing activity" as the "making, altering, blending, ornamenting, finishing or otherwise treating or adapting any article 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"

The licensing officer may also in his discretion revoke a licence if the manufacturer to whom a licence is issued:

(a) has not complied with any condition imposed in the licence;
(b) is no longer engaged in the manufacturing activity in respect of which the licence is issued; or
(c) has made a false statement in his application for the licence.

The licensing officer may also withhold or suspend the revocation of the licence if he is satisfied that the act or omission on the part of the manufacturer under the above situations was due to some cause beyond his control and there is a reasonable prospect of such act or omission being remedied within such period as the licensing officer may direct.

However, according to the Guideline on Application for Manufacturing Licence dated 6 June 2024 issued by MIDA ("**ML Guidelines**"), it was stated that the ICA 1975 requires person engaging in any manufacturing activity with shareholders' funds of RM2.5 million ("**Prescribed Shareholders' Funds Threshold**") and above, or employing 75 or more full-time paid employees, to apply for a manufacturing licence. It was further provided that company can be considered for exemption from manufacturing licence if the company employs less than 75 full-time workers and the company has less than RM2.5 million of shareholders' funds ("**ICA Exemption**").

Section 11 of the ICA 1975 further states that the minister may by order exempt any manufacturing activity from all or any of the provisions of the ICA 1975.

Emits Technology commenced business in January 2016 at a rented factory at Mak Mandin, Penang. At that point of time, its operations scale was small i.e. employed less than 75 full-time workers and has less than RM2.5 million of shareholders' funds. Hence, pursuant to the ML Guidelines, Emits Technology can be exempted from applying for a manufacturing license for its business operations. However, Emits Technology did not formally apply for the ICA Exemption until July 2017.

When Emits Technology moved its business operations to another rented factory in Bayan Lepas, Penang in 2018, a further ICA Exemption was obtained. Subsequent thereto, upon relocating to its current Penang Factory, Emits Technology continued to operate under the ICA Exemption until MIDA granted an approval for manufacturing license for business operations on 22 March 2022.

Emits Technology triggered the requirement to apply for a manufacturing license from MIDA in October 2021, after its shareholders' funds increased from RM1.9 million in the FYE 2019 to RM3.7 million in the FYE 2020, thereby exceeding the Prescribed Shareholders' Funds Threshold.

To apply for the manufacturing license, the applicant is required to submit to MIDA, amongst others, its latest audited financial statements so to validate that its audited shareholders' funds had exceeded the Prescribed Shareholders' Funds. The audited financial statements of Emits Technology for the FYE 2020 was lodged with CCM on 28 October 2021 within the permissible submission timeline pursuant to the specific Covid-19 relief initiatives including a 90-day extension of time for the circulation and lodgement of financial statements.

Following the above, Emits Technology had on 14 December 2021 submitted its application documents to MIDA to apply for the manufacturing license. During the interim application period, Emits Technology was operating under the ICA Exemption. Emits Technology had on 22 March 2022 obtained the approval of MIDA for manufacturing license under the regularisation manufacturing licence Process for business operations.

As at the LPD, our Group holds and maintains a manufacturing license for "Antennas", effective from 22 March 2022, and has not been imposed with any notices, penalties or compounds arising from the non-compliances with the ICA 1975.

(iv) Environmental Quality Act 1974 ("EQA")

The EQA governs the enforcement of waste disposal in Malaysia in order to control pollution. Section 22 of the EQA provides that no person shall, unless licensed, emit or discharge any environmentally hazardous substances, pollutants or wastes into the atmosphere in contravention of the acceptable conditions specified by the minister. Failure to comply with the prescribed conditions may attract, on conviction, a fine of up to RM10,000,000 or to imprisonment for a period up to 5 years or to both and, if applicable, to a further fine up to RM1,000.00 a day for every day that the offence is continued after a notice to cease the restrictions (if any) is served upon.

Section 49A of the EQA provides that an owner or occupier of a premise shall employ a person who has been certified by the Director General of Environmental Quality as competent person to conduct the operation of a control equipment, the management of scheduled wastes, the conduct of studies or the preparation and submission of reports or other documents relating to environmental matters.

As at the LPD, Our Group has appointed licensed contractors for scheduled wastes generated from our Group's operations. Emits Group has identified and arranged for their employees to undertake certification programmes and there has not been any non-compliance of the above provisions of EQA by our Group since the commencement of our business operations up to the LPD.

7.25.2 Taiwan

(i) Taiwan Company Act

The establishment and operation of companies in Taiwan are governed by the Taiwan Company Act (amendment effective 26 December 2025). Article 19 of the Taiwan Company Act mandates that incorporation registration constitutes the legal prerequisite for corporate existence. No entity may conduct business or undertake legal acts in the name of a company without first completing the requisite incorporation registration with the competent authority. Pursuant to Article 17 of the Taiwan Company Act, where a company's proposed business activities fall within regulated industries requiring government approval under applicable laws or delegated regulations, such sectoral approval must be obtained before applying for company registration.

Under the Taiwan Company Act, the Regulations Governing Company Registration and applicable company registration regulations, any changes to registered items for a limited company, such as company name, address, scope of business, directors, articles of incorporation, and capital amount, must be filed with the competent authority within fifteen days of such change, unless a specific registration date has been approved by the relevant industry regulating authority.

Pursuant to Article 387 of the Taiwan Company Act, the responsible person of a company who fails to file required registration applications within the prescribed statutory deadline shall be subject to an administrative fine ranging from TWD10,000 to TWD50,000, and the competent authority shall further order the responsible person rectify the non-compliance within a specified time limit. In the event of failure to cure such violation after expiry of the deadline, the competent authority may impose successive fines ranging from TWD20,000 to TWD100,000 for each instance of continued non-compliance until the violation is rectified.

As at the LPD, Emits Radio Wave maintains valid registration with the Ministry of Economic Affairs, Taiwan, with an approved incorporation date of 7 January 2019, and Emits Radio Wave's actual business operations remain within its registered business scope. Business scope of Emits Radio Wave does not require any other special permit.

(ii) Statute for Investment by Foreign Nationals

Foreign investment in Taiwan and associated restrictions is primarily governed by the Statute for Investment by Foreign Nationals (amendment effective 19 November 1997). Under the Statute for Investment by Foreign Nationals and relevant implementing rules, foreign investors other than those from the People's Republic of China (PRC) must obtain prior approval from the competent authority (formerly the Investment Commission, Ministry of Economic Affairs until 26 September 2023, now reorganised as the Department of Investment Review, Ministry of Economic Affairs) for investments in Taiwan. Furthermore, the business activities of foreign-invested company are subject to restrictions listed in the "Negative List for Investment by Overseas Chinese and Foreign Nationals". Any changes to the investment plan must also be approved.

As at the LPD, Our Group holds and maintains valid approval from the Investment Commission for investing and incorporating Emits Radio Wave, effective from 30 October 2018. The approved business activities listed in such approval letter align with Emits Radio Wave's current registered scope of business as specified in our Company registration form.

(iii) Taiwan Customs Act

In Taiwan, cargo import and export declarations are administered by the Customs Administration, which is responsible for border control and clearance operations. The relevant procedures are primarily governed by laws and regulations under the Ministry of Finance Customs Administration, including the Customs Act (amendment effective 11 May 2022), the Enforcement Rules of the Customs Act (amendment effective 23 December 2024), the Customs Import Tariff (amendment effective 28 January 2026), and the Customs Anti-Smuggling Act (amendment effective 9 May 2018). According to the Customs Act, the taxpayer responsible for customs duties is the consignee, the holder of the bill of lading, or the holder of the goods. For imported goods, the taxpayer must file a declaration with Customs within 15 days from the day following the date on which the means of transport carrying the goods arrives in Taiwan. For exported goods, the exporter must file a declaration within the prescribed period before the means of transport is sealed or departs. Pre arrival declarations are permitted for both import and export goods. If an importer fails to declare within the statutory period, the competent authority may impose a daily late declaration fee; if the declaration is still not completed after 20 days of such fees being imposed, the competent authority may auction the goods in accordance with the law. In addition, the import and export of goods are also regulated under the Foreign Trade Act and related import/export control rules administered by the International Trade Administration of the Ministry of Economic Affairs.

The import and export declaration documents and related clearance procedures for Emits Radio Wave are handled entirely by its supplier, Jy Chyun. As at the LPD, Emits Radio Wave has not been subject to any penalties or sanctions imposed by the Taiwan Customs Administration for issues related to import or export documentation matters.

8. INDUSTRY OVERVIEW

PROVIDENCE STRATEGIC PARTNERS SDN BHD
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T: +603 7625 1769

2 November 2026

The Board of Directors
EMITS BERHAD
Plot 152 Bayan Lepas Free Industrial Zone, Phase 1
Jalan Sultan Azlan Shah, MK 12
11900 Penang
Malaysia

Dear Sirs,

Outlook of the Global Passive Antenna Industry in conjunction with the Listing of EMITS BERHAD on the ACE Market of Bursa Malaysia Securities Berhad

PROVIDENCE STRATEGIC PARTNERS SDN BHD ("**PROVIDENCE**") has prepared this Outlook of the Global Passive Antenna Industry strictly for inclusion in the Prospectus of EMITS BERHAD.

PROVIDENCE has taken prudent measures to ensure reporting accuracy and completeness by adopting an independent and objective view of these industries within the confines of secondary statistics, primary research and evolving industry dynamics.

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For and on behalf of PROVIDENCE:

ELIZABETH DHOSS
EXECUTIVE DIRECTOR

About PROVIDENCE STRATEGIC PARTNERS SDN BHD:

PROVIDENCE is an independent research and consulting firm based in Petaling Jaya, Selangor, Malaysia. Since our inception in 2017, PROVIDENCE has been involved in the preparation of independent market research reports for capital market exercises. Our reports aim to provide an independent assessment of industry dynamics, encompassing aspects such as industry performance, demand and supply conditions, competitive landscape and government regulations.

About ELIZABETH DHOSS:

Elizabeth Dhoss is the Executive Director of PROVIDENCE. She has more than 15 years of experience in market research for capital market exercises. Elizabeth Dhoss holds a Bachelor of Business Administration from the University of Malaya, Malaysia.

1 GLOBAL PASSIVE ANTENNA INDUSTRY

Antennas are electronic devices that transmit or receive electromagnetic signals, such as radio waves, by converting electrical signals into electromagnetic waves and vice versa. Specifically, antennas convert electrical signals into electromagnetic waves for transmission and convert received electromagnetic waves back into electrical currents. Antennas are key components in wireless communication systems that enable data transmission over the air between devices. This makes them fundamental in applications such as broadcasting, Wi-Fi, radar and satellite communication. The design and type of antenna depend on specific communication requirements and the frequency ranges they are designed to handle.

Antennas operate across different parts of the electromagnetic spectrum, and can be categorised based on wavelength and frequency as follows:

- Radio waves have the lowest frequencies and longest wavelengths. Radio waves are applied in broadcasting, navigation and communication;
- Microwaves have shorter wavelengths and higher frequencies than radio waves. Microwaves are utilised in radar, communication and microwave ovens;
- Infrared radiation has longer wavelengths and lower frequencies than visible light. Infrared radiation is applied in heat sensing and certain communication technologies;
- Visible light is the narrow spectrum that the human eye can see, and ranges from red to violet;
- Ultraviolet radiation has shorter wavelengths and higher frequencies than visible light. Ultraviolet radiation is used in sterilisation and imaging;
- X-rays have shorter wavelengths and higher frequencies than ultraviolet radiation, and is commonly used in medical imaging and security imaging; and
- Gamma rays have the shortest wavelengths and highest frequencies. Gamma rays are used in radiation therapy and nuclear studies.

The basic structure of an antenna consists of conductive elements that transmit or receive electromagnetic waves. Variations in antenna design, such as size, shape and configuration, differentiate various antenna categories and determine their frequency range, directionality and intended application. The selection of type of antenna is based on system requirements such as bandwidth, range and the environment in which the antenna operates.

Antennas are generally classified into active antennas and passive antennas and, based on whether external power is required. Active antennas require power from active components such as crystal diodes, transistors and beam diodes for onboard signal amplification. Low-noise amplifiers or other signal processing modules are integrated into active antennas. This integration allows signals to be amplified before reaching the receiver, thereby enhancing signal quality and reception distance. This makes active antennas suitable for application in global positioning system ("**GPS**") receivers, satellite communication towers, television signal reception and wireless radio receivers.

Comparatively, passive antennas are antenna systems that operate without external power to amplify or process signals. Passive antennas transmit and receive electromagnetic waves through their physical structure, such as loops and dipoles, for effective transmission without active electronic components. In essence, passive antennas only transmit and receive but do not boost the signal. This makes passive antennas a crucial component in a wide range of devices, ranging from televisions to radio receivers, ensuring reliable signal reception without complicating the system with additional power requirements. The working principle of a passive antenna is based on the reciprocity of electromagnetic fields:

- when receiving, incoming electromagnetic waves induce current on the antenna's conductor, which is then transferred through the feed line to the receiving device; and
- when transmitting, high-frequency current flows through the antenna elements and radiates electromagnetic energy into space.

This process is entirely determined by the interaction between the antenna structure and electromagnetic waves, without requiring an external power source.

The choice of selecting between passive antennas and active antennas depends on overall system performance. Passive antennas are the preferred option when the radio frequency ("**RF**") path is short and signal losses are minimal, cost and size are key consideration factors. Passive antennas form the backbone of most RF deployments, delivering reliable performance without added complexity. For cellular and Wi-Fi systems, passive antennas remain the preferred and more effective solution when properly selected and installed. Active antennas serve a more specialised role, most notably in GPS and global navigation satellite system ("**GNSS**") applications where signal levels are extremely low. In these cases, integrated amplification

is a necessity. Active antennas are the preferred option for long-range applications requiring signal amplification when system losses or environmental factors reduce signal strength and installation involves extended cabling systems. As passive antennas and active antennas are used for different purposes and have inherent advantages in different applications, active antennas are not a substitute for passive antennas.

Passive antennas are widely used in distributed antenna systems (DAS), base stations, satellite communications as well as public safety networks due to their simple structure, high reliability and long service life. There are several types of passive antennas including:

- Monopole antennas: A monopole antenna consists of a rod-shaped conductor mounted on a conductive ground plane, which is critical for forming the desired radiation pattern and ensuring efficient signal transmission. Monopole antennas have simple and compact design to provide uniform coverage in all horizontal directions. These antennas find their application in mobile communications, vehicle communication systems and low frequency applications.
- Dipole antennas: Dipole antennas consist of two conductive elements positioned at the centre with the feedline placed at an equidistance centre point. With a toroidal radiation pattern (i.e. donut shaped radiation pattern) and moderate gain, these antennas are typically used in frequency modulation (FM) / amplitude modulation (AM) radio applications, television antennas and other communication systems.
- Loop antennas: Loop antennas consist of loops or coils of wires. Loop antennas can come in various shapes of loops such as circular and rectangular, depending on the specific purpose or function. Loop antennas find their application in wireless communication systems and radio frequency identification ("**RFID**") systems.
- Base station antennas: Base station antennas enable the transmission and reception of RF signals between wired network and wireless devices. They are typically installed on towers, buildings or other tall structures to provide maximum coverage and improve signal quality. Each base station antenna is capable of serving a limited number of mobile devices concurrently. As the number of mobile devices in a community grows, thus more base stations are needed to support their communication requirements.
- Chip antennas: Chip antennas have small footprint, and as such are commonly integrated in circuit boards to radiate high frequency electromagnetic waves. Due to their limited range, chip antennas are optimal for small devices such as cell phones and WiFi routers. Chip antennas are an alternative when larger-sized antennas are not practical.
- Embedded antennas: Embedded antennas are miniaturised, wireless transmitting and receiving components built directly into the circuit board or casing of a device rather than protruding externally. As such, they are typically used in electronic devices that are small and mobile such as smartphones, Wi-Fi routers and smartwatches.
- Other passive antennas include printed circuit board ("**PCB**") antennas, ceramic antennas, external antennas, automotive antennas, IoT antennas, RFID antennas and GNSS antennas.

Land mobile radios are wireless communication systems that enable two-way communication between mobile and stationary users. Land mobile radios are often used for mission-critical communications in public safety as well as private communications for commercial industries, as they enable secure and instant communication. Land mobile radios are a form of application for passive antennas. Land mobile radios often use monopole antennas in their design to facilitate communication.

Passive antennas come in both directional and omnidirectional designs, where each design is suited for different applications whereby:

- directional antennas focus radio signals in a specific direction. This increases range and signal strength, making them ideal for long-distance communication and for picking up weak signals from a particular source. As an example, rooftop Yagi antennas are a popular choice for television reception in rural areas.
- omnidirectional antennas radiate and receive signals equally from all directions in order to provide 360-degree coverage. Dipole antennas are an example of omnidirectional antennas. Omnidirectional antennas find their application in situations where signals may arrive from multiple directions, such as FM radio or urban wireless networks.

Emits Berhad is an original equipment manufacturer ("**OEM**") primarily focusing on the provision of design, manufacturing, assembly and testing services of passive antennas for brand and / or product owners, as well as other electronic manufacturing service ("**EMS**") providers.

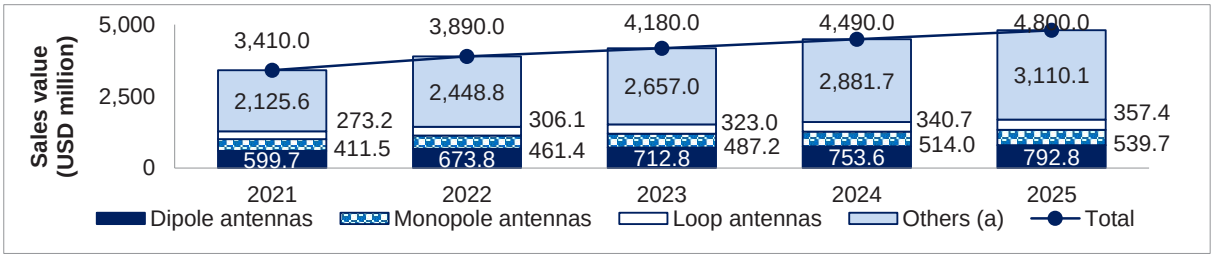
INDUSTRY SIZE AND GROWTH POTENTIAL

The global passive antenna industry, in terms of the sales of passive antennas, increased from USD3.4 billion in 2021 to USD4.8 billion in 2025 at a compound annual growth rate ("**CAGR**") of 9.0%, whereby the sales of:

- monopole antennas increased from USD0.4 billion to USD0.5 billion at a CAGR of 5.7%;
- dipole antennas increased from USD0.6 billion to USD0.8 billion at a CAGR of 7.5%;
- loop antennas increased from USD0.3 billion to USD0.4 billion at a CAGR of 7.5%; and
- others increased from USD2.1 billion to USD3.1 billion at a CAGR of 10.2%.

The demand for monopole antennas is driven by its application mobile and wireless telecommunication infrastructure. Growth of the dipole antenna segment is driven by its application in telecommunication systems due to its functional efficiency and widespread applicability. Comparatively, the demand for loop antennas is largely driven by its specialised application in RFID systems and low-frequency telecommunication systems.

Global sales of passive antennas by type of passive antennas



(a) Others comprise:

	2021	2022	2023	2024	2025
Base station antennas	493.2	555.6	589.0	624.0	657.3
Chip antennas	277.7	326.4	361.2	399.3	439.2
Embedded antennas	245.1	287.3	317.2	349.9	384.0
Other types ^	1,109.6	1,279.5	1,389.7	1,508.5	1,629.6

^ Other types comprise PCB antennas, ceramic antennas, external antennas, automotive antennas, IoT antennas, RFID antennas, GNSS antennas and dome antennas

Source: PROVIDENCE analysis

From an application perspective, the automotive and aerospace and defence segments showed higher growth rates than the global passive antenna industry growth rate of 9.0%, whereby between 2021 and 2025, the:

- automotive segment increased from USD0.5 billion to USD0.8 billion at a CAGR of 12.5%; and
- aerospace and defence segment increased from USD0.4 billion to USD0.6 billion at a CAGR of 10.7%.

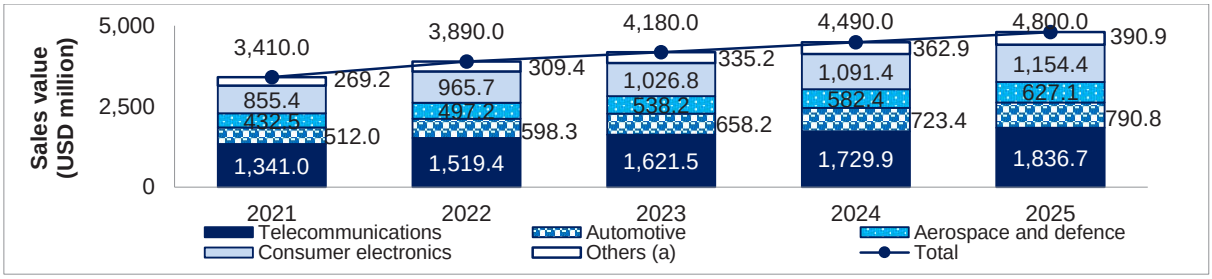
Demand for passive antennas in the telecommunications segment (2021: USD1.3 billion, 2025: USD1.8 billion), consumer electronics segment (2021: USD0.9 billion, 2025: USD1.2 billion) and others segment (2021: USD0.3 billion, 2025: USD0.4 billion) increased at CAGRs of 8.5%, 7.5% and 7.5% respectively.

The high demand for passive antennas in the automotive segment is supported by demand for commercial and passenger vehicles in Asia, ongoing vehicle replacement in mature markets, the rising popularity of electric vehicles ("**EV**") and the increasing digitisation of vehicles. While sales volumes are stabilising, value expansion reflects higher average vehicle prices, rising integration of electronics and premium services layered onto vehicles. The production of new vehicles to support consumer demand creates demand for passive antennas which are components used in the communication systems of vehicles.

In the telecommunications segment, passive antennas are critical components in telecommunications networks as they are used to deliver high speed broadband connectivity with as high coverage as possible, while consuming as little energy as possible. As telecommunications infrastructure are vital in connecting individuals, enterprises and government organisations electronically via voice, data, and video transmissions, the growing need for digital connectivity drives demand for passive antennas. The telecommunications market is expanding rapidly due to high consumption of mobile data, the increased use of cloud computing, remote working and digital services such as video streaming platforms. The spread of 5G technology, the Internet of Things ("**IoT**") and artificial intelligence have led to technological advancements in telecommunication devices that require passive antennas that can meet the demands of users for digital connectivity.

The application of passive antennas in the others segment is diverse and driven by the growing need for connectivity in the industrial sector, energy sector as well as public services to support communications and data transmission.

Global sales of passive antennas by application



(a) Others comprise:

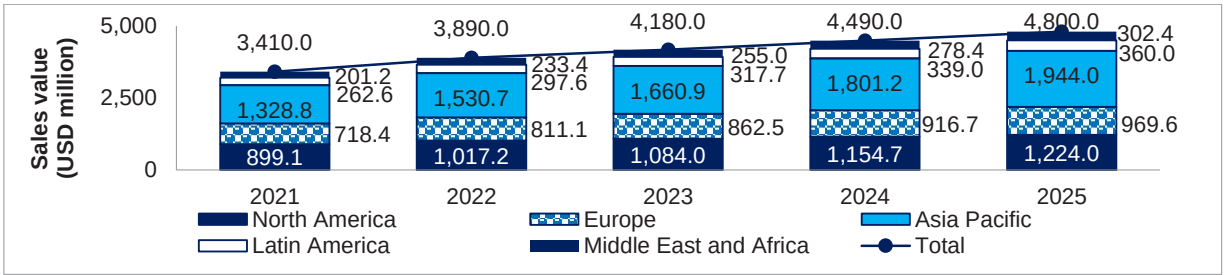
	2021	2022	2023	2024	2025
Retail and commercial buildings	109.7	127.0	138.6	151.0	163.8
Other applications ^	159.5	182.4	196.7	211.9	227.1

^ Other applications comprise satellite ground stations as well as research and scientific institutions
Source: PROVIDENCE analysis

From a regional perspective, North America, Asia Pacific and Europe are the largest markets for passive antennas, whereby between 2021 and 2025, the:

- North America region increased from USD0.9 billion to USD1.2 billion at a CAGR of 7.5%;
- Asia Pacific region increased from USD1.3 billion to USD1.9 billion at a CAGR of 10.0%;
- Europe region increased from USD0.7 billion to USD1.0 billion at a CAGR of 9.3%;
- Latin America region increased from USD0.3 billion to USD0.4 billion at a CAGR of 7.5%; and
- Middle East and Africa region increased from USD0.2 billion to USD0.3 billion at a CAGR of 10.7%.

Global sales of passive antennas by region



Source: PROVIDENCE analysis

PROVIDENCE projects the global passive antenna industry, in terms of the sales of passive antennas, to increase from USD4.8 billion in 2025 to USD5.7 billion in 2028 at a CAGR of 5.9%. Future demand for passive antennas will be driven by the growth of the telecommunications, automotive, consumer electronics as well as aerospace and defence segments globally.

DEMAND CONDITIONS: KEY GROWTH DRIVERS

Growth in end user industries drives demand for passive antennas

The growth in the following end user industries bode well for the demand for passive antennas:

- **Telecommunications industry**

Telecommunications refers to the electronic transmission of data, in the form of audio, visual and text, over a distance. The transmission of such data enables the Internet or broadband as well as mobile calls. The global mobile broadband penetration rate has grown from 44.6% in 2015 to 94.6% in 2024. The growth of the telecommunications industry will continue to be driven by the following factors:

- Rising demand for broadband services

  In 2025, there were approximately 8.2 billion Internet users globally compared to the 3.0 billion Internet users globally in 2015. This growth was driven by the introduction of new devices which utilise the Internet into the market, such as smart televisions, television streaming boxes, game consoles and smartwatches. Further, the need for digital connectivity, increased use of cloud computing, remote working and digital services such as video streaming platforms also creates demand for broadband services and drives the telecommunications industry.

- Advancement of telecommunications technology to 5G

  The advancement of telecommunications technology to 5G is expected to become the standard technology for mobile communications. This is due to the advantages of 5G such as higher reliability, speed and connectivity, allowing faster data sharing as data can be transmitted at a faster rate (exceeding 10 gigabits per second) relative to 4G technology. 5G has led to the emergence of IoT, artificial intelligence and big data for businesses, as well as new final electronic products such as smart home devices, smart factories and autonomous cars. Thus, the adoption of these new technologies in both consumer and business premises is expected to drive the usage of broadband services as user experience improves and networks become more reliable and interconnected.

- Affordability of mobile services

  Over the years, the increased accessibility to mobile devices has led to greater affordability of mobile services. Subscription to mobile services, including both cellular and broadband data, has become more affordable globally. Between 2015 and 2022, the global median price for mobile broadband data has decreased from USD12.0 to USD7.4, while median price for mobile cellular has also dropped from USD10.9 to USD6.2.[1] In view of more affordable mobile services globally, the usage of Internet-enabled applications is expected to continue to grow, thus benefiting the telecommunications industry.

- **Automotive industry**

  The global automotive industry encompasses passenger cars and commercial vehicles, making it one of the largest sectors of the world economy. Global sales of passenger and commercial vehicles reached 79.5 million units in 2019. In 2020, automotive sales were affected by various restrictions imposed by various governments to curb the spread of COVID-19. As a result, the sales of passenger cars and commercial vehicles declined to 69.6 million units (2019: 79.5 million units). Sales of passenger cars and commercial vehicles briefly recovered in 2021 to reach 72.4 million units before declining marginally to 71.1 million units in 2022 as demand normalised. Passenger cars and commercial vehicles registered strong growth in 2023 and reached 80.1 million units before further increasing to 82.1 million units in 2024 and 85.1 million units in 2025. The growth in demand for passenger cars and commercial vehicles is supported by demand in Asia, ongoing vehicle replacement in mature markets, and the increasing digitisation of vehicles. While sales volumes are stabilising, value expansion reflects higher average vehicle prices, rising integration of electronics and premium services layered onto vehicles.

  EVs have become a dynamic growth engine within the automotive industry. China continues to dominate both as the largest buyer and leading manufacturer, while Europe and the United States of America ("**USA**") are rapidly advancing on the back of stringent regulations, policy incentives, and accelerating investment in charging networks. An EV is a vehicle that is powered by electricity. Instead of using fuel-related components in the vehicle to power the motor of the vehicle, EVs use batteries to power the motor and the batteries must be charged to function. The global EV market can be depicted by the sales of EVs, including electric cars, scooters, buses, vans and trucks. Between 2020 and 2025, the global EV market size grew by almost seven-fold, from 3.0 million vehicles to 20.9 million vehicles.[2] The outbreak of the COVID-19 pandemic in 2020 led to a halt in production of new EVs in the first half of 2020 as national lockdowns were implemented in many countries worldwide. Nevertheless, EV production resumed in the second half of 2020. Meanwhile, sales of EVs continued to grow throughout 2020 despite the COVID-19 pandemic, as governments in many countries encouraged the purchase of environmentally-friendly vehicles.

[1] International Telecommunication Union. Latest available statistics as at 19 October 2026
[2] Source: International Energy Agency

The global EV market has been, and is expected to continue to be, driven by the following factors:

- Government incentives to promote EV sales: Governments across the world have spent approximately USD60.0 billion on direct purchase incentives and tax deductions for electric cars in 2025, growing from USD5.0 billion in 2015.[3] These government incentives have and will continue to boost the demand for EVs.
- Lower battery costs will contribute to the demand for EVs: Due to technological advancements and the production of EV batteries in large volumes, the cost of EV batteries has been decreasing. This has led to a decrease in the price of EVs as the battery is one of the costliest components of an EV. The price of an EV battery fell from approximately USD1,100 per kilowatt hour ("**kWh**") in 2010 to approximately USD108 per kWh in 2025.[4] This is due to the reduction in manufacturing costs of these batteries, cathode material prices and greater volumes of production.
- Increase in manufacturing of EVs by vehicle manufacturers: Vehicle manufacturers are expected to boost their production of EVs as some of the largest manufacturers have announced their intentions to increase the number of available models and production volume of EVs. Some of the announcements made in 2021 were that Volvo Cars will only sell EVs from 2030 onwards; Ford Motor Company will only sell EVs in Europe from 2030 onwards; and Volkswagen AG aims for their EV sales to reach 70.0% of their car sales in Europe and 50% of its car sales in China and the USA by 2030. The new introduction of models and higher production of EVs are expected to encourage consumer spending on EVs.
- Increase in commercial spending on EVs will result in higher sales of EVs: Multinational companies have been transitioning their logistics infrastructure to EV fleets in an effort to be more environmentally sustainable. Some of the announcements made by multinational companies includes Amazon ordering 100,000 electric light-commercial vehicles in 2020 and aims to be carbon-neutral by 2040; DHL Group will deliver mail and parcels using EVs and be carbon-neutral by 2050; and FedEx will transition to a zero-emission EV fleet and carbon-neutral operations by 2040.

However, as a result of the Russia-Ukraine war, the EV industry could be impacted not only by the shortage of semiconductors used in EVs, but also shortages and rising prices of nickel ore, a key material used to manufacture batteries for EVs. This is because Russia is a major supplier of nickel, and the sanctions introduced by the USA, Japan, the United Kingdom and the European Union against Russia have impacted the supply of nickel ore globally.

- **Semiconductor and electronics industry**

  The semiconductor and electronics industry encompasses the manufacturing and sales of semiconductor and electronics products which are used in among others, consumer electronics, industrial electronics and automotive. Between 2018 and 2025, the global semiconductor and electronics industry size, in terms of sales, has been increasing from USD468.8 billion (RM1.9 trillion) to USD795.6 billion (RM3.2 trillion), registering a CAGR of 7.8%. Notwithstanding this, global semiconductor and electronics sales witnessed a year-on-year contraction of 8.2% in 2023 (2023: USD526.8 billion, 2022: USD574.1 billion) due to increasing inflation and weakening demand in end markets, particularly those relying on consumer spending. [5, 6] The worldwide demand for semiconductor and electronics products has been largely driven by:

  - the technological revolution with 5G adoption and the emergence of IoT, artificial intelligence and big data analytics, which have resulted in the emergence of new final electronic products. New final electronic products that have been introduced to the market as a result of these technologies include smart factories (where machinery, equipment and tools are fully interconnected), autonomous cars (which are self-driving or driverless cars) and smart home devices (such as smart lighting, door locks and home appliances). This technological revolution of semiconductor and electronic products is expected to continue driving new developments in the semiconductor and electronics industry to produce more advanced semiconductor and electronic products in terms of performance, capacity and technology; and
  - rapid technological advancements which have led to continuous introductions of new product

[3] Source: International Renewable Energy Agency
[4] Source: Bloomberg Finance L.P.
[5] Semiconductor Industry Association
[6] Exchange rates from USD to RM in 2018 at USD1 = RM4.1385 and 2025 at USD1 = RM4.0570. Sourced from the Central Bank of Malaysia

innovations and advancements. Final electronic products, especially consumer electronic products, are subject to relatively shorter product lifecycles, given that consumers are highly receptive to new product innovations and advancements.

The World Semiconductor Trade Statistics projects semiconductor and electronics sales to continue expanding in 2026 and 2027, as the Americas and Asia Pacific continue to lead growth.

Global semiconductor and electronics sales by region

	Semiconductor sales value (USD billion)									
	2018	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026f**	**2027f**
Asia Pacific	322.8	293.9	307.5	386.7	379.1	336.7	388.2	484.5	881.0	1,110.7
Americas	103.0	78.6	95.4	121.5	141.1	134.4	186.6	256.5	543.7	701.4
Europe	43.0	39.8	37.5	47.8	53.9	55.8	52.0	54.7	86.6	101.6
Global	**468.8**	**412.3**	**440.4**	**555.9**	**574.1**	**526.9**	**626.9**	**795.6**	**1,511.2**	**1,913.7**

f Forecast
Source: World Semiconductor Trade Statistics, PROVIDENCE analysis

The semiconductor and electronics ecosystem in Penang facilitates industry growth

Penang's conducive business environment has not only proven successful in attracting foreign direct investments ("**FDIs**"), but also successfully nurtured local electrical and electronic ("**E&E**") success stories of locally employed engineers turned technopreneurs, who have founded and built companies that have successfully grown to become internationally renowned in their own right. These homegrown E&E companies play crucial roles in the ecosystem, particularly in the areas of automated test equipment (ATE), automation, outsourced semiconductor assembly and testing (OSAT) services, electronics manufacturing services, precision engineering and tooling. The E&E industry in Penang is vibrant and attracts greenfield and brownfield investments from local and foreign MNCs, especially in Bayan Lepas and now in the still developing area of Batu Kawan. Several of business opportunities for engineering solutions providers stem from multinational corporations in the semiconductor industry who are seeking to expand their existing operating capacities and/or build new plants in Penang. The state has flourished as a vibrant regional semiconductor and electronics hub and focused on pursuing investments that have propelled the industry up the value chain, away from its beginnings as a low-cost manufacturing hub. Consequently, Penang has seen a proliferation of upstream technology-related investments in high value-added functions in recent years, ranging from research and development (R&D), design and knowledge-based solutions, and downstream advanced manufacturing and testing to global business services. The State Government of Penang has placed emphasis on attracting companies with strong commitments in implementing IR 4.0.

Penang attracted RM32.0 billion in total approved manufacturing investments in 2024. On the trade front, Penang's exports were valued at RM611.3 billion in 2025, among which integrated electronic circuits, E&E products and piezoelectric crystals, and components made up 73.6% of total exports.

Growth in Taiwan's semiconductor and electronics industry supports industry growth

Taiwan has an established semiconductor and electronics industry and plays a major role in the global semiconductor industry, particularly in the supply of higher specification chips used to power next-generation technologies such as 5G, generative artificial intelligence and high-performance computing. Taiwan holds the largest global market share in both chip manufacturing and packaging and testing, and is the second largest in design. Taiwan's semiconductor industry has recorded strong growth over recent decades to become the world's top manufacturer of IC chips. It also plays critical roles in other parts of the global semiconductor value chain, including chip design, semiconductor materials (such as silicon wafers) as well as assembly, packaging and testing.

Taiwan is home to the most complete semiconductor industry clusters and specialisations in the world and has leading companies in all segments of the semiconductor value chain. The industry's high degree of vertical integration and clustering gives it the advantages of flexibility, speed, service customisation and lower costs. Taiwan has an established industry value chain for semiconductor and electronics manufacturing, including electronic manufacturing service providers that undertake the manufacturing of parts and components for electronic devices, including passive antennas.

Over the past five decades, the Government of Taiwan ("**Taiwan Government**") has established a network of industrial and science parks around the island to provide a nurturing base of operations for high-tech industries, where companies and skilled local workforces combine to create mutually reinforcing ecosystems that support industry clustering. These science park ecosystems offer high-quality, subsidised factory buildings, tax and import duty exemptions, grants and subsidised credit, and connections with local universities and research institutes. The Taiwan Government plans to build more science parks and has upgraded export processing zones into technology industrial parks. The Taiwan Government actively encourages and facilitates foreign investment and collaboration in the domestic semiconductor and electronics industry to sustain its progress. The Taiwan Government provides policy support and tax incentives to encourage foreign direct investments, support technological innovation and promote industry-academia collaboration.

Many companies with a supply chain or manufacturing facilities in Taiwan were previously precluded from selling their products to the Government of the USA ("**USA Government**") because of domestic preferences. In July 2009, Taiwan became part of the World Trade Organization's Government Procurement Agreement (WTO GPA), which granted Taiwan "free trade partner" status under the Federal Acquisition Regulation (FAR) and allowed companies selling to the USA Government to deliver products that are manufactured in Taiwan. This essentially means that Taiwan is an approved country of origin for products and services delivered to the USA Government.

INDUSTRY DYNAMICS

Availability of skilled workforce

Antenna design is a complex process involving careful consideration of various factors to ensure the design aligns with the intended application as it requires understanding the electromagnetic field and its effects on the transmission and reception of an electrical signal. In designing antennas, engineers must consider the antennas use case; packaging, operating environment and desired frequency range; as well as allowable power levels. Engineers must also consider the ease of assembling and integration, manufacturing cost and production yield in their designs.

The push for miniaturisation and integration in antenna design is emerging as a trend, driven by the need for space-saving wireless components in a wide range of applications. This focuses on engineering tinier antennas that can be built directly into circuit boards or modules, an essential step for the growth of IoT ecosystems and wearable technology.

As such, it is key for industry players to attract, hire and retain experienced and skilled engineers with these skills to be able to develop antenna designs that meet the requirements of customers. Further, as antenna designs are complex, skilled labour is required for the assembly of these antennas, particularly for industry players that are involved in high mix low volume antenna production where it is challenging to adopt automation in production processes.

Working capital requirements

A certain degree of capital investment is required on the part of industry players to be able to expand their services at competitive cost levels. This includes, but is not limited to, the acquisition of new or additional machinery, acquisition and development of additional factory floor space, and the development of additional infrastructure, purchases of raw materials. Working capital is also key in developing internal research and development capabilities as well as investing in testing tools in order to produce antennas that meet the technical specifications and quality criteria of brand owners. To this end, an industry player may depend on external funding should internal funds be deemed insufficient.

Geopolitical factors

End user industries of passive antennas are subject to changes in government policies and regulations. On 2 April 2025, the USA Government announced the imposition of reciprocal tariffs on imports into the USA from nearly every other nation and jurisdiction in the world, ranging from 10.0% to as high as 50.0%. Following negotiations between the Government of Malaysia and the USA Government, the tariff for Malaysia was lowered to 19.0% and took effect from 1 August 2025. Semiconductors and electronics remain exempted from the 19.0% tariff. On 20 February 2026, the USA Supreme Court nullified the broad tariffs imposed by its President in 2025 by claiming authority under the International Emergency Economic Powers Act (IEEPA). The USA President responded by invoking the balance of payments authority contained in Section 122 of the Trade Act of 1974 to an interim additional blanket tariff of 10.0% effective 24 February 2026, which expired in July 2026. On 24 July 2026, the USA Government announced that the imposition of Section 301 tariffs over

forced labour import rules. Malaysia faces a tariff of 10.0% under the Section 301 tariffs following failure to impose and effectively enforce forced labour import rules.

Sanctions on semiconductor and electronics manufacturers in China by the USA have increased, limiting access to crucial technologies such as artificial intelligence and advanced manufacturing. This has prompted China to intensify its attempts to attain semiconductor self-sufficiency, while the USA continues to tighten export prohibitions.

The COVID-19 pandemic highlighted gaps in worldwide semiconductor supply networks, which led to shortages in areas such as automotive electronics and consumer electronics. The COVID-19 pandemic emphasised the need for increased supply chain resilience and diversity to avoid repeat disruptions.

The recent war in the Middle East has disrupted shipping across the Strait of Hormuz and resulted in a surge in crude oil prices and transportation costs as well as affected supply chains. Any of these could lead to higher cost of input materials such as metals, semiconductors and petrochemical-based specialty industrial chemical products used in the production of metal stamping parts, PCBs and ultimately printed circuit board assemblies (PCBAs) as well as plastics sourced from suppliers for the production of passive antennas due to higher raw material and transportation costs as well as energy prices. In the event passive antenna manufacturers are unable to pass on such cost increases to their customers, their financial performance could be adversely affected.

High dependency on end-user markets

Passive antennas are industrial products that are sold to device manufacturers for integration in their electronic end products such as telecommunication devices. Thus, industry players are highly dependent on the demand for electronic end products which is characterised by technology changes, consumer preferences, changes in social and/or economic factors. Any decline in demand for electronic end products will have a consequential impact on the demand for passive antennas.

COMPETITIVE LANDSCAPE

The passive antenna industry is global in nature electronic device manufacturers are largely global in nature and have assembly plants in multiple countries. Passive antenna industry players typically have presence in countries with large semiconductor and electronics industries such as the USA, Taiwan, China, South Korea, Japan and Malaysia.

Passive antenna industry players in Malaysia comprise local and foreign companies. The foreign industry players mainly consist of regional and/or multinational companies that set up locally established entities in Malaysia to support their manufacturing, sales and marketing activities and they may provide some level of technical support to customers in Malaysia. There are also foreign industry players that supply passive antennas to customers in Malaysia even though they may not have locally established entities or local presence in the country. Emits Berhad is a homegrown OEM primarily focusing on the provision of design, manufacturing, assembly and testing services of passive antennas for brand and / or product owners, as well as other EMS providers. There are high barriers to entry, as research and innovation, technology adoption, technical capabilities and industry track record restrict the entry of new firms.

Emits Berhad achieved a revenue of RM39.6 million in the FYE 31 December 2025. Thus, based on its revenue of RM39.6 million from the design, manufacturing, assembly and testing of passive antennas in FYE 31 December 2025 relative to the global passive antenna industry size of USD4.8 billion (RM19.5 billion), Emits Berhad achieved a market share of 0.2%. Industry players that are involved in the design, manufacturing, assembly and testing of passive antennas globally include:

- Abracon, LLC
- Auto Antenna Manufacturer Sdn Bhd
- Amphenol Antennas Corporation Inc
- C&T RF Antennas Inc
- Emits Berhad
- HUBER+SUHNER AG
- MP Antenna Ltd
- TE Connectivity plc
- Telefonaktiebolaget LM Ericsson (publ)
- Walsin Technology Group
- Yageo Group

The following sets out the latest available revenues of industry players in Malaysia that are involved in the design, manufacturing, assembly and testing of passive antennas with Group revenues of RM20.0 million and above:

8. INDUSTRY OVERVIEW (cont'd)

Industry player [a]	Latest available FYE	Revenue [d] (RM)	Gross profit (RM)	Gross profit margin (%)	Profit before tax (RM)	Profit after tax (RM)	Profit after tax margin (%)
Amphenol Group:							
- Amphenol TCS (Malaysia) Sdn Bhd [b]	31 December 2025	622,070,854 [e]	259,524,249	41.7	239,678,126	185,785,708	29.9
- Amphenol DC Electronics Malaysia Sdn Bhd [b]	31 December 2024	476,075,360 [f]	148,567,111	31.2	121,047,191	98,072,271	20.6
Auto Antenna Manufacturer Sdn Bhd	31 August 2024	72,765,300	10,678,189	14.7	6,413,135	4,797,510	6.6
Emits Berhad	31 December 2025	39,648,216	11,120,722	28.0	6,194,665	5,203,595	13.1
Huber+Suhner (M) Sdn Bhd	31 December 2024	52,537,279	12,995,863	24.7	6,745,678	6,745,678	12.8
TE Group:							
- TE Connectivity Malaysia Sdn Bhd [c]	30 September 2025	264,677,180 [g]	24,628,843	9.3	6,305,778	4,759,157	1.8
- TE Connectivity Operations Sdn Bhd [c]	30 December 2025	164,825,044	8,941,355	5.4	5,789,803	3,265,703	2.0

Notes:

[a] The selected industry players were identified from publicly available sources, such as the internet and published documents. These industry players were identified based on the criteria of being involved in one or more of the following business activities:

- design of passive antennas; and / or
- manufacturing, assembly and testing of passive antennas; and / or
- sales of passive antenna products; and
- generated minimum revenue of RM20.0 million in the latest available FYE.

[b] Subsidiary of Amphenol Corporation which is listed on the New York Stock Exchange

[c] Subsidiary of TE Connectivity plc which is listed on the New York Stock Exchange

[d] May include revenue derived from other businesses

[e] Comprises revenue derived from the manufacturing of E&E components and products such as passive antennas, custom cable assemblies and wire harness products, the breakdown of which is not disclosed in the company's audited financial statement

[f] Comprises revenue derived from the assembly of connectors for among others, passive antenna products, the breakdown of which is not disclosed in the company's audited financial statement

[g] Comprises revenue derived from the trading of E&E interconnection systems for among others, passive antenna products, and acting as a sales agent for its related companies, the breakdown of which is not disclosed in the company's audited financial statement

As the pool of industry players that are involved in the design, manufacturing, assembly and testing of passive antennas in Malaysia is limited, PROVIDENCE has disclosed all of the industry players to provide investors a more holistic picture of the industry. For clarity, the market share of Emits Berhad is computed by comparing its revenue against the global passive antenna industry size which is presented under Industry Size and Growth Potential.

Latest available as at 19 October 2026

9. RISK FACTORS

An investment in our Shares involves several risks, many of which are beyond our control. You should therefore carefully consider all relevant information contained in this Prospectus, including the key risk factors of our Group as described below, before deciding to invest in our Shares. Our business, financial condition, results of operations, prospects and your investment in our Shares could be materially and adversely affected by any of these risks.

9.1 RISKS RELATING TO OUR BUSINESS OPERATIONS

9.1.1 We are highly dependent on Motorola Group as it accounts for a significant portion of our Group's revenue and the loss of this major customer would materially and adversely impact our business and future financial performance

Our business relationship with Motorola Group began in 2016 and since then, we have maintained a continuous business relationship with Motorola Group. Our business is highly dependent on Motorola Group, as it contributed to a significant portion of our Group's revenue. For reference, during the Financial Years and Period Under Review, Motorola Group was our largest customer, accounted for 65.6%, 80.5%, 72.9% and 78.1% of our Group's revenue in FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively.

While we have maintained a long-term business relationship with Motorola Group, there is no assurance that we can retain Motorola Group as a customer or that Motorola Group will continue to maintain a similar purchase volume from our Group.

Our continued ability to secure purchase orders from Motorola Group is dependent on various factors such as end-user demand for their telecommunication products, Motorola Group's procurement strategy, as well as our ability to fulfill the delivery requirements, product quality standards and pricing requirements of Motorola Group. If Motorola Group is dissatisfied with the quality of our products and such dissatisfaction is not adequately addressed, our credibility and business relationship with Motorola Group may be adversely affected. In such event, Motorola Group may switch to other suppliers or reduce purchases from our Group, which in turn may adversely affect our business and future financial performance.

On 29 July 2024, we had entered into the Supply Agreement with Motorola, which sets out our terms and scope of services as an OEM service provider to Motorola Group. As such, our business dealings with Motorola Group are dependent on the Supply Agreement, as it governs our terms and scope of services to Motorola Group.

The current Supply Agreement (which superseded the previous supply agreement dated 18 August 2016) is for an initial term of 3 years (i.e. up to 28 July 2027). Upon expiry of the initial term, the Supply Agreement may be automatically renewed for an additional successive 1-year until such time when either party decides not to renew the Supply Agreement or intends to enter into a new supply agreement to govern the terms and scope of services between the parties.

There is no assurance that the Supply Agreement will remain in full force during its initial term in the event there is a material breach by us of the terms and conditions therein that cannot be remedied to the satisfaction of Motorola Group. In addition, there is no certainty that the Supply Agreement will be automatically renewed after the initial term for a further period of 1 year and thereafter, successive 1 year term. In the event of early termination or non-renewal of the Supply Agreement, we will not be able to continue our business dealings with Motorola Group.

The loss of Motorola Group could adversely and significantly affect our business and future financial performance, as there is no certainty that we will be able to secure new customers who can contribute similar levels of revenue vis-a-vis Motorola Group, or we are able to increase sales from other existing customers in a timely manner to substitute for the revenue loss from Motorola Group.

9. RISK FACTORS (cont'd)

9.1.2 Our financial performance may be subject to unfavorable foreign exchange rates as some of our sales and purchases are transacted in foreign currencies

Our Group is exposed to foreign exchange rate risks, especially the RM/USD exchange rate, as majority of our sales and purchases are transacted in USD. For illustrative purposes, set out below is a summary of the breakdown of our sales and purchases over the Financial Years and Period Under Review by transacting currency:

Breakdown of revenue by transacting currency

	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
Revenue	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
– RM	14	0.04	-	-	77	0.2	18	0.1
– USD	31,994	99.96	40,991	100.0	39,571	99.8	18,132	99.9
Total	**32,008**	**100.00**	**40,991**	**100.0**	**39,648**	**100.00**	**18,150**	**100.0**

Breakdown of purchases by transacting currency

	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
Purchases	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
– RM	4,582	38.3	5,874	30.2	6,163	32.7	3,181	36.9
– USD	7,383	61.7	13,578	69.8	11,461	60.8	4,806	55.8
– TWD	1	*	3	*	1,236	6.5	626	7.3
Total	**11,966**	**100.0**	**19,455**	**100.0**	**18,860**	**100.0**	**8,613**	**100.0**

Note:

* Less than 0.1%.

As the majority of our revenue and purchases are transacted in USD, unfavourable changes in foreign currency exchange rates, especially the RM/USD exchange rate, may adversely impact our financial results when our revenue, purchases and cash proceeds denominated in foreign currencies are translated or when converted into the RM, being our functional currency for financial reporting. Please refer to Section 13 of this Prospectus for further details on our foreign currency sensitivity analysis.

During the Financial Years and Period Under Review, we have recorded the following gains and losses due to fluctuations in foreign exchange rates:

Net (gains)/loss on foreign exchange	**FYE 2023** **RM'000**	**FYE 2024** **RM'000**	**FYE 2025** **RM'000**	**FPE 2026** **RM'000**
Realised	(61)	654	(547)	362
Unrealised	397	(584)	1,142	(299)
Total	**336**	**70**	**595**	**63**

To manage our foreign currency risks, we have maintained foreign currency accounts, whereby collections from our sales in USD are used to settle our payment obligations in USD. This would provide, to a certain extent, a natural hedge against the foreign exchange fluctuations.

Further, since FYE 2021, our Group has obtained USD forward contract facility from a licensed local financial institution to enable us to hedge our exposure against USD-denominated trade receivables. Our Group utilises this forward contract facility on a discretionary basis (i.e. when the foreign currency rate is unfavourable to our Group). As at the LPD, our Group has outstanding forward currency contracts of approximately USD0.5 million (or equivalent to RM2.0 million).

Although we regularly monitor the prevailing exchange rates of the transacting currencies, there is no certainty that future fluctuations in foreign exchange rates would not have a material impact to our Group's business operations and financial performance.

9.1.3 There is no certainty that we are able to secure the CCI 5G Base Station Antennas Project and that the GP margin from the CCI 5G Base Station Antennas Project may be lower than our Group's historical average GP margin

As set out in Section 7.18.1 of this Prospectus, one of our future plans is to expand our product portfolio to include the manufacturing of 5G base station antennas. As part of our efforts to secure customers for our 5G base station antennas, we had in 2024 commenced discussions with CCI, a potential customer of our Group, for manufacturing of 5G base station antennas on an OEM basis. As at the LPD, discussion with CCI to advance and secure the CCI 5G Base Station Antennas Project is on-going.

Our ability to secure the CCI 5G Base Station Antennas Project is dependent on, amongst others, our ability to produce demonstration units that meet the technical requirements and product specifications of CCI, failing which we may not be able to complete the pre-qualification tests, which in turn will result in a loss of business opportunity.

As set out in Section 7.18.1 of this Prospectus, we have set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antennas. As at the LPD, our Group has yet to secure purchase orders from CCI or other similar customers for manufacturing of 5G base station antennas on an OEM basis. In the event that we are unable to secure the CCI 5G Base Station Antenna Project or other similar project, we may have to incur additional costs to repurpose our machinery and equipment to produce other types of 5G antennas for other potential customers that we may secure. The costs of repurposing our machinery and equipment may adversely impact our Group's financial resources. In accordance with our accounting policy, we had depreciated the capitalised costs incurred for the 4 new production lines installed since FYE 2025, which had been charged to profit or loss.

Further, as set out in Section 7.18.1 of this Prospectus, the estimated annual mass production volume that CCI may require from us is between 4,000 to 6,000 units. In the event we are unable to secure the CCI 5G Base Station Antennas Project or the actual purchase volumes from CCI are less than anticipated, we will have to repurpose unutilised machinery and equipment to produce other types of 5G antennas for other potential customers that we may secure. However, there is no certainty that we will be able to secure other customers in a timely manner, which in turn would result in a delay in our business expansion plan and adversely affect our future prospects.

In addition, there is also no certainty that the CCI 5G Base Station Antennas Project is able to yield a GP that approximates to our Group's historical average GP margin during the Financial Years and Period Under Review of between 25.3% and 30.2%. This is in view that 5G base station antennas require high volumes of input materials and labour costs, and therefore, its direct production costs are expected to be relatively higher as compared to our other existing antennas products. Further, in the event the actual annual mass production volume from CCI is significantly lower than our estimate, we may not be able to achieve sufficient economies of scale from the CCI 5G Base Station Antennas Project, which in turn may result in a lower GP margin.

9.1.4 We are dependent on our Executive Directors, Key Senior Management, skilled engineering and technical staff

Our growth and success are, to a significant extent, dependent on the expertise and contributions of our Executive Directors, as well as our key senior management, namely Ts. Loy Boon Liang, H'ng Chuen Yeou, Por Chee Seong, Ho Kooi Yong and Teh Su Kang, for their leadership, management roles and technical know-how.

Our Executive Directors play a pivotal role in managing our day-to-day operations as well as formulating and implementing strategic business planning to drive our growth. Our Executive Directors also serve as key contact points of our customers and therefore, some customers are retained through the business network of our Executive Directors. Further, our Group Managing Director, namely Ts. Loy Boon Liang, is a mechanical engineer by profession and he possesses relevant technical knowledge in mechanical engineering, which is a valuable skillset for our overall business operations.

In addition, our production activities are reliant on the experience and expertise of our engineers and technical personnel. To strengthen our manufacturing capabilities, we have also set up an R&D department, led by Por Chee Seong, our Chief Technical Officer, which focuses on enhancing our technical expertise in antenna engine design, as well as producing antennas that are efficient, durable and able to emit and receive strong and stable signals.

As for our Group Financial Controller, Teh Su Kang, although he joined our Group for approximately 1 year as at the LPD, we believe his approximately 32 years of experience in accounting and finance, adequately equips him with the necessary skills to lead, manage and supervise our Group's overall accounting and finance functions moving forward.

Overall, while we offer competitive remunerations to our key senior management, engineers as well as technical and operations personnel, there is no certainty that we can always maintain sufficient talent pools for our business activities. Loss of key personnel and inability to timely find suitable replacements may adversely impact our business operations.

9.1.5 We require licenses, permits and approvals from relevant government authorities and regulatory agencies for our business operations

We are required to maintain and renew our licenses, permits and approvals in order to carry out our existing business operations. Generally, our licenses, permits and approvals are subject to a variety of conditions. These conditions are either stipulated in the licenses, permits or approvals, or under the particular legislation governing the licenses, permits and approvals.

If we are unable to meet the terms and conditions imposed by the relevant governing authorities, we may not be able to renew or obtain the requisite licenses, permits or approvals, which, in such an event, could disrupt our business operations. Further, failure to maintain or renew our licenses, permits or approvals may result in suspension of the affected business operations. Please refer to Section 7.21 of this Prospectus for further details of our major licenses, permits and approvals.

In addition, if there is a material change in the current regulatory landscape which resulted in stricter operating standards or compliance requirements on our Group, we may need to incur additional costs to put in place and implement the necessary operating processes to comply with these new or stricter requirements. Stricter regulatory requirements may constrain our ability to expand our business operations, which in turn may have an adverse impact on our future growth and prospects.

As at the LPD, we have obtained all major licenses, permits and approvals for our business operations in Malaysia and Taiwan, and we have not experienced any past instances where our licenses, permits or approvals were suspended or revoked or not renewed prior to their expiration.

9.1.6 We are exposed to risks of defects liabilities claims

Generally, our products are subject to a warranty period of up to 18 months from the date of delivery to our customers. If there is a material defect in our products, such as defects in design, materials, workmanship or labelling, we are required to replace or repair the defective products at our own cost and expense, or to issue a credit note to deduct selling value of the defective item.

Accordingly, in the event of a substantial defect in our products, we may need to incur costs to repair or replace the defective items. The costs of repair and replacement may be substantial, which in turn may adversely affect our profitability. In addition, if we are unable to provide the necessary rectification works or remedial actions in a timely manner and to the satisfaction of our customers, our credibility and working relationship with the affected customer will be adversely impacted.

During the Financial Years and Period Under Review, our Group did not experience any material goods returned or material warranty claims from our customers due to product defects (including those products assembled and produced from our Taiwan Assembly Line). Please refer to Section 7.7 of this Prospectus for further details on our quality control and assurance procedures to mitigate product defect risks.

9.1.7 We are dependent on Jy Chyun to carry out certain assembly and testing services

We are dependent on Jy Chyun as we engaged them to assemble certain semi-finished LMR antenna products produced from our Penang Factory, into finished LMR antenna products for final delivery to selected customers of our Group.

We engaged Jy Chyun as our OEM subcontractor in Taiwan after due consideration of, amongst others, its track record, quality of service deliveries and product assurance, as well as factory capacity and pricing. Although Jy Chyun carries out its assembly and testing services in accordance with our prescribed procedures, there can be no assurance that Jy Chyun will be able to consistently deliver its services that fully fulfill our quality requirements.

In the event of material defects arising from the assembly and testing services performed by Jy Chyun, or a material delay in the final production by Jy Chyun, our credibility and working relationship with the affected customers will be adversely affected. Pursuant to the Service Agreement, although we may seek compensations from Jy Chyun for failure to perform according to our operating procedures, there is no assurance that the compensations, if received from Jy Chyun, will be sufficient to cover the defect liability claims that our customers may make against us. Substantial defect liability claims, if any, will result in a financial loss to our Group. For clarity, during the Financial Years and Period Under Review, our Group did not experience any material goods returned nor material warranty claims from our customers arising from product defects (including those finished products assembled and produced from our Taiwan Assembly Line).

Moreover, considering that Jy Chyun is also an OEM manufacturer, our customers may approach Jy Chyun to manufacture the same antenna products that we are currently selling to them. Although we possess the relevant experience and technical know-how in manufacturing of LMR antenna, there is no assurance that our customers will continue to purchase LMR antenna from our Group. In the event our customers engage Jy Chyun directly to manufacture antenna products, our Group's business and financial performance may be adversely affected if we are not able to replace this loss of business with business from other existing or new customers.

9. RISK FACTORS (cont'd)

9.1.8 We require adequate supply of input materials and at competitive prices

We are required to purchase various input materials for our production activities, and we purchase input materials from our network of suppliers in Malaysia and Taiwan.

Generally, input materials that we require for our production activities are not highly customised or patented items. Hence, we are not dependent on any single supplier for the source of our input materials. However, significant or prolonged shortages of key input materials could limit our production activities, which in turn may lead to a loss of business opportunities. During the Financial Years and Period Under Review and up to the LPD, we have not experienced any difficulties in securing input materials from our suppliers.

Save for the Service Agreement with Jy Chyun, we generally do not enter into long-term supply agreements with our suppliers or store large quantities of input materials at our Penang Factory. Instead, we purchase input materials based on our estimated production activities and on a purchase order basis. In the absence of long-term supply agreements with our suppliers, there is no certainty that we can always obtain a stable source of input materials from our suppliers.

Inability to obtain adequate and timely amount of quality input materials may potentially lead to production delay. Production delay could adversely affect our sales, operating track record and credibility. Further, production delay may also expose our Group to late delivery penalties by our customers. During the Financial Years and Period Under Review and up to the LPD, we have not experienced any material delay in the delivery of input materials from our suppliers.

In addition, market prices of our input materials may fluctuate from time to time due to various market factors such as inflation, foreign exchange rates and the general supply and demand conditions. In the event of a material increase in the market price of input materials and we are unable to pass on such price increase to our customers, our profit margin will be eroded. During the Financial Years and Period Under Review and up to the LPD, we have not experienced any sudden and material increase in the market price of our input materials, which may have resulted in a significant and adverse impact to our GP margin. For reference, we have been able to maintain a relatively stable GP margin of between 25.3% and 30.2% during the Financial Years and Period Under Review.

In respect of supply condition, the recent war in the Middle East, which began in February 2026, has disrupted shipping across the Strait of Hormuz and caused, amongst others, a surge of crude oil and transportation prices. This adverse event could lead to higher cost of input materials that we source from our suppliers due to higher raw material prices and transportation costs. In the event that we are unable to pass on such increases in cost to our customers or source input materials from alternative suppliers at more competitive prices, our business and financial performance could be adversely affected.

9.1.9 We may not have adequate insurance to cover all losses or liabilities

We have procured several insurance policies to insure our Group against insurable risks that may occur in the ordinary course of our business operations. As at the LPD, our insurance coverage comprises, amongst others, the following:

Type of insurance policy	Sum insured
	RM'000
Fire – Building and machinery at Penang Factory	11,006
Fire – Consequential loss	18,543
Fire – Stock, plant and machinery	13,000
Public liability	1,000
Employer's liability	1,000
All Risks	600
Money, burglary and robbery, theft	282

While we regularly monitor and evaluate our insurance needs and requirements, there can be no assurance that our existing insurance coverages are sufficient to cover all losses or liabilities that may occur in our ordinary course of business. Losses exceeding our insured limit or arising from perils not covered by our insurance policies could adversely impact our business operations and profitability. During the Financial Years and Period Under Review, we did not make any material insurance claims under our insurance policies.

In addition, we are required to renew our insurance policies on a periodic basis upon expiry. There can be no assurance that our insurance policies can continue to be renewed on premiums, terms and conditions acceptable to us. Failure to renew existing insurance policies or to procure comparable policies may expose us to risk of losses if an uninsured event occurs.

9.1.10 We face operational risks which may cause interruptions to our business operations

We primarily operate from our Penang Factory, and our manufacturing activities require the use of various equipment and machinery which are prone to risks of operations breakdown, sub-optimal performance or physical damage. Although we have put in place a regular maintenance schedule to repair the wear and tear of our machinery and machinery as a preventive step to minimise risks of operational breakdown, there can be no assurance that our equipment and machinery are always in good working condition. Besides, substantial maintenance costs may result in higher operating expenses to our Group.

Further, our manufacturing equipment and machinery require electricity to operate, which we source externally from Tenaga Nasional Bhd. Prolonged or major disruptions in the supply of electricity may adversely impact our manufacturing operations. Moreover, we may also have to temporarily suspend or shut down our operating premise in the event of a major fire outbreaks or due to force majeure events such as natural disasters or outbreak of viral diseases. Prolonged disruptions at our operating premise may adversely affect our production schedules, which in turn may lead to order cancellations or production delays. Late delivery to customers may adversely affect our credibility, and potentially expose our Group to late delivery penalties by our customers.

During the Financial Years and Period Under Review and up to the LPD, we have not experienced any major disruptions in our operations due to material performance failures of our equipment and machinery, electricity supply, fire outbreaks or natural disasters.

9.1.11 We are subject to credit risks from impairment loss and non-collection of trade receivables

We grant credit periods to customers on a selective basis, after due consideration of various key commercial factors such as their payment history, corporate profile, purchase volume and our length of working relationship with them. Our credit periods range between 30 to 90 days and trade receivables comprise a significant portion of our total assets during the Financial Years and Period Under Review, as illustrated below:

	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Trade receivables	10,767	30.5	11,687	28.7	10,514	22.0	9,581	19.9
Total assets	35,285		40,721		47,818		48,121	

Our ability to collect outstanding receivables from our customers is subject to various factors, such as the prevailing financial standing of our customers and the constant follow up by our finance personnel. If our customers delay payment in part or at all, our cash flows may be adversely affected. While our management and finance team closely monitor collections from our customers, there is no assurance that we will be able to collect all of our trade receivables on a timely basis, when due and in full.

If we are unable to fully collect our trade receivables, we would record a financial loss, which in turn would adversely impact our cash flows and profitability. During the Financial Years and Period Under Review, we have made the following allowance for expected credit loss on trade receivables:

Impairment of trade receivables	**FYE 2023** **RM'000**	**FYE 2024** **RM'000**	**FYE 2025** **RM'000**	**FPE 2026** **RM'000**
As at 1 January	95	112	57	63
– Movement in allowance for expected credit loss	17	-	6	-
– Reversal	-	(55)	-	-
As at 31 December/30 June	112	57	63	63

For clarity, there were no write-offs of bad debts during the Financial Years and Period Under Review.

9.1.12 We may not be able to sustain our growth rate and our financial performance in the future

Our revenue grew from RM32.0 million in the FYE 2023 to RM39.6 million in the FYE 2025, reflecting a CAGR of 11.2%. The increase in our revenue was mainly due to higher sales of LMR antennas. In tandem with the increase in our revenue, our PAT has also grown from RM2.2 million in the FYE 2023 to RM5.2 million in the FYE 2025, reflecting a CAGR of 53.7%.

Although our historical combined financial results have been positive, there is no assurance that we can maintain the uptrend or our profitability moving forward. This is in view that our sales volume are largely based on the purchase orders issued by our customers, which may vary from time to time. Hence, in the absence of a long-term contractual purchase order from our customers, our financial results may vary year-on-year.

Further, as set out in Section 4.9 of this Prospectus, the estimated expenses of our Listing is approximately RM4.2 million. Certain amount of the professional fees and expenses paid up to the LPD are currently treated as prepayment. Upon Listing, a material amount of the professional fees and expenses will be charged to profit and loss, whilst fees and expenses directly attributable to the issuance of our Shares will be debited against share capital. Our financial performance in the quarter when we are listed, would be negatively impacted by the Listing expenses charged to profit and loss.

While we strive to expand our business from time to time, our future profitability and growth rates are dependent on various market factors, some of them are beyond our reasonable control such as competition, market prices of input materials, procurement strategies of our customers, our sales mix and the general economic conditions. In the event we are unable to maintain our current level of revenue and profit growth, we may not be able to maintain our current market position and prospects.

9.1.13 We may not be able to successfully implement our business strategies and future plans

As set out in Section 7.18 of this Prospectus, our future plans are to expand our product portfolio to include the manufacturing of 5G base station antennas, as well as our R&D capabilities. The successful implementation of our business strategies and plans is subject to various factors, such as prevailing market demand for our products, availability of funding and our technical know-how. Further, there are also factors beyond our control that may affect the successful implementation of our business strategies such as general market conditions or changes in government policy or regulatory regimes to which our business operations are exposed. Accordingly, there is no certainty that we will be able to successfully implement our business strategies and future plans.

Postponement or delays in implementing our business strategies and future plans may constrain our growth, which in turn may adversely affect our prospects and future financial performance. Further, there is no certainty that our business strategies and future plans will achieve their intended results. Failure to successfully execute our business strategies and intended future plans may adversely impact our competitiveness and/or limit our ability to sustain or increase our market share.

9.2 RISKS AFFECTING THE INDUSTRY IN WHICH WE OPERATE

9.2.1 We are dependent on the end-user markets of our customers

Due to the nature of our business activities as an OEM service provider, our business is largely dependent on the purchase orders that we received from our customers, which in turn is dependent on the end-user's demand for their telecommunication products.

Factors that may affect end-user's demand for the telecommunication products of our customers include competition from other telecommunication products with broadly similar specifications, brand name, consumer preferences, technology advancement and/or changes in social and/or economic landscape where our customers mainly operate. A material or prolonged decline in end-user's demand for the telecommunication products of our customers may potentially lead to lower purchase orders from them, which in turn may have an adverse impact on our revenue and future financial performance.

9.2.2 We are exposed to the risk of competition

As set out in Section 8 of this Prospectus, the passive antenna industry is a global industry and the industry players typically have presence in countries with large semiconductor and electronics industries such as the USA, Taiwan, China, South Korea, Japan and Malaysia. As such, we face competition from other OEM service providers that are based in Malaysia or in the regional markets.

The barriers to entry in the passive antenna industry are relatively high, as OEM service providers are required to possess the relevant technology, technical know-how and assets to manufacture antenna based on the product requirements of their customers. Further, as OEM service providers typically serve large corporations, they are required to be pre-qualified and to demonstrate their capability and track record in meeting the service deliveries and quality requirements of their customers.

Although we have garnered approximately 10 years of operating track record in the passive antenna manufacturing industry and our major customers are mostly listed companies, there can be no assurance that we can continue to sustain our exiting competitiveness against existing and prospective competitors. Inability to remain competitive, adopt and be responsive to changing market conditions and technology trends may have an adverse effect on our future business and financial performance.

Further, competitive landscape is more intense against larger manufacturers, as they generally have higher economies of scales due to higher customers mix and ability to purchase larger quantity of input materials at competitive prices. In addition, larger manufacturers are able to invest in more R&D activities in order to enhance their competitiveness. Hence, if we fail to compete competitively with larger competitors, including the new entrants, our ability to secure or retain customers may be adversely impacted.

9. RISK FACTORS (cont'd)

9.2.3 We may not be able to adapt to technological change to remain competitive

We operate within the telecommunication industry which is subject to rapid technological advancement. Development of new or enhanced performance antennas is a complex and time-consuming process as it requires multiple trial runs and statistical data tests until our design ideas are validated and accepted by our customers. In this regard, we may face difficulties in designing, assembling and manufacturing new or enhanced performance antennas for our customers.

Our Group seeks to limit these risks through continuous investment in R&D activities, as well as by actively engaging with our major customers and other industry associates to gauge and stay abreast with market trends and expectations. In addition, we also constantly seek feedback from our customers as part of our continuous quality enhancement process as well as to review and refine our R&D initiatives.

Nevertheless, notwithstanding our continuous improvement efforts, there can be no assurance that we will be able to successfully adapt to technological changes or create prototypes for the new antenna products of our customer in a timely and/or cost-effective manner. Inability to do so may lead to loss of new business opportunities. Further, there can be no assurance that our R&D activities will yield the intended results. Unsuccessful R&D activities may have a negative impact on our financial performance as we charge out all the R&D expenses incurred which may be substantial relative to our other operating expenses.

9.2.4 We may be adversely affected by changes in the general economic, regulatory, political and social conditions and developments in Malaysia and in the export markets where we operate

Our business is subject to risks associated with conducting business in Malaysia and Taiwan where we have a presence, as well as internationally as we sell our products overseas and purchase some input materials from foreign suppliers. As such, we are susceptible to changes in political, social and economic conditions as well as operational risks in foreign countries where we conduct business with these parties.

As we expect to continue deriving sales from customers based in foreign markets, our financial condition and results of operations could be affected by a variety of market factors, such as:

- Trade protection measures and import or export licensing requirements;
- Political and economic instability, such as global and regional macroeconomic disruptions, natural calamities, epidemics, supply chain disruptions and demand conditions;
- Differences in enforcing contracts and collecting trade receivables as a result of physical distance and different legal rules;
- Differences in governing laws and regulations such as taxation, logistics and customs requirements; and
- Risks with respect to social and political crises resulting from war and terrorism, amongst others.

Notwithstanding our Group will continue to adopt prudent financial management to mitigate these factors, there can be no assurance that any adverse political, social and economic factors will not materially affect our Group's future business operations or financial performance.

For information, on 2 April 2025, the government of USA announced the imposition of tariffs at varying rates on imports to the USA, with Malaysia being levied with a 24.0% tariff on its exports to the USA in April 2025. The government of USA subsequently announced its intentions to increase the tariff rate to 25.0% effective from 1 August 2025.

Following negotiations between the government of Malaysia and the government of USA, the tariff rate for Malaysia was lowered to 19.0% effective from 1 August 2025. However, in February 2026, the government of USA announced a worldwide tariff of up to 15% for 150 days, following the USA's Supreme Court ruling invalidating the previous tariff imposed by the government of USA. On 24 July 2026, the government of USA imposed a 10% tariff on Malaysian exports effective from 24 July 2026.

The imposition of tariffs on Malaysian products has resulted in a general slowdown in demand for our antenna products, especially from our customers who are based in the USA. The new tariff introduction has amongst others, resulted in increased import costs as well as created uncertainty in the consumers' demand conditions, which may have caused our USA based customers to be more conservative in projecting the potential demand of the end-user markets for their telecommunication products. As regulatory landscape may change from time to time, there is no certainty that there will not be any other adverse and unfavourable changes in regulatory policy which may have a negative impact on our business operations.

9.3 RISKS RELATING TO INVESTMENT IN OUR SHARES

9.3.1 The offering of our Shares may not result in an active liquid market for our Shares

Prior to our Listing, there has been no public market for our Shares. Hence, there is no assurance that upon Listing, an active market for the trading of our Shares will develop, or if developed, that such a market will be sustainable.

Our IPO Price was determined after taking into consideration various key factors such as our historical financial performance and operating history, prospects of our Group and the industry in which our Group operates, and prevailing market conditions. Further, there is no assurance that our IPO Price will correspond to the price in which our Shares will be traded on the ACE Market of Bursa Securities upon or subsequent to our Listing.

9.3.2 The trading price and trading volume of our Shares may be volatile

The trading price and volume of our Shares may fluctuate due to various factors which are not within our control and may be unrelated or disproportionate to our financial results and financial condition. These factors may include variations in the results of our operations, changes in analysts' recommendations, changes in general market conditions, broad market fluctuations and/or investors' sentiments.

The performance of Bursa Securities is also affected by external factors such as the performance of the regional and world bourses, inflow or outflow of foreign funds into the Malaysian equity capital market, 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 witnessed on Bursa Securities, thus adding risks to the market price of our Shares.

9. RISK FACTORS (cont'd)

9.3.3 There is no assurance of dividends distributions to our shareholders

It is our Board's intention to recommend and distribute a dividend of 20% of our PAT attributable to owners of our Company in each financial year. However, our ability to distribute dividends is dependent on, amongst others, our future financial performance, capital requirements and/or cash flow position. If we do not distribute dividends to our shareholders, or pay dividends to our shareholders at levels lower than 20% as aforementioned, interest in investing in our Shares may be negatively affected, which may lead to an adverse impact on the market value and trading interests of our Shares.

9.3.4 Significant influence by our Promoters

Upon Listing, our Promoters will collectively hold an aggregate of 284,006,550 Shares, representing approximately 60.6% of our enlarged issued share capital of 468,769,000 Shares. As a result, our Promoters will be able to, in the foreseeable future, effectively control the business direction and management of our Group, including the election of Directors, the timing and payment of dividends, as well as having the majority voting control over our Company and as such, will likely influence the outcome of certain matters which require the vote of our shareholders, unless our Promoters and persons connected with them are required to abstain from voting on proposed transactions in accordance with the Listing Requirements. As such, there can be no assurance that the interests of our Promoters will be aligned with those of our other shareholders.

9.3.5 Our Listing may be delayed or aborted

Our Listing may be delayed or aborted should any of the following events occur:

(i) we are unable to meet the public shareholding spread requirements under the Listing Requirements, where at least 25% of our total number of Shares must be held by a minimum of 200 public shareholders, with each holding not less than 100 Shares at the point of our Listing;

(ii) our Underwriter exercises its rights under the Underwriting Agreement to discharge itself from its obligation therein; and

(iii) revocation of approvals from relevant authorities for our Listing.

Should any of the events occur prior to the issuance and allotment of our IPO Shares, investors will not receive our Shares, and all monies paid in respect of the Application will be returned in full without interest within 14 days, failing which the provisions of Section 243(2) of the CMSA will apply.

If our Listing is aborted subsequent to our Shares being allotted to the investors, the return of monies to investors could only be achieved by way of cancellation of share capital as provided under Section 116 or Section 117 of the Companies Act and its related rules. Such cancellation requires, among others, the sanction of our shareholders by special resolution in a general meeting and consent of our creditors (if required). There can be no assurance that such monies can be recovered within a short period of time in such circumstances.

10. RELATED PARTY TRANSACTIONS

10.1 RELATED PARTY TRANSACTIONS

Pursuant to the Listing Requirements, subject to certain exemptions, a "related party transaction" is a transaction entered into by a listed corporation or its subsidiaries, which involves the interest, whether direct or indirect, of a related party.

Pursuant to the Listing Requirements, "related party" of a listed corporation refers to:

(i) a director, having the meaning given in Section 2(1) of the CMSA and includes any person who is or was within the preceding six months of the date on which the terms of the transaction were agreed upon, a director of the listed corporation, its subsidiaries or holding company or a chief executive of the listed corporation, its subsidiaries or holding company;

(ii) a major shareholder, including any person who is or was within the preceding six months of the date on which the terms of the transaction were agreed upon, a major shareholder of the listed corporation or its subsidiaries or holding company, having an interest or interests in one or more voting shares in a corporation and the number or aggregate number of those voting shares is:

  (a) 10% or more of the total number of voting shares in the listed corporation; or

  (b) 5% or more of the total number of voting shares in the listed corporation where such person is the largest shareholder of the listed corporation; or

(iii) a person connected with such director or major shareholder or chief executive.

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10. RELATED PARTY TRANSACTIONS (cont'd)

10.2 RELATED PARTY TRANSACTIONS

Save for the Acquisition and the following transactions, our Group has not entered into any other related party transactions for the Financial Years and Period Under Review and up to the LPD:

Company within our Group	**Transacting party**	**Nature of transaction**	**Nature of relationship**	**Value of transactions (RM'000)**				
				FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2026**	**1 July 2026 up to the LPD**
Emits Technology	IRM Industries (Penang) Sdn Bhd	Sale of plastics scrap	▪ Dato' Seri Goh a major shareholder of Emits Technology and the transacting parties. ▪ Chan Tsai-Huo ("**Interested Director**"), our Non-Executive Non-Independent Director, is the son-in-law of Dato' Seri Goh.	[(a)]7.3	[(a)]9.7	[(a)]9.6	[(a)]4.1	[(c)]1.9
		Purchase of packing materials		[(b)]2.0	[(b)]3.8	[(b)]3.2	[(b)]1.2	[(c)]0.8
	Reclaimtek (M) Sdn Bhd	Sale of carton scrap		[(a)]0.7	[(a)]0.8	[(a)]1.2	[(a)]1.1	[(c)]0.1

Notes:

(a) Less than 0.1% of our Group's audited revenue in the respective Financial Years and Period Under Review.

(b) Less than 0.1% of our Group's audited COS in the respective Financial Years and Period Under Review.

(c) Percentage of contribution is not available as there are no audited financial statements for the period from 1 July 2026 up to the LPD.

10. RELATED PARTY TRANSACTIONS (cont'd)

The abovesaid related party transactions are deemed recurrent and of revenue or trading nature. Our Board (save for the Interested Director) evaluation on the abovesaid related party transactions are as follows:

(i) For FYE 2023, FYE 2024 and FYE 2025

For evaluation of related party transactions that took place over the past 3 FYEs, our Board (save for the interested Director) had primarily considered the benchmarking analysis in our transfer pricing reports for the respective FYEs, prepared by our tax consultants in accordance with the relevant transfer pricing guidelines issued by the Inland Revenue Board of Malaysia.

In evaluating the related party transactions, our tax consultants had applied the transactional net margin ("**TNM**") method as the most suitable assessment methodology. The TNM method uses a margin approach to assess whether the related party transactions were carried out in line with arms' length principle. This assessment methodology is commonly used to evaluate related party transactions that are of revenue or trading nature.

Under the TNM method, related party transactions incurred during the respective FYEs are considered to be in line with arm's length principle, if the resultant operating profit margin of Emits Technology is within the range of or higher than, the operating profit margin of its comparable companies, despite Emits Technology having entered into the related party transactions.

Based on the transfer pricing documentation reports, our tax consultants had assessed that related party transactions incurred during the FYE 2023, FYE 2024 and FYE 2025 were respectively carried out on an arm's lengths basis, as the operating profit margins of Emits Technology during the respective FYE were higher than the range of operating profit margins of selected comparable companies. The comparable companies used in the transfer pricing reports were selected by the tax consultants on an independent basis.

(ii) For the interim period from 1 January 2026 up to the LPD

There were no transfer pricing documentation reports being prepared for the interim period from 1 January 2026 up to the LPD. Notwithstanding this, in evaluating related party transactions that took place during the interim period from 1 January 2026 up to the LPD, our Board (save for the Interested Director) had considered a benchmarking analysis performed by our management, which set out a comparative analysis between the market prices of plastic scrap, carton scrap and packaging materials, against the selling prices of our plastic scrap to IRM Industries (Penang) Sdn Bhd, the selling prices of our carton scrap to Reclaimtek (M) Sdn Bhd, and the purchase prices of our packing materials from IRM Industries (Penang) Sdn Bhd.

Based on the benchmarking analysis performed, our Board (save for the Interested Director) is of view that related party transactions that took place during the interim period from 1 January 2026 up to the LPD were carried out on an arm's length basis, as the selling prices of our plastic scrap to IRM Industries (Penang) Sdn Bhd, the selling prices of our carton scrap to Reclaimtek (M) Sdn Bhd and the purchase prices of our packing materials from IRM Industries (Penang) Sdn Bhd, were within the range of market prices offerred by third parties.

Based on the above, our Board (save for the interested Director) is of the view that all the above related party transactions were carried out at an arm's length basis and on normal commercial terms which were not more favourable to the related parties than those generally available to third parties.

10. RELATED PARTY TRANSACTIONS (cont'd)

Moving forward, after our Listing, we will be required to seek our shareholders' approval each time we enter into material related party transactions in accordance with the Listing Requirements. However, if the related party transactions can be deemed as recurrent related party transactions of a revenue or trading in nature, we 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 general mandate.

In the event there are any proposed related party transactions that require the prior approval of our shareholders, any related party who is our Director who has any direct or indirect interest in the proposed related party transaction, shall abstain from deliberation and voting at the relevant Audit and Risk Management Committee and Board meetings of our Company.

Further, the Interested Director and major shareholder as well as persons connected with them will also abstain, from deliberating and voting on the resolution(s) tabled at general meeting convened to obtain shareholders' approval for the proposed related party transaction.

If required, pursuant to the Listing Requirements, our Board (save for any interested Directors) will appoint an independent adviser to comment as to:

(i) whether the related party transaction is fair and reasonable in so far as our shareholders are concerned; and

(ii) whether the related party transaction is to the detriment of minority shareholders.

The independent adviser shall advise minority shareholders on whether they should vote in favour of the transaction at a general meeting to be convened for shareholders to consider and approve the related party transaction.

Upon our Listing, our Audit and Risk Management Committee will review the terms of any related party transactions and ensure that the related party transactions (including recurrent related party transactions) are carried out on terms not more favourable to the related party than those generally available to the third parties dealing at arm's length basis and on normal commercial terms with our Group and are not to the detriment to our non-interested shareholders. Our Group will also seek such relevant shareholders' approval where required. We will also make disclosures in our quarterly and annual report of the aggregate value of the recurrent related party transactions entered into by us based on the nature of the transactions made, names of the related parties involved and their relationship with our Group during the financial year and in the annual reports for the subsequent financial years.

As at the LPD, save for the Acquisition and the related party transactions disclosed in Section 10.2 above, there are no other related party transactions that our Group had entered into but not yet effective.

Further, there are no related party transactions that our Group had entered into but are not yet effective since the LPD and up to the date of this Prospectus.

10. RELATED PARTY TRANSACTIONS (cont'd)

10.3 RELATED PARTY TRANSACTIONS ENTERED INTO THAT ARE UNUSUAL IN THEIR NATURE OR CONDITIONS

There were no related party transactions which were unusual in its nature or conditions involving goods, services, tangible or intangible assets to which our Group was a party to, during the Financial Years and Period Under Review and up to the LPD.

10.4 LOANS AND/OR ADVANCES, MADE TO OR FOR THE BENEFITS OF RELATED PARTIES, OR RECEIVED FROM RELATED PARTIES

Save as disclosed below, there were no other outstanding loans and/or advances, made to or for the benefits of the related parties, or received from related parties, during the Financial Years and Period Under Review and up to the LPD:

Company within our Group	Transacting party	Nature of transaction	Nature of relationship	Outstanding balance (RM'000)				
				FYE 2023	FYE 2024	FYE 2025	FPE 2026	1 July 2026 up to the LPD
Emits Technology	Dato' Seri Goh	- Being the Shareholder's Advances received from Dato' Seri Goh. - For clarity, the Shareholder's Advances was a long-term financing (as the Shareholders' Advances was repayable over a period of 4 years) and denominated in RM. You may refer to Section 6.2.2 of this Prospectus for the background information on the Shareholder's Advances.	Dato' Seri Goh is our Promoter and Substantial Shareholder.	[(a)]6,384 (49.6% of our Group's NA)	[(b)]-	-	-	-

Save for the Shareholder's Advances which have been fully settled in the FYE 2024, there were no other borrowings or advances made by Dato' Seri Goh or by companies under his control to our Group during the Financial Years and Period Under Review and up to the LPD.

10. RELATED PARTY TRANSACTIONS (cont'd)

Notes:

(a) Being the outstanding balance of the Shareholder's Advances as at 31 December 2023, including the accrued interest, follows:

Breakdown	**As at 31 December 2023**
	(RM'000)
Principal	5,026
Accrued interest	1,358
Total	**6,384**

(b) The Shareholder's Advances, including the accrued interest, have been fully settled in the FYE 2024.

As at the LPD, all advances made by related parties to or for the benefit of our Group have been fully settled.

Moving forward, we will not be receiving any such financial assistance to or for the benefit of our Group from our related parties, unless such advances, loans and/or financial assistance are permitted under the relevant rules and regulations, and that such advances, loans and/or financial assistance had been tabled at our Audit and Risk Management Committee and Board meetings for deliberation and approval, provided always that the relevant interested Director(s) or chief executive abstain from deliberation at such meetings.

10.5 UPLIFTMENT OF GUARANTEES BY DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at 30 September 2026, the following banking facilities of our Group are secured by the personal guarantees issued by our Directors and substantial shareholders:

Financier	**Type of facility**	**Outstanding amount as at 30 September 2026**	**Guarantor**
		(RM'000)	
OCBC Bank (Malaysia) Berhad	1 bank guarantee	231	Dato' Seri Goh
OCBC Bank (Malaysia) Berhad	3 trade facilities	-	Dato' Seri Goh
OCBC Al-Amin Bank Berhad	2 trade facilities and 1 industrial hire purchase	-	Dato' Seri Goh
Hong Leong Islamic Bank Berhad ("**Hong Leong Islamic Bank**")	3 term loans and 1 trade facility	8,208	▪ Dato' Seri Goh; ▪ Ts. Loy Boon Liang; and ▪ H'ng Chuen Yeou
Hong Leong Bank Berhad ("**Hong Leong Bank**")	3 trade facilities	-	▪ Dato' Seri Goh; ▪ Ts. Loy Boon Liang; and ▪ H'ng Chuen Yeou
Total		**8,439**	

10. RELATED PARTY TRANSACTIONS (cont'd)

In conjunction with our Listing, we had applied to our financiers for a release and/or discharge of the abovesaid guarantees extended by our Directors and substantial shareholders, by substituting the same with a corporate guarantee from our Company and/or other securities of our Group that are acceptable to our financiers ("**Discharge of Guarantee**"). Until such Discharge of Guarantee are obtained from our financiers, the guarantors will continue to guarantee over the abovesaid banking facilities of our Group.

As at the LPD, we had obtained conditional approvals from the abovesaid financiers for the Discharge of Guarantee, subject to, amongst others, the following conditions:

(i) the sucessful listing of our Company and the substitution of a corporate guarantee by our Company; and

(ii) Dato' Seri Goh, Ts. Loy Boon Liang and H'ng Chuen Yeou are to collectively hold not less than 51% of our enlarged issued Shares upon our Listing as imposed by Hong Leong Islamic Bank and Hong Leong Bank.

10.6 MONITORING AND OVERSIGHT OF RELATED PARTY TRANSACTIONS

10.6.1 Audit and Risk Management Committee Review

In order to avoid any potential conflicts of interest, our Audit and Risk Management Committee will review the terms of all related party transactions to ensure that all related party transactions are carried out on arm's length basis, on normal commercial terms, and in the best interests of our Group. To meet this objective, our Group has established the following procedures:

(i) Recurrent related party transactions

(a) 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 the related parties are fair and reasonable and comparable to those offered by third parties; or

(b) 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 products or services to ensure that the reasonableness of price from the related party.

Our Board shall also seek a general mandate from our shareholders to enter into any recurrent related party transactions at general meetings of our Company if required. Due to its time-sensitive nature, such shareholders' general mandate will enable us to enter into the relevant recurrent related party transactions of a revenue or trading in nature which are transacted in our ordinary course of business without having to convene numerous general meetings for shareholders to approve such recurrent transactions as and when they are entered into.

(ii) Other related party transactions

(a) Whether the terms of the related party transaction are fair, reasonable and on arm's length basis and whether such terms would apply on the same basis if the transaction did not involve a related party;

(b) The rationale and justifications for entering into such related party transaction and the nature and availability of alternative transactions, if any;

10. RELATED PARTY TRANSACTIONS (cont'd)

(c) 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; and

(d) If required, to table the related party transaction for approval of our non-interested shareholders at general meeting to be convened and where applicable, appoiniting an independent adviser to comment and opine on the related party transaction pursuant to the Listing Requirements.

For related party transaction that requires prior approval of non-interested shareholders, the interested Directors, major shareholders or chief executive 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 at the Audit and Risk Management Committee meeting, Board meeting and voting at general meeting on the resolution(s) being tabled for shareholders' to consider and approve the proposed related party transation.

The interested Director or major shareholder or chief executive shall ensure that person connected to them shall also abstain from deliberating and voting in respect of his direct and/or indirect shareholdings at a general meeting on the resolution(s) being tabled for shareholders' to consider and approve the proposed related party transation.

Further, to safeguard the interest of our Group and our non-interested 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 shall ensure appropriate disclosures in our quarterly unaudited results, audited financial statements and annual report with regards to any related party transaction entered into by us.

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11. CONFLICT OF INTEREST

11.1 INTEREST IN SIMILAR BUSINESSES OF OUR GROUP

As at the LPD, none of our Directors and substantial shareholders has any interest, whether direct or indirect, in any entity which is carrying on a similar trade as that of our Group.

11.2 INTEREST IN CUSTOMERS AND/OR SUPPLIERS OF OUR GROUP

Save as disclosed below, our Directors and substantial shareholders do not have any interest, direct or indirect, in any entity which are our customers and/or suppliers:

Entity	Principal activity	Nature of interest	Name of Director or substantial shareholder involved
IRM Industries (Penang) Sdn Bhd	Recycling of electronic and plastic scraps, non-ferrous and precious metals and agents, engaged as contractors of transportation, investment holding and letting of properties	▪ Sale of plastics scrap by Emits Technology to IRM Industries (Penang) Sdn Bhd ▪ Purchases of packing materials by Emits Technology from IRM Industries (Penang) Sdn Bhd	➢ Dato' Seri Goh a Promoter and major shareholder of Emits Technology and the transacting parties. ➢ Chan Tsai-Huo, our Non-Executive Non-Independent Director, is the son-in-law of Dato' Seri Goh
Reclaimtek (M) Sdn Bhd	Recycling of electronic, and non-ferrous and precious metals, agents, and contractors of transportation	Sale of carton scrap by Emits Technology to Reclaimtek (M) Sdn Bhd	

Our Board (save for the Interested Director) is of the view any potential conflict of interest situation which may arise from the above entities being a customer/supplier of our Group is mitigated in view of the following key factors:

(i) sales and purchases from the abovesaid entities are transacted at arm's length basis and on normal commercial terms which are not more favourable than those generally available to third party, as set out in Section 10.2 of this Prospectus;

(ii) the nature of business activities of the abovesaid entities are not similar as that of our Group; and

(iii) pursuant to our policy on conflict of interests, all Directors and employees of our Group are required to provide annual declarations of their conflict of interest and conflicted persons are to be excluded from decision-making processes in respect of all business dealings involving themselves and/or their related party(ies).

11. CONFLICT OF INTEREST (cont'd)

11.3 MONITORING AND OVERSIGHT OF CONFLICT OF INTEREST

It is the policy of our Group that all related party transactions and conflicts of interest must be promptly disclosed by the interested or conflicted Directors, major shareholders and/or key senior management to our management, for onward reporting to our Audit and Risk Management Committee and our Board.

In the event there are any proposed related party transactions that require the prior approval of our shareholders, any related party who is our Director who has any direct or indirect interest in the proposed related party transaction, shall abstain from deliberation and voting at the relevant Audit and Risk Management Committee and Board meetings of our Company.

Further, the interested Directors and major shareholders as well as persons connected with them will also abstain, from deliberating and voting on the resolution(s) tabled at general meeting convened to obtain shareholders' approval for the proposed related party transaction.

After our Listing and in accordance with the Listing Requirements, we will be required to seek our shareholders' approval each time we enter into material related party transactions as prescribed under the Listing Requirements. However, if the related party transactions are deemed as recurrent related party transactions of a trading or revenue in nature, we may seek a general mandate from our shareholders to enter into these transactions without having to seek separate shareholders' approval each time when we wish to enter into such recurrent related party transactions during the validity period of the general mandate.

Please refer to Section 10.6 of this Prospectus for the procedures to be taken to ensure that related party transactions (if any) are undertaken on an arm's length basis and on normal commercial terms.

11.4 DECLARATIONS OF CONFLICT OF INTERESTS BY OUR ADVISERS

11.4.1 Declaration by Mercury Securities

Mercury Securities has given its written confirmation that, as at the date of this Prospectus, there is no existing or potential conflict of interest in its capacity as our Principal Adviser, Sponsor, Underwriter and Placement Agent for our Listing.

11.4.2 Declaration by CY Poon & CM Lim

CY Poon & CM Lim has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our Group in relation to our Listing.

11.4.3 Declaration by Stellex Law Firm

Stellex Law Firm has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Legal Adviser to our Group in relation to our Listing.

11.4.4 Declaration by TGS TW PLT

TGS TW PLT has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the Auditors and Reporting Accountants to our Group in relation to our Listing.

11.4.5 Declaration by PROVIDENCE

PROVIDENCE has given its written confirmation that there is no existing or potential conflict of interest in its capacity as the IMR to our Group in relation to our Listing.

12. FINANCIAL INFORMATION

12.1 HISTORICAL COMBINED FINANCIAL INFORMATION

Our Company was incorporated in Malaysia on 7 February 2025, and our Group was formed after the completion of the Acquisition on 22 September 2026. Our historical financial information in this Prospectus is presented based on our audited combined financial statements, as if our Group's structure had already been in existence throughout the Financial Years and Period Under Review. For clarity, financial information of our Company was only included in the FYE 2025 as our Company was incorporated after the FYE 2024.

Our audited combined financial statements have been prepared in accordance with the MFRS and IFRS. There are no accounting policies which are peculiar to our Group in regard to the nature of our businesses or the industries in which our Group is involved in. Further, there is no audit qualification by TGS TW PLT, our Auditors and Reporting Accountants, on our audited combined financial statements for the Financial Years and Period Under Review.

For information purposes, as disclosed in Note 1(f) of our Accountants' Report in Section 13 of this Prospectus, the audited financial statements of Emits Radio Wave for the FYE 2023 was previously qualified by its local auditor in Taiwan in respect of the existence of inventories, as no physical inventory count was then performed by the local auditor during audit review. In response to this, TGS TW PLT had conducted physical inventory count procedures for the FYE 2024, and rollback procedures to verify Emits Radio Wave's inventory quantities as at 31 December 2023. Following this, TGS TW PLT had determined that the carrying value of Emits Radio Wave's inventory as at 31 December 2023 is fairly stated and therefore, the matter giving rise to the previous qualification has been rectified.

The following audited combined financial information of our Company for the Financial Years and Period Under Review are extracted from our Accountants' Report in Section 13 of this Prospectus, and should be read in conjunction with the "Management's Discussion and Analysis of Financial Conditions and Results of Operations" in Section 12.2 of this Prospectus, as well as our audited combined financial statements, together with the accompanying notes, as set out in the Accountants' Report in Section 13 of this Prospectus.

12.1.1 Historical Financial Information

12.1.1.1 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 and Period Under Review:

	Audited			Unaudited	Audited
	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2025**	**FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revenue	32,008	40,991	39,648	20,265	18,150
COS	(23,907)	(28,610)	(28,527)	(14,453)	(13,309)
GP	**8,101**	**12,381**	**11,121**	**5,812**	**4,841**
Other income	255	752	643	465	374
Administrative expenses	(4,121)	(4,551)	(5,089)	(3,089)	(2,524)
Net (loss)/gain on impairment of financial assets	(17)	55	(6)	-	-
Profit from operations	**4,218**	**8,637**	**6,669**	**3,188**	**2,691**
Finance costs	(1,206)	(735)	(474)	(248)	(175)
PBT	**3,012**	**7,902**	**6,195**	**2,940**	**2,516**
Taxation	(844)	(2,071)	(991)	(801)	(445)
PAT[(a)]	**2,168**	**5,831**	**5,204**	**2,139**	**2,071**

12. FINANCIAL INFORMATION (cont'd)

	Audited			Unaudited	Audited
	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2025**	**FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Items that are or may be reclassified subsequently to profit or loss					
– Exchange differences on translation of foreign operation	33	(90)	(9)	71	2
Items that will not be reclassified subsequently to profit or loss					
– Revaluation of land and buildings	-	-	4,282	-	-
Total comprehensive income for the financial year/period[(a)]	**2,201**	**5,741**	**9,477**	**2,210**	**2,073**
EBIT [(b)]	4,204	8,579	6,630	3,172	2,684
EBITDA[(b)]	5,781	9,900	7,830	3,757	3,587
GP margin (%)[(c)]	25.3	30.2	28.0	28.7	26.7
PBT margin (%)[(d)]	9.4	19.3	15.6	14.5	13.9
PAT margin (%)[(e)]	6.8	14.2	13.1	10.6	11.4
Effective tax rate (%)[(f)]	28.0	26.2	16.0	27.2	17.7
Basic EPS[(g)]/Diluted EPS[(h)] (sen)	0.46	1.24	1.11	0.46	0.44

Notes:

(a) There are no non-controlling interests in our Group as all subsidiaries are wholly-owned by our Company.

(b) EBIT and EBITDA are calculated as follows:

	Audited			Unaudited	Audited
	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2025**	**FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**
PAT	2,168	5,831	5,204	2,139	2,071
Less:					
Finance income	(14)	(58)	(39)	(16)	(7)
Add:					
Finance costs	1,206	735	474	248	175
Taxation	844	2,071	991	801	445
EBIT	**4,204**	**8,579**	**6,630**	**3,172**	**2,684**
Add:					
Depreciation	1,577	1,321	1,200	585	*903*
EBITDA	**5,781**	**9,900**	**7,830**	**3,757**	**3,587**

(c) Calculated based on GP divided by revenue.

(d) Calculated based on PBT divided by revenue.

(e) Calculated based on PAT divided by revenue.

(f) Calculated based on tax expenses divided by PBT.

(g) Calculated based on our PAT divided by the enlarged issued share capital of 468,769,000 Shares upon our Listing.

(h) Our diluted EPS is the same as our basic EPS following full conversion of the RCPS on 3 December 2025 as part of our pre-IPO restructuring exercise. As at the LPD, our Group does not have any outstanding convertible securities.

12.1.1.2 Historical combined statements of financial position

The following table sets out our combined statements of financial position as at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026:

	Audited			
	As at 31 December 2023	**As at 31 December 2024**	**As at 31 December 2025**	**As at 30 June 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
ASSETS				
Non-current assets				
PPE[(a)]	2,383	2,117	5,817	5,782
Right-of-use assets[(b)]	14,875	14,283	18,434	18,036
Total non-current assets	**17,258**	**16,400**	**24,251**	**23,818**
Current assets				
Inventories	3,319	3,577	3,835	3,690
Trade receivables	10,767	11,687	10,514	9,581
Other receivables	428	1,153	2,300	3,175
Tax recoverable	482	307	29	-
Cash and bank balances	3,031	7,597	6,888	7,857
Total current assets	**18,027**	**24,321**	**23,566**	**24,303**
TOTAL ASSETS	**35,285**	**40,721**	**47,817**	**48,121**
EQUITY AND LIABILITIES				
Equity				
Share capital	-	-	1	1
Invested equity[(c)]	2,500	7,500	10,600	10,600
RCPS[(d)]	-	1,000	-	-
Revaluation reserve	3,612	3,468	7,592	7,428
Foreign currency translation reserve	27	(63)	(72)	(71)
Retained earnings	6,735	10,009	14,372	16,607
Total equity	**12,874**	**21,914**	**32,493**	**34,565**
Non-current liabilities				
Loans and borrowings	8,844	7,658	5,960	5,564
Deferred tax liabilities	483	668	1,172	1,127
Other payables	6,384	-	-	-
Total non-current liabilities	**15,711**	**8,326**	**7,132**	**6,691**

	Audited			
	As at 31 December 2023	**As at 31 December 2024**	**As at 31 December 2025**	**As at 30 June 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current liabilities				
Loans and borrowings	1,852	1,617	1,611	816
Contract liabilities	-	-	134	31
Trade payables	2,558	4,415	2,559	4,591
Other payables	2,216	4,220	3,765	1,068
Tax payable	74	229	123	359
Total current liabilities	**6,700**	**10,481**	**8,192**	**6,865**
TOTAL LIABILITIES	**22,411**	**18,807**	**15,324**	**13,556**
TOTAL EQUITY AND LIABILITIES	**35,285**	**40,721**	**47,817**	**48,121**

Notes:

(a) Our PPE comprises the following:

PPE	**As at 31 December 2023**	**As at 31 December 2024**	**As at 31 December 2025**	**As at 30 June 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
– Capital work in progress	36	67	-	-
– Computer, furniture and fittings	155	119	128	105
– Office equipment, tooling and mould	103	67	195	170
– Electrical installation and building improvement	272	77	246	196
– R&D and manufacturing equipment	1,817	1,787	5,248	5,311
Total	**2,383**	**2,117**	**5,817**	**5,782**

The increase in net carrying value of our R&D and manufacturing equipment from RM1.8 million as at 31 December 2024 to RM5.2 million as at 31 December 2025 was mainly due to purchases of manufacturing equipment and machinery to set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antennas.

(b) Our rights-of-use assets comprise the following:

Rights-of-use assets	**As at 31 December 2024**	**As at 31 December 2024**	**As at 31 December 2025**	**As at 30 June 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
– Leasehold land	8,745	8,397	12,339	12,073
– Leasehold buildings	6,130	5,886	6,095	5,963
Total	**14,875**	**14,283**	**18,434**	**18,036**

The leasehold land and buildings held under our rights-of-use assets pertain to our Penang Factory. Please refer to Section 7.23.1 of this Prospectus for further details relating to our Penang Factory.

The increase in net carrying value of our rights-of-use assets was due to our Group's accounting policy to re-value our lands and buildings at least once every 5 years, to ensure that their respective net carrying value does not differ materially from the estimated fair value at the end of the reporting year/period.

We had, in FYE 2025, engaged KGV International Property Consultants (Pg) Sdn Bhd, an independent property valuer, to appraise the market value of our Penang Factory. Based on the valuation report dated 15 December 2025, the market value of our Penang Factory was approximately RM18.5 million, determined using the market approach as the primary method of valuation, with the income approach as the check method.

(c) The increase in our invested equity:

(1) from RM2.5 million as at 31 December 2023 to RM7.5 million as at 31 December 2024, was due to issuance of 5,000,000 new ET Shares at an issue price of RM1.00 per ET Share pursuant to the Capitalisation; and

(2) from RM7.5 million as at 31 December 2024 to RM10.6 million as at 31 December 2025, was due to full conversion of 387,500 RCPS into 387,500 new ET Shares at the conversion price of RM8.00 per ET Share pursuant to the conversion of RCPS.

(d) As set out in Section 6.2.1 of this Prospectus, Emits Technology had on 16 July 2024 entered into the RCPS Subscription Agreements with the Pre-Listing Investors for the RCPS Issuance.

Pursuant to the RCPS Issuance, Emits Technology had issued a total of 387,500 RCPS to the Pre-Listing Investors in the following manner:

	FYE 2024		**FYE 2025**	
Pre-Listing Investors	**No. of RCPS issued**	**RM'000**	**No. of RCPS issued**	**RM'000**
Lim Kean Yap	125,000	1,000	200,000	1,600
Tiong Keng Woo	-	-	62,500	500
Total	**125,000**	**1,000**	**262,500**	**2,100**

RCPS issued and paid-up value as at 31 December 2024

The RM1.0 million issued and paid-up value of RCPS, as reflected in our audited combined statements of financial position as at 31 December 2024, represents the allotment and issuance of 125,000 RCPS to Lim Kean Yap on 27 November 2024.

RCPS issued and paid-up value as at 31 December 2025

On 5 March 2025, Emits Technology issued the remaining 262,500 RCPS (equivalent to RM2.1 million) to the Pre-Listing Investors. In view of our Listing, on 3 December 2025, the Pre-Listing investors had fully converted all their RCPS held into new ET Shares. Following the full conversion of 387,500 RCPS into 387,500 new ET Shares, the entire issued and paid-up value of the converted RCPS of RM3.1 million was transferred to the ordinary issued share capital of Emits Technology, which in turn had led to the increase in our invested equity as elaborated in note (c)(2) above.

12.1.1.3 Historical combined statements of cash flows

The following table sets out our audited combined statements of cash flows of our Group for the Financial Years and Period Under Review:

	Audited			
	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Cash flows from operating activities				
PBT	3,012	7,902	6,195	2,516
Adjustments for:				
- Depreciation of PPE	986	730	592	505
- Depreciation of right-of-use assets	591	591	608	398
- Finance costs	1,206	735	474	175
- Finance income	(14)	(58)	(39)	(7)
- PPE written off	3	-	5	-
- Allowance for/(reversal of) expected credit loss on trade receivables	17	(55)	6	-
- Unrealised loss/(gain) on foreign exchange	397	(584)	1,142	(299)
Operating profit before working capital changes	**6,198**	**9,261**	**8,983**	**3,288**
Changes in working capital:				
- Decrease/(Increase) in inventories	3,852	(258)	(258)	146
- Decrease/(Increase) in trade and other receivables	405	(1,098)	(291)	281
- (Decrease)/Increase in trade and other payables	(1,380)	2,502	(981)	(730)
- Increase/(Decrease) in contract liabilities	-	-	135	(103)
Cash generated from operations	**9,075**	**10,407**	**7,588**	**2,882**
Tax paid	(435)	(1,556)	(1,278)	(225)
Tax refund	-	-	486	-
Interest received	14	27	23	7
Net cash from operating activities	**8,654**	**8,878**	**6,819**	**2,664**
Cash flows used in investing activities				
Acquisition of PPE	(100)	(464)	(4,298)	(470)
Interest received	-	31	16	-
Net cash used in investing activities	**(100)**	**(433)**	**(4,282)**	**(470)**
Cash flows used in financing activities				
Repayment to borrowings	(5,875)	(1,211)	(1,676)	(1,219)
Repayment to shareholder	-	(1,474)	-	-
Proceeds from RCPS	-	1,000	850	-
Proceeds from share application payment for RCPS		1,250		
Proceeds from share capital	-	-	1	-
Dividends paid	-	(2,700)	(1,000)	-
Interest paid	(895)	(645)	(474)	(175)
Net cash used in financing activities	**(6,770)**	**(3,780)**	**(2,299)**	**(1,394)**
Net increase in cash and cash equivalents	1784	4,665	238	800
Effect of exchange translation differences	251	(99)	(947)	169
Cash and cash equivalents at the beginning of the financial year/period	996	3,031	7,597	6,888
Cash and cash equivalents at the end of the financial year/period	**3,031**	**7,597**	**6,888**	**7,857**

12.2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read together with our Accountants' Report in Section 13 of this Prospectus.

The management's discussion and analysis contain data derived from forward-looking statements that involve risks and uncertainties. Actual results may differ significantly from those projected in these forward-looking statements. Factors that may cause actual results to differ significantly from those included in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Prospectus, particularly the risk factors as set out in Section 9 of this Prospectus.

12.2.1 Overview of Our Operations

(a) Principal activities

We are an OEM service provider, where we specialise in the provision of end-to-end manufacturing services for passive antennas comprising design, procurement, production, assembly and testing services. We carry out our manufacturing services on behalf of brand or product owners (who are mostly telecommunication companies) and for EMS providers.

During the Financial Years and Period Under Review, our key product offerings were LMR antenna, Embedded antenna and Dome antenna. LMR antennas were our main products sold, which accounted for 91.2%, 93.5%, 91.6% and 95.5% of our Group's revenue in the FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively.

We bill our customers based on actual sales volume and we typically price our products using the 'cost-plus' model, where we add a predetermined mark-up to our product's estimated unit cost.

Unit costs of our products mainly comprise the direct costs that we incur at production stage i.e. input material costs, factory overheads and labour costs. Our mark-up is determined based on various commercial factors such as complexity of the design, production, assembly and testing services, volume of mass production as well as our length and working relationships with our customers.

Our selling prices are mostly quoted on a free-carrier basis and will usually remain the same for subsequent purchase orders of the same products placed by our customers in the next 6 to 12 months. For "free-carrier basis" arrangement, we are responsible for delivering the finished antenna products to the specified carrier where we bear the transportation costs (which include general freight insurance coverage by our appointed logistic service providers) up to the point of loading the products on board of the carrier vessel. Subsequent thereto, our customers are responsible for bearing all associated shipment, insurance and other landed costs thereafter.

Revenue from sale of manufactured goods is recognised at a point in time when control of the products has been transferred, being when our customer accepts the delivery of goods. Our revenue is mainly invoiced in USD.

Please refer to Section 7 of this Prospectus for further information on our Group's business activities.

(b) Significant events subsequent to FPE 2026

Save for the Acquisition and Share Split, which have been completed as at the LPD, there are no other significant events occurring subsequent to the FPE 2026.

(c) Exceptional and extraordinary items

There were no exceptional or extraordinary items during the Financial Years and Period Under Review.

(d) Audit qualifications

Our audited combined financial statements for the Financial Years and Period Under Review were not subject to any audit qualifications.

(e) Significant accounting estimates and judgements

Our material accounting policies are set out in Note 3 of our Accountants' Report in Section 13 of this Prospectus.

The summary of significant accounting judgments, estimates and assumptions made in applying our accounting policies are set out in Note 2(c) of the Accountants' Report.

Save as disclosed in Note 2(c) of the Accountants' Report, there are no other key assumptions made concerning the future and other key sources of estimation or uncertainty for the Financial Years and Period Under Review that may have a significant risk of causing a material adjustment to the carrying amounts of our Group's assets and liabilities in the FPE 2026.

(f) Significant factors affecting our business

Section 9 of this Prospectus sets out key risk factors relating to our business and the industry in which we operate. Some of these key risk factors may have an impact to our Group's revenue and financial performance. The key risk factors that may affect our revenue and profit include, but are not limited to, the following:

(1) We are highly dependent on Motorola Group as it accounts for a significant portion of our Group's revenue and the loss of this major customer could materially and adversely impact our business and future financial performance

We are highly dependent on Motorola Group as it accounted for a significant portion of our revenue. During the Financial Years and Period Under Review, Motorola Group was our largest customer, accounted for approximately 65.6%, 80.5%, 72.9% and 78.1% of our revenue in the FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively.

While we have been able to maintain a long-term business relationship with Motorola Group of approximately 10 years, there is no assurance that we can continue to retain Motorola Group or that Motorola Group be able to still contribute to the level of our revenue in the future.

Loss of Motorola Group as a major customer of our Group could adversely and significantly affect our business and future financial performance, as there is no certainty that we will be able to secure new customers who can contribute similar levels of revenue vis-a-vis Motorola Group, or increase sales from existing customers to substitute for the loss of revenue from Motorola Group in a timely manner.

(2) We are exposed to foreign exchange risks

Our Group is subject to foreign exchange rate risks as a proportion of our sales and purchases are transacted in foreign currencies, mainly the USD and TWD.

During the Financial Years and Period Under Review, our revenue transacted in USD collectively accounted for approximately 99.9%, 100.0%, 99.8% and 99.9% of our total revenue. As such, our Group is exposed to the risks of foreign exchange rate, where the value of our net cash proceeds in USD may be lower in the event there being a significant appreciation in RM against USD. Please refer to Section 12.10.1 of this Prospectus for the breakdown of our sales and purchases by currency denomination over the Financial Years and Period Under Review.

We primarily manage our foreign currency risks mainly through natural hedging, where we utilise our sales proceeds in USD for payment to our suppliers that require us to settle their invoices in USD. In addition, since FYE 2021, our Group has obtained a USD forward contracts from a licensed local financial institution to enable us to hedge our exposure against the USD-denominated trade receivables. Our Group utilises these hedging instruments on a discretionary basis (i.e when the foreign currency rate is deemed not favourable to our Group). As at the LPD, our Group has outstanding forward currency contracts of approximately USD0.5 million (or equivalent to RM2.0 million).

Notwithstanding the above strategies, there is no assurance that we are able to manage our foreign exchange rate risks effectively moving forward.

(3) We are exposed to risks of defects liabilities claims

Generally, our products are subject to a warranty period of up to 18 months from the date of product delivery to our customers. If there being a material defect in our products such as defects in design, materials, workmanship or label, we are required to, at our own costs, replace or repair the defective products within the warranty period.

As such, in the event of a substantial defect in our products, we may have to incur significant repair or replacement costs to rectify the defects, which in turn will erode our profitability.

(4) We are subject to credit risks from impairment loss and non-collection of trade receivables

We generally grant our customers credit periods of between 30 to 90 days to settle our invoices after due credit assessment and approval processes. During the Financial Years and Period Under Review, our trade receivables comprised a significant portion of our total assets as follows:

	FYE 2023		FYE 2024		FYE 2025		FPE 2026	
	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Trade receivables	10,767	30.5	11,687	28.7	10,514	22.0	9,581	19.9
Total assets	35,285		40,721		47,818		48,121	

If our customers delay payment in part or at all, our cash flows for working capital purposes may be adversely affected. Further, if we are unable to collect adequate payments from our customers on a timely basis, or effectively manage our past due debts, our profitability due to impairment loss and cash flows may be adversely affected.

(5) We require adequate supply of input materials and at competitive prices

We require various input materials to undertake our production activities. The market price of our input materials may increase over time due to various market factors such as inflation, foreign exchange rate, as well as prevailing supply and demand conditions. In the event of a material increase in the market price of our input materials and we are unable to pass on such price increase to our customers, our profit margin may decline.

(6) We are dependent on the end-user markets of our customers

Due to the nature of our business activities as an OEM service provider, our business is dependent on the purchase orders of our customers, which in turn is dependent on the end-user's demand for the telecommunication products of our customers.

Significant or prolonged decline in end-user's demand for the telecommunication products of our customers may lead to lower purchase orders from our customers, which in turn may have an adverse impact on our production volume, revenue and future financial performance.

(7) We may be adversely affected by changes in the general economic, regulatory, political and social conditions and developments in Malaysia and in the export markets where we operate

During the Financial Years and Period Under Review, majority of our revenue were generated from foreign sales markets, whereby revenue from foreign sales markets comprised approximately 76.6%, 82.2%, 79.2% and 84.1% of our Group's revenue in the FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively. Our largest foreign sales market was the USA, followed by Germany and Hong Kong. Please refer to Section 12.2.2(iii) of this Prospectus for the breakdown of our sales by geographical location.

We expect to continue deriving a significant portion of our revenue from the foreign markets. Thus, our financial condition and results of operations could be adversely affected by a variety of geopolitical factors such as:

- Trade protection measures and import or export licensing requirements;
- Political and economic instability, such as global and regional macroeconomic disruptions, natural calamities, epidemics, supply chain disruptions and other such risks;
- Differences in enforcing contracts and collecting trade receivables as a result of physical distance and different legal rules;
- Differences in governing laws and regulations such as taxation, logistic and customs requirements; and
- Risks with respect to social and political crises resulting from war and terrorism, amongst others.

As regulatory landscape may change from time to time, there is no certainty that there will not be any other adverse and unfavourable changes in regulatory policy which may have a negative impact to our business operations.

In FYE 2025, our Group experienced a lower demand from customers based in the USA, mainly due to the reciprocal tariff framework imposed by the government of the USA on products imported from Malaysia. Please refer to Section 12.2.2 of this Prospectus for further details.

12.2.2 Revenue

(i) Segmental revenue by product category

Set out below is our segmental revenue analysis by product category:

	Audited					
	FYE 2023		FYE 2024		FYE 2025	
Product category	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
LMR antenna[(a)]	29,212	91.2	38,335	93.5	36,300	91.6
Embedded antenna	1,307	4.1	1,451	3.5	883	2.2
Dome antenna	794	2.5	650	1.6	1,510	3.8
Others[(b)]	695	2.2	555	1.4	955	2.4
Total revenue	**32,008**	**100.0**	**40,991**	**100.0**	**39,648**	**100.0**

	Unaudited		Audited	
	FPE 2025		FPE 2026	
Product category	**RM'000**	**%**	**RM'000**	**%**
LMR antenna[(a)]	18,897	93.3	17,337	95.5
Embedded antenna	596	2.9	287	1.6
Dome antenna	454	2.2	-	-
Others[(b)]	318	1.6	526	2.9
Total revenue	**20,265**	**100.0**	**18,150**	**100.0**

Notes:

(a) Sales of LMR antenna can be further segregated into the following sub-category:

Breakdown	**FYE 2023 RM'000**	**FYE 2024 RM'000**	**FYE 2025 RM'000**
– LMR antenna	27,977	36,930	34,270
– Prototypes for LMR antenna	505	624	1,106
– Tooling for LMR antenna	730	781	924
Total	**29,212**	**38,335**	**36,300**

Breakdown	**FPE 2025 RM'000**	**FPE 2026 RM'000**
– LMR antenna	17,120	17,016
– Prototypes for LMR antenna	851	156
– Tooling for LMR antenna	926	165
Total	**18,897**	**17,337**

(b) Comprise mainly metal stamped antenna (a type of antenna created by precisely stamping a thin sheet of metal into a specific shape) and industrial wireless antenna, which are not our key product offering.

12. FINANCIAL INFORMATION (cont'd)

Set out below is our segmental sales volume analysis by product category:

Product category	FYE 2023 Unit '000	FYE 2024 Unit '000	FYE 2025 Unit '000
LMR antenna[(a)]			
- Motorola Group	1,373	2,027	1,762
- Customer B Group	95	60	85
- Customer C Group	106	48	58
- BK Technologies, Inc	44	21	40
- Customer A	23	10	29
- Other customers	63	138	71
	1,704	2,304	2,045
Embedded antenna	447	520	313
Dome antenna	4	3	13
Others	407	212	638
Total units sold	**2,562**	**3,039**	**3,009**

Product category	FPE 2025 Unit '000	FPE 2026 Unit '000
LMR antenna[(a)]		
- Motorola Group	823	952
- Customer B Group	46	79
- Customer C Group	10	9
- BK Technologies, Inc	23	10
- Customer A	17	9
- Other customers	38	74
	957	1,133
Embedded antenna	219	86
Dome antenna	2	-
Others	202	271
Total units sold	**1,380**	**1,490**

Note:

(a) Excludes sales of prototype (as they are pre-production items) and tooling for LMR antenna (as they are mainly tools used in antenna manufacturing).

(ii) Segmental revenue by product applications

Set out below is our segmental revenue analysis by type of product applications:

	Audited					
	FYE 2023		FYE 2024		FYE 2025	
Product applications	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Public service and consumer electronics	31,111	97.2	40,054	97.7	38,041	96.0
Automotive electronics	794	2.5	650	1.6	1,510	3.8
Industrial wireless electronics	103	0.3	287	0.7	97	0.2
Total revenue	**32,008**	**100.0**	**40,991**	**100.0**	**39,648**	**100.0**

	Unaudited		Audited	
	FPE 2025		FPE 2026	
Product applications	**RM'000**	**%**	**RM'000**	**%**
Public service and consumer electronics	19,763	97.5	17,950	98.9
Automotive electronics	454	2.3	-	-
Industrial wireless electronics	48	0.2	200	1.1
Total revenue	**20,265**	**100.0**	**18,150**	**100.0**

(iii) Segmental revenue by geographical location

Set out below is our segmental revenue analysis by geographical location:

	Audited					
	FYE 2023		FYE 2024		FYE 2025	
Geographical location	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
Malaysia	7,489	23.4	7,304	17.8	8,235	20.8
Overseas						
- USA	16,550	51.7	26,279	64.1	24,724	62.4
- Germany	4,959	15.5	4,665	11.4	4,130	10.4
- Hong Kong	1,742	5.4	1,084	2.6	1,613	4.1
- China	634	2.0	700	1.7	669	1.7
- United Kingdom	594	1.9	938	2.3	258	0.6
- Mexico	14	*	21	0.1	6	*
- South Korea	26	0.1	-	-	11	*
- Vietnam	-	-	-	-	2	*
	24,519	76.6	33,687	82.2	31,413	79.2
Total revenue	**32,008**	**100.0**	**40,991**	**100.0**	**39,648**	**100.0**

	Unaudited		Audited	
	FPE 2025		FPE 2026	
Geographical location	**RM'000**	**%**	**RM'000**	**%**
Malaysia	4,048	20.0	2,882	15.9
Overseas				
- USA	12,856	63.4	10,871	59.9
- Germany	1,975	9.8	2,634	14.5
- Hong Kong	942	4.7	1,385	7.6
- China	224	1.1	167	0.9
- United Kingdom	208	1.0	200	1.1
- Mexico	3	*	-	-
- South Korea	9	*	11	0.1
- Vietnam	-	-	-	-
	16,217	80.0	15,268	84.1
Total revenue	**20,265**	**100.0**	**18,150**	**100.0**

Note:

* Less than 0.1%.

12. FINANCIAL INFORMATION (cont'd)

Our revenue is mostly invoiced in the USD. Set out below is the breakdown of our revenue by transacting currency over the Financial Years and Period Under Review:

	Audited					
Breakdown of revenue by currency	**FYE 2023**		**FYE 2024**		**FYE 2025**	
	RM'000	**USD'000**	**RM'000**	**USD'000**	**RM'000**	**USD'000**
- USD-denominated	31,994	7,064	40,991	9,014	39,571	9,308
- RM	14		-		77	
Total revenue	**32,008**		**40,991**		**39,648**	

	Unaudited		Audited	
Breakdown of revenue by currency	**FPE 2025**		**FPE 2026**	
	RM'000	**USD'000**	**RM'000**	**USD'000**
- USD-denominated	20,204	4,568	18,132	4,550
- RM	61		18	
Total revenue	**20,265**		**18,150**	

The average RM/USD exchange rate applied by our Group for translation of our USD-denominated revenue during the Financial Years and Period Under Review is as follows:

Our Group	**FYE 2023**	**FYE 2024**	**FYE 2025**	**FPE 2025**	**FPE 2026**
Average RM/USD exchange rate applied during the Financial Years and Period Under Review for translation of our USD-denominated revenue	4.529	4.548	4.251	4.423	3.985

For information purposes, the average RM/USD exchange rate applied by our Group for translation of our USD-denominated revenue during the respective Financial Years and Period Under Review is broadly in line with the average market RM/USD exchange rate in the respective Financial Years and Period Under Review, as follows:

Market	**FYE 2023**	**FYE 2024**	**FYE 2025**	**FPE 2025**	**FPE 2026**
Average market RM/USD exchange rate during the Financial Years and Period Under Review	4.566	4.573	4.283	4.379	3.986

(Source: Bloomberg)

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12. FINANCIAL INFORMATION (cont'd)

FYE 2024 as compared to FYE 2023

Our revenue increased by RM9.0 million or 28.1% in the FYE 2024, from RM32.0 million in the FYE 2023 to RM41.0 million in the FYE 2024, mainly due to higher revenue from sales of LMR and Embedded antennas, as elaborated below:

(i) LMR antenna

Our revenue from sales of LMR antennas increased by RM9.1 million or 31.2% in the FYE 2024, from RM29.2 million in the FYE 2023 to RM38.3 million, mainly attributable to higher sales to Motorola Group by RM12.0 million, from RM21.0 million in the FYE 2023 to RM33.0 million in the FYE 2024.

Sales volume of LMR antennas increased by 0.60 million units in the FYE 2024, from 1.70 million units in the FYE 2023 to 2.30 million units in the FYE 2024, mainly attributable to higher sales volume to Motorola Group by 0.65 million units, from 1.37 million units in the FYE 2023 to 2.03 million units in the FYE 2024.

The higher sales volume of LMR antennas to Motorola Group was mainly due to mass production of new LMR antennas models developed in the FYE 2023, as well as higher sales orders for certain existing models. The higher demand from Motorola Group could potentially due to higher end-user's demand for its telecommunication products.

(ii) Embedded antenna

Our revenue from sales of Embedded antennas increased by RM0.1 million or 11.0% in the FYE 2024, from RM1.3 million in the FYE 2023 to RM1.5 million in the FYE 2024, mainly attributable to higher sales of Embedded antenna to Customer C Group, from RM0.5 million in the FYE 2023 to RM0.8 million in the FYE 2024.

Sales volume of Embedded antennas increased by 0.07 million units, from 0.45 million units in the FYE 2023 to 0.52 million units in the FYE 2024. The increase was mainly attributable to higher sales volume of existing portfolio of Embedded antenna models, mainly due to higher demand from Customer C Group.

(iii) Dome antenna

Our revenue from sales of Dome antennas declined by RM0.1 million or 18.1% in the FYE 2024 as compared to the FYE 2023. The decrease was mainly attributable to lower sales volume of existing portfolio of Dome antenna models, mainly due to lower demand from existing customers, mainly Customer E.

In terms of revenue by geographical region, USA was our largest sales market in the FYE 2024, which accounted for 64.1% of our revenue, followed by Malaysia (17.8%) and Germany (11.4%). The higher revenue contribution from USA sales market was mainly due to higher demand from the Motorola Group.

Notwithstanding higher revenue contribution from USA sales market, revenue contribution from Hong Kong sales market declined by RM0.7 million. The lower revenue contribution from Hong Kong sales market was mainly due to lower sales orders for LMR antennas from Customer B Group.

12. FINANCIAL INFORMATION (cont'd)

FYE 2025 as compared to FYE 2024

On 2 April 2025, the government of USA announced the imposition of reciprocal tariffs on global imports at varying rates, initially subjecting Malaysian exports to a 24.0% duty. Following negotiations between the government of Malaysia and the government of USA, the tariff rate for Malaysia was revised downward to 19.0%, effective from 1 August 2025. In February 2026, the government of USA announced a worldwide tariff of up to 15% for 150 days, following the USA's Supreme Court ruling invalidating the previous tariff imposed by the government of USA. Subsequently, on 24 July 2026, the government of USA imposed a 10% tariff on Malaysian exports effective from 24 July 2026.

The reciprocal tariff framework had caused economic uncertainty, potentially had prompted our USA based customers to be more conservative in forecasting end-user demand for their telecommunication products, leading to an overall slowdown in demand from them.

In the FYE 2025, our Group's revenue decreased by RM1.3 million or 3.3%, from RM41.0 million in the FYE 2024 to RM39.6 million in the FYE 2025. The decrease was mainly due to lower revenue from sales of LMR antennas and Embedded antennas, as elaborated below:

(i) LMR antenna

Our revenue from sales of LMR antennas decreased by RM2.0 million or 5.3% in the FYE 2025, from RM38.3 million in the FYE 2024 to RM36.3 million in the FYE 2025, mainly attributable to lower sales to Motorola Group by RM4.1 million, from RM33.0 million in the FYE 2024 to RM28.9 million in the FYE 2025.

Sales volume of LMR antennas decreased by 0.26 million units, from 2.30 million units in the FYE 2024 to 2.04 million units in the FYE 2025, mainly attributable to lower sales volume to Motorola Group by 0.27 million units, from 2.03 million units in the FYE 2024 to 1.76 million units in the FYE 2025.

The lower sales volume to Motorola Group was mainly due to lesser new product development in the FYE 2024, which in turn had resulted in lower mass production volume of new models of LMR antennas to Motorola Group, as well as lesser sales orders of existing LMR antennas models from Motorola Group.

(ii) Embedded antenna

Our revenue from sales of Embedded antennas declined by RM0.6 million or 39.1% in the FYE 2025, from RM1.5 million in the FYE 2024 to RM0.9 million in the FYE 2025, mainly due to lower sales of Embedded antenna to Customer C Group, from RM0.8 million in the FYE 2024 to RM0.3 million in the FYE 2025.

Sales volume of Embedded antennas decreased by 0.21 million units, from 0.52 million units in the FYE 2024 to 0.31 million units in the FYE 2025, was mainly due to lower sales volume of existing portfolio of Embedded antenna models, mainly due to lower demand from Customer C Group.

(iii) Dome antenna

Our revenue from sales of Dome antennas increased by RM0.9 million or 132.3% in the FYE 2025 as compared to the FYE 2024, mainly attributable to higher sales volume of Dome antenna by 0.01 million units. The increase was mainly due to higher sales order for existing portfolio of Dome antenna models, mainly due to higher demand from Customer E.

In terms of revenue by geographical region, USA continues to be our largest sales market which accounted for 62.4% of our revenue in the FYE 2025, followed by Malaysia (20.8%) and Germany (10.4%).

Although USA was our largest sales market, revenue from the USA sales market was RM1.6 million or 5.9% lower in the FYE 2025 as compared to the FYE 2024. The decrease was mainly due to lower sales volume of LMR antennas to our customers based in the USA, mainly due to the adverse effects from the new reciprocal tariff framework that took effect in the FYE 2025.

Effect of lower revenue contribution from USA sales market was partially offset by higher revenue generated from Hong Kong sales market by RM0.5 million. The higher revenue contribution from Hong Kong sales market was mainly due to higher sales volume of LMR antennas to Customer B Group.

FPE 2026 as compared to the FPE 2025

As elaborated above, our Group's revenue is mainly invoiced in USD. During the FPE 2026, our Group recorded a fairly consistent USD-denominated revenue of USD4.55 million as compared to the FPE 2025 of USD4.57 million, as follows:

Revenue	**FPE 2025**	**FPE 2026**
– USD (USD'000)	4,568	4,550
– RM equivalent (RM'000)	20,204	18,132
Average exchange rate (RM/USD)	**4.423**	**3.985**

However, mainly due to lower average RM/USD exchange rate for translation of our USD-denominated revenue in FPE 2026 of RM3.985/USD as compared to RM4.423/USD, our Group's revenue in the FPE 2026 was RM2.1 million or 10.3% lower as compared to the FPE 2025. Financial commentaries on segmental revenue analysis by product category are as follows:

(i) LMR antenna

Revenue from sales of LMR antennas decreased by RM1.6 million or 8.3% in the FPE 2026 as compared to the FPE 2025. The decrease was mainly due to the following key factors:

- lower RM/USD exchange rate

  In the FPE 2026, our Group recorded higher sales volume of LMR antennas by 0.18 million units as compared to the FPE 2025. However, due to lower average RM/USD exchange rate in the FPE 2026, RM equivalent revenue from sales of LMR antennas was lower as compared to FPE 2025.

- lower revenue from sales of prototypes and tooling for LMR antenna

  In the FPE 2026, our Group recorded lower revenue from sales of prototypes and tooling for LMR antenna by RM1.5 million, mainly due to lesser product development requests from our customers. The decrease was mostly due to some of our customers' decision to repurpose the existing models of our LMR antennas for use in their new model of telecommunication products, instead of new development of LMR antennas with different specifications.

12. FINANCIAL INFORMATION (cont'd)

(ii) Embedded antenna

Revenue from sales of Embedded antennas decreased by RM0.3 million or 51.9% to RM0.3 million in the FPE 2026, mainly due to lower demand from Customer C Group.

(iii) Dome antenna

Our Group did not generate any revenue from sales of Dome antennas in the FPE 2026 mainly due to absence of purchase orders from Customer D and Customer E.

In terms of revenue by geographical region, USA continues to be our largest sales market which accounted for 59.9% of our Group's revenue in the FPE 2026, followed by Malaysia (15.9%) and Germany (14.5%).

Although USA was our largest sales market, revenue from USA sales market was RM2.0 million or 15.4% lower as compared to FPE 2025. The decline was mainly due to lower sales volume to certain customers in the USA, as a result of, amongst others, the USA reciprocal tariffs framework that took place in FYE 2025.

Effect of lower revenue contribution from the USA sales market was partially offset by higher revenue generated from Germany and Hong Kong sales market by RM0.7 million and RM0.4 million respectively. The higher revenue contribution from Germany and Hong Kong sales market was mainly due to higher sales volume of LMR antennas to a subsidiary of Motorola based in Germany and the Customer B Group.

For information, although we have set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antennas, our Group has yet to generate revenue from this new product category as we are still in the midst of discussion with CCI for manufacturing of 5G base station antennas on an OEM basis. As set out in Section 7.18.1 of this Prospectus, as at the LPD, other than CCI, we have not been commissioned by any other potential customers for manufacturing of 5G base station antennas.

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12.2.3 COS

Our COS mainly comprise the following:

(i) Input materials

We require various input materials for our production activities. Our input material costs comprise the following:

(a) raw material costs for our production activities such as:
   (1) connectors;
   (2) PCBs;
   (3) antenna radiators;
   (4) metal stamping parts;
   (5) resins;
   (6) flexible circuits;
   (7) cables; and
   (8) subcontracted service fees (such as PCBA assembly services by Sunlite Electronic (Malaysia) Sdn Bhd, a major supplier); and

(b) OEM manufacturing fees to Jy Chyun (which includes supply of necessary raw materials) for performing OEM services at our Taiwan Assembly Line on our behalf.

(ii) Labour supply costs

Our assembly process is labour intensive as it requires the use of several tools and equipment to fabricate and combine various sub-assemblies into a single item.

We engage third party manpower service providers to provide us with contract workers (all Malaysians) to undertake the manual assembly works at our Penang Factory such as manual parts assembling, injection moulding, testing, visual inspection and packaging works.

Labour supply costs thereby refer to the service fees that we paid to third party manpower service providers for supplying contract workers to us. Generally, these labour supply costs are fixed payment agreed upfront with the service providers on a monthly basis. Our labour supply costs are mainly quoted by the service providers based on the number of headcounts that we request from them during the servicing month. All works performed by the contract workers are strictly under our supervision.

(iii) Direct staff costs

Direct staff costs comprise mainly salaries, wages, allowances, statutory contributions and other staff-related costs incurred for our direct staff.

Our direct staff mainly comprise engineers, supply chain and production personnel as well as managers and supervisors who directly oversee the overall manufacturing and production activities of our Group.

(iv) Factory overheads

Factory overheads mainly consist of utility charges as well as, general upkeep and maintenance costs for our Penang Factory. There were no material changes in the factory overheads of our Penang Factory over the Financial Years and Period Under Review.

12. FINANCIAL INFORMATION (cont'd)

Our COS generally varies from year to year as they are dependent on, amongst others, the level of our production activities and sales volume during the respective Financial Years and Period Under Review. Set out below is the analysis of our COS.

(i) Analysis of COS by cost items

Set out below is the breakdown of our COS by cost items:

	Audited					
	FYE 2023		FYE 2024		FYE 2025	
Cost items	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
- **Input materials**						
• Materials	15,725	65.8	17,370	60.7	16,874	59.1
• OEM manufacturing fees to Jy Chyun for our Taiwan Assembly Line	824	3.4	2,096	7.3	2,046	7.2
	16,549	**69.2**	**19,466**	**68.0**	**18,920**	**66.3**
- Labour supply costs	3,182	13.3	4,287	15.0	4,573	16.0
- Direct staff costs	3,018	12.6	3,553	12.5	3,526	12.4
- Factory overheads						
• Utility charges	493	2.1	532	1.9	561	2.0
• Upkeep and maintenance	293	1.2	375	1.3	476	1.7
• Depreciation expenses	229	1.0	209	0.7	217	0.7
• Others[(a)]	143	0.6	188	0.6	254	0.9
	1,158	**4.9**	**1,304**	**4.5**	**1,508**	**5.3**
Total COS	**23,907**	**100.0**	**28,610**	**100.0**	**28,527**	**100.0**

	Unaudited		Audited	
	FPE 2025		FPE 2026	
Cost items	**RM'000**	**%**	**RM'000**	**%**
- **Input materials**				
• Materials	8,537	59.1	8,080	60.7
• OEM manufacturing fees to Jy Chyun for our Taiwan Assembly Line	975	6.7	624	4.7
	9,512	**65.8**	**8,704**	**65.4**
- Labour supply costs	2,403	16.6	1,992	15.0
- Direct staff costs	1,809	12.5	1,746	13.1
- Factory overheads				
• Utility charges	299	2.1	254	1.9
• Upkeep and maintenance	207	1.4	192	1.4
• Depreciation expenses	103	0.7	293	2.2
• Others[(a)]	120	0.9	128	1.0
	729	**5.1**	**867**	**6.5**
Total COS	**14,453**	**100.0**	**13,309**	**100.0**

Note:

(a) Comprise mainly annual subscription fees for computer software used in our manufacturing activities and insurance premiums for our Penang Factory, stock, machinery and equipment.

(ii) Analysis of COS by product category

Set out below is the breakdown of our COS by product category:

	Audited					
	FYE 2023		**FYE 2024**		**FYE 2025**	
Product category	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
- LMR antenna	21,521	90.0	26,400	92.3	25,710	90.1
- Embedded antenna	1,098	4.6	1,125	3.9	723	2.5
- Dome antenna	759	3.2	633	2.2	1,368	4.8
- Others	529	2.2	452	1.6	726	2.6
Total COS	**23,907**	**100.0**	**28,610**	**100.0**	**28,527**	**100.0**

	Unaudited		Audited	
	FPE 2025		**FPE 2026**	
Product category	**RM'000**	**%**	**RM'000**	**%**
- LMR antenna	13,354	92.4	12,646	95.0
- Embedded antenna	472	3.2	237	1.8
- Dome antenna	371	2.6	-	-
- Others	256	1.8	426	3.2
Total COS	**14,453**	**100.0**	**13,309**	**100.0**

FYE 2024 as compared to FYE 2023

Our Group's COS increased by RM4.7 million or 19.7% to RM28.6 million in the FYE 2024 as compared to the FYE 2023.

The increase in COS was mainly due to higher production activities arising from higher sales volume of antennas in the FYE 2024, as elaborated below:

(a) input materials cost increased by RM2.9 million or 17.6%

The increase was mainly due to higher purchase volume of input materials to facilitate higher production activities and sales volume. For reference, in the FYE 2024, sales volume of LMR antennas, our key product, was 0.60 million units higher as compared to the FYE 2023.

(b) labour supply costs increased by RM1.1 million or 34.7%

The increase was mainly due to higher number of contract workers sourced to support higher production activities and sales volume. For reference, in the FYE 2024, our Group sourced an average monthly headcount of 139 contract workers at our Penang Factory (FYE 2023: 99 workers); and

(c) direct staff costs increased by RM0.5 million or 17.7%

The increase was mainly due to the following key factors:

(1) annual salary adjustment and higher bonus to our engineers and production staff in tandem with the increase in our revenue; and

(2) 1 additional production staff hired.

On an overall basis, higher input material costs, labour supply costs and direct staff costs were the main contributing factors leading to the overall increase in our COS, which was in tandem with our revenue growth in the FYE 2024.

12. FINANCIAL INFORMATION (cont'd)

FYE 2025 as compared to FYE 2024

Our Group's COS decreased by RM0.1 million or 0.3% to RM28.5 million in the FYE 2025 as compared to the FYE 2024.

The decrease in COS was mainly due to lower production activities arising from lower sales volume of antennas in the FYE 2025, as elaborated below:

(a) input materials costs decreased by RM0.5 million or 2.8%

The decrease was mainly due to lower purchase volume of input materials for our production activities, due to lower sales volume of antennas. For reference, in the FYE 2025, sales volume of LMR antennas, our key product, was 0.26 million units lower as compared to FYE 2024.

(b) labour supply costs increased by RM0.3 million or 6.7%

In the FYE 2025, our Group sourced an average monthly headcount of 131 contract workers at our Penang Factory (FYE 2024: 139 workers). The lower number of contract workers sourced in FYE 2025 was due to lower production activities.

Despite lower number of contract workers sourced, our Group incurred higher labour supply costs in the FYE 2025 as compared to the FYE 2024, mainly due to higher statutory minimum wage rate of labour in Malaysia effective from 1 February 2025, from RM1,500 per month to RM1,700 per month.

(c) factory overheads increased by RM0.2 million or 15.6%

The increase was mainly due to higher upkeep and maintenance costs for our machinery and equipment by RM0.1 million, as we acquired additional machinery and equipment to set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antennas.

On an overall basis, the effects of lower input material costs were partially offset by higher labour supply costs and factory overheads incurred.

FPE 2026 as compared to FPE 2025

Our Group's COS decreased by RM1.1 million or 7.9% to RM13.3 million in the FPE 2026 as compared to the FPE 2025, mainly due to net effects of the following key factors:

(a) input materials costs decreased by RM0.8 million or 8.5%

As elaborated earlier, during the FPE 2026, the USD had weakened against RM. As some of our input materials were purchased in the USD, the lower RM/USD exchange rate had resulted in lower input materials cost when translated into RM.

(b) labour supply costs decreased by RM0.4 million or 17.1%

The decrease was mainly due to lower number of contract workers sourced to support our production activities. For reference, in the FPE 2026, our Group sourced an average monthly headcount of 117 contract workers at our Penang Factory (FPE 2025: 140 workers).

(c) factory overheads increased by RM0.1 million or 18.9%

The increase was mainly due to higher depreciation charges arising from the additional machinery and equipment acquired in FYE 2025 to set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antennas.

12. FINANCIAL INFORMATION (cont'd)

12.2.4 GP and GP margin

Our GP varies from year to year, dependent on, amongst others, our product selling prices, volume sold, COS incurred and sales mix. We typically undertake high mix low volume manufacturing services.

Our GP margin also varies from year to year, dependent on, amongst others, our product selling prices, COS incurred and sales mix. During the Financial Years and Period Under Review, our GP margin was mostly affected by COS incurred, as there were no significant changes in our product selling prices. Set out below is the analysis of our GP and GP margin.

	Audited					
	FYE 2023		FYE 2024		FYE 2025	
	GP	GP Margin	GP	GP Margin	GP	GP Margin
Product category	RM'000	%	RM'000	%	RM'000	%
- LMR antenna	7,691	26.3	11,935	31.1	10,590	29.2
- Embedded antenna	209	16.0	326	22.5	160	18.1
- Dome antenna	35	4.4	17	2.6	142	9.4
- Others	166	23.9	103	18.6	229	24.0
Group	**8,101**	**25.3**	**12,381**	**30.2**	**11,121**	**28.0**

	Unaudited		Audited	
	FPE 2025		FPE 2026	
	GP	GP Margin	GP	GP Margin
Product category	RM'000	%	RM'000	%
- LMR antenna	5,543	29.3	4,691	27.1
- Embedded antenna	124	20.8	50	17.4
- Dome antenna	83	18.3	-	-
- Others	62	19.5	100	19.0
Group	**5,812**	**28.7**	**4,841**	**26.7**

As shown above, LMR antennas was our largest GP contributor, accounted for approximately 94.9%, 96.4%, 95.2% and 96.9% of our total GP in the FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively.

As LMR antennas were our largest GP contributor, our Group's GP margin was mainly driven by the revenue and profitability from sales of LMR antennas.

12. FINANCIAL INFORMATION (cont'd)

FYE 2024 as compared to FYE 2023

(i) GP

Our GP increased by RM4.3 million or 52.8% to RM12.4 million in the FYE 2024, mainly due to higher revenue recorded by RM9.0 million in the FYE 2024.

The reasons for the increase in revenue during the FYE 2024 are set out in Section 12.2.2 above.

(ii) GP margin

Our GP margin increased from 25.3% in the FYE 2023 to 30.2% in the FYE 2024, mainly due to higher GP margin recorded from sales of LMR antennas.

The increase in GP margin from sales of LMR antennas, from 26.3% in the FYE 2023 to 31.1% in the FYE 2024, was mainly due to the following key factors:

- higher economies of scale

  In the FYE 2024, our Group recorded higher sales volume of LMR antennas by 0.60 million units. The larger production scale had resulted in higher economies of scales, as we were able to:

  (a) negotiate for lower purchase price of input materials from our network of suppliers, due to our higher purchase volume of input materials; and

  (b) achieve higher production output and efficiency from mass production of larger volume of LMR antennas using our existing direct staff force and production lines.

- strengthening of USD against RM

  Our revenue is mostly transacted in USD and a portion of our COS, particularly our labour supply costs and our direct staff costs, are transacted in RM.

  During the FYE 2024, the average RM/USD exchange rate for translation of our USD-denominated revenue was RM4.548/USD as compared to RM4.529/USD in the FYE 2023. The higher average RM/USD exchange rate had resulted in a better revenue yield to our Group when translating our USD-denominated revenue into RM.

Embedded antennas were our second largest GP contributor, which accounted for 2.6% of our total GP in the FYE 2024 (FYE 2023: 2.6%). The increase in GP margin from sales of Embedded antennas, from 16.0% in the FYE 2023 to 22.5% in the FYE 2024, was mainly due to higher sales volume and efficiencies from larger production volume which enable us to negotiate for lower purchase price of input materials from our suppliers.

GP from sales of Dome antennas contributed approximately 0.1% of our total GP in the FYE 2024 (FYE 2023: 0.4%). The small GP contribution from dome antennas was due to our focus in manufacturing of LMR antennas and embedded antennas, which yield higher GP margins.

FYE 2025 as compared to FYE 2024

(i) GP

Our GP decreased by RM1.3 million or 10.2% to RM11.1 million in the FYE 2025 as compared to the FYE 2024, mainly due to lower revenue recorded by RM1.3 million in the FYE 2025.

The reasons for the decrease in revenue during the FYE 2025 are set out in Section 12.2.2 above.

(ii) GP margin

Our GP margin decreased from 30.2% in the FYE 2024 to 28.0% in the FYE 2025, mainly due to lower GP margin recorded from sales of LMR antennas.

The decrease in GP margin from sales of LMR antennas, from 31.1% in the FYE 2024 to 29.2% in the FYE 2025, was mainly due to the following key factors:

- higher labour supply costs

  In the FYE 2025, our Group incurred higher labour supply costs mainly due to higher statutory minimum wage rate of labour in Malaysia as elaborated in Section 12.2.3 above. The higher labour supply costs had resulted in higher production costs, which in turn affected our GP margin.

- lower economies of scale

  In the FYE 2025, our Group recorded lower sales volume of LMR antennas by 0.26 million units. The lower production volume resulted in lower economies of scale.

- weakening of USD against RM

  During the FYE 2025, the average RM/USD exchange rate for translation of our USD-denominated revenue was RM4.251/USD as compared to RM4.548/USD in the FYE 2024. The lower average RM/USD exchange rate had resulted in a lower revenue yield to our Group when translating our USD-denominated revenue into RM.

Embedded antennas were our second largest GP contributor, which accounted for 1.4% of total GP in the FYE 2025 (FYE 2024: 2.6%). The decrease in our GP margin from sales of Embedded antennas in the FYE 2025, from 22.5% in the FYE 2024 to 18.1% in the FYE 2025, was mainly due to lower efficiency from smaller production volume. Due to lower production volume, we were unable to enjoy lower purchase price of input materials due to smaller purchase volume of certain input materials required for manufacturing of Embedded antennas only.

GP from sales of Dome antennas accounted for 1.3% of our total GP in the FYE 2025 (FYE 2024: 0.1%). The increase in GP contribution from sales of dome antennas was due to higher revenue from higher sales volume of Dome antennas. The increase in GP margin from sales of Dome antennas in the FYE 2025, was mainly due to higher economies of scale from larger production volume to Customer E.

FPE 2026 as compared to the FPE 2025

(i) GP

Our GP decreased by RM1.0 million or 16.7% to RM4.8 million in the FPE 2026 as compared to the FPE 2025, mainly due to lower revenue by RM2.1 million in the FPE 2026. However, the effect of lower revenue was partially offset by the effect of lower COS in the FPE 2026 of RM1.1 million.

The reasons for the decrease in revenue and COS during the FPE 2026 are set out in Sections 12.2.2 and 12.2.3 above.

(ii) GP margin

Our GP margin decreased from 28.7% in the FPE 2025 to 26.7% in the FPE 2026. The decrease was mainly due to lower revenue yield from our USD-denominated revenue as a result of the depreciation in the USD against RM, whereby, during the FPE 2026, the average RM/USD exchange rate applied by our Group for translation of our USD-denominate revenue was RM3.985/USD as compared to RM4.423/USD in the FPE 2025.

In terms of analysis of GP margin by products segment:

(a) sales of LMR antenna recorded a decrease in GP margin, from 29.3% in the FPE 2025 to 27.1% in the FPE 2026,

(b) sales of Embedded antenna recorded a decrease in GP margin, from 20.8% in the FPE 2025 to 17.4% in the FPE 2026; and

(c) sales of other antennas recorded a decrease in GP margin, from 19.5% in the FPE 2025 to 19.0% in the FPE 2026.

The decrease in GP margin from sales of our key products during the FPE 2026 was largely due to the adverse effect of lower average RM/USD exchange rate in FPE 2026 as compared to the FPE 2025, as elaborated above.

12.2.5 Other income

The breakdown of our other income for the Financial Years and Period Under Review is as follows:

	Audited					
	FYE 2023		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**
Gain on foreign exchange:						
- Realised	149	58.4	-	-	547	85.1
- Unrealised	35	13.7	601	79.9	-	-
Finance income	14	5.5	58	7.7	39	6.0
Others[(a)]	57	22.4	93	12.4	57	8.9
Total	**255**	**100.0**	**752**	**100.0**	**643**	**100.0**

12. FINANCIAL INFORMATION (cont'd)

	Unaudited		Audited	
	FPE 2025		FPE 2026	
	RM'000	%	RM'000	%
Gain on foreign exchange:				
- Realised	383	82.4	-	-
- Unrealised	47	10.1	299	79.9
Finance income	16	3.4	7	1.9
Others[(a)]	19	4.1	68	18.2
Total	**465**	**100.0**	**374**	**100.0**

Note:

(a) Comprise mainly one-off surcharge income from a customer for its final purchase order falls significantly below the forecasted quantity provided to our Group, as well as a storage income from a customer.

FYE 2024 as compared to FYE 2023

Our other income increased by RM0.5 million, from RM0.3 million in the FYE 2023 to RM0.8 million in the FYE 2024, mainly due to higher unrealised gain on foreign exchange by RM0.6 million.

The increase in unrealised gain on foreign exchange was mainly due to translation effect of our USD-denominated term loan, as RM strengthened against USD from RM4.60/USD as at 31 December 2023 to RM4.47/USD as at 31 December 2024.

FYE 2025 as compared to FYE 2024

Our other income decreased by RM0.1 million, from RM0.8 million in the FYE 2024 to RM0.6 million in the FYE 2025. The decrease was mainly due to absence of unrealised gain on foreign exchange, as our Group recorded an overall unrealised loss on foreign exchange as set out in Section 12.2.6 below.

Nonetheless, our Group recorded a realised gain on foreign exchange of RM0.5 million, mainly due to better yield from monthly instalment payments of our USD-denominated term loan, as a result of the weakening of USD against RM in the FYE 2025.

FPE 2026 as compared to the FPE 2025

Our other income decreased by RM0.09 million, from RM0.46 million in the FPE 2025 to RM0.37 million in the FPE 2026. The decrease was mainly due to absence of realised gain on foreign exchange, as our Group recorded an overall realised loss on foreign exchange from collection of our USD-denominated trade receivables as elaborated in Section 12.2.6 below.

The increase in unrealised gain on foreign exchange of RM0.3 million in FPE 2026 was mainly due to favourable translation effect pertaining to our USD-denominated term loans into RM, as the USD weakened against RM, from RM4.2125/USD as at 30 June 2025 to RM4.0775/USD as at 30 June 2026.

12.2.6 Administrative expenses

The breakdown of our administrative expenses is as follows:

	Audited					
	FYE 2023		**FYE 2024**		**FYE 2025**	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**
Staff costs[(a)]	915	22.2	1,076	23.7	1,225	24.1
Depreciation expenses	1,348	32.7	1,112	24.4	984	19.3
Directors' remuneration	450	10.9	529	11.6	564	11.1
Loss on foreign exchange:						
– Realised	88	2.1	654	14.4	-	-
– Unrealised	432	10.5	15	0.3	1,142	22.4
Upkeep and maintenance[(b)]	299	7.3	347	7.6	371	7.3
Office expenses[(c)]	208	5.0	281	6.2	211	4.1
Subscription fees[(d)]	179	4.3	222	4.9	211	4.1
Professional fees[(e)]	147	3.6	186	4.1	178	3.5
Selling and distribution expenses[(f)]	27	0.7	73	1.6	103	2.1
Travelling and accommodation	3	0.1	23	0.5	71	1.4
Others	25	0.6	33	0.7	29	0.6
Total	**4,121**	**100.0**	**4,551**	**100.0**	**5,089**	**100.0**

	Unaudited		Audited	
	FPE 2025		**FPE 2026**	
	RM'000	**%**	**RM'000**	**%**
Staff costs[(a)]	609	19.7	645	25.6
Depreciation expenses	482	15.6	610	24.2
Directors' remuneration	292	9.5	274	10.9
Loss on foreign exchange:				
– Realised	132	4.3	362	14.3
– Unrealised	887	28.7	-	-
Upkeep and maintenance[(b)]	189	6.1	162	6.4
Office expenses[(c)]	160	5.2	152	6.0
Subscription fees[(d)]	105	3.4	180	7.1
Professional fees[(e)]	104	3.4	107	4.2
Selling and distribution expenses[(f)]	60	1.9	12	0.5
Travelling and accommodation	53	1.7	8	0.3
Others	16	0.5	12	0.5
Total	**3,089**	**100.0**	**2,524**	**100.0**

Notes:

(a) Comprise mainly staff salaries, allowances, bonuses and statutory contributions.

(b) Comprise mainly annual insurance premiums as well as general security, upkeep and cleaning fees for our Penang Factory, which are not directly related to our production activities.

(c) Comprise mainly utilities charges, stationary costs, business license fees as well as food and beverage costs for the general welfare of our staff.

(d) Comprise mainly renewal fees for our software subscription and website and hosting fees.

(e) Comprise mainly statutory audit fees, company secretary fees, tax agent fees and legal fees.

(f) Comprise mainly shipping expense incurred to facilitate our export sales to foreign customers.

FYE 2024 as compared to FYE 2023

Our administrative expenses increased by RM0.4 million to RM4.6 million in the FYE 2024 as compared to FYE 2023, mainly due to the following key factors:

(i) higher realised loss on foreign exchange by RM0.6 million, mainly due to the settlement of USD-denominated supplier invoices as RM weakened against USD between the transaction date and the actual payment date; and

(ii) higher staff costs by RM0.2 million, mainly due to annual salary increment, as well as higher headcount and bonus payout in tandem with our revenue growth.

Unrealised loss on foreign exchange in the FYE 2024 decreased significantly as compared to FYE 2023, as our Group recorded an unrealised gain on foreign exchange as set out in Section 12.2.5 above. The RM0.015 million unrealised loss on foreign exchange recorded in FYE 2024 was due to currency translation effects on the amount owing by our foreign subsidiary (i.e. Emits Radio Wave) arising from converting the functional currency of Emits Radio Wave (i.e. TWD) into our Group's presentation currency (i.e. RM), reflecting the fluctuations in closing exchange rates at the reporting date as the TWD weakened against the RM, from RM0.150/TWD as at 31 December 2023 to RM0.136/TWD as at 31 December 2024.

FYE 2025 as compared to FYE 2024

Our Group's administrative expenses increased by RM0.5 million, from RM4.6 million in the FYE 2024 to RM5.1 million in the FYE 2025, mainly due to the following key factors:

(i) higher unrealised loss on foreign exchange by RM1.1 million, mainly due to translation effect of our USD-denominated trade receivables as well as cash and bank balances, as RM strengthened against USD from RM4.48/USD as at 31 December 2024 to RM4.06/USD as at 31 December 2025; and

(ii) higher staff costs by RM0.1 million, mainly due to annual salary increment and higher headcount.

FPE 2026 as compared to FPE 2025

Our Group's administrative expenses decreased by RM0.6 million, from RM3.1 million in the FPE 2025 to RM2.5 million in the FPE 2026, mainly due to net effect of the following key factors:

(i) absence of unrealised loss on foreign exchange, as our Group recorded an overall unrealised gain on foreign exchange as set out in Section 12.2.5 above; and

(ii) higher realised loss on foreign exchange during the FPE 2026 by RM0.2 million, mainly due to lower RM equivalent proceeds from collection of our USD-denominated trade receivables, as a result of the lower RM/USD exchange rate in the FPE 2026.

12. FINANCIAL INFORMATION (cont'd)

12.2.7 Net (Loss)/Reversal on Impairment of Financial Assets

For the application of MFRS 9 – Financial Instruments, our Group estimates a lifetime ECL allowance for all financial assets. Collective impairment was based on the credit risk and the days past due, while individual impairment was based on specific receivables that are credit impaired.

We derived the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses which is then adjusted based on reasonable and supportable qualitative and quantitative forward-looking information. Reversals of impairment losses are made when there is reassessment of ECL.

During the Financial Years and Period Under Review, our Group has made the following ECL allowance:

	Audited					
	FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%
Movement in allowance for ECL	(17)	100.0	-	-	(6)	100.0
Reversal	-	-	55	100.0	-	-
Net (loss)/reversal on impairment of financial assets	**(17)**	**100.0**	**55**	**100.0**	**(6)**	**100.0**

	Unaudited		Audited	
	FPE 2025		FPE 2026	
	RM'000	%	RM'000	%
Movement in allowance for ECL	-	-	-	-
Reversal	-	-	-	-
Net (loss)/reversal on impairment of financial assets	**-**	**-**	**-**	**-**

In the FYE 2024, we recorded a reversal in ECL due to overprovision of ECL in prior year following annual reassessment of ECL. Apart from this, other ECL allowances made during the Financial Years and Period Under Review were not material.

12.2.8 Finance costs

The breakdown of our finance costs is as follows:

	Audited					
	FYE 2023		FYE 2024		FYE 2025	
	RM'000	%	RM'000	%	RM'000	%
Finance costs from:						
- Term loans	712	59.0	642	87.4	445	93.9
- Shareholder's Advances	311	25.8	90	12.2	-	-
- Trade facilities	183	15.2	3	0.4	29	6.1
Total	**1,206**	**100.0**	**735**	**100.0**	**474**	**100.0**

	Unaudited		Audited	
	FPE 2025		FPE 2026	
	RM'000	%	RM'000	%
Finance costs from:				
- Term loans	241	97.2	167	95.4
- Shareholder's Advances	-	-	-	-
- Trade facilities	7	2.8	8	4.6
Total	**248**	**100.0**	**175**	**100.0**

FYE 2024 as compared to FYE 2023

Our Group's finance costs decreased by RM0.5 million to RM0.7 million in the FYE 2024 as compared to the FYE 2023. This decrease was mainly due to:

(i) lower finance costs from term loans, mainly due to lower outstanding balance of our total loans and borrowings.

For reference, our Group recorded total loans and borrowings of RM9.3 million as at 31 December 2024, which was RM1.4 million lower as compared to RM10.7 million as at 31 December 2023; and

(ii) lower finance costs from the Shareholders' Advances, due to full settlement of the Shareholder's Advances in the FYE 2024 through the Capitalisation and our internally-generated funds.

FYE 2025 as compared to FYE 2024

Our Group's finance costs decreased by RM0.3 million to RM0.5 million in the FYE 2025 as compared to the FYE 2024. This decrease was mainly due to:

(i) absence of finance costs from the Shareholder's Advances, due to full settlement of the Shareholder's Advances in the FYE 2024; and

(ii) lower finance costs from term loans, mainly due to lower outstanding balance of our total loans and borrowings in the FYE 2025. For reference, our Group recorded total loans and borrowings of RM7.6 million as at 31 December 2025, which was RM1.7 million lower as compared to RM9.3 million as at 31 December 2024.

FPE 2026 as compared to the FPE 2025

Our Group's finance costs decreased by RM0.07 million to RM0.18 million in the FPE 2026 as compared RM0.25 million in the FPE 2025, mainly due to:

(i) lower outstanding balance of our loans and borrowings in the FPE 2026 as we progressively repaid our existing bank borrowings on a timely manner; and

(ii) there were no new bank borrowings obtained in the FPE 2026.

For reference, our Group's total loans and borrowings stood at RM6.4 million as at 30 June 2026 as compared to RM7.6 million as at 30 June 2025.

12.2.9 Tax expenses

The following table sets out the comparison between our effective tax rate and statutory tax rates for the Financial Years and Period Under Review:

	Audited		
	FYE 2023	**FYE 2024**	**FYE 2025**
Tax expenses (RM'000)	844	2,071	991
Effective tax rate (%)	28.0	26.2	16.0
Statutory tax rate			
– Malaysia (%)	24.0	24.0	24.0
– Taiwan (%)	20.0	20.0	20.0

12. FINANCIAL INFORMATION (cont'd)

	Unaudited FPE 2025	Audited FPE 2026
Tax expenses (RM'000)	801	445
Effective tax rate (%)	27.2	17.7
Statutory tax rate		
– Malaysia (%)	24.0	24.0
– Taiwan (%)	20.0	20.0

FYE 2024 as compared to FYE 2023

Our Group's tax expenses increased by RM1.2 million to RM2.1 million in the FYE 2024, mainly due to higher PBT recorded in the FYE 2024.

Our Group's effective tax rate was 26.2% in the FYE 2024, which was relatively higher than the Malaysian statutory tax rate of 24.0%. The difference was mainly due to non-deductible expenses incurred, such as the following:

(i) depreciation for non-qualifying assets;

(ii) unrealised loss on foreign exchange; and

(iii) deferred tax expenses relating to the temporary differences between accounting and tax treatment of RM0.2 million.

FYE 2025 as compared to FYE 2024

Our Group's tax expenses decreased by RM1.1 million to RM1.0 million in the FYE 2025, mainly due to lower PBT recorded in the FYE 2025.

Our Group's effective tax rate was 16.0% in the FYE 2025, which was relatively lower than the Malaysian statutory tax rate of 24.0%. The lower effective tax rate in FYE 2025 was mainly due to RM0.6 million tax allowances from our qualifying manufacturing machinery and equipment purchased for manufacturing 5G base station antennas in FYE 2025.

FPE 2026 as compared to FPE 2025

Our Group's tax expenses decreased by RM0.4 million in the FPE 2026, mainly due to lower PBT recorded in the FPE 2026, as well as lower effective tax rate.

Our Group's effective tax rate was 17.7% in the FPE 2026, which was relatively lower as compared to the Malaysian statutory tax rate of 24.0%. The lower effective tax rate in FPE 2026 was mainly due to:

(a) tax savings of RM0.07 million, arising from reinvestment tax allowances from our qualifying manufacturing machinery and equipment purchased for manufacturing 5G base station antennas; and

(b) deferred tax asset of RM0.2 million has been recognised in respect of deductible temporary differences arising from capital allowances claimed on PPE and right-of-use assets.

12.2.10 PBT, PBT Margin, PAT and PAT margin

Our Group's PBT, PBT margin, PAT and PAT margin for the Financial Years and Period Under Review are as follows:

	Audited		
	FYE 2023	**FYE 2024**	**FYE 2025**
PBT (RM'000)	3,012	7,902	6,195
PBT margin (%)	9.4	19.3	15.6
PAT (RM'000)	2,168	5,831	5,204
PAT margin (%)	6.8	14.2	13.1

	Unaudited	**Audited**
	FPE 2025	**FPE 2026**
PBT (RM'000)	2,940	2,516
PBT margin (%)	14.5	13.9
PAT (RM'000)	2,139	2,071
PAT margin (%)	10.6	11.4

FYE 2024 as compared to FYE 2023

- **PBT and PBT Margin**

  Our Group's PBT increased by RM4.9 million, from RM3.0 million in the FYE 2023 to RM7.9 million in the FYE 2024, mainly due to higher GP recorded in the FYE 2024, as well as higher other income and lower finance costs.

  Our Group's PBT margin increased to 19.3% in the FYE 2024, as compared to 9.4% in the FYE 2023. The increase in PBT margin was mainly due to higher GP margin recorded in the FYE 2024 of 30.2%, as compared to 25.3% for the FYE 2023.

- **PAT and PAT Margin**

  Our Group's PAT increased by RM3.7 million, from RM2.2 million in the FYE 2023 to RM5.8 million in the FYE 2024, mainly due to higher PBT recorded in the FYE 2024.

  Our Group's PAT margin increased to 14.2% in the FYE 2024, as compared to 6.8% in the FYE 2023. The increase in PAT margin was mainly due to higher PBT margin recorded in the FYE 2024 of 19.3%, as compared to 9.4% for the FYE 2023.

FYE 2025 as compared to FYE 2024

- **PBT and PBT Margin**

  Our Group's PBT decreased by RM1.7 million, from RM7.9 million in the FYE 2024 to RM6.2 million in the FYE 2025, mainly due to lower GP recorded in the FYE 2025.

  Our Group's PBT margin decreased to 15.6% in the FYE 2025, as compared to 19.3% in the FYE 2024, mainly due to lower GP margin recorded in the FYE 2025 of 28.0%, as compared to 30.2% for the FYE 2024.

- **PAT and PAT Margin**

  While our Group's PBT decreased by RM1.7 million in the FYE 2025, the impact on our Group's PAT was narrowed to a RM0.6 million decrease from RM5.8 million in the FYE 2024 to RM5.2 million in the FYE 2025. This was due to RM1.1 million reduction in tax expenses driven by the RM0.6 million tax saving derived from reinvestment allowances on qualifying manufacturing machinery and equipment for the manufacturing of our 5G base station antennas.

  Our Group's PAT margin decreased to 13.1% in the FYE 2025, as compared to 14.2% in the FYE 2024. The decrease in PAT margin was mainly due to lower PBT margin recorded in the FYE 2025 of 15.6%, as compared to 19.3% for the FYE 2024.

FPE 2026 as compared to the FPE 2025

- **PBT and PBT Margin**

  Our Group's PBT decreased by RM0.4 million, from RM2.9 million in the FPE 2025 to RM2.5 million in the FPE 2026, mainly due to lower GP recorded in the FPE 2026.

  Our Group's PBT margin decreased to 13.9% in the FPE 2026, as compared to 14.5% in the FPE 2025, mainly due to lower GP margin recorded in the FPE 2026 of 26.7%, as compared to 28.7% for the FPE 2025.

- **PAT and PAT Margin**

  While our Group's PBT decreased by RM0.4 million in the FPE 2026, the decline in our Group's PAT was lower at RM0.1 million, from RM2.2 million in the FPE 2025 to RM2.1 million in the FPE 2026, mainly due to lower tax expenses incurred by RM0.4 million. Please refer to Section 12.2.9 above for financial commentaries on our tax expenses.

  Due to lower tax expenses, our Group's PAT margin during the FPE 2026 of 11.4% was relatively higher as compared to 10.6% in the FPE 2025.

12.2.11 Review of Financial Position

Our audited combined statements of financial position are set out in Section 12.1.1.2 of this Prospectus.

31 December 2024 as compared to 31 December 2023

(i) Non-current assets

Our non-current assets decreased by RM0.9 million or 5.0% to RM16.4 million as at 31 December 2024, mainly due to lower net carrying value of our PPE and rights-of-use assets by RM0.3 million and RM0.6 million respectively. The decrease was mainly due to depreciation expenses incurred in the FYE 2024.

(ii) Current assets

Our current assets increased by RM6.3 million or 34.9% to RM24.3 million as at 31 December 2024, mainly due to the following key factors:

(a) higher cash and bank balances by RM4.6 million, mainly due to:

(1) higher cash flows generated from our operating activities by RM1.5 million; and

(2) proceeds received pursuant to the RCPS Issuance, comprising:

- RM1.0 million of subscription proceeds received from Lim Kean Yap for subscription of 125,000 RCPS in FYE 2024; and
- RM1.3 million advance payment from the Pre-Listing Investors for part of the RCPS to be subscribed in FYE 2025;

(b) higher trade receivables by RM0.9 million, which was in tandem with the increase in our revenue; and

(c) higher other receivables by RM0.7 million, comprising:

(1) advance payments of RM0.7 million to our suppliers to secure purchases of input materials for our production activities; and

(2) prepaid professional fees of RM0.2 million in relation to our Listing. For clarity, these expenses are not charged out to profit or loss immediately when incurred as they are considered to be directly attributable to the Listing. The listing expenses will be apportioned and offset against share capital or charge out to profit or loss upon completion of the Listing.

(iii) Non-current liabilities

Our non-current liabilities decreased by RM7.4 million or 47.0% to RM8.3 million as at 31 December 2024, mainly due to:

(a) full settlement of the Shareholder's Advances in the FYE 2024 through the Capitalisation and our internally-generated funds; and

(b) lower outstanding balance of our loan and borrowings by RM1.4 million, mainly due to scheduled repayments of our banking facilities in the FYE 2024.

(iv) Current liabilities

Our Group's current liabilities increased by RM3.8 million or 56.4% to RM10.5 million as at 31 December 2024, mainly due to the following:

(a) higher trade payables of RM1.9 million, mainly due to higher credit purchases of input materials to support our revenue growth; and

(b) higher other payables of RM2.0 million, mainly due to:

(1) RM1.3 million advance payment received from the Pre-Listing Investors for part of the RCPS to be subscribed in FYE 2025. These RCPS were subsequently allotted and issued on 5 March 2025;

(2) higher accrued bonus payout to our employees by RM0.3 million; and

(3) higher accrued payment to third party manpower service providers for supplying contract workers by RM0.2 million.

31 December 2025 as compared to 31 December 2024

(i) Non-current assets

Our Group's non-current assets increased by RM7.9 million or 47.9% to RM24.3 million as at 31 December 2025, mainly due to the following key factors:

(a) higher net carrying value of our PPE by RM3.7 million, mainly due to purchases of machinery and equipment to set up 4 new production lines (including 5 units of shielded room) at our Penang Factory for the manufacturing of 5G base station antennas; and

(b) higher net carrying value of our right-of-use assets by RM4.2 million, which was mainly due to revaluation surplus following the appraisal of our Penang Factory at a market value of RM18.5 million, as stated in the valuation report dated 15 December 2025 by an independent property valuer appointed by our Group. Please refer to Section 12.1.1.2, note (b) above for further details.

(ii) Current assets

Our Group's current assets decreased by RM0.8 million or 3.1% to RM23.6 million as at 31 December 2025, due to the following key factors:

(a) lower cash and bank balances by RM0.7 million, mainly due to:

(1) RM4.3 million cash outlays incurred for purchases of machinery and equipment to set up 4 new production lines (including 5 units of shielded room) at our Penang Factory for the manufacturing of 5G base station antennas, using our operating cash flows generated in the FYE 2025; and

(2) RM1.0 million cash dividend payout to our shareholders in respect of the FYE 2025;

Nonetheless, the overall decline in cash reserves was partially bolstered by collections from trade receivables and proceeds from RCPS.

(b) lower trade receivables by RM1.2 million, which was mainly due to lower revenue recorded in the FYE 2025.

However, the decrease in trade receivables was partially offset by an increase in other receivables of RM1.1 million, which was mainly due to prepaid professional fees of RM1.3 million in relation to our Listing.

(iii) Non-current liabilities

Our non-current liabilities decreased by RM1.2 million or 14.3% to RM7.1 million as at 31 December 2025, mainly due to lower outstanding balance of our loans and borrowings by RM1.7 million, mainly due to scheduled repayments of our banking facilities in the FYE 2025.

(iv) Current liabilities

Our current liabilities decreased by RM2.3 million or 21.8% to RM8.2 million as at 31 December 2025, mainly due to the following key factors:

(a) lower trade payables by RM1.9 million, mainly due to lesser purchases from trade suppliers in tandem with lower revenue recorded in the FYE 2025; and

(b) lower other payables by RM0.5 million, mainly due to net effects of the following:

(1) capitalisation of advance payment received from the Pre-Listing Investors in FYE 2024 for subscription of RCPS totalling RM1.3 million, as the RCPS were allotted and issued on 5 March 2025;

(2) lower accruals by RM1.0 million, mainly due to lower accrued bonus payout to our employees and other expenses such as provisional sales discount to customers and professional fees; and

(3) higher other payables by RM1.8 million, mainly due to purchase of machinery and equipment on credit to set up 4 new production lines for manufacturing of 5G base station antenna.

30 June 2026 as compared to 31 December 2025

(i) Non-current assets

Our Group's non-current assets decreased by RM0.4 million or 1.8% to RM23.8 million as at 30 June 2026, mainly due to lower net carrying value of our right-of-use assets by RM0.4 million, mainly as a result of the depreciation expenses incurred.

(ii) Current assets

Our Group's current assets increased by RM0.7 million or 3.1% to RM24.3 million as at 30 June 2026, mainly due to the following key factors:

(a) higher cash and bank balances by RM1.0 million, as our Group was profitable and generated positive net cash from operating activities totalling RM2.7 million; and

(b) higher other receivables by RM0.9 million, which was mainly due to prepaid professional fees of RM0.9 million in relation to our Listing.

However, effects of the above were partially offset by:

(a) lower trade receivables by RM0.9 million, mainly due to lower RM equivalent value revenue of our USD-denominated trade receivable, as a result of the lower RM/USD exchange rate as at 30 June 2026; and

(b) lower inventories by RM0.1 million, mainly due to lower production volume towards the end of June 2026, based on our planned production activities.

(iii) Non-current liabilities

Our non-current liabilities decreased by RM0.4 million or 6.2% to RM6.7 million as at 30 June 2026, mainly due to lower outstanding balance of our loans and borrowings by RM0.4 million, as we made timely scheduled repayment of our banking facilities and there was no new bank borrowings obtained by our Group in the FPE 2026.

(iv) Current liabilities

Our current liabilities decreased by RM1.3 million or 16.2% to RM6.9 million as at 30 June 2026, mainly due to the net effects of the following key factors:

(a) lower other payables by RM2.7 million, mainly due to full payment to our non-trade suppliers for purchases of machinery and equipment to set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antenna; and

(b) lower loans and borrowings by RM0.8 million, mainly due to scheduled repayment of our banking facilities and there was no new bank borrowings obtained by our Group in the FPE 2026.

However, effects of the above were partially offset by higher trade payables by RM2.0 million, of which the increase was mainly due to higher credit purchases of input materials for our production activities towards the end of FPE 2026.

12.3 LIQUIDITY AND CAPITAL RESOURCES

12.3.1 Working Capital

Our business operations have been financed through a combination of internal and external sources of funds. Internal sources of funds comprise our shareholders' funds and cash generated from our operating activities, while our external sources of funds mainly consist of the Shareholder's Advances (which have been fully settled in the FYE 2024), proceeds from the RCPS issuance, credits granted by our suppliers and banking facilities from financial institutions such as term loans and trade facilities. The principal utilisation of these funds is for our business operations and capital expenditures.

The decision to utilise either internally generated funds or borrowings for our business operations depends on, amongst others, our cash and bank balances, expected cash inflows, future working capital requirements, future capital expenditure requirements and the interest rate on borrowings.

Based on our audited combined statement of financial position as at 30 June 2026, our Group recorded total cash and cash equivalents of RM7.9 million and a current ratio of 3.5 times as at 30 June 2026. Our Group's gearing ratio stood at 0.2 times as at 30 June 2026.

Our Board is of the view that we will have adequate working capital to meet our present and foreseeable requirements for at least 12 months from the date of this Prospectus, after taking into account the following key factors:

(i) our total cash and cash equivalents of RM7.9 million as at 30 June 2026;

(ii) our total banking facilities as at 30 June 2026 of USD6.1 million and RM3.3 million (of which USD2.0 million and RM0.2 million has been utilised as at 30 June 2026);

(iii) our low gearing ratio of 0.2 times as at 30 June 2026, which provide headroom for additional credit facilities; and

(iv) our expected future cash flows to be generated from our operations.

As at the LPD, we do not foresee any circumstances which may materially affect our liquidity. Our Group has not encountered any major disputes with our creditors.

12.3.2 Review of Cash Flows

Set out below is a summary of our audited combined statements of cash flows for the Financial Years and Period Under Review:

	Audited			
	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Net cash from operating activities	8,654	**8,878**	**6,819**	2,664
Net cash used in investing activities	(100)	(433)	(4,282)	(470)
Net cash used in financing activities	(6,770)	**(3,780)**	(2,299)	(1,394)
Net increase in cash and cash equivalents	**1,784**	**4,665**	**238**	**800**
Cash and cash equivalents at the beginning of the financial year/period	996	3,031	7,597	6,888
Effect of exchange translation difference	251	(99)	(947)	169
Cash and cash equivalents at the end of the financial year/period	**3,031**	**7,597**	**6,888**	**7,857**

As shown above, we have been able to generate positive operating cash flows during the Financial Years and Period Under Review.

FYE 2023

Net cash from operating activities

In the FYE 2023, our operating cash flows before changes in working capital was RM6.2 million. After adjusting for the following key items, our net cash from operating activities was RM8.7 million:

(i) decrease in inventories of RM3.9 million, mainly due to lower store keeping of inventories as we began to purchase input materials on a weekly basis and based on our planned production volume;

(ii) decrease in trade and other receivables of RM0.4 million, mainly due collection from trade receivables in the FYE 2023, as well as lower revenue recorded in the FYE 2023 of RM32.0 million (FYE 2022: RM34.0 million);

(iii) decrease in trade and other payables of RM1.4 million, mainly due to timely payment our trade suppliers for purchases of input materials; and

(iv) payment of income tax of RM0.4 million.

Net cash used in investing activities

In the FYE 2023, we recorded a net cash outflow of RM0.1 million from investing activities, mainly due to purchases of machinery and equipment for our production activities.

Net cash used in financing activities

In the FYE 2023, we recorded a net cash outflow of RM6.8 million from financing activities, mainly due to:

(i) RM5.9 million scheduled repayment of our banking facilities comprising term loans and trade facilities; and

(ii) RM0.9 million of finance costs incurred associated with our banking facilities.

FYE 2024

Net cash from operating activities

In the FYE 2024, our Group's operating cash flows before changes in working capital was RM9.3 million. After adjusting for the following key items, our net cash from operating activities was RM8.9 million:

(i) increase in inventories of RM0.3 million, mainly due to higher purchase of raw materials towards the last quarter of FYE 2024 to cater for the anticipated production volume in the first quarter of FYE 2025;

(ii) increase in trade and other receivables of RM1.1 million, mainly due to higher trade receivables by RM0.9 million, which was in tandem with higher revenue recorded in the FYE 2024;

(iii) increase in trade and other payables by RM2.5 million, mainly due to the following key factors:

  (a) higher trade payables by RM1.9 million, mainly due to higher credit purchases of input materials to cater for the increase in our production volume as our revenue grew in the FYE 2024; and

  (b) higher other payables and accruals by RM0.7 million, mainly due to higher accrued bonus to our employee and higher accrued payment to third party manpower service providers for supplying contract workers to our Group; and

(iv) payment of income tax of RM1.6 million.

Net cash used in investing activities

In the FYE 2024, our Group recorded a net cash outflow of RM0.4 million from investing activities, mainly due to purchases of machinery and equipment for our production activities.

Net cash used in financing activities

In the FYE 2024, our Group recorded a net cash outflow of RM3.8 million from our financing activities, due to the following:

(i) RM2.7 million cash dividend payout to our shareholders in respect of the FYE 2024;

(ii) RM1.2 million scheduled repayment for our banking facilities comprising term loans and trade facilities;

(iii) RM1.5 million repayment for the accrued interest and principal of the Shareholder's Advances; and

(iv) RM0.7 million of finance costs incurred associated with our banking facilities.

The abovesaid cash outflows from financing activities were partially offset by:

(i) RM1.0 million proceeds raised from allotment and issuance of 125,000 RCPS on 27 November 2024 at the RCPS Issue Price; and

(ii) RM1.3 million share application payment received from the Pre-Listing investors in advance prior to the allotment and issuance of the remaining 262,500 RCPS in FYE 2025.

FYE 2025

Net cash from operating activities

In the FYE 2025, our Group's operating cash flows before changes in working capital was RM9.0 million. After adjusting for the following key items, our net cash from operating activities was RM6.8 million:

(i) increase in inventories of RM0.3 million, mainly due to higher purchase of raw materials towards the last quarter of FYE 2025 to cater for the anticipated production volume in the first quarter of FYE 2026;

(ii) increase in trade and other receivables of RM0.3 million, mainly due to net effects from the following:

  (a) higher other receivables by RM1.1 million, which was mainly due to prepaid professional fees of RM1.3 million in relation to our Listing. For clarity, these expenses are not charged out to profit or loss immediately when incurred as they are considered to be directly attributable to the Listing. The listing expenses will be apportioned and offset against share capital or charge out to profit or loss upon completion of the Listing; and

  (b) lower trade receivables by RM0.8 million, which was mainly due to a non-cash adjustment or unrealised foreign exchange as RM appreciated against USD as at 31 December 2025. This was further supported by more customer collections and lower revenue recorded in the FYE 2025 as compared to the FYE 2024.

(iii) decrease in trade and other payables of RM1.0 million, mainly due to net effects of the following key factors:

  (a) lower trade payables by RM1.9 million, mainly due to timely settlement of our trade payables and lower purchases of input materials due to lower production volumes in the FYE 2025; and

  (b) higher other payables and accruals by RM0.8 million, mainly due to purchases of additional machinery and equipment to set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antenna; and

(iv) payment of income tax of RM1.3 million.

Net cash used in investing activities

In the FYE 2025, we recorded a net cash outflow of RM4.3 million from investing activities, mainly due to purchases of machinery and equipment to set up 4 new production lines (including 5 units of shielded room) at our Penang Factory for the manufacturing of 5G base station antennas.

Net cash used in financing activities

In the FYE 2025, we recorded a net cash outflow of RM2.3 million from our financing activities, which was mainly due to:

(i) RM1.0 million cash dividend payout to our shareholders in respect of the FYE 2025;

(ii) RM1.7 million scheduled repayment of our banking facilities comprising term loans and trade facilities;

(iii) RM0.5 million of finance costs incurred associated with our banking facilities.

The abovesaid cash outflows from financing activities were partially offset by the remaining RM0.9 million proceeds received from the Pre-Listing Investors for subscription of the second tranche of 262,500 RCPS, which were allotted and issued on 5 March 2025.

FPE 2026

Net cash from operating activities

In the FPE 2026, our Group's operating cash flow before changes in working capital was RM3.3 million. After adjusting for the following key items, our net cash from operating activities was RM2.7 million:

(i) decrease in inventories by RM0.1 million, mainly due to lower amount of raw materials kept for our production activities towards the end of FPE 2026;

(ii) decrease in trade and other receivables by RM0.3 million, due to net effects of the following key factors:

  (a) lower trade receivables by RM1.2 million, mainly due to lower RM equivalent value of our USD-denominated trade receivables as a result of the lower RM/USD exchange rate in FPE 2026; and

  (b) higher other receivables by RM0.9 million, mainly due to prepaid professional fees incurred in relation to our Listing.

    For information, these prepaid professional fees are not charged out to profit or loss immediately when incurred as they are considered to be directly attributable to our Listing. These expenses will be partially offset against our issued share capital or charged to profit or loss upon completion of the Listing;

(iii) decrease in trade and other payables of RM0.7 million, due to net effects from the following:

  (a) lower other payables by RM2.7 million, as we made full payment to our non-trade suppliers for purchases of machinery and equipment to set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antenna; and

  (b) higher trade payables by RM2.0 million, mainly due to higher raw materials purchased for our production activities towards the end of FPE 2026 to cater for the anticipated production volume; and

(iv) payment of income tax of RM0.2 million.

12. FINANCIAL INFORMATION (cont'd)

Net cash used in investing activities

In the FPE 2026, our Group recorded a net cash outflow of RM0.5 million from investing activities. These cash outlays were in relation to purchases of additional machinery and equipment to set up 4 new production lines at our Penang Factory for manufacturing of 5G base station antennas.

Net cash used in financing activities

In the FPE 2026, we recorded a net cash outflow of RM1.4 million from our financing activities, due to the following key factors:

(i) scheduled repayment of our banking facilities totaling RM1.2 million, which comprised mainly term loans and trade facilities; and

(ii) scheduled payment of finance costs in respect of our existing banking facilities totalling RM0.2 million.

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12. FINANCIAL INFORMATION (cont'd)

12.4 BORROWINGS

We utilise banking facilities, i.e. term loans and trade facilities, to finance the purchase and renovation costs of our Penang Factory, as well as for our general working capital requirements. As at the LPD, all of our borrowings are secured, interest-bearing and denominated in USD. Our total outstanding borrowings as at 30 June 2026 stood at RM6.4 million, comprising the following:

				Effective interest rate	Total borrowings as at 30 June 2026	
Borrowings	**Purpose**	**Tenure**	**Currency**	**(% per annum)**	**(USD'000)**	**(RM'000)**
Interest bearing short-term borrowings, payable within 1 year						
➢ Term loans	Purchase and renovation of our Penang Factory, as well as for our general working capital requirements	7 to 15 years	USD	5.21	200	816
Interest bearing long-term borrowings, payable after 1 year						
• Term loans	Purchase and renovation of our Penang Factory, as well as for our general working capital requirements	7 to 15 years	USD	5.21	1,365	5,564
				Total	**1,565**	**6,380**

Gearing ratio (times)	
- As at 30 June 2026	0.18
- After the Public Issue and utilisation of the proceeds raised from our Public Issue	0.14

12. FINANCIAL INFORMATION (cont'd)

Below is the maturity analysis of our term loans and trade facilities over the Financial Years and Period Under Review:

	Audited			
	As at 31 December 2023	**As at 31 December 2024**	**As at 31 December 2025**	**As at 30 June 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Term loans				
- Within the next 12 months	1,388	1,026	790	816
- After the next 12 months	8,844	7,658	5,960	5,564
Trade facilities				
- Within the next 12 months	464	591	821	-

We have not defaulted on payments of principal sums and/or interests in respect of any of our borrowings throughout Financial Years and Period Under Review and up to the LPD.

As at the LPD, neither our Company nor any of our subsidiaries are 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 and Period Under Review, we did not experience any claw back or reduction in the facilities limit granted to us by our lenders.

12.5 TYPES OF FINANCIAL INSTRUMENTS USED, TREASURY POLICIES AND OBJECTIVES

As at the LPD, save as disclosed in Sections 12.4 and 12.10.1, we do not have nor utilise any other financial instruments or have any other treasury policies. All our financial instruments are used to part finance the purchase and renovation costs of our Penang Factory as well as for funding our working capital requirements.

As at the LPD, all our borrowings with licensed financial institutions are based on base financing rate plus or minus a rate which varies depending on the type of facility.

12.6 MATERIAL CAPITAL COMMITMENTS, LITIGATION AND CONTINGENT LIABILITY

12.6.1 Material Capital Commitments

Save as disclosed below, as at the LPD, we do not have any other material capital commitments:

	RM'000
Approved but not contracted for	
- Purchases of machinery and equipment for our R&D activities.	4,000

These material capital commitments will be fully funded from part the proceeds to be raised from our Public Issue. Please refer to Section 4.9.2 of this Prospectus for further details.

12.6.2 Material Litigation

As at the LPD, our Group is not engaged in any litigation, claims and/or arbitration either as plaintiff or defendant, which might adversely affect our business or financial position, and there are no legal proceedings, pending or threatened, or any fact likely to give rise to any legal proceeding which may materially or adversely affect our position or business.

12.6.3 Material Contingent Liability

Save as disclosed below, as at the LPD, our Directors confirm that there are no contingent liabilities incurred by our Group, which upon becoming enforceable, may have a material effect on our Group's business, financial result and financial position:

	As at 30 June 2026	As at the LPD
	RM'000	RM'000
Bank guarantee to Tenaga Nasional Berhad for utility bill	81	81
Bank guarantee to Royal Malaysian Customs Department for SST obligations	150	150
Total	**231**	**231**

These bank guarantees are used as security for utility and SST obligations to ensure payment in the event of default. Such guarantees are valid for one year and are renewed annually.

12.7 KEY FINANCIAL RATIOS

The key financial ratios of our Group for the Financial Years and Period Under Review are as follows:

Key financial ratios	FYE 2023	FYE 2024	FYE 2025	FPE 2026
Average trade receivables turnover period (days)[(a)]	126	100	102	100
Average trade payables turnover period (days)[(b)]	52	44	45	49
Average inventories turnover period (days)[(c)]	80	44	47	51
Current ratio (times)[(d)]	2.7	2.3	2.9	3.5
Gearing ratio (times)[(e)]	0.8	0.4	0.2	0.2

Notes:

(a) Calculated based on average trade receivables as at the end of the respective FYE/FPE, divided by our Group's revenue in the respective FYE/FPE, and multiplied by 365/181 days.

(b) Calculated based on average trade payables as at the end of the respective FYE/FPE, divided by our Group's COS in the respective FYE/FPE, and multiplied by 365/181 days.

(c) Calculated based on average inventories as the end of the respective FYE/FPE, divided by our Group's COS in the respective FYE/FPE, and multiplied by 365/181 days.

(d) Calculated based on our Group's current assets divided by our Group's current liabilities as at the end of the respective FYE/FPE.

(e) Calculated based on total borrowings divided by our total equity as at the end of the respective FYE/FPE.

During the Financial Years and Period Under Review, there was a timing mismatch between our average trade receivables turnover days (FYE 2023: 126 days, FYE 2024: 100 days, FYE 2025: 102 days and FPE 2026: 100 days) and our average trade payables turnover days (FYE 2023: 52 days, FYE 2024: 44 days, FYE 2025: 45 days and FPE 2026: 49 days).

Notwithstanding the inherent trend, our Group has been able to generate positive operating cash flow over the Financial Years and Period Under Review, as well as maintaining a current ratio of at least 2 times over the Financial Years and Period Under Review.

Our Group's gearing ratio stood at 0.2 times as at 30 June 2026, and we recorded interest coverage ratio of 3.5 times, 11.7 times, 14.0 times and 15.3 times in the FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively.

As set out in Section 12.4 above, our Group has not defaulted on payments of principal sums and/or interests in respect of any of our borrowings throughout Financial Years and Period Under Review and up to the LPD. In addition, we will continue to closely monitor our cash conversion cycle with the objective of ensuring that our Group's working capital and liquidity remains optimal for our day-to-day operating activities.

Based on the foregoing and barring any unforeseen circumstances, our Board and Sponsor are of the view that our Group has sufficient working capital and liquidity to manage and finance the timing differences in our collection and payment cycle for at least the next 12 months from the date of this Prospectus.

12.7.1 Trade Receivables Turnover

The normal credit period granted by our Group to our customers ranges from 30 days to 90 days from the date of our invoice. Our average trade receivables turnover period for the Financial Years and Period Under Review is as follows:

	Audited			
	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening trade receivables	11,301	10,767	11,687	10,514
Closing trade receivables	10,767	11,687	10,514	9,581
Average trade receivables	11,034	11,227	11,101	10,048
Revenue	32,008	40,991	39,648	18,150
Trade receivables turnover period (days)	**126**	**100**	**102**	**100**

Our Group has established policies on credit control involving credit evaluations, setting up appropriate credit limits, ensuring sales are made to customers with good credit history and regular review of customers' outstanding balances and payment trends. Further, our Group uses ageing analysis to periodically monitor the collectability of our trade receivables.

Our average trade receivables turnover periods were 126 days, 100 days, 102 days and 100 days in the FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively, which had exceeded the normal credit terms granted to our customers.

12. FINANCIAL INFORMATION (cont'd)

The higher trade receivables turnover period as compared to our normal credit terms was due to longer payment processing time required by Motorola Group to settle our invoices. For reference, below is an analysis of the average trade receivables turnover period in respect of our sales to Motorola Group for the Financial Years and Period Under Review:

	Motorola Group			
	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening trade receivables	10,001	9,257	9,293	8,570
Closing trade receivables	9,257	9,293	8,570	7,396
Average trade receivables	9,629	9,275	8,932	7,983
Revenue	20,997	33,007	28,915	14,169
Average trade receivables turnover period (days)	**167**	**103**	**113**	**102**

As Motorola is a multinational telecommunication company based in the USA, and its payment history has been satisfactory, we have allowed for a longer payment time by Motorola Group as part of our strategic approach to maintain a long-term relationship with this major customer.

Below is the ageing analysis of our trade receivables as at 30 June 2026:

	Trade receivables as at 30 June 2026		**Amount collected subsequent from 1 July 2026 up to LPD**		**Balance trade receivables as at the LPD**
	RM'000	**% of trade receivables**	**RM'000**	**% collected**	**RM'000**
Neither past due nor impaired	8,963	93.6	8,719	91.0	244
Past due but not impaired:					
- 1 to 30 days	586	6.1	586	6.1	-
- 31 to 60 days	32	0.3	32	0.3	-
- 61 to 90 days	-	-	-	-	-
- More than 90 days	-	-	-	-	-
	618	6.4	618	6.4	-
Total	**9,581**	**100.0**	**9,337**	**97.4**	**244**

As at the LPD, we have collected RM9.3 million or 97.4% of our total trade receivables as at 30 June 2026. The remaining balance of RM0.2 million has yet to be collected as at the LPD, as these trade receivables are still within the credit period.

We are of the view that we are able to collect the outstanding amounts of our trade receivables after taking into account our long-term working relationship with the customers and their satisfactory payment history.

12.7.2 Trade Payables Turnover

Our average trade payables turnover period for the Financial Years and Period Under Review is as follows:

	Audited			
	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening trade payables	4,258	2,558	4,415	2,559
Closing trade payables	2,558	4,415	2,559	4,591
Average trade payables	3,408	3,487	3,487	3,575
COS	23,907	28,610	28,527	13,309
Average trade payables turnover period (days)	**52**	**44**	**45**	**49**

The normal credit terms granted by suppliers to our Group ranges from 30 days to 90 days from the date of supplier's invoice.

Our Group's average trade payables turnover periods during the Financial Years and Period Under Review were 52 days, 44 days, 45 days and 49 days respectively, which were within the normal credit terms granted by our suppliers.

The lower average trade payables turnover period in FYE 2024 as compared to the FYE 2023 was mainly due to quicker settlement to our trade suppliers, as we achieved quicker collection from our trade receivables in FYE 2024.

The higher average trade payables turnover period of 49 days in FPE 2026 as compared to 45 days in FYE 2025, was mainly due to higher purchases of raw materials towards the end of FPE 2026.

Below is the ageing analysis of our trade payables as at 30 June 2026 is as follows:

	Trade payables as at 30 June 2026		**Amount paid subsequent from 1 July 2026 up to LPD**		**Balance trade payables as at the LPD**
	RM'000	**% of trade payables**	**RM'000**	**% paid**	**RM'000**
Neither past due nor impaired	3,617	78.8	3,617	78.8	-
Past due but not impaired:					
– 1 to 30 days	974	21.2	974	21.2	-
– 31 to 60 days	-	-	-	-	-
– 61 to 90 days	-	-	-	-	-
– More than 90 days	-	-	-	-	-
	974	21.2	974	21.2	-
Total	**4,591**	**100.0**	**4,591**	**100.0**	**-**

As at the LPD, we have fully settled all of our trade payables as at 30 June 2026. Further, as at the LPD, there were no disputes in respect of our trade payables and we are not aware of any legal action initiated by our suppliers to demand for payment.

12.7.3 Inventory Turnover

Our average inventory turnover period for the Financial Years and Period Under Review is as follows:

	Audited			
	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Opening inventories	7,171	3,319	3,577	3,835
Closing inventories	3,319	3,577	3,835	3,690
Average inventories	5,245	3,448	3,706	3,763
COS	23,907	28,610	28,527	13,309
Average inventories turnover period (days)	**80**	**44**	**47**	**51**

We manufacture and sell a range of antennas where the raw materials kept at our Penang Factory may vary from time-to-time according to our inventory requirements and composition.

Our Group's average inventory turnover period in the FYE 2024 was 44 days, which was lower than the FYE 2023 of 80 days. This higher inventory turnover period in the FYE 2023 was mainly due to higher purchases of raw materials towards the end of FYE 2023 in order to cater for the increased production volume in the first quarter of FYE 2024, in tandem with the growth in our revenue in the FYE 2024.

The higher average inventories turnover period of 51 days in FPE 2026 as compared to 47 days in FYE 2025, was mainly due to higher store keeping of raw materials kept for our production activities in the FPE 2026.

Our Group's average inventory turnover period in the FYE 2025 was fairly stable as compared to the FYE 2024. During the Financial Years and Period Under Review and up to the LPD, our Group did not have any inventories that were impaired.

12.7.4 Current Ratio

Our current ratio as at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026 is as follows:

	Audited			
	As at 31 December 2023	**As at 31 December 2024**	**As at 31 December 2025**	**As at 30 June 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current assets	18,027	24,321	23,566	24,303
Current liabilities	6,700	10,481	8,192	6,865
Net current assets	11,327	13,840	15,374	17,438
Current ratio (times)	**2.7**	**2.3**	**2.9**	**3.5**

During the Financial Years and Period Under Review, our Group has been able to maintain a current ratio of more than 1 time, which indicates that our Group is capable of meeting our current obligations, as our current assets, which can be readily converted to cash, together with our holding of cash and bank balances, are adequate to meet immediate payment obligations for our current liabilities.

12.7.5 Gearing Ratio

Our gearing ratio as at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026 is as follows:

	Audited			
	As at 31 December 2023	**As at 31 December 2024**	**As at 31 December 2025**	**As at 30 June 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Total loans and borrowings	10,696	9,275	7,571	6,380
Total equity	12,874	21,914	32,493	34,565
Gearing ratio (times)	**0.8**	**0.4**	**0.2**	**0.2**

It is our Group's intention to maintain a low gearing ratio in order to have greater flexibility in managing our Group's cash flows and to reduce finance costs. During the Financial Years and Period Under Review, our Group has been able to maintain gearing ratio of less than 1 time.

12.8 IMPACT OF GOVERNMENT, ECONOMIC, FISCAL OR MONETARY POLICIES

Save for the reciprocal tariff framework as elaborated in Section 12.2.2 of this Prospectus, there were no other government, economic, fiscal or monetary policies or factors which had materially affected our business during the Financial Years and Period 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 materially affect our operations are set out in Section 9 of this Prospectus.

12.9 IMPACT OF INFLATION

Our financial performance during the Financial Years and Period 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.

12.10 IMPACT OF FOREIGN EXCHANGE RATES, INTEREST RATES AND/OR COMMODITY PRICES ON OUR GROUP'S OPERATIONS

12.10.1 Impact of Foreign Exchange Rates

Our Group is subject to foreign exchange rate risks as some of our sales and purchases are transacted in foreign currencies. Set out below is a summary of the breakdown of our sales and purchases by currency for the Financial Years and Period Under Review:

Sales

	FYE 2023		FYE 2024		FYE 2025	
Revenue in	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
– RM	14	0.04	-	-	77	0.2
– USD	31,994	99.96	40,991	100.0	39,571	99.8
Total	**32,008**	**100.00**	**40,991**	**100.0**	**39,648**	**100.0**

	FPE 2025		FPE 2026	
Revenue in	**RM'000**	**%**	**RM'000**	**%**
– RM	61	0.3	18	0.1
– USD	20,204	99.7	18,132	99.9
Total	**20,265**	**100.0**	**18,150**	**100.0**

COS

	FYE 2023		FYE 2024		FYE 2025	
COS in	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
– RM	16,523	69.1	15,029	52.5	15,830	55.5
– USD	7,383	30.9	13,578	47.5	11,461	40.2
– TWD	1	*	3	*	1,236	4.3
Total	**23,907**	**100.0**	**28,610**	**100.0**	**28,527**	**100.0**

	FPE 2025		FPE 2026	
COS in	**RM'000**	**%**	**RM'000**	**%**
– RM	7,981	55.2	7,877	59.2
– USD	6,352	44.0	4,806	36.1
– TWD	120	0.8	626	4.7
Total	**14,453**	**100.0**	**13,309**	**100.0**

Note:

* Less than 0.1%.

In view of the above, we are inherently exposed to the risks of fluctuations in foreign exchange rate arising from the key factors:

(i) Timing differences between recording our invoices denominated in USD and the actual cash receipt in USD, which is converted to RM for accounting purposes. Any difference in exchange rate used for the conversion into RM due to timing differences will result in either realised gain or loss on exchange;

(ii) Timing differences between recording our suppliers' invoices denominated in USD and subsequent payment to such suppliers in USD, which is converted to RM to accounting purposes. Any difference in exchange rate used for the conversion into RM due to timing will result in either realised gain or loss on exchange;

(iii) Translating the USD-denominated term loans, trade receivables and trade payables based on prevailing RM/USD exchange rate as at each financial reporting date into RM which give raise to realised or unrealised exchange gain or loss from the translation.

We primarily manage our foreign currency risks mainly through natural hedging. In our ordinary course of business, we deal with our customers and suppliers from both the local and foreign markets, where we transact sales and purchases in the local and foreign currencies (i.e. USD and TWD), as the case may be. We maintain bank accounts in USD, RM, TWD, such that collections can be used to settle payments of the same currency. This, to a certain extent, provides a natural hedge against fluctuations in foreign exchange rates which in turn, alleviates our foreign exchange risks.

Further, since FYE 2021, our Group has obtained a USD forward contracts from a licensed local financial institution to hedge our exposure against the USD-denominated trade receivables. Our Group utilises these hedging instruments on a discretionary basis (i.e. when the foreign currency rate is deemed not favourable to our Group). As at the LPD, our Group has outstanding forward currency contracts of approximately USD0.5 million (or equivalent to RM2.0 million).

During the Financial Years and Period Under Review, we recorded the following gains and losses due to fluctuations in foreign exchange rates:

Net (gains)/loss on foreign exchange	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000
– Realised	(61)	654	(547)
– Unrealised	397	(584)	1,142
Total	**336**	**70**	**595**

Net (gains)/loss on foreign exchange	FPE 2025 RM'000	FPE 2026 RM'000
– Realised	(251)	362
– Unrealised	840	(299)
Total	**589**	**63**

Please refer to Note 31(b)(iii)(a) of the Accountants' Report in Section 13 of this Prospectus for sensitivity analysis on our PBT to changes in foreign exchange rate.

12.10.2 Impact of Interest Rates

Interest coverage ratio measures the number of times a company can make its interest payments with its EBIT. The interest coverage ratios for the Financial Years and Period Under Review are as follows:

	Audited			
	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000	FPE 2026 RM'000
Total loans and borrowings as at 31 December/30 June	10,696	9,275	7,571	6,380
EBIT	4,204	8,579	6,630	2,684
Finance costs	1,206	735	474	175
Interest coverage ratio (times)[(a)]	3.5	11.7	14.0	15.3

Note:

(a) Computed based on EBIT divided by finance costs.

Our interest coverage ratio was between 3.5 times and 15.3 times during the Financial Years and Period Under Review, which indicates that we have been able to generate sufficient EBIT to meet our interest servicing obligations.

Please refer to Note 31(b)(iii)(b) of the Accountants' Report in Section 13 of this Prospectus for sensitivity analysis on our PBT to changes in interest rate risk.

12.10.3 Impact of Commodity Prices

Our input materials mainly consist of resins, machining parts, antenna radiators, cables, connector, metal stamping parts, jigs and springs. Therefore, our input material prices may fluctuate based on the change in gold, crude oil and natural gas, copper, steel, and aluminium prices. Nevertheless, these input materials that we usually purchase are widely available from a large base of foreign and local suppliers.

During the quotation process, we will estimate, among others, the cost of input materials, obtain quotation from suppliers for major parts and components, estimate the exchange rate, direct and indirect overheads plus expected margin to arrive at the price quotation for consideration by our customers. The quotation will mitigate unexpected material increase in cost of input materials.

For the Financial Years and Period Under Review and up to LPD, our financial results were not materially affected by the fluctuations in commodity prices. We did not encounter any material increase in the cost of our purchases which substantially increased our COS which in turn may affect our GP and GP margin. Nonetheless, any adverse changes in such commodity prices will increase our COS and may have adverse effect on us.

Our product selling prices generally remain stable for subsequent orders over a 6 to 12 months. However, in the event of a drastic surge in production costs driven by market factors, we will discuss with our customers for a price revision. We generally are able to pass these market-driven cost increases through to our customers. This would enable our Group to minimise any adverse impact of rising commodity prices on our financial performance.

12.11 ORDER BOOK

Our revenue and actual sales volumes are dependent on the quantity, type and value of the antenna products specified in the purchase orders received from our customers from time to time. Typically, our customers will provide us with their rolling purchase forecasts every 6 to 12 months for the planning of our manufacturing capacity and readiness. However, the rolling purchase forecast are non-binding commitment by our customers. Our customers will place purchase orders which will be binding commitment from our customers with our Group on a weekly or monthly basis. In this regard, due to the nature of our business, we do not maintain an order book.

12.12 TREND INFORMATION

Based on our track record for the Financial Years and Period Under Review, including our segmental analysis of revenue and profitability, the following trends may continue to affect our business:

(i) our Group's revenue was derived mainly from sales of LMR antennas. We expect this product category to continue contributing significantly to our revenue in the FYE 2026. When mass production of the 5G base station antenna materialise, contribution of LMR antennas as a percentage of our Group's revenue will be lower in the future;

(ii) our Group's revenue was mostly derived from the USA sales market, followed by Malaysia. We expect this trend to continue;

(iii) our Group's COS mainly comprised input materials and labour supply costs, which collectively accounted for more than 80.0% of our Group's COS during the Financial Years and Period Under Review. We expect this trend to continue; and

(iv) our Group's GP margin was 25.3%, 30.2%, 28.0% and 26.7% in the FYE 2023, FYE 2024, FYE 2025 and FPE 2026 respectively. We expect to maintain our GP margin within similar range in the future. However, this would depend on, amongst others, our continued ability to manage our costs efficiently, as well as our ability to price our antennas competitively.

As at the LPD, our Board confirms that our Group's financial condition and operations have not been and are not expected to be affected by any of the following:

(i) 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 this section, as well as Sections 7 and 8 of this Prospectus;

(ii) unusual, infrequent events or transactions or any significant economic changes that have materially affected the financial performance, position and operations of our Group save for those that had been discussed in this section, as well as Sections 7 and 8 of this Prospectus;

(iii) known trends, demands, commitments, events or uncertainties that have resulted in a substantial impact on our Group's revenue and/or profits, save for those discussed in this section, as well as Sections 7 and 8 of this Prospectus;

(iv) known trends, demands, commitments, events or uncertainties that are reasonably likely to make our Group's historical financial statements not necessarily indicative of the future financial performance and position other than those discussed in this section, as well as Sections 7 and 8 of this Prospectus; and

(v) material commitments for capital expenditures as set out in Section 6.5.1 of this Prospectus.

12.13 DIRECTORS' STATEMENT ON OUR GROUP FINANCIAL PERFORMANCES

As disclosed in Section 9.1.8 of this Prospectus, the ongoing geopolitical tension in the Middle East had resulted in an increase in, amongst others, crude oil and transportation prices as well as created uncertainties to global economic outlook. However, the extent of the actual impact to our Group is not quantifiable at this juncture. In the event there is a significant increase in our input material costs driven by these adverse events and we are unable to pass on such cost increase to our customers, our Group's GP margin will be adversely impacted.

Subject to the above, our Board is of the opinion that:

(i) our Group's revenue will remain sustainable, in-line with the anticipated growth in demand for passive antennas as set out in the IMR Report;

(ii) our Group has a liquid financial position and that our liquidity will further 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 7.18 of this Prospectus; and

(iii) our Group is well-capitalised and that our financial resources will further strengthen, taking into account the amount to be raised from the Public Issue as well as internally generated funds.

In addition, our Board also confirms that there are no other circumstances which would result in a significant decline in our Group's revenue and GP margin, or know of any material factors that are likely to have a material impact on our liquidity, revenue and profitability.

12.14 DIVIDEND POLICY

Our Company does not have any formal dividend policy. As our Company is an investment holding company, our ability to declare and pay dividends is dependent upon the dividends we receive from our subsidiaries, 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 subsidiaries to transfer funds in the form of cash dividend, loans or advances to us.

We target a dividend payout ratio of approximately 20% of our PAT for each financial year on a consolidated basis. Our Board will take into consideration, amongst others, the following key factors when recommending dividends for approval by our shareholders or when declaring any dividends:

(i) the availability of adequate reserves and cash flows;

(ii) our operating cash flow requirements and financial commitments;

(iii) our anticipated future operating conditions, as well as future expansion, capital expenditure and investment plans;

(iv) our expected results of operations and future level of operations;

(v) any restrictive covenants contained in our prevailing financial obligations; and

(vi) the general economic and business conditions and other factors deemed relevant by our Board.

Investors should note that this dividend policy merely describes our present intention and shall not constitute legally binding statements in respect of our future dividends which are subject to modifications (including non-declaration thereof) at our Board's discretion. We cannot assure you that we will be able to pay dividends or that our Board will declare dividends in the future. There can also be no assurance that future dividends declared by our Board, if any, will not differ materially from historical dividend levels. Please refer to Section 9.3 of this Prospectus for further details on the risk relating to investment in our Shares.

During the Financial Years and Period Under Review, our Group had paid out the following cash dividends to our shareholders:

	FYE 2023	**FYE 2024**	**FYE 2025**	**FPE 2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
PAT	2,168	5,831	5,204	2,071
Dividend declared/paid	-	2,700	1,000	-
Dividend payout ratio	-	46.3%	19.2%	-

These dividends were fully funded by our Group's internally generated funds and does not adversely impact the execution of our future plans or business strategies. As at the LPD, our Group has no intention to declare further dividends prior to our Listing.

Notwithstanding the above, no inference should or can be made from any of the above statements as to our actual future profitability or our ability to pay dividends in the future.

12.15 CAPITALISATION AND INDEBTEDNESS

The table below summarises our capitalisation and indebtedness as at 30 September 2026 (being the latest practicable reporting date which is not more than 60 days prior to the date of the Prospectus) and after adjusting for the following effects pursuant to our Listing:

		Pro Forma I	Pro Forma II	Pro Forma III
	Unaudited as at 30 September 2026 (which is after the Acquisition)	**After the Share Split**	**After Pro Forma I and Public Issue**	**After Pro Forma II and Utilisation of Proceeds**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Capitalisation				
Share capital	25,001	25,001	40,002	38,927
Merger deficit	[a](14,400)	[a](14,400)	[a](14,400)	[a](14,400)
Foreign currency translation reserve	(71)	(71)	(71)	(71)
Revaluation reserve	7,346	7,346	7,346	7,346
Retained earnings	18,462	18,462	18,462	15,598
Total capitalisation	**36,338**	**36,338**	**51,339**	**47,400**
Indebtedness				
Current				
Secured and guaranteed				
Term loans	816	816	816	816
Non-current				
Secured and guaranteed				
Term loans	5,369	5,369	5,369	5,369
Contingent liabilities				
Bank guarantee to third parties[b]	231	231	231	231
Total indebtedness	**6,416**	**6,416**	**6,416**	**6,416**
Total capitalisation and indebtedness	**42,754**	**42,754**	**57,755**	**53,816**
Gearing ratio (times)	[c]**0.17**	[c]**0.17**	[c]**0.12**	[c]**0.13**

Notes:

(a) Merger deficit refers to the difference between the costs of acquisition of our subsidiaries (i.e. approximately RM25.0 million in aggregate pursuant to the Acquisition) and the nominal value of the issued share capital of our subsidiaries (i.e. approximately RM10.6 million in aggregate as at 30 June 2026).

The merger deficit of RM14.4 million is recognised within equity under merger accounting of a business combination under common control. It is therefore neither a distributable reserve nor operating losses, and have no impact to our Group's future cash flows and financial performance.

(b) Please refer to Section 12.6.3 of this Prospectus for further details.

(c) Calculated based on total capitalisation divided by total indebtedness.

EMITS BERHAD
[Registration No.: 202501005450 (1606864-T)]
(Incorporated in Malaysia)

ACCOUNTANTS' REPORT ON COMBINED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS/PERIODS ENDED 31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025 AND 30 JUNE 2026

TGS TW PLT

CHARTERED ACCOUNTANTS

TGS TW PLT
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Date: 20 October 2026

The Board of Directors
Emits Berhad
Plot 152, Bayan Lepas Free Industrial Zone
Phase 1, Jalan Sultan Azlan Shah, MK 12
11900 Bayan Lepas
Penang

Dear Sirs,

Reporting Accountants' Opinion on the Combined Financial Statements Contained in the Accountants' Report of Emits Berhad ("EMITS" or the "Company") and its combining entities (the "Group")

Opinion

We have audited the combined financial statements of Emits and the combining entities ("the Group"), which comprise the combined statements of financial position as at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, and the combined statements of profit or loss and other comprehensive income, combined statements of changes in equity and combined statements of cash flows of the combining entities for the financial years/period ended 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, and a summary of material accounting policy information and other explanatory notes, as set out on pages 5 to 73.

These combined financial statements of Emits have been prepared for inclusion in the prospectus for Emits in connection with the listing of and quotation for the entire issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad. This report is prepared for the purpose of complying with the Prospectus Guidelines issued by the Securities Commission Malaysia and for no other purpose.

In our opinion, the accompanying combined financial statements give a true and fair view of the combined financial position of the combining entities as at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, and of their financial performance and their cash flows for the financial years/period ended 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards and Paragraph 10.04 of Chapter 10, Part II Division 1, Equity of the Prospectus Guidelines as issued by the Securities Commission Malaysia.

TGS TW PLT 202106000004 (LLP0026851-LCA) & AF002345 is a member of the TGS network, the members of which are separate and independent legal entities

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.

Independence and Other Ethical Responsibilities

We are independent of the combining entities 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 combining entities that gives a true and fair view in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of combined financial statements of the combining entities that is free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements of the combining entities, the Directors are responsible for assessing the combining entities' 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 combining entities or 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 combining entities as a whole is 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 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.

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Reporting Accountants' Responsibilities for the Audit of the Combined Financial Statements (Cont'd)

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 scepticisms throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined financial statements of the combining entities, 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 the combining entities' internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- 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 combining entities' ability 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 combining entities 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 combining entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the combined financial statements of the combining entities, including the disclosures, and whether the combined financial statements of the combining entities represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the combining entities audit to obtain sufficient appropriate audit evidence regarding the combined financial statements of the combining entities or business activities within the combining entities as a basis for forming an opinion on the combined financial statements of the combining entities. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the combining entities' 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.

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Other Matter

The significant events and subsequent events for the financial period ended 30 June 2026 have been disclosed in Note 1(d) and Note 33 to the combined financial statements.

Restriction on Distribution and Use

This report is made solely to the Company for inclusion in the prospectus of Emits to be issued in relation to the proposed listing of and quotation for the entire enlarged issued share capital of Emits on the ACE Market of Bursa Malaysia Securities Berhad and should not be relied upon for any other purposes. We do not assume responsibility to any other person for the content of this report.

TGS TW PLT
202106000004 (LLP0026851-LCA) & AF002345
Chartered Accountants

TEOH CHEY YEAT
03447/08/2027 J
Chartered Accountant

KUALA LUMPUR
20 October 2026

TGS TW PLT 202106000004 (LLP0026851-LCA) & AF002345 is a member of the TGS network, the members of which are separate and independent legal entities

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025 AND 30 JUNE 2026

		← Audited →			
	Note	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	2,382,935	2,117,177	5,817,412	5,782,186
Right-of-use assets	5	14,874,521	14,283,476	18,433,692	18,035,842
		17,257,456	16,400,653	24,251,104	23,818,028
Current assets					
Inventories	6	3,318,936	3,577,230	3,835,420	3,689,838
Trade receivables	7	10,767,156	11,686,740	10,513,584	9,580,715
Other receivables	8	428,027	1,153,308	2,299,551	3,175,529
Tax recoverable		481,914	306,911	29,017	-
Cash and bank balances		3,031,238	7,596,571	6,888,219	7,857,283
		18,027,271	24,320,760	23,565,791	24,303,365
Total assets		35,284,727	40,721,413	47,816,895	48,121,393
EQUITY					
Share capital	9(a)	-	-	1,000	1,000
Invested equity	9(b)	2,500,000	7,500,000	10,600,000	10,600,000
Redeemable convertible preference shares ("RCPS")	10	-	1,000,000	-	-
Revaluation reserve	11	3,611,733	3,468,220	7,591,842	7,427,989
Foreign currency translation reserve	12	26,816	(63,021)	(71,984)	(70,408)
Retained earnings	13	6,734,949	10,009,326	14,371,783	16,606,905
Total equity		12,873,498	21,914,525	32,492,641	34,565,486

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025 AND 30 JUNE 2026 (CONT'D)

		← Audited →			
	Note	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
LIABILITIES					
Non-current liabilities					
Loans and borrowings	14	8,843,686	7,657,480	5,959,839	5,563,592
Deferred tax liabilities	15	483,116	668,373	1,171,845	1,126,875
Other payables	16	6,384,449	-	-	-
		15,711,251	8,325,853	7,131,684	6,690,467
Current liabilities					
Loans and borrowings	14	1,852,438	1,617,110	1,611,185	815,957
Contract liabilities	17	-	-	134,691	31,498
Trade payables	18	2,558,408	4,414,733	2,558,621	4,590,712
Other payables	16	2,215,407	4,220,212	3,765,138	1,068,443
Tax payable		73,725	228,980	122,935	358,830
		6,699,978	10,481,035	8,192,570	6,865,440
Total liabilities		22,411,229	18,806,888	15,324,254	13,555,907
Total equity and liabilities		35,284,727	40,721,413	47,816,895	48,121,393

The accompanying notes form an integral part of the combined financial statements

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEARS/PERIOD ENDED 31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025

		← Audited →				Unaudited
		1.1.2023 to 31.12.2023	1.1.2024 to 31.12.2024	1.1.2025 to 31.12.2025	1.1.2026 to 30.6.2026	1.1.2025 to 30.6.2025
	Note	RM	RM	RM	RM	RM
Revenue	19	32,008,104	40,990,436	39,648,216	18,150,226	20,265,117
Cost of sales		(23,907,379)	(28,609,928)	(28,527,494)	(13,308,802)	(14,453,525)
Gross profit		8,100,725	12,380,508	11,120,722	4,841,424	5,811,592
Other income		255,046	752,407	642,601	374,162	464,817
Administration expenses		(4,121,011)	(4,550,955)	(5,088,953)	(2,524,421)	(3,088,654)
Net (loss)/gain on impairment of financial assets		(17,479)	54,682	(6,195)	-	-
Profit from operations		4,217,281	8,636,642	6,668,175	2,691,165	3,187,755
Finance costs	20	(1,206,178)	(734,720)	(473,510)	(174,749)	(248,129)
Profit before tax	21	3,011,103	7,901,922	6,194,665	2,516,416	2,939,626
Taxation	22	(843,807)	(2,071,058)	(991,070)	(445,147)	(800,881)
Profit for the financial year/period		2,167,296	5,830,864	5,203,595	2,071,269	2,138,745

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEARS/PERIOD ENDED 31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025 (CONT'D)

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Items that are or may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operation	33,411	(89,837)	(8,963)	1,576	71,165
Items that will not be reclassified subsequently to profit or loss					
Revaluation of land and buildings	-	-	4,282,484	-	-
Other comprehensive income/(loss) for the financial year/period	33,411	(89,837)	4,273,521	1,576	71,165
Total comprehensive income for the financial year/period	2,200,707	5,741,027	9,477,116	2,072,845	2,209,910

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEARS/PERIOD ENDED 31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025 (CONT'D)

		← Audited →				Unaudited
		1.1.2023 to 31.12.2023	1.1.2024 to 31.12.2024	1.1.2025 to 31.12.2025	1.1.2026 to 30.6.2026	1.1.2025 to 30.6.2025
		RM	RM	RM	RM	RM
Profit for the financial year/period attributable to owners of the combining entities		2,167,296	5,830,864	5,203,595	2,071,269	2,138,745
Total comprehensive income attributable to owners of the combining entities		2,200,707	5,741,027	9,477,116	2,072,845	2,209,910
Earnings per share:						
Basic earnings per share (RM)	23	0.87	0.92	0.69	0.26	0.29
Diluted earnings per share (RM)	23	0.87	0.92	0.69	0.26	0.27

The accompanying notes form an integral part of the combined financial statements

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS/PERIOD ENDED
31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025

	Attributable to owners of the Combining Entities						
	Non-distributable				Distributable		
				Foreign currency	Retained earnings		
	Share capital RM	Invested equity RM	Revaluation reserve RM	translation reserve RM	Legal reserve RM	Unappropriated retained earnings RM	Total equity RM
Audited							
At 1 January 2023	-	2,500,000	3,755,246	(6,595)	13,719	4,410,421	10,672,791
Profit for the financial year	-	-	-	-	-	2,167,296	2,167,296
Exchange differences on translation of foreign operations	-	-	-	33,411	-	-	33,411
Total comprehensive income for the financial year	-	-	-	33,411	-	2,167,296	2,200,707
Appropriation of legal reserve	-	-	-	-	45,005	(45,005)	-
Transfer from revaluation reserve to retained earnings	-	-	(143,513)	-	-	143,513	-
At 31 December 2023	-	2,500,000	3,611,733	26,816	58,724	6,676,225	12,873,498

EMITS BERHAD
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COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS/PERIOD ENDED
31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025 (CONT'D)

		Attributable to owners of the Combining Entities							
		Non-distributable					Distributable		
						Foreign	Retained earnings		
	Note	Share capital RM	Invested equity RM	RCPS RM	Revaluation reserve RM	currency translation reserve RM	Legal reserve RM	Unappropriated retained earnings RM	Total equity RM
Audited (Cont'd)									
At 1 January 2024		-	2,500,000	-	3,611,733	26,816	58,724	6,676,225	12,873,498
Profit for the financial year		-	-	-	-	-	-	5,830,864	5,830,864
Exchange differences on translation of foreign operations		-	-	-	-	(89,837)	-	-	(89,837)
Total comprehensive income for the financial year		-	-	-	-	(89,837)	-	5,830,864	5,741,027
Transactions with owners:									
Issuance of ordinary shares	9(b)	-	5,000,000	-	-	-	-	-	5,000,000
Issuance of RCPS	10	-	-	1,000,000	-	-	-	-	1,000,000
Dividends to owners of the combining entities	24	-	-	-	-	-	-	(2,700,000)	(2,700,000)
Total transaction with owners		-	5,000,000	1,000,000	-	-	-	(2,700,000)	3,300,000
Appropriation of legal reserve		-	-	-	-	-	52,961	(52,961)	-
Transfer from revaluation reserve to retained earnings		-	-	-	(143,513)	-	-	143,513	-
At 31 December 2024		-	7,500,000	1,000,000	3,468,220	(63,021)	111,685	9,897,641	21,914,525

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS/PERIOD ENDED
31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025 (CONT'D)

		Attributable to owners of the Combining Entities							
		Non-distributable					Distributable		
						Foreign currency	Retained earnings		
	Note	Share capital RM	Invested equity RM	RCPS RM	Revaluation reserve RM	translation reserve RM	Legal reserve RM	Unappropriated retained earnings RM	Total equity RM
Audited (Cont'd)									
At 1 January 2025		-	7,500,000	1,000,000	3,468,220	(63,021)	111,685	9,897,641	21,914,525
Profit for the financial year		-	-	-	-	-	-	5,203,595	5,203,595
Exchange differences on translation of foreign operations		-	-	-	-	(8,963)	-	-	(8,963)
Revaluation of land and buildings		-	-	-	4,282,484	-	-	-	4,282,484
Total comprehensive income for the financial year		-	-	-	4,282,484	(8,963)	-	5,203,595	9,477,116
Transactions with owners:									
Issuance of ordinary shares	9(a)	1,000	-	-	-	-	-	-	1,000
Issuance of RCPS	10	-	-	2,100,000	-	-	-	-	2,100,000
Dividends to owners of the combining entities	24	-	-	-	-	-	-	(1,000,000)	(1,000,000)
Conversion of RCPS to ordinary shares		-	3,100,000	(3,100,000)	-	-	-	-	-
Total transaction with owners		1,000	3,100,000	(1,000,000)	-	-	-	(1,000,000)	1,101,000
Transfer from revaluation reserve to retained earnings		-	-	-	(158,862)	-	-	158,862	-
At 31 December 2025		1,000	10,600,000	-	7,591,842	(71,984)	111,685	14,260,098	32,492,641

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS/PERIOD ENDED
31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025 (CONT'D)

	Attributable to owners of the Combining Entities						
	Non-distributable					Distributable	
					Retained earnings		
	Share capital RM	Invested equity RM	Revaluation reserve RM	Foreign currency translation reserve RM	Legal reserve RM	Unappropriated retained earnings RM	Total equity RM
Audited (Cont'd)							
At 1 January 2026	1,000	10,600,000	7,591,842	(71,984)	111,685	14,260,098	32,492,641
Profit for the financial period	-	-	-	-	-	2,071,269	2,071,269
Exchange differences on translation of foreign operations	-	-	-	1,576	-	-	1,576
Total comprehensive income for the financial period	-	-	-	1,576	-	2,071,269	2,072,845
Transfer from revaluation reserve to retained earnings	-	-	(163,853)	-	-	163,853	-
At 30 June 2026	1,000	10,600,000	7,427,989	(70,408)	111,685	16,495,220	34,565,486

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEARS/PERIOD ENDED
31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025 (CONT'D)

		Attributable to owners of the Combining Entities							
		Non-distributable					Distributable		
						Foreign	Retained earnings		
	Note	Share capital RM	Invested equity RM	RCPS RM	Revaluation reserve RM	currency translation reserve RM	Legal reserve RM	Unappropriated retained earnings RM	Total equity RM
Unaudited									
At 1 January 2025		-	7,500,000	1,000,000	3,468,220	(63,021)	111,685	9,897,641	21,914,525
Profit for the financial period		-	-	-	-	-	-	2,138,745	2,138,745
Exchange differences on translation of foreign operations		-	-	-	-	71,165	-	-	71,165
Total comprehensive income for the financial period			-	-	-	71,165	-	2,138,745	2,209,910
Transactions with owners:									
Issuance of ordinary shares	9(a)	1,000	-	-	-	-	-	-	1,000
Issuance of RCPS	10	-	-	2,100,000	-	-	-	-	2,100,000
Total transaction with owners		1,000	-	2,100,000	-	-	-	-	2,101,000
Transfer from revaluation reserve to retained earnings		-	-	-	(83,717)	-	-	83,717	-
At 30 June 2025		1,000	7,500,000	3,100,000	3,384,503	8,144	111,685	12,120,103	26,225,435

The accompanying notes form an integral part of the combined financial statements.

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEARS/PERIOD ENDED
31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025,
30 JUNE 2026 AND 30 JUNE 2025

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Cash flows from operating activities					
Profit before tax	3,011,103	7,901,922	6,194,665	2,516,416	2,939,626
Adjustments for:					
Depreciation of:					
- property, plant and equipment	985,955	729,595	592,173	505,089	289,852
- right-of-use assets	591,044	591,045	608,099	397,850	295,522
Finance costs	1,206,178	734,720	473,510	174,749	248,129
Finance income	(13,774)	(57,502)	(38,912)	(6,605)	(15,702)
Property, plant and equipment written off	2,724	1	5,396	-	4,716
Allowance for/ (Reversal of) ECLs on trade receivables	17,479	(54,682)	6,195	-	-
Unrealised loss/ (gain) on foreign exchange	397,215	(584,208)	1,141,852	(299,352)	839,808
Operating profit before working capital changes	6,197,924	9,260,891	8,982,978	3,288,147	4,601,951

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEARS/PERIOD ENDED 31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025 (CONT'D)

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Cash flows from operating activities (Cont'd)					
Change in working capital:					
Inventories	3,852,405	(258,294)	(258,190)	145,582	(667,117)
Receivables	405,152	(1,097,987)	(291,340)	281,139	1,738,268
Payables	(1,380,587)	2,502,454	(980,630)	(729,782)	(276,675)
Contract liabilities	-	-	134,691	(103,193)	98,166
Cash generated from operations	9,074,894	10,407,064	7,587,509	2,881,893	5,494,593
Tax paid	(434,527)	(1,555,543)	(1,277,972)	(225,205)	(685,079)
Tax refund	-	-	486,392	-	-
Interest received	13,774	27,030	23,448	6,605	15,702
Net cash from operating activities	8,654,141	8,878,551	6,819,377	2,663,293	4,825,216
Cash flows from investing activities					
Acquisition of property, plant and equipment	(99,972)	(463,838)	(4,297,804)	(469,863)	(589,730)
Interest received	-	30,472	15,464	-	-
Net cash used in investing activities	(99,972)	(433,366)	(4,282,340)	(469,863)	(589,730)

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEARS/PERIOD ENDED 31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025 (CONT'D)

		← Audited →				Unaudited
	Note	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Cash flows from financing activities						
Repayment of borrowings		(5,875,411)	(1,211,146)	(1,675,513)	(1,218,951)	(1,457,456)
Repayment to a shareholder		-	(1,473,826)	-	-	-
Proceeds from RCPS	10	-	1,000,000	850,000	-	850,000
Proceeds from share application money for RCPS	26	-	1,250,000	-	-	-
Proceeds from share capital	9(a)	-	-	1,000	-	1,000
Dividends paid	24	-	(2,700,000)	(1,000,000)	-	-
Interest paid		(894,826)	(645,343)	(473,510)	(174,749)	(248,129)
Net cash used in financing activities		(6,770,237)	(3,780,315)	(2,298,023)	(1,393,700)	(854,585)
Net increase in cash and cash equivalents		1,783,932	4,664,870	239,014	799,730	3,380,901
Cash and cash equivalents at the beginning of the financial year/period		996,442	3,031,238	7,596,571	6,888,219	7,596,571
Effect of exchange translation difference on cash and cash equivalents		250,864	(99,537)	(947,366)	169,334	(604,162)
Cash and cash equivalents at the end of the financial year/period		3,031,238	7,596,571	6,888,219	7,857,283	10,373,310

EMITS BERHAD
(Incorporated in Malaysia)

COMBINED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEARS/PERIOD ENDED 31 DECEMBER 2023, 31 DECEMBER 2024, 31 DECEMBER 2025, 30 JUNE 2026 AND 30 JUNE 2025 (CONT'D)

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Cash and cash equivalents at the end of the financial year/period comprises:					
Cash and bank balances	3,031,238	7,596,571	6,888,219	7,857,283	10,373,310

Cash Outflows for leases as a lessee

Included in net cash from operating activities					
Payment relating to:					
- short-term leases	(1,488)	(3,936)	(984)	-	(984)

The accompanying notes form an integral part of the combined financial statements.

EMITS BERHAD
(Incorporated in Malaysia)

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. Corporate Information

(a) Introduction

This report has been prepared solely to comply with the Prospectus Guidelines - Equity issued by the Securities Commission Malaysia and for inclusion in the prospectus of Emits Berhad ("the Company") in connection with the listing of and quotation for the entire enlarged issued share capital of the Company on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") (hereinafter defined as "the Listing") and should not be relied upon for any other purposes.

(b) Background

The Company was incorporated on 7 February 2025 as a private limited liability company under the name of Emits Sdn. Bhd. and domiciled in Malaysia. On 27 October 2025, the Company was converted to public limited liability company and changed its name to Emits Berhad ("Emits").

The registered office of the Company is located at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur. The principal place of business of the Company is located at Plot 152, Bayan Lepas Free Industrial Zone, Phase 1, Jalan Sultan Azlan Shah, MK 12, 11900 Bayan Lepas, Penang.

(c) Principal activities

The Company's principal activity is investment holding.

The details of the combining entities as of the date of this report are as follows:

Name of company	Effective interest %	Date of incorporation	Principal activities
Emits Technology Sdn. Bhd. ("ETSB")	100%	28 October 2015	Manufacture of antenna of wireless communication devices

1. Corporate Information (Cont'd)

(c) Principal activities (Cont'd)

The details of the combining entities as of the date of this report are as follows: (Cont'd)

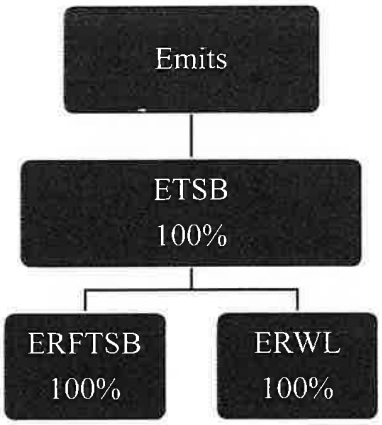
Name of company	Effective interest %	Date of incorporation	Principal activities
Held through ETSB:			
Emits (RF) Technology Sdn. Bhd. ("ERFTSB")	100%	31 July 2019	Dormant since incorporation
Emits Radio Wave Ltd. ("ERWL")	100%	7 January 2019	Manufacture of wireless communication devices

(d) Acquisition

The Group has been formed pursuant to the completion of the acquisition of its subsidiaries by the Company prior to the Listing.

The Company entered into a conditional Share Sale and Purchase Agreement on 15 December 2025 to acquire the entire equity interest in ETSB and its subsidiaries for a total consideration of RM25,000,000 to be satisfied by the issuance of 25,000,000 ordinary shares in the Company at an issue price of RM1 per share ("Acquisition").

Following the completion of the acquisition of ETSB, ERFTSB and ERWL, the Group structure is as follows:



1. Corporate Information (Cont'd)

(e) Share split

Following the completion of Acquisition but prior to the Listing, the Company has undertaken the share split exercise involving the subdivision of every 1 ordinary share into 15 new subdivided ordinary shares. As a result, the Company's number of issued share capital increased from 25,001,000 ordinary shares to 375,015,000 ordinary shares. Notwithstanding the enlarged number of ordinary shares, the total issued share capital remains unchanged at RM25,001,000.

Once the Acquisition and share split is completed, it will be consolidated using merger method of accounting.

(f) Auditors

The combined financial statements of the Group (as defined herein) for the financial years/periods ended 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026 which have been prepared pursuant to the Listing, comprise the financial statements of the following entities under common control for each financial year/period.

The relevant financial years/period of the audited financial statements used for the purpose of the combined financial statements ("Relevant Financial Years/Period") and the auditors are as follows:

Company	Relevant Financial Years/Period	Statutory Auditors
EMITS	FYE 31 December 2025	TGS TW PLT
	FPE 30 June 2026	TGS TW PLT
ETSB	FYE 31 December 2023	TGS TW PLT
	FYE 31 December 2024	TGS TW PLT
	FYE 31 December 2025	TGS TW PLT
	FPE 30 June 2026	TGS TW PLT
ERFTSB	FYE 31 December 2023	TGS TW PLT
	FYE 31 December 2024	TGS TW PLT
	FYE 31 December 2025	TGS TW PLT
	FPE 30 June 2026	TGS TW PLT
ERWL	FYE 31 December 2023*	Jusregal
	FYE 31 December 2024*	Jusregal
	FYE 31 December 2025*	Jusregal
	FPE 30 June 2026	TGS TW PLT

Notes:-
FYE - financial year ended
FPE - financial period ended

1. Corporate Information (Cont'd)

(f) Auditors (Cont'd)

**The combined financial statements of the Group for the respective financial year/period have been prepared based on the audited financial statements which were re-audited by TGS TW PLT for the purpose of inclusion into the combined financial statements of the Group.*

The audited financial statements of EMITS, ETSB, ERFTSB and ERWL for the relevant financial years were not subject to any qualification or modification, save for the audited financial statements of ERWL for the financial year ended 31 December 2023, which were qualified by its local auditor in Taiwan in respect of the existence of inventories, as no physical inventory count was performed during the audit.

Subsequently, TGS TW PLT, acting as the Group's reporting accountants, conducted physical inventory count procedures for the financial year ended 31 December 2024 and performed rollback procedures to verify quantities as at 31 December 2023. Following the outcome of an alternative rollback audit procedure carried out by TGS, the carrying value of ERWL's inventory at 31 December 2023 was determined to be fairly stated, notwithstanding the qualification in the audit report regarding the absence of a physical inventory count.

2. Basis of Preparation

(a) Statement of compliance

The combined financial statements of the combining entities have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs") and International Financial Reporting Standards ("IFRSs").

The combined financial statements consist of the financial statements of combining entities as disclosed in Note 1(c) to this report, which were under common control throughout the reporting years/period by virtue of common controlling shareholders.

The combined financial statements have been prepared using combined financial statements obtained from the records of the combining entities during the reporting years/period.

The combined financial statements of the combining entities have been prepared under the historical cost convention, unless otherwise indicated in the summary of material accounting policy information.

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Adoption of amended standards during the financial year/period

During the financial period ended 30 June 2026, the combining entities have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for the current financial years/period:

Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to MFRS 9 and MFRS 7	Amendments to Classification and Measurement of Financial Instruments
Amendments to MFRS 1	Annual Improvements - Volume 11
Amendments to MFRS 7	
Amendments to MFRS 9	
Amendments to MFRS 10	
Amendments to MFRS 107	

The adoption of the amendments to MFRSs did not have any significant impact on the combined financial statements of the combining entities.

Standard issued but not yet effective

The combining entities have not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the combining entities:

		Effective dates for financial periods beginning on or after
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
MFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to MFRS 128	Amendments to the Fair Value Option for Investment in Associates and Joint Ventures	Applicable upon initial application of MFRS 18
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Standard issued but not yet effective (Cont'd)

The combining entities intend to adopt the above new MFRSs and amendments to MFRSs when they become effective.

The initial application of the above-mentioned new and amendments to MFRSs is not expected to have any significant impact on the financial statements of the combining entities except for the new disclosures required under MFRS 18. Further details on MFRS 18 are discussed below:

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 will replace MFRS 101 Presentation of Financial Statements, which retains the majority of the requirement of MFRS 101 and complements them with new requirements. In addition, narrow-scope amendments have been made to MFRS 107 Statement of Cash Flows and some requirements of MFRS 101 have been moved to the new MFRS 108 Basis of Preparation of Financial Statements.

MFRS 18 introduces key new requirements as follows:

(i) Statement of profit or loss and other comprehensive income

The standard requires reclassification of all income and expenses within the statement of profit or loss into five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. The standard also requires to present a newly-defined operating profit sub-total, and the net profit will not change.

(ii) Statement of cash flows

The standard requires operating profit or loss at the starting points for the indirect cash flows method to be disclosed, from "profit or loss" to "operating profit or loss" and the optionality around classification of cash flows from dividends and interest are removed.

(iii) Management-defined performance measures ("MPMs")

The standard requires MPMs to be disclosed in a single note in the financial statements and enhanced guidance is provided on aggregation and disaggregation of Combined financial statements.

The combining entities are currently assessing the impact of MFRS 18, particularly with respect to the structure of the statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The combining entities are also assessing the impact on aggregation and disaggregation on how information is grouped in the financial statements.

2. Basis of Preparation (Cont'd)

(b) Functional and presentation currency

These combined financial statements are presented in Ringgit Malaysia ("RM"), which is the functional currency of Emits. All combined financial statements are presented in RM unless otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the combining entities' financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

The following are the judgements made by management in the process of applying the combining entities' accounting policies that have the most significant effect on the amounts recognised in the combined financial statements:

Functional currency

The determination of the functional currency of each combining entity requires management to exercise judgement in assessing the currency of the primary economic environment in which the entity operates. In making this assessment, management considers various factors, including the currency that mainly influences the selling prices of goods and services, the currency that mainly influences labour, material and other operating costs, and the currencies in which funds from financing activities are generated and operating activities are settled.

Based on management's assessment, the functional currency of each combining entity is the respective local currency, as day-to-day transactions are predominantly denominated and settled in the respective local currencies. Although certain entities enter into transactions denominated in United States dollars ("USD"), such transactions do not, in themselves, determine the functional currency of those entities.

For combining purposes, the financial results and financial position of the combining entities are translated into the presentation currency of Emits.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Useful lives/depreciation of property, plant and equipment and right-of-use ("ROU") asset

The combining entities regularly review the estimated useful lives of property, plant and equipment and ROU assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment and ROU assets would increase the recorded depreciation and decrease the value of property, plant and equipment and ROU assets. The carrying amount at the reporting date for property, plant and equipment and ROU assets are disclosed in Notes 4 and 5 respectively.

Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The combining entities estimate the net realisable value of inventories based on an assessment of expected selling prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the combining entities' products, the combining entities might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 6.

Provision for expected credit loss of financial assets at amortised cost

The combining entities review the recoverability of its receivables, include trade and other receivables at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The combining entities uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the combining entities past history, existing market conditions at the end of each reporting period.

The carrying amounts at the reporting date for receivables are disclosed in Notes 7 and 8 respectively.

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below: (Cont'd)

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The combining entities recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets

Deferred tax assets are recognised for all unutilised tax losses, unutilised capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

3. Material Accounting Policy Information

(a) Basis of consolidation

Business combination

The Company applies the merger method of accounting for those combining entities acquired that have met the criteria for business combination for entities or businesses under common control.

Under the merger method of accounting, the net assets and liabilities of the merger entities are reflected in the combined financial statements at their carrying amounts reported in the individual financial statements. The combined statement of profit or loss and other comprehensive income reflects the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been consolidated since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currency are recorded in the functional currency of the combining entities using the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates on the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated to the functional currency at the exchange rate at the date when the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are included in profit or loss, except for exchange differences arising on monetary items that form part of the combining entities' net investment in foreign operations. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the combining entities' net investment in foreign operations are recognised in profit or loss in the combining entities' financial statements or the individual financial statements of the foreign operations, as appropriate.

3. Material Accounting Policy Information (Cont'd)

(b) Foreign currency (Cont'd)

(i) Foreign currency transactions (Cont'd)

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the reporting period, except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Foreign currency differences arising from such non-monetary items are also recognised in other comprehensive income.

(ii) Foreign operations

The assets and liabilities of foreign operations denominated in functional currencies, including goodwill and fair value adjustments arising on acquisition, are translated to RM at the exchange rate at the reporting date. The income and expenses of foreign operations are translated to RM at the exchange rates on the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve ("FCTR") in equity. However, if the operation is a non-wholly owned subsidiary company, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related to that foreign operation will be reclassified to profit or loss as part of the gain or loss on disposal.

When the combining entities dispose of only part of its interest in combining entities that includes a foreign operation, the relevant proportion of the cumulative amount of FCTR is reattributed to non-controlling interests.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for capital work-in-progress are stated at cost less impairment losses and not depreciated. See Note 3(j)(i) for accounting policy on impairment of non-financial assets.

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the assets to working condition for its intended use, the cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

3. Material Accounting Policy Information (Cont'd)

(c) Property, plant and equipment (Cont'd)

(i) Recognition and measurement (Cont'd)

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the combining entities and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis to write off the cost of each asset to its residual value over its estimated useful life. Property, plant and equipment under construction are not depreciated until the assets are ready for its intended use.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Computer, furniture and fittings	20%
Office equipment, tooling and mould	20% - 33%
Electrical installation and building improvement	20% - 33%
R&D and manufacturing equipment	10% - 20%

The residual values, useful lives and depreciation method are reviewed at each reporting period end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the property, plant and equipment.

(iv) Derecognition

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount recognised in profit or loss.

3. Material Accounting Policy Information (Cont'd)

(d) Leases

As lessee

The combining entities recognise a ROU asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. See Note 3(j)(i) for accounting policy on impairment of non-financial assets.

Land and buildings are measured at valuation less accumulated depreciation and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity, usually every five years, to ensure that the carrying amount does not differ materially from the fair value of the land and buildings at the end of the reporting period.

As at the date of revaluation, accumulated depreciation, if any, is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any revaluation surplus arising upon appraisal of land and buildings are recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decreases or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land and buildings are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

The ROU asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU asset are determined on the same basis as those of property, plant and equipment as follows:

Leasehold land	Over the remaining lease period
Leasehold buildings	Over the remaining lease period

3. Material Accounting Policy Information (Cont'd)

(d) Leases (Cont'd)

As lessee (Cont'd)

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective combining entities' incremental borrowing rates is used. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the combining entities are reasonably certain to exercise.

Variable lease payments exclude variable lease payments that are dependent on future performance or usage of the underlying asset from the lease liability. This payment is recognised as expense in profit or loss in the period in which the performance or use occurs.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the combining entities changes its assessment of whether it will exercise an extension or termination option.

The combining entities have elected not to recognise ROU assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets at less than RM20,000 each when purchased new. The combining entities recognises the lease payments associated with these leases as an expense on straight-line basis over the lease term.

(e) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the combining entities become a party to the contractual provisions of the financial instrument.

A financial asset, except for trade receivable without financing component, is initially measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs. A trade receivable without a significant financing component is initially measured at the transaction price.

The combining entities determine the classification of their financial assets at initial recognition, and the categories include financial assets at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the combining entities change their business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

3. Material Accounting Policy Information (Cont'd)

(e) Financial assets (Cont'd)

Financial assets at amortised cost

The combining entities measure financial assets at amortised cost if both of the following conditions are met:

- The financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The combining entities' financial assets at amortised cost include trade and other receivables, cash and bank balances.

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets expire. On derecognition of a financial asset in its entirety, the difference between it carrying amount and the sum of consideration received for financial instruments is recognised in profit or loss.

(f) Financial liabilities

Financial liabilities are recognised when, and only when, the combining entities become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as the amortisation process.

The combining entities' financial liabilities measured as amortised cost comprise trade and other payables, loans and borrowings.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

3. Material Accounting Policy Information (Cont'd)

(g) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(h) Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is based on the weighted average basis. The cost of finished goods consists of direct material, direct labour and an appropriate share of production overheads based on normal operating capacity.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

(j) Impairment of assets

(i) Impairment of non-financial assets

At each reporting date, the combining entities review the carrying amounts of non-financial assets, other than inventories to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs and pro-rated to the asset by reference to the cost of the asset to the cost of the cash-generating unit.

Impairment loss is recognised in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset. Any impairment losses recognised in respect of a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis.

3. Material Accounting Policy Information (Cont'd)

(j) Impairment of assets (Cont'd)

(i) Impairment of non-financial assets (Cont'd)

Reversal of impairment losses recognised in prior periods is recorded when there is an indication that the impairment losses recognised for the asset no longer exist. The reversal is recognised to the extent of the carrying amount of the asset that would have been determined (net of depreciation or amortisation), had no impairment loss been recognised. Reversal of impairment losses is credited to profit or loss, unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase, in the financial year in which reversals are recognised.

(ii) Impairment of financial assets

The combining entities recognise a loss allowance for expected credit losses ("ECLs") on financial assets measured at amortised cost. ECLs is estimated as the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the combining entities expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The combining entities apply the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

At each reporting date, the combining entities assess whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs. If credit risk has not increased significantly since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the combining entities consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the combining entities' historical experience and informed credit assessment that includes forward-looking information. The combining entities assume that the credit risk on a financial asset has increased significantly if it is past due.

3. Material Accounting Policy Information (Cont'd)

(k) Share capital

Ordinary shares are classified as equity. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs.

Dividends on ordinary shares are recognised as a liability in the period they are declared.

Invested equity represents the paid-up capital of the combined entities held by the common control shareholders.

(l) Redeemable Convertible Preference Share

Preference share is classified as equity if it is non-redeemable, or is redeemable but only at the combining entities' option, and any dividend payments are discretionary. Dividends thereon are recognised as distributions within equity.

(m) Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the combining entities transfer the related goods or services. Contract liabilities are recognised as revenue when combining entities perform under the contract (i.e., transfers control of the related goods or services to the customer).

(n) Provisions

Provisions are recognised when the combining entities have a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are reviewed at each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(o) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses, and social security contributions are recognised as an expense in the reporting period in which the associated services are rendered by employees of the combining entities.

3. Material Accounting Policy Information (Cont'd)

(o) Employee benefits (Cont'd)

(ii) Defined contribution plans

The combining entities' contribution to statutory pension funds are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the combining entities has no further payment obligations.

(p) Revenue recognition

(i) Revenue from contracts with customers

The combining entities recognise revenue from sale of goods.

The combining entities manufacture and sell the wireless communication devices. Revenue from sale of manufactured goods is recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of goods.

Revenue is recognised based on the price specified in the contract, net of any discounts.

Sales are made with a credit term of 30 to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present. A receivable is recognised when the customer accepts delivery of the goods.

(ii) Interest income

Interest income is recognised on accruals basis using effective interest method.

(q) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred and reported in finance costs.

(r) Income taxes

(i) Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year/period, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to tax payable in respect of previous financial years.

Current tax is recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

3. Material Accounting Policy Information (Cont'd)

(r) Income taxes (Cont'd)

(ii) Deferred tax

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to enable all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items related to the underlying transactions are recognised either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and liabilities are offset, if there is a legally enforceable rights exist to set off current tax assets against current tax liabilities, and the deferred taxes relate to the same taxable entity and the same tax authority.

(s) Operating Segment

An operating segment is a component of the combining entities that engages in business activities from which it may earn revenue and expenses that relate to transactions with any of the combining entities' other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker, which in this case is the Group Managing Director of the combining entities, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete combined financial statements is available.

4. Property, Plant and Equipment

	Capital work-in-progress RM	Computer, furniture and fittings RM	Office equipment, tooling and mould RM	Electrical installation and building improvement RM	R&D and manufacturing equipment RM	Total RM
Cost						
At 1 January 2023	36,576	480,140	590,525	1,390,556	3,905,068	6,402,865
Additions	-	6,379	9,540	-	84,053	99,972
Written off	-	(4,458)	(6,498)	-	(8,200)	(19,156)
At 31 December 2023	36,576	482,061	593,567	1,390,556	3,980,921	6,483,681
Additions	30,585	41,406	8,340	-	383,507	463,838
Written off	-	-	(200)	-	-	(200)
At 31 December 2024	67,161	523,467	601,707	1,390,556	4,364,428	6,947,319
Additions	959,745	39,952	105,640	54,292	3,138,175	4,297,804
Reclassification	(1,026,906)	35,099	75,155	170,388	746,264	-
Written off	-	(21,800)	(10,720)	-	(7,450)	(39,970)
At 31 December 2025	-	576,718	771,782	1,615,236	8,241,417	11,205,153
Additions	-	3,437	8,311	-	458,115	469,863
At 30 June 2026	-	580,155	780,093	1,615,236	8,699,532	11,675,016

4. - Property, Plant and Equipment (Cont'd)

	Capital work-in-progress RM	Computer, furniture and fittings RM	Office equipment, tooling and mould RM	Electrical installation and building improvement RM	R&D and manufacturing equipment RM	Total RM
Accumulated depreciation						
At 1 January 2023	-	248,479	444,963	687,733	1,750,048	3,131,223
Charge for the financial year	-	83,305	50,038	430,440	422,172	985,955
Written off	-	(4,416)	(4,197)	-	(7,819)	(16,432)
At 31 December 2023	-	327,368	490,804	1,118,173	2,164,401	4,100,746
Charge for the financial year	-	77,563	44,338	194,942	412,752	729,595
Written off	-	-	(199)	-	-	(199)
At 31 December 2024	-	404,931	534,943	1,313,115	2,577,153	4,830,142
Charge for the financial year	-	65,249	48,650	56,592	421,682	592,173
Written off	-	(21,798)	(7,297)	-	(5,479)	(34,574)
At 31 December 2025	-	448,382	576,296	1,369,707	2,993,356	5,387,741
Charge for the financial period	-	26,585	34,196	49,547	394,761	505,089
At 30 June 2026	-	474,967	610,492	1,419,254	3,388,117	5,892,830
Carrying amount						
At 31 December 2023	36,576	154,693	102,763	272,383	1,816,520	2,382,935
At 31 December 2024	67,161	118,536	66,764	77,441	1,787,275	2,117,177
At 31 December 2025	-	128,336	195,486	245,529	5,248,061	5,817,412
At 30 June 2026	-	105,188	169,601	195,982	5,311,415	5,782,186

4. Property, Plant and Equipment (Cont'd)

(a) Assets pledged as securities to financial institutions

The machinery amounting to 31.12.2023: RM1,453,259, 31.12.2024: RM1,252,809, 31.12.2025: RM1,052,360 and 30.6.2026: RM952,135 were pledged as securities for bank borrowings as disclosed in Note 14.

5. Right-of-use Assets

	Leasehold land RM	Leasehold buildings RM	Total RM
Valuation			
At 1 January 2023/31 December 2023/ 31 December 2024/1 January 2025	9,700,000	6,800,000	16,500,000
Increase resulting from revaluation	4,304,805	453,510	4,758,315
Elimination of accumulated depreciation on revaluation	(1,621,555)	(1,136,760)	(2,758,315)
At 31 December 2025/At 1 January 2026 At 30 June 2026	12,383,250	6,116,750	18,500,000
Accumulated depreciation			
At 1 January 2023	608,123	426,312	1,034,435
Charge for the financial year	347,462	243,582	591,044
At 31 December 2023	955,585	669,894	1,625,479
Charge for the financial year	347,463	243,582	591,045
At 31 December 2024	1,303,048	913,476	2,216,524
Charge for the financial year	362,892	245,207	608,099
Elimination of accumulated depreciation on revaluation	(1,621,555)	(1,136,760)	(2,758,315)
At 31 December 2025	44,385	21,923	66,308
Charge for the financial period	266,307	131,543	397,850
At 30 June 2026	310,692	153,466	464,158
Carrying amount			
At 31 December 2023	8,744,415	6,130,106	14,874,521
At 31 December 2024	8,396,952	5,886,524	14,283,476
At 31 December 2025	12,338,865	6,094,827	18,433,692
At 30 June 2026	12,072,558	5,963,284	18,035,842

5. Right-of-use Assets (Cont'd)

(a) Revaluation of leasehold land and buildings

Land and buildings of the combining entities was revalued on 15 December 2025, by Messrs. KGV International Property Consultants (Pg) Sdn. Bhd., an independent professional valuer. The independent professionally qualified valuers hold recognised relevant professional qualification and have recent experience in the locations and segments of the property values.

The fair value of land and buildings are within level 2 of the fair value hierarchy. The fair value was determined using market comparable approach that reflects recent transaction price for similar properties.

The revaluation technique has remained unchanged since the last revaluation date 4 July 2022.

There was no transfer between levels of fair value hierarchy during the financial year/period.

Had the leasehold land and leasehold buildings been carried at historical costs less accumulated depreciation and impairment losses, the carrying amount would have been:

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Leasehold land	6,116,627	5,873,582	5,630,537	5,509,015
Leasehold buildings	4,744,963	4,556,422	4,367,880	4,273,609
	10,861,590	10,430,004	9,998,417	9,782,624

(b) Leasehold land and buildings

The remaining lease term of leasehold land and buildings are 31.12.2023: 25 years, 31.12.2024: 24 years, 31.12.2025: 23 years and 30.6.2026: 22.5 years. There is no lease liabilities associated with this leasehold land and buildings as the payment were prepaid at inception.

(c) Assets pledged as securities to financial institutions

The net carrying amount of leasehold land and buildings pledged as securities for bank borrowings as disclosed in Note 14 are:

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Leasehold land	8,744,415	8,396,952	12,338,865	12,072,558
Leasehold buildings	6,130,106	5,886,524	6,094,827	5,963,284
	14,874,521	14,283,476	18,433,692	18,035,842

6. Inventories

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Raw materials	2,000,818	1,718,739	1,542,982	2,157,368
Finished goods	1,318,118	1,858,491	2,292,438	1,532,470
	3,318,936	3,577,230	3,835,420	3,689,838
Recognised in profit or loss:				
Inventories recognised as cost of sales	23,907,379	28,609,928	28,527,494	13,308,802

7. Trade Receivables

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Trade receivables	10,879,180	11,744,082	10,577,121	9,644,252
Less: Allowance for ECLs	(112,024)	(57,342)	(63,537)	(63,537)
	10,767,156	11,686,740	10,513,584	9,580,715

Trade receivables are non-interest bearing and are generally subject to credit terms of 30 to 90 days. They are recognised at their original invoice amounts, which represent fair values at initial recognition.

Movements in the allowance for ECLs of trade receivables are as follows:

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
At 1 January	94,545	112,024	57,342	63,537
Charge for the financial year/period	17,479	-	6,195	-
Reversal during the financial year/period	-	(54,682)	-	-
At 31 December/At 30 June	112,024	57,342	63,537	63,537

The combining entities recognises a loss allowance for trade receivables at an amount equal to lifetime expected credit losses under the simplified approach. Trade receivables are written off when there is no reasonable expectation of recovery. Amount written off are charged against the related loss allowance, with any excess recognised in profit or loss.

7. Trade Receivables (Cont'd)

The following table provides information about the exposure to credit risk and allowance for ECLs for trade receivables:

	Gross amount RM	ECLs RM	Net amount RM
31.12.2023			
Not past due	8,592,095	(78,205)	8,513,890
Past due:			
Less than 30 days	1,979,726	(27,716)	1,952,010
31 to 60 days	293,359	(5,750)	287,609
61 to 90 days	14,000	(353)	13,647
	2,287,085	(33,819)	2,253,266
	10,879,180	(112,024)	10,767,156
31.12.2024			
Not past due	10,538,092	(53,874)	10,484,218
Past due:			
Less than 30 days	1,052,525	-	1,052,525
61 to 90 days	153,465	(3,468)	149,997
	1,205,990	(3,468)	1,202,522
	11,744,082	(57,342)	11,686,740
31.12.2025			
Not past due	9,127,240	(48,122)	9,079,118
Past due:			
Less than 30 days	1,235,768	(9,705)	1,226,063
31 to 60 days	10,474	(151)	10,323
61 to 90 days	117,952	(2,182)	115,770
More than 90 days	85,687	(3,377)	82,310
	1,449,881	(15,415)	1,434,466
	10,577,121	(63,537)	10,513,584
30.6.2026			
Not past due	9,019,675	(56,691)	8,962,984
Past due:			
Less than 30 days	591,792	(6,351)	585,441
31 to 60 days	32,785	(495)	32,290
	624,577	(6,846)	617,731
	9,644,252	(63,537)	9,580,715

8. Other Receivables

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Other receivables				
- third parties	50,856	94,942	78,012	144,856
- related parties	1,483	1,517	748	898
Deposits	2,200	2,200	2,200	2,200
Prepayments	373,488	1,054,649	2,218,591	3,027,575
	428,027	1,153,308	2,299,551	3,175,529

The amount due from related parties is unsecured, non-interest bearing and repayable on demand.

Included in the prepayment is the capitalisation of professional expenses amounting 31.12.2023: RMNil, 31.12.2024: RM237,556, 31.12.2025: RM1,346,039 and 30.6.2026: RM2,205,956, arising in connection with the Listing exercise. These payments were made against specific milestones in the Listing preparation process.

9. Share Capital/Invested Equity

(a) Share capital

	Number of ordinary shares			
	31.12.2023 Units	31.12.2024 Units	31.12.2025 Units	30.6.2026 Units
At 1 January	-	-	-	1,000
Issuance of shares	-	-	1,000	-
At 31 December/At 30 June	-	-	1,000	1,000

	Amount			
	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
At 1 January	-	-	-	1,000
Issuance of shares	-	-	1,000	-
At 31 December/At 30 June	-	-	1,000	1,000

On 7 February 2025, the Company was incorporated with 1,000 ordinary shares of RM1.00 each for a total cash consideration of RM1,000.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

9. Share Capital/Invested Equity (Cont'd)

(b) Invested equity

	Number of ordinary shares			
	31.12.2023 Units	31.12.2024 Units	31.12.2025 Units	30.6.2026 Units
Issued and fully paid				
At 1 January	2,500,000	2,500,000	7,500,000	7,887,500
Issuance of shares	-	5,000,000	-	-
Conversion from RCPS	-	-	387,500	-
At 31 December/At 30 June	2,500,000	7,500,000	7,887,500	7,887,500

	Amount			
	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Issued and fully paid				
At 1 January	2,500,000	2,500,000	7,500,000	10,600,000
Issuance of shares	-	5,000,000	-	-
Conversion from RCPS	-	-	3,100,000	-
At 31 December/At 30 June	2,500,000	7,500,000	10,600,000	10,600,000

Invested equity comprised the aggregate number of issued and paid-up ordinary shares of ETSB.

On 29 March 2024, ETSB issued 5,000,000 new ordinary shares of RM1 each for a total consideration of RM5,000,000 by way of capitalising the amount due to a shareholder.

On 3 December 2025, ETSB issued 387,500 new ordinary shares by way of the conversion of 387,500 redeemable convertible preference shares at a conversion price of RM8 each per RCPS for total consideration of RM3,100,000.

The new ordinary shares issued during the respective financial years rank pari passu in all respects with the existing ordinary shares of the combining entities.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the ETSB. All ordinary shares rank equally with regards to the combining entities' residual assets.

10. Redeemable Convertible Preference Shares ("RCPS")

	Number of RCPS			
	31.12.2023 Units	31.12.2024 Units	31.12.2025 Units	30.6.2026 Units
Issued and fully paid				
At 1 January	-	-	125,000	-
Issuance of RCPS	-	125,000	262,500	-
Conversion to ordinary shares	-	-	(387,500)	-
At 31 December/30 June	-	125,000	-	-

	Amount			
	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Issued and fully paid				
At 1 January	-	-	1,000,000	-
Issuance of RCPS	-	1,000,000	2,100,000	-
Conversion to ordinary shares	-	-	(3,100,000)	-
At 31 December/30 June	-	1,000,000	-	-

On 16 July 2024, ETSB entered into a Shares Subscription Agreement. Subsequently, on 27 November 2024, ETSB issued 125,000 RCPS at an issue price of RM8 per RCPS for a total cash consideration of RM1,000,000 for capital expenditure purposes.

On 5 March 2025, ETSB issued 262,500 RCPS at an issue price of RM8 per RCPS for a total cash consideration of RM2,100,000 for capital expenditure purposes.

On 3 December 2025, ETSB has converted the total of 387,500 RCPS held at a conversion price of RM8 per RCPS for total consideration of RM3,100,000 into 387,500 ordinary shares.

The salient terms of the RCPS are as follows:

(i) The combining entities shall have the right to convert each RCPS into ordinary shares at any time upon or after the board of directors of ETSB has passed the resolution to undertake a listing application by ETSB or its holding company or any company within its Group. Upon occurrence of a Conversion Trigger Event, the conversion of RCPS shall be occurred automatically and shall not require further approval from the RCPS holder.

(ii) Each RCPS shall be convertible into 1 new ordinary share;

(iii) The RCPS holder has no right to request ETSB to redeem any RCPS unless the combining entities is not in the process of applying for or being admitted into any of the three securities exchange markets operated by Bursa Malaysia Securities Berhad within two years from the subscription date. In such an event, the combining entities shall redeem the RCPS at a price equivalent to the subscription price per RCPS, with an additional premium of 5% per annum, calculated from the issuance date until the redemption date.

10. Redeemable Convertible Preference Shares ("RCPS") (Cont'd)

The salient terms of the RCPS are as follows: (Cont'd)

(iv) The RCPS holder shall have no right to vote at any general meeting of ETSB except where permitted by law. However, the holder shall have right to attend and vote at any general meeting in the following circumstances:

(a) when the proposal or resolution affects the right and privileges attached to the RCPS;
(b) when the proposal or resolution involves the liquidation, dissolution or winding-up of ETSB; and
(c) in any circumstances expressly provided under the Companies Act 2016 or any other laws concerning the RCPS.

In such cases, the RCPS holder shall be entitled to vote alongside with the ordinary shareholders on as-converted basis;

(v) The RCPS holder shall not be entitled to receive any dividend declared by the combining entities prior to the Listing;

(vi) The RCPS holder shall acknowledges the combining entities has the sole discretion to allot and issue additional ordinary shares and preference shares (including RCPS) to prospective investors at any time without prior consent from the RCPS holder. The RCPS holder waive any pre-emption rights and other rights under this agreement, and/or the Companies Act 2016 concerning the issuance of additional preference shares to prospective investors;

(vii) The RCPS holder shall not create or allow any encumbrances to exist on any or all the RCPS held;

(viii) The RCPS holder shall not transferred RCPS without prior written consent of the Board of Directors of the combining entities; and

(ix) In the event of liquidation, dissolution, winding-up or any capital repayment of the combining entities, the RCPS holder shall have the priority right to receiving payment equal to the total subscription price of the RCPS.

11. Revaluation Reserve

The revaluation reserve represents increases in the fair value of land and building, and the decrease is recorded to the extent that they offset previous gain recognised in other comprehensive income.

12. Foreign Currency Translation Reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the combining entities presentation currency.

13. Retained Earnings

(a) Unappropriated retained earnings

The combining entities unappropriated retained earnings for Malaysian entity are available for distribution as dividends, subject to the solvency requirements of the Companies Act 2016. Dividends declared by the Malaysian entities can be under the single-tier system and/or as tax-exempt dividends arising from reinvestment allowances and export allowances.

The unappropriated retained earnings include profit retained in Taiwan entity, which are not available for distribution by the combining entities until dividend declared and paid by the Taiwan entity. Distributions by the Taiwan entity are subject to the requirement of Taiwan's Company Act and applicable taxes on remittance. Dividends declared by the Taiwan entity are subject to 12.5% withholding tax. Thereafter, such dividends, when remitted to the Malaysian holding entity, may be distributed as single-tier dividends in Malaysia.

(b) Legal reserve

The legal reserve relates solely to the Taiwan entity. In accordance with the Article 237 of Taiwan's Company Act, the entity is required to appropriate 10% of its profit, after payment of taxes and other dues, to legal reserve when allocating surplus profits, until the reserve equals the paid-in capital. No further appropriation is required once the reserve has reached the amount of paid-in capital.

Pursuant to Article 239 of Taiwan's Company Act, the legal reserve may generally be used only to offset the entity's losses, except as otherwise permitted under Article 241 or other applicable laws and regulations. Where the entity has no losses, the portion of the legal reserve exceeding 25% of its paid-in capital may be distributed in cash or by issuing new shares, subject to statutory requirements and shareholders' resolution.

Accordingly, the legal reserve is restricted from dividend distribution at the combining entities level. Dividends declared by the Taiwan entity are subject to 12.5% withholding tax before remittance to the Malaysian holding entity, after which such remittances may be distributed under Malaysia's single-tier dividend system.

14. Loans and Borrowings

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Secured				
Term loans	10,232,584	8,683,490	6,750,133	6,379,549
Onshore foreign currency loan	463,540	591,100	820,891	-
	10,696,124	9,274,590	7,571,024	6,379,549
Non-current				
Term loans	8,843,686	7,657,480	5,959,839	5,563,592
Current				
Term loans	1,388,898	1,026,010	790,294	815,957
Onshore foreign currency loan	463,540	591,100	820,891	-
	1,852,438	1,617,110	1,611,185	815,957
	10,696,124	9,274,590	7,571,024	6,379,549

The term loans and onshore foreign currency loans are secured by the following:

(i) First party legal charge over land and buildings of the combining entities as disclosed in Note 5;

(ii) Fixed charged over the machinery, spare part and equipment of the combining entities to secure the payment as disclosed in Note 4;

(iii) Joint and several guarantee by certain Directors of the combining entities;

(iv) Personal guarantee from a shareholder of the combining entities.

The average effective interest rates per annum are as follows:

	31.12.2023 %	31.12.2024 %	31.12.2025 %	30.6.2026 %
Term loans	6.86 - 7.10	6.16 - 6.40	5.31 - 5.55	5.21
Onshore foreign currency loan	6.32 - 6.70	5.53	4.75	-

15. Deferred Tax Liabilities

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
At 1 January	44,788	483,116	668,373	1,171,845
Revaluation surplus	-	-	475,831	-
Recognised in profit or loss	465,113	212,714	102,947	(26,764)
Relating to crystallisation of deferred tax liabilities on revaluation reserve	(15,946)	(15,946)	(17,650)	(18,206)
Over provision in prior years	(10,839)	(11,511)	(57,656)	-
At 31 December/30 June	483,116	668,373	1,171,845	1,126,875

The deferred tax liabilities as at the end of the reporting period are made up of the temporary differences arising from:

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Property, plant and equipment	237,116	254,634	478,712	478,712
Revaluation reserve of leasehold land and building	401,304	385,358	843,539	825,333
Other deductible temporary differences	(155,304)	28,381	(150,406)	(177,170)
	483,116	668,373	1,171,845	1,126,875

16. Other Payables

	Note	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Non-current					
Amount due to a shareholder	(a)	6,384,449	-	-	-
Current					
Other payables		564,100	731,612	2,516,489	428,235
Share application monies	(b)	-	1,250,000	-	-
Accruals		1,651,307	2,238,600	1,248,649	640,208
		2,215,407	4,220,212	3,765,138	1,068,443
		8,599,856	4,220,212	3,765,138	1,068,443

16. Other Payables (Cont'd)

(a) The amount due to shareholder was unsecured, non-trade in nature, and bore interest at a rate of 5% per annum. During the financial year ended 31 December 2024, the outstanding balance was fully settled and extinguished. No balance remained outstanding as at 31 December 2024, 31 December 2025 and 30 June 2026. As at 31 December 2023, the balance was classified as a non-current liability as it was not expected to be settled within 12 months from that reporting date.

(b) The share application monies refer to advance payment for the RCPS subscription to subscribe for the remaining 156,250 shares to be issued that are pending allotment due to subscription condition. During the financial year ended 31 December 2025, the share application monies were classified to RCPS due to the completion of allotment formalities as disclosed in Note 10.

17. Contract Liabilities

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Contract liabilities	-	-	134,691	31,498

The contract liabilities represent the advanced payment received from customers for the antenna product, for which the performance obligation have not yet been satisfied. These contract liabilities are expected to be recognised as revenue within one year.

18. Trade Payables

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Trade payables	2,558,408	4,414,733	2,558,621	4,590,712

Credit terms of trade payables of the combining entities ranged from 30 to 90 days depending on the terms of the contracts.

19. Revenue

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Revenue from contracts with customers:					
- Sales of goods	32,008,104	40,990,436	39,648,216	18,150,226	20,265,117

The timing of revenue recognition is at a point in time when goods are received.

20. Finance Costs

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Interest expenses on:					
- shareholder loan	311,352	89,377	-	-	-
- term loans	712,137	642,138	444,957	166,765	241,387
- trade facilities	182,689	3,205	28,553	7,984	6,742
	1,206,178	734,720	473,510	174,749	248,129

21. Profit Before Tax

Profit before tax is determined after charging/(crediting) amongst other, the following items:

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Auditors' remuneration					
- statutory audit					
- current year	27,585	33,561	42,073	21,449	4,707
- over provision in prior years	(732)	-	-	-	-
Depreciation of:					
- Property, plant and equipment	985,955	729,595	592,173	505,089	289,852
- Right-of-use assets	591,044	591,045	608,099	397,850	295,522
Lease expenses relating to:					
- short-term lease (a)	1,488	3,936	984	-	984
Property, plant and equipment written off	2,724	1	5,396	-	4,716
(Gain)/Loss on foreign exchange:					
- Realised	(61,235)	653,781	(546,770)	362,479	(250,402)
- Unrealised	397,215	(584,208)	1,141,852	(299,352)	839,808
Interest income	(13,774)	(57,502)	(38,912)	(6,605)	(15,702)
Allowance for/ (Reversal of) ECLs on trade receivables	17,479	(54,682)	6,195	-	-

(a) The combining entities lease a property with contract terms of not more than one year. These are short-term leases. The combining entities have elected to apply the recognition exemption under MFRS 16 *Leases*.

22. Taxation

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Tax expenses recognised in profit or loss					
Current tax:					
- Malaysian income tax	166,664	1,280,095	480,074	363,011	626,260
- Foreign tax	218,238	373,722	419,298	153,578	227,554
- Under/(Over) provision in prior years/period	20,577	231,984	64,057	(26,472)	(4,479)
	405,479	1,885,801	963,429	490,117	849,335
Deferred tax:					
- Relating to crystallisation of deferred tax liabilities on revaluation reserve	(15,946)	(15,946)	(17,650)	(18,206)	(9,301)
- Origination and reversal of temporary differences	465,113	212,714	102,947	(26,764)	18,503
- (Over)/Under provision in prior years/period	(10,839)	(11,511)	(57,656)	-	(57,656)
	438,328	185,257	27,641	(44,970)	(48,454)
	843,807	2,071,058	991,070	445,147	800,881

Malaysian income tax is calculated at the statutory income tax rate of 24% of the estimated assessable profit for the respective financial year/period. Taxation for Taiwan is calculated at the prevailing tax rate of 20%.

22. Taxation (Cont'd)

A reconciliation of income tax expenses applicable to profit before tax at the statutory tax rate to income tax expenses at the effective income tax rate of the combining entities are as follows:

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Profit before tax	3,011,103	7,901,922	6,194,665	2,516,416	2,939,626
At Malaysian statutory tax rate of 24%	722,665	1,896,461	1,486,720	603,940	705,510
Effects of different tax rate in other jurisdictions	(26,822)	(54,841)	(33,046)	(27,595)	(20,551)
	695,843	1,841,620	1,453,674	576,345	684,959
SME tax savings	(45,000)	(45,000)	-	-	-
Expenses not deductible for tax purposes	200,810	270,614	332,236	179,687	187,358
Export allowances	-	(200,703)	-	-	-
Other temporary differences	-	-	-	(176,982)	-
Reinvestment allowances	-	-	(591,713)	(66,113)	-
Relating to crystallisation of deferred tax liabilities on revaluation reserve	(15,946)	(15,946)	(17,650)	(18,206)	(9,301)
Income not subject to tax	(1,638)	-	(191,878)	(23,112)	-
	834,069	1,850,585	984,669	471,619	863,016
Under/(Over) provision in prior years:					
- current tax	20,577	231,984	64,057	(26,472)	(4,479)
- deferred tax	(10,839)	(11,511)	(57,656)	-	(57,656)
	843,807	2,071,058	991,070	445,147	800,881

23. Earnings Per Share

(a) Basic earnings per share

The basic earnings per share are based on the profit attributable to owners of the combining entities and weighted average number of ordinary shares during the financial years/period, calculated as follows:

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Profit attributable to owners of the combining entities	2,167,296	5,830,864	5,203,595	2,071,269	2,138,745
Weighted average number of ordinary shares (unit)	2,500,000	6,308,219	7,531,686	7,888,500	7,500,796
Basic earnings per share (RM)	0.87	0.92	0.69	0.26	0.29

(b) Diluted earnings per share

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Profit attributable to owners of the combining entities	2,167,296	5,830,864	5,203,595	2,071,269	2,138,745
Weighted average number of ordinary shares used in the basic earnings per share (unit)	2,500,000	6,308,219	7,531,686	7,888,500	7,500,796
Effect of RCPS	-	11,986	-	-	296,133
Weighted average number of ordinary shares	2,500,000	6,320,205	7,531,686	7,888,500	7,796,929
Diluted earnings per share (RM)	0.87	0.92	0.69	0.26	0.27

24. Dividends

	← Audited →				Unaudited
	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM	30.6.2025 RM
Dividends recognised as distribution to owners of the combining entities:					
ETSB					
Interim single-tier dividend of RM0.16 per ordinary share in respect of the financial year ended 31 December 2024	-	1,200,000	-	-	-
Interim single-tier dividend of RM0.20 per ordinary share in respect of the financial year ended 31 December 2024	-	1,500,000	-	-	-
Interim single-tier dividend of approximately RM0.1333 per ordinary share in respect of the financial year ended 31 December 2025	-	-	1,000,000	-	-
	-	2,700,000	1,000,000	-	-

25. Staff Costs

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Salaries, wages and other emoluments	7,076,514	8,827,415	9,156,351	4,266,680	4,710,999
Defined contribution plans	439,386	539,650	618,905	342,039	345,127
Social security contributions	40,388	44,104	48,607	24,865	24,085
	7,556,288	9,411,169	9,823,863	4,633,584	5,080,211

Included in staff costs is aggregate amount of remuneration received and receivable by the Directors of the combining entities during the financial year/period as below:

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Directors of the combining entities					
Salaries and other emoluments	924,007	1,087,310	1,134,895	539,927	587,248
Defined contribution plans	113,244	140,519	164,437	94,675	94,531
Social security contributions	2,317	2,434	2,785	1,393	1,393
	1,039,568	1,230,263	1,302,117	635,995	683,172

26. Reconciliation of Liabilities Arising from Financing Activities

The table below shows the details of changes in the liabilities of the combining entities arising from financing activities, including both cash and non-cash changes:

	At 1 January RM	Financing cash flow (i) RM	Other changes (ii) RM	Foreign exchange adjustment RM	Capitalisation into invested equity RM	At 31 December /30 June RM
Audited						
31.12.2023						
Loans and borrowings	15,942,742	(5,875,411)	-	628,793	-	10,696,124
Amount due to a shareholder	6,073,097	-	311,352	-	-	6,384,449
	22,015,839	(5,875,411)	311,352	628,793	-	17,080,573
Audited						
31.12.2024						
Loans and borrowings	10,696,124	(1,211,146)	-	(210,388)	-	9,274,590
Share application monies	-	1,250,000	-	-	-	1,250,000
Amount due to a shareholder	6,384,449	(1,473,826)	89,377	-	(5,000,000)	-
	17,080,573	(1,434,972)	89,377	(210,388)	(5,000,000)	10,524,590
Audited						
31.12.2025						
Loans and borrowings	9,274,590	(1,675,513)	-	(28,053)	-	7,571,024
Share application monies	1,250,000	-	(1,250,000)	-	-	-
	10,524,590	(1,675,513)	(1,250,000)	(28,053)	-	7,571,024
Audited						
30.6.2026						
Loans and borrowings	7,571,024	(1,218,951)	-	27,476	-	6,379,549
Unaudited						
30.6.2025						
Loans and borrowings	9,274,590	(1,457,456)	-	(253,753)	-	7,563,381

26. Reconciliation of Liabilities Arising from Financing Activities (Cont'd)

(i) The cash flows from loans and borrowings and amount due to a shareholder make up the net amount of proceeds from or repayment of borrowings in the statements of cash flows.

(ii) Other changes include interest accruals and issuance of RCPS.

27. Related Party Disclosures

(a) Identifying related parties

For the purposes of the combined financial statements, parties are related to the combining entities if the combining entities has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the combining entities and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing, and controlling the activities of the combining entities either directly or indirectly. The key management personnel comprise the Directors and management personnel of the combining entities, having authority and responsibility for planning, directing, and controlling the activities of the combining entities directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. In addition to the related party balances disclosed elsewhere in the combined financial statements, the significant related party transactions of the combining entities are as follows:

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
(i) Transactions with a shareholder					
- Interest expense	311,352	89,377	-	-	-

27. Related Party Disclosures (Cont'd)

(b) Significant related party transactions (Cont'd)

Related party transactions have been entered into in the normal course of business under normal trade terms. In addition to the related party balances disclosed elsewhere in the combined financial statements, the significant related party transactions of the combining entities are as follows: (Cont'd)

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
(ii) Transactions with companies in which a shareholder of the combined entities have substantial financial interest					
- Purchase of packing materials	2,000	3,810	3,200	1,200	2,000
- Sale of scraps	8,072	10,546	10,766	5,136	5,582

(c) Compensation of key management personnel

Remuneration of Directors and other members of key management are as follows:

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
Salaries and other emoluments	1,537,427	1,797,709	1,939,171	933,257	994,405
Defined contribution plans	187,442	234,339	280,928	159,519	158,373
Social security contributions	4,634	5,069	6,996	3,482	3,387
	1,729,503	2,037,117	2,227,095	1,096,258	1,156,165

28. Contingent Liabilities

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Secured:				
Bank guarantee given to third parties	142,303	142,303	230,522	231,234

29. Capital Commitment

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Capital expenditure				
Contracted but not provided for:				
- Property, plant and equipment	-	-	793,601	-

30. Operating Segments

(a) Business segments

The combining entities have one operating segment, which comprises mainly the manufacturing of antenna for wireless communication devices.

Information about operating segments has not been reported separately as the combining entities' revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment.

30. Operating Segments (Cont'd)

(b) Geographic information

Revenue information based on the geographical location of customers respectively are as follow:

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026 RM	1.1.2025 to 30.6.2025 RM
China	634,353	699,534	668,889	166,548	224,258
Germany	4,958,721	4,665,154	4,130,213	2,633,891	1,975,302
Hong Kong	1,741,695	1,083,578	1,612,875	1,384,635	942,250
Korea	25,910	-	11,582	11,855	8,819
Malaysia	7,489,156	7,304,208	8,235,503	2,881,866	4,048,178
Mexico	14,365	21,020	5,629	-	2,844
United Kingdom	593,950	938,063	257,788	200,235	207,534
United States	16,549,954	26,278,879	24,723,822	10,871,196	12,855,932
Vietnam	-	-	1,915	-	-
	32,008,104	40,990,436	39,648,216	18,150,226	20,265,117

The combining entities' non-current assets are primarily located in Malaysia. Balances in other countries, including Taiwan, are not material and therefore have not been separately disclosed.

(c) Major customers

The following is the major customer with revenue exceeding ten percent of combining entities' revenue:

	← Audited →				Unaudited
	1.1.2023 to 31.12.2023 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	1.1.2026 to 30.6.2026	1.1.2025 to 30.6.2025
Customer A	20,996,896	33,007,272	28,914,694	14,169,480	15,162,529

31. Financial Instruments

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 described how the classes of financial instruments are measured, and how income and expense, including fair value gains or losses, are recognised.

The following table analyses the financial assets and liabilities in the combined statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	← Audited →			
	31.12.2023	**31.12.2024**	**31.12.2025**	**30.6.2026**
	RM	**RM**	**RM**	**RM**
At amortised cost				
Financial assets				
Trade receivables	10,767,156	11,686,740	10,513,584	9,580,715
Other receivables	54,539	98,659	80,960	147,954
Cash and bank balances	3,031,238	7,596,571	6,888,219	7,857,283
	13,852,933	19,381,970	17,482,763	17,585,952
At amortised cost				
Financial liabilities				
Loans and borrowings	10,696,124	9,274,590	7,571,024	6,379,549
Trade payables	2,558,408	4,414,733	2,558,621	4,590,712
Other payables	8,594,748	4,219,763	3,763,923	1,068,443
	21,849,280	17,909,086	13,893,568	12,038,704

(b) Financial risk management objectives and policies

The combining entities' financial risk management policy is to ensure that adequate financial resources are available for the development of the combining entities' operations whilst managing its credit, liquidity, interest rate, and foreign currency risks. The combining entities operate within clearly defined guidelines that are approved by the Board of Directors and the combining entities' policy is not to engage in speculative transactions.

The following sections provide details regarding the combining entities' exposure to the above-mentioned financial risks and the objectives, policies, and processes for the management of these risks.

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk

Credit risk is the risk of a financial loss to the combining entities if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The combining entities' exposure to credit risk arises principally from its receivables from customers and deposits with banks. There are no significant changes as compared to previous financial years/period.

The combining entities have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposits with banks and financial institution with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

At each reporting date, the combining entities assess whether any of the receivables are credit impaired.

The gross carrying amounts of credit impaired receivables are written off (either partial or full) when there is no realistic prospect of recovery. This is generally the case when the combining entities determine that the factor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement action by the combining entities.

The carrying amounts of the financial assets recorded on the combined statements of financial position as at the reporting date represent the combining entities' maximum exposure to credit risk.

There are no significant changes as compared to previous financial years/period.

At the end of the financial year/period, the combining entities had major customers (31.12.2023: 3, 31.12.2024: 3, 31.12.2025: 3 and 30.6.2026: 4) which accounted for approximately (31.12.2023: 72%, 31.12.2024: 73%, 31.12.2025: 70% and 30.6.2026: 80%) of the outstanding trade receivables.

(ii) Liquidity risk

Liquidity risk refers to the risk that the combining entities will encounter difficulty in meeting its financial obligations as they fall due. The combining entities' exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities.

The combining entities' funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The combining entities finance their liquidity through internally generated cash flows and minimise liquidity risk by keeping committed credit lines available.

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following tables analyse the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the combining entities can be required to pay.

	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
31.12.2023						
Non-derivative financial liabilities						
Trade payables	2,558,408	-	-	-	2,558,408	2,558,408
Other payables	2,210,299	6,384,449	-	-	8,594,748	8,594,748
Term loans	1,990,772	1,832,636	3,911,416	6,286,023	14,020,847	10,232,584
Onshore foreign currency loans	463,540	-	-	-	463,540	463,540
	7,223,019	8,217,085	3,911,416	6,286,023	25,637,543	21,849,280
31.12.2024						
Non-derivative financial liabilities						
Trade payables	4,414,733	-	-	-	4,414,733	4,414,733
Other payables	4,219,763	-	-	-	4,219,763	4,219,763
Term loans	1,763,000	1,317,445	3,423,260	5,262,498	11,766,203	8,683,490
Onshore foreign currency loans	591,100	-	-	-	591,100	591,100
	10,988,596	1,317,445	3,423,260	5,262,498	20,991,799	17,909,086

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
31.12.2025						
Non-derivative financial liabilities						
Trade payables	2,558,621	-	-	-	2,558,621	2,558,621
Other payables	3,763,923	-	-	-	3,763,923	3,763,923
Term loans	1,128,987	1,085,959	2,654,699	3,615,676	8,485,321	6,750,133
Onshore foreign currency loans	820,891	-	-	-	820,891	820,891
	8,272,422	1,085,959	2,654,699	3,615,676	15,628,756	13,893,568
30.6.2026						
Non-derivative financial liabilities						
Trade payables	4,590,712	-	-	-	4,590,712	4,590,712
Other payables	1,068,443	-	-	-	1,068,443	1,068,443
Term loans	1,104,895	1,064,032	2,519,598	3,228,086	7,916,611	6,379,549
	6,764,050	1,064,032	2,519,598	3,228,086	13,575,766	12,038,704

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk

(a) Foreign currency risk

The combining entities are exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of the combining entities. The currencies giving rise to this risk are primarily United States Dollar ("USD").

The combining entities' objective is to mitigate foreign exchange exposure to an acceptable level against pre-determined limits and impact to the statement of profit or loss and other comprehensive income. The combining entities monitor its foreign currency denominated assets and liabilities in maintaining funds in foreign currency at appropriate level to support operating cash flows requirements.

The carrying amounts of the combining entities' foreign currency denominated financial assets and financial liabilities at the end of the reporting period are as follows:

Denominated in USD	**31.12.2023 RM**	**31.12.2024 RM**	**31.12.2025 RM**	**30.6.2026 RM**
Cash and bank balances	2,468,361	5,226,100	1,411,032	1,802,120
Trade receivables	10,753,156	11,686,740	10,513,584	9,580,715
Trade payables	(1,545,047)	(2,829,335)	(676,048)	(3,133,562)
Other payables	-	-	(5,028)	(4,111)
Loans and borrowings	(10,696,124)	(9,274,590)	(7,571,024)	(6,379,549)
	980,346	4,808,915	3,672,516	1,865,613

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(a) Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the combining entities' profit before tax to a reasonably possible change in the USD exchange rates against RM, with all other variables held constant.

	Effect on profit before tax			
Change in USD currency rate	**31.12.2023 RM**	**31.12.2024 RM**	**31.12.2025 RM**	**30.6.2026 RM**
Strengthened 5%	49,017	240,446	183,626	93,281
Weakened 5%	(49,017)	(240,446)	(183,626)	(93,281)

(b) Interest rate risk

The combining entities' fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The combining entities' variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The combining entities manage its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The combining entities constantly monitors their interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The combining entities have not utilised other derivative instruments for hedging purposes.

The interest rate profile of the combining entities' significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	31.12.2023 RM	**31.12.2024 RM**	**31.12.2025 RM**	**30.6.2026 RM**
Fixed rate instruments				
Financial liabilities	(6,847,989)	(591,100)	(820,891)	-

31. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(b) Interest rate risk (Cont'd)

The interest rate profile of the combining entities' significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was: (Cont'd)

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Floating rate instruments				
Financial liabilities	(10,232,584)	(8,683,490)	(6,750,133)	(6,379,549)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The combining entities do not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have increased/(decreased) the combining entities' profit before tax by 31.12.2023: RM102,326, 31.12.2024: RM86,835, 31.12.2025: RM67,501 and 30.6.2026: RM63,795, arising mainly as result of lower/higher interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis point for interest rate sensitivity analysis is based on the current observable market environment.

31. Financial Instruments (Cont'd)

(c) Fair value of financial instruments

The carrying amounts of long-term floating rate loans, determined using the present value model, are considered to approximate their fair value because the loans are re-priced to market interest rates on or near reporting date.

The carrying amounts of short-term receivables and payables, cash and cash equivalents and short-term borrowings approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

32. Capital Management

The combining entities' objectives when managing capital are to safeguard the combining entities' ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the combining entities may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The combining entities monitor capital using a gearing ratio. The combining entities' policy is to maintain a prudent level of gearing ratio. The gearing ratio at the end of the reporting period is as follows:

	31.12.2023 RM	31.12.2024 RM	31.12.2025 RM	30.6.2026 RM
Loans and borrowings	10,696,124	9,274,590	7,571,024	6,379,549
Total equity	12,873,498	21,914,525	32,492,641	34,565,486
Gearing ratio (times)	0.83	0.42	0.23	0.18

In accordance with the letter of offer dated 17 August 2020 by a lending financial institution, the combining entities are required to maintain a gearing ratio of not more than 3 times. As at the end of the reporting period, the combining entities remained in compliance with this requirement and did not breach the stipulated gearing ratio.

There were no changes in the combining entities approach to capital management during the financial years/period.

33. Significant Events and Subsequent Events

(i) On 15 December 2025, the Company entered into a condition Share Sale and Purchase Agreement for the acquisition of the entire equity interest in Emits Technology Sdn Bhd. (ETSB) and its subsidiaries for a total consideration of RM25,000,000. The consideration will be satisfied by the issuance of 25,000,000 new ordinary shares in the Company at an issue price of RM1 per share.

Following Bursa Malaysia Securities Berhad's approval for the Company's listing on the ACE Market, the acquisition was completed on 22 September 2026.

Subsequent to the acquisition, the Company will undertake a share subdivision, converting its 25,001,000 existing shares into 375,015,000 shares by subdividing each existing share into 15 new shares. The share split was completed on 6 October 2026.

(ii) On 24 August 2026, the combining entities have entered into a sale and purchase agreement for the acquisition of solar photovoltaic system with total consideration of RM650,000. The acquisition is expected to be completed by the end of December 2026.

EMITS BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

We, the undersigned, being two of the Directors of Emits Berhad, do hereby state that, in the opinion of the Directors, the combined financial statements set out on pages 5 to 73 are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the combined financial position of the combining entities as at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026 and of their combined financial performance and cash flows for the financial years/period ended 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026.

Signed by the Board of Directors in accordance with a resolution of the Directors dated 20 October 2026.

H'NG CHUEN YEOU

LOY BOON LIANG

PENANG

14. REPORTING ACCOUNTANTS' REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

EMITS BERHAD
Registration No.: 202501005450 (1606864-T)
(Incorporated in Malaysia)

PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

TGS TW PLT

CHARTERED ACCOUNTANTS



TGS TW PLT
202106000004 (LLP0026851-LCA) & AF002345
Chartered Accountants
Unit E-16-2B,
Level 16, Icon Tower (East)
No.1, Jalan 1/68F, Jalan Tun Razak
50400 Kuala Lumpur.
Tel : +603 9771 4326
Email: tgsaudit@tgs-tw.com
www.tgs-tw.com

Date: 20 October 2026

The Board of Directors
Emits Berhad
Plot 152, Bayan Lepas Free Industrial Zone
Phase 1, Jalan Sultan Azlan Shah, MK 12
11900 Bayan Lepas
Penang

Dear Sirs,

EMITS BERHAD ("EMITS" OR "THE COMPANY")
REPORT ON THE COMPILATION OF PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

We have completed our assurance engagement to report on the compilation of Pro Forma Combined Statements of Financial Position of Emits Berhad and of its combining entities, namely Emits Technology Sdn. Bhd, Emits (RF) Technology Sdn. Bhd. and Emits Radio Wave Ltd (collectively known as "the combining entities" or "the Group") as at 30 June 2026.

The applicable criteria on the basis of which the Board of Directors have compiled the Pro Forma Combined Statements of Financial Position are set out in the notes thereon to the Pro Forma Combined Statements of Financial Position, and in accordance with the requirements of Chapter 9, Part II Division 1: Equity of the Prospectus Guidelines issued by the Securities Commission of Malaysia ("Prospectus Guidelines") and the Guidance Note for Issuers of Pro Forma Financial Information issued by the Malaysian Institute of Accountants ("Guidance Note") ("Applicable Criteria").

The Pro Forma Combined Statements of Financial Position have been compiled by the Directors for illustrative purposes only and for inclusion into the prospectus of the Group in connection with the Listing of and quotation for the entire enlarged issued share capital of the Group on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing").

As part of this process, information about the combining entities' combined financial position has been extracted by the Directors from the audited statements of financial position of the combining entities as at 30 June 2026, on which was reported by us to the members of the combining entities on 20 October 2026 without any modifications.

Directors' Responsibility for the Pro Forma Combined Statements of Financial Position

The Board of Directors is solely responsible for compiling the Pro Forma Combined Statements of Financial Position on the basis of the Applicable Criteria as set out in the notes thereon to the Pro Forma Combined Statements of Financial Position and in accordance with the requirements of the Prospectus Guidelines.

TGS TW PLT 202106000004 (LLP0026851-LCA) & AF002345 is a member of the TGS network, the members of which are separate and independent legal entities

Our Independence and Quality Management

We are independent 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 of 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.

Our firm applies *International Standard on Quality Management ("ISQM") 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, and Other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express an opinion as required by the Prospectus Guidelines, about whether the Pro Forma Combined Statements of Financial Position have been properly compiled, in all material respects, by the Directors on the basis of the Applicable Criteria.

We conducted our engagement in accordance with *International Standard on Assurance Engagements ("ISAE") 3420 Assurance Engagements 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 Directors have compiled, in all material respects, the Pro Forma Combined Statements of Financial Position on the basis of the Applicable Criteria.

For the purpose 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 Combined 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 Combined Statements of Financial Position.

The purpose of the Pro Forma Combined Statements of Financial Position included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information on 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 event or transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Combined 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 of the Company in the compilation of the Pro Forma Combined 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 Combined Statements of Financial Position reflects the proper application of those adjustments to the unadjusted financial information.

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Our Responsibility (Cont'd)

The procedures selected depend on our judgement, having regard to our understanding of the nature of the combining entities, the event or transaction in respect of which the Pro Forma Combined Statements of Financial Position has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Combined 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 Combined Statements of Financial Position have been compiled, in all material respects, on the basis of the Applicable Criteria.

Other Matters

This report has been prepared solely for the purpose of inclusion in the Prospectus of Emits Berhad in connection with the Listing. It is not intended to be used for any other purposes. 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 letter contrary to the aforesaid purpose.

Yours faithfully,

TGS TW PLT
202106000004 (LLP0026851-LCA) & AF002345
Chartered Accountants

TEOH CHEY YEAT
03447/08/2027 J
Chartered Accountant

KUALA LUMPUR
20 October 2026

TGS TW PLT 202106000004 (LLP0026851-LCA) & AF002345 is a member of the TGS network, the members of which are separate and independent legal entities

EMITS BERHAD
PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

The Pro Forma Combined Statements of Financial Position of the Group as at 30 June 2026 as set out below are provided for illustrative purposes only to show the effects of the transactions as mentioned in Note 2 to the Pro Forma Combined Statements of Financial Position on the assumption that these transactions were completed on 30 June 2026, and should be read in conjunction with the notes accompanying to the Pro Forma Combined Statements of Financial Position.

	Note	Audited as at 30.6.2026*	Adjustments for Acquisition and Share Split	Pro forma I After Acquisition and Share Split	Adjustments for Public Issue	Pro forma II After Public Issue	Adjustments for Utilisation of Proceeds	Pro forma III After Utilisation of Proceeds
		RM	RM	RM	RM	RM	RM	RM
ASSETS								
Non-current assets								
Property, plant and equipment		5,782,186		5,782,186		5,782,186		5,782,186
Right-of-use assets		18,035,842		18,035,842		18,035,842		18,035,842
Total non-current assets		23,818,028		23,818,028		23,818,028		23,818,028
Current assets								
Inventories		3,689,838		3,689,838		3,689,838		3,689,838
Trade receivables		9,580,715		9,580,715		9,580,715		9,580,715
Other receivables	3.01	3,175,529		3,175,529		3,175,529	(2,205,956)	969,573
Cash and bank balances	3.02	7,857,283		7,857,283	15,000,640	22,857,923	(1,732,244)	21,125,679
Total current assets		24,303,365		24,303,365		39,304,005		35,365,805
Total assets		48,121,393		48,121,393		63,122,033		59,183,833

* TGS TW PLT * For Identification Purposes Only

EMITS BERHAD
PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 (CONT'D)

The Pro Forma Combined Statements of Financial Position of the Group as at 30 June 2026 as set out below are provided for illustrative purposes only to show the effects of the transactions as mentioned in Note 2 to the Pro Forma Combined Statements of Financial Position on the assumption that these transactions were completed on 30 June 2026, and should be read in conjunction with the notes accompanying to the Pro Forma Combined Statements of Financial Position. (Cont'd)

	Note	Audited as at 30.6.2026*	Adjustments for Acquisition and Share Split	Pro forma I After Acquisition and Share Split	Adjustments for Public Issue	Pro forma II After Public Issue	Adjustments for Utilisation of Proceeds	Pro forma III After Utilisation of Proceeds
		RM	RM	RM	RM	RM	RM	RM
EQUITY AND LIABILITIES								
EQUITY								
Share capital	3.03	1,000	25,000,000	25,001,000	15,000,640	40,001,640	(1,074,232)	38,927,408
Invested equity	3.04	10,600,000	(10,600,000)	-		-		-
Merger deficit	3.05	-	(14,400,000)	(14,400,000)		(14,400,000)		(14,400,000)
Revaluation reserve		7,427,989		7,427,989		7,427,989		7,427,989
Foreign currency translation reserve		(70,408)		(70,408)		(70,408)		(70,408)
Retained earnings	3.06	16,606,905		16,606,905		16,606,905	(2,863,968)	13,742,937
Total equity		34,565,486		34,565,486		49,566,126		45,627,926
LIABILITIES								
Non-current liabilities								
Loans and borrowings		5,563,592		5,563,592		5,563,592		5,563,592
Deferred tax liabilities		1,126,875		1,126,875		1,126,875		1,126,875
Total non-current liabilities		6,690,467		6,690,467		6,690,467		6,690,467

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EMITS BERHAD
PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 (CONT'D)

The Pro Forma Combined Statements of Financial Position of the Group as at 30 June 2026 as set out below are provided for illustrative purposes only to show the effects of the transactions as mentioned in Note 2 to the Pro Forma Combined Statements of Financial Position on the assumption that these transactions were completed on 30 June 2026, and should be read in conjunction with the notes accompanying to the Pro Forma Combined Statements of Financial Position. (Cont'd)

	Note	Audited as at 30.6.2026*	Adjustments for Acquisition and Share Split	Pro forma I After Acquisition and Share Split	Adjustments for Public Issue	Pro forma II After Public Issue	Adjustments for Utilisation of Proceeds	Pro forma III After Utilisation of Proceeds
		RM	RM	RM	RM	RM	RM	RM
EQUITY AND LIABILITIES (CONT'D)								
LIABILITIES (CONT'D)								
Current liabilities								
Loans and borrowings		815,957		815,957		815,957		815,957
Contract liabilities		31,498		31,498		31,498		31,498
Trade payables		4,590,712		4,590,712		4,590,712		4,590,712
Other payables		1,068,443		1,068,443		1,068,443		1,068,443
Tax payable		358,830		358,830		358,830		358,830
Total current liabilities		6,865,440		6,865,440		6,865,440		6,865,440
Total liabilities		13,555,907		13,555,907		13,555,907		13,555,907
Total equity and liabilities		48,121,393		48,121,393		63,122,033		59,183,833
Number of ordinary share capital (Unit)		7,888,500		375,015,000		468,769,000		468,769,000
Net assets per share attributable to owners of Emits Berhad (RM)		4.38		0.09		0.11		0.10
Gearing ratio (times) #		0.18		0.18		0.13		0.14

 # Gearing ratio is calculated based on total borrowings divided by total equity attributable to owners of the Company.
** Extracted from the Group's audited combined financial statements for the financial period ended 30 June 2026.*

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EMITS BERHAD

NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026

1. BASIS OF PREPARATION

The Pro Forma Combined Statements of Financial Position of the Group have been prepared for illustrative purposes and on the assumptions that all the transactions mentioned as per Note 2 to the Pro Forma Combined Statements of Financial Position had taken place on 30 June 2026.

The Pro Forma Combined Statements of Financial Position have been prepared based on accounting policies and basis which are consistent with those disclosed in the audited financial statements of the combining entities for the financial period ended 30 June 2026 and in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS"), and the requirements of the Prospectus Guidelines.

Merger method of accounting

The Pro Forma Combined Statements of Financial Position are combined using the merger method as these companies are under the common control by the same party both before and after the acquisition of Emits Technology Sdn. Bhd. ("ETSB") and its subsidiaries, Emits (RF) Technology Sdn. Bhd. ("ERFSB") and Emits Radio Wave Ltd. ("ERWL"). When the merger method is used, the difference between the cost of investment recorded by the Group and the share capital of the subsidiaries are accounted for as merger deficit in the Pro Forma Combined Statements of Financial Position.

ETSB, ERFSB and ERWL are regarded as continuing entities resulting from the reorganisation exercise because the management of ERFSB and ERWL, which participated in the reorganisation exercise was under common control before and immediately after the reorganisation exercise. The Group has applied the merger method of accounting on a retrospective basis and restated its comparative as if the consolidation had taken place before the state of the earliest period presented in the financial statements.

2. LISTING SCHEME

(i) Pro Forma I: Acquisition and Share Split

(a) Acquisition

The Acquisition entails acquiring the entire equity interest of ETSB for total purchase consideration of RM25,000,000 to be satisfied via the issuance of 25,000,000 new shares at an issue price of RM1.00 per share.

The purchase consideration for the Acquisition of ETSB of RM25,000,000 was arrived based on a "willing-buyer willing-seller" basis, after taking into consideration the audited net assets ("NA") of the Group as at 30 June 2025.

(b) Share Split

After the acquisition, Emits Berhad will conduct a share subdivision, converting its 25,001,000 existing shares into 375,015,000 Shares by subdividing each 1 existing share into 15 new Shares.

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EMITS BERHAD

NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 (CONT'D)

2. **LISTING SCHEME (CONT'D)**

(ii) **Pro Forma II: Public Issue**

(a) **Public Issue**

The issue of 93,754,000 new shares, representing 20% of the enlarged issued share capital of Emits Berhad at an issue price of RM0.16 per Share ("IPO Price") allocated in the following manner:

(i) 23,439,000 new Shares, representing approximately 5.0% of the enlarged issued share capital, will be made available for the application by the Malaysian Public. Of this, 2.5% will be allocated to Bumiputera investors and 2.5% for other public investors;

(ii) 11,719,000 new Shares will be made available for application by the eligible Directors, employees of the Group, and persons who have contributed to its success; and

(iii) 58,596,000 new Shares will be made available by way of private placement to selected investors.

(b) **Offer for Sale**

A total of 37,502,000 existing Shares to be offered under Offer for Sale, representing 8.0% of enlarged share capital, by way of private placement at IPO Price.

The Offer for Sale does not have any impact on the Pro Forma Combined Statements of Financial Position as at 30 June 2026.

(c) **Listing**

Subsequent of the above, Emits Berhad entire enlarged issued share capital RM38,927,408 comprising 468,769,000 Shares shall be listed on the ACE Market of Bursa Securities.

(iii) **Pro Forma III: Utilisation of Proceeds**

Gross proceeds from the Public Issue of RM15,000,640 are expected to be utilised as follows:

Details of proceeds use	**Note**	**Estimated timeframe for the use of proceeds upon Listing**	**RM**	**% of total gross proceeds from the Public Issue**
Working capital	(i)	24 months	6,800,640	45%
Purchase of machinery and equipment	(ii)	24 months	4,000,000	27%
Estimated expenses for Listing	(iii)	1 month	4,200,000	28%
Total Estimated Proceeds			15,000,640	100%

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EMITS BERHAD

NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 (CONT'D)

2. **LISTING SCHEME (CONT'D)**

(iii) **Pro Forma III: Utilisation of Proceeds (Cont'd)**

(i) The working capital proceeds are earmarked to find new projects, particularly the manufacturing of 5G base station antennas. These funds will be used for business expansion, including purchases of input materials and recruitment of contract workers at the production stage.

In addition, part of the proceeds will be utilised for general working capital requirements such as insurance costs, marketing expenditures, and administrative expenses. The use of proceeds earmarked for working capital purposes is not reflected in the Pro Forma Combined Statement of Financial Position.

(ii) As at the LPD date, the Company did not enter any contractual binding arrangements in relation to the above purchases of machinery and equipment. Accordingly, the use of proceeds earmarked for purchases of machinery and equipment is not reflected in the Pro Forma Combined Statements of Financial Position and are classified as cash and cash equivalents.

(iii) In the event the actual utilisation is higher than the budgeted allocation, the shortfall will be funded from internally generated funds. Conversely, if the actual utilisation is lower than the budgeted allocation, the surplus will be reallocated to working capital requirement of new projects that may secure.

The Listing expenses are estimated at RM4,200,000 and will set off against share capital and profit or loss accordingly.

The estimated Listing expenses of RM1,074,232 directly attributable to the Public Issue will be debited against the share capital and the remaining estimated Listing expenses of RM3,125,768 that is attributable to the Listing will be charged out to profit or loss account.

The remaining IPO and Listing expenses which are estimated to be RM2,863,968 will be expensed off as incurred. As of 30 June 2026, the Group has paid RM2,467,756 for Listing expenses, comprising RM2,205,956 recognised as other receivables (prepayments) and RM261,800 charged to profit or loss. The said prepayment will be subsequently debited against the share capital and/or expense off to combined statements of profit or loss and other comprehensive income upon completion of the IPO.

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EMITS BERHAD

NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 (CONT'D)

3. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION

3.01 OTHER RECEIVABLES

The movements in other receivables are as follows:

	RM
As at 30 June 2026/ As per Pro Forma I to II	3,175,529
Pursuant to Utilisation of Proceeds	
- Estimated listing expenses *	(2,205,956)
As per Pro Forma III	969,573

* *RM2,205,956 of the estimated Listing expenses have been paid by the Group.*

3.02 CASH AND BANK BALANCES

The movements in cash and bank balances are as follows:

	RM
As at 30 June 2026/ As per Pro Forma I	7,857,283
Pursuant to Public Issue	15,000,640
As per Pro Forma II	22,857,923
Pursuant to Utilisation of Proceeds	
- Estimated total remaining listing expenses to be paid	(1,732,244)
As per Pro Forma III	21,125,679

3.03 SHARE CAPITAL

The movements in share capital are as follows:

	RM
As at 30 June 2026	1,000
Pursuant to Acquisition and Share Split	
- Acqusition of ETSB	25,000,000
As per Pro Forma I	25,001,000
Pursuant to Public Issue	15,000,640
As per Pro Forma II	40,001,640
Pursuant to Utilisation of Proceeds	
- Estimated listing expenses	(1,074,232)
As per Pro Forma III	38,927,408

TGS TW PLT * Duly * For Identification Purposes

EMITS BERHAD

NOTES TO THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2026 (CONT'D)

3. EFFECTS ON THE PRO FORMA COMBINED STATEMENTS OF FINANCIAL POSITION (CONT'D)

3.04 INVESTED EQUITY

The movements in invested equity are as follows:

	RM
As at 30 June 2026	10,600,000
Pursuant to Acquisition and Share Split	
- Acqusition of ETSB	(10,600,000)
As per Pro Forma I to III	-

3.05 MERGER DEFICIT

The movements in merger deficit are as follows:

	RM
As at 30 June 2026	-
Pursuant to Acquisition and Share Split	
- Acqusition of ETSB	(14,400,000)
As per Pro Forma I to III	(14,400,000)

3.06 RETAINED EARNINGS

The movements in retained earnings are as follows:

	RM
As at 30 June 2026/Pro Forma I to II	16,606,905
Pursuant to Utilisation of Proceeds	
- Estimated listing expenses *	(2,863,968)
As per Pro Forma III	13,742,937

* *Excludes RM261,800 of the Listing expenses already charged to profit or loss.*

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EMITS BERHAD

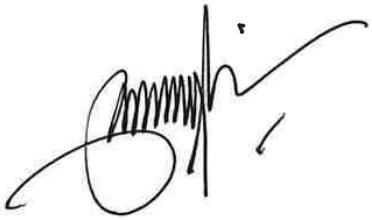
APPROVAL BY THE BOARD OF DIRECTORS

Approved and adopted by the Board of Directors in accordance with a resolution dated 20 October 2026.

On behalf of the Board of Directors



H'ng Chuen Yeou
Director



Loy Boon Liang
Director

15. STATUTORY AND OTHER INFORMATION

15.1 SHARE CAPITAL

(i) No securities will be allotted, issued or offered on the basis of this Prospectus after 6 months from the date of this Prospectus.

(ii) As at the date of this Prospectus, we only have 1 class of shares namely ordinary shares, all of which rank equally with one another. There are no special rights attached to our Shares.

(iii) None of our Group's share capital is under any option or agreed conditionally or unconditionally to be put under any option as at the date of this Prospectus.

(iv) Save for the Pink Form Allocation as disclosed in Section 4.3.1(ii) of this Prospectus, no person has been or is entitled to be given an option to subscribe for any share, stock, debenture or other security of our Group.

(v) There is no scheme involving our employees in the Shares of our Company, except for the Pink Form Allocation as disclosed in Section 4.3.1(ii) of this Prospectus.

(vi) Save as disclosed in Sections 4.3.1 and 6.2 of this Prospectus, no shares, debentures, warrants, options, convertible securities or uncalled capital of our Group have been or are proposed to be issued as fully or partly paid-up, in cash or otherwise than in cash, within the past 3 years preceding the date of this Prospectus.

(vii) As at the date of this Prospectus, our Group does not have any outstanding convertible debt securities, options, warrants or uncalled capital.

15.2 LIMITATION ON THE RIGHT TO OWN SECURITIES

There is no limitation on the right to own our Shares including limitation on the right of non-residents or foreign shareholders to hold or exercise their voting rights on our Shares which is imposed by Malaysian laws or by our Constitution.

15.3 EXTRACTS OF OUR CONSTITUTION

The following provisions are extracted from our Company's Constitution which complies with the Listing Requirements, the Act and the Rules of Bursa Depository ("**Rules**").

The words and expressions appearing in the following provisions shall bear the same meanings used in our Company's Constitution unless they are otherwise defined or the context otherwise requires:

(i) Remuneration of our Directors

(a) Directors' remuneration

Clause 21.4 – Remuneration

"The Directors shall be paid by way of remuneration for their services such fixed sum as shall from time to time be determined by the Company in meeting of members, and such remuneration shall be divided among the Directors in such proportions and manner as the Directors may determine PROVIDED ALWAYS that:

(1) fees payable to non-executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover and which shall not exceed the amount approved by the shareholders in general meeting;

(2) remuneration and other emoluments (including bonus, benefits or any other emoluments) payable to executive Directors may not include a commission on or percentage of turnover;

(3) fees payable to Directors and any benefits payable to Directors shall be subject to annual approval by an Ordinary Resolution at a meeting of members;

(4) 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; and

(5) the fees and/or benefits payable to non-executive Directors who is also Director of the subsidiary(ies) includes fees, meeting allowances, travelling allowances, benefits, gratuity and compensation for loss of employment of Director or former Director of the Company provided by the Company and subsidiary(ies), but does not include insurance premium or any issue of Securities."

Clause 21.5 – Reimbursement

"In addition to the remuneration provided under Clause 21.4, each Director shall be paid such reasonable travelling, hotel and other expenses as he shall incur in attending and returning from meetings of the Directors or any committee of the Directors or meeting of members or which they may otherwise incur in connection with the business of the Company."

Clause 22.3 – Remuneration of Managing Director

"The remuneration of a Managing Director or Managing Directors shall be fixed by the Directors, and may be by way of fixed salary or commission or participation in profits or by any or all of those modes, but shall not include a commission on or percentage of turnover but it may be a term of his appointment that he shall receive pension, gratuity or other benefits upon his retirement."

(b) Voting and borrowing powers of our Directors

Clause 23.2 – Directors' borrowing powers

(1) Subject to the Act and the Listing Requirements, the Directors may from time to time at their discretion raise or borrow such sums of money as they think proper and may secure the repayment of such sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture stock or any mortgage or guarantee, charge or security on the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being and borrow any money or mortgage or charge any of the Company's or the subsidiaries' 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 any subsidiary, associated or other companies or persons. Provided that the Directors shall not issue any debt securities convertible to ordinary shares without the prior approval of the Company in meeting of members.

(2) Any debentures, debenture stock, bonds or other securities may be issued with any special privileges as to redemption, surrender, drawings, allotment of Shares, attending and voting at meeting of members of the Company, appointment of Directors and otherwise.

(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 in its ordinary course of business, 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 other persons so becoming liable as aforesaid from any loss in respect of such liability.

(4) 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 Section 352 of the Act as regards the registration of mortgages and charges therein specified or otherwise.

(5) The Directors shall not borrow any money or mortgage or charge any of the Company's or the subsidiaries' 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."

Clause 23.3 – Guarantee

"The Directors may exercise all the powers of the Company to guarantee payment of money payable under contract obligations of any subsidiary company or companies with or without securities."

Clause 23.11 – Declaration of interest by a Director

"A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare the nature of his interest in accordance with the provisions of the Act. Save as by the next following paragraph of this Clause otherwise provided and subject always to the Act and/or Listing Requirements, a Director shall not vote in respect of any contract or proposed contract or arrangement in which he has, directly or indirectly, an interest. The Directors will not be considered as interested in the following circumstances:

(1) any arrangement for giving to him any security or indemnity in respect of money lent by him or obligations undertaken by him for the benefit of the Company; or

(2) 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 for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the deposit of a security; or

(3) any contract by him to subscribe for or underwrite share; or debentures of the Company; or

(4) any contract or arrangement with any other company in which he is interested only as a director or other officer or creditor of or as a shareholder in or beneficially interested in the Shares of the Company."

Clause 23.12 – Relaxation of restriction on voting

"A Director, notwithstanding his interest may be counted in the quorum present at any meeting (provided that none of Directors present disagree) whereat he or any other Director is appointed to hold any executive office or other office or place of profit under the Company or whereat the Directors resolve to exercise any of the rights of the Company (whether by the exercise of voting rights or otherwise) to appoint or concur in the appointment of a Director to hold any office or place of profit under any other company or whereat the terms of any such appointment are considered, and he may vote on any such matter other than in respect of his own appointment or the arrangement of the terms thereof.

15. STATUTORY AND OTHER INFORMATION (cont'd)

The provisions of this Clause may at any time be suspended or relaxed to any extent and either generally or in respect of any particular contract, arrangement or transaction, and any particular contract arrangement or transaction carried out in contravention of this Constitution may be ratified by Ordinary Resolution of the Company."

Clause 24.7 – Proceedings of meeting

"A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the powers, authorities and discretion by or under this Constitution vested in or exercisable by the Directors generally. Subject to this Constitution, questions arising at any meeting of the Directors shall be decided by a majority of votes of the Directors present and each Director having one (1) vote and determination by a majority of Directors shall for all purposes deemed as a decision from the Board."

Clause 24.8 – Chairman's casting vote

"In case of an equality of votes, the chairman of the meeting of Directors shall have a second or casting vote, except where two (2) Directors form a quorum and only such a quorum is present at the meeting, or only two (2) Directors are competent to vote on the questions at issue, at which the chairman of a meeting shall not have a second or casting vote."

(ii) Changes to share capital and rights, preferences and restrictions attached to each class of securities relating to voting, dividend, liquidation and any special rights

Clause 15.1 – Company may alter its capital in certain ways

"Subject to the applicable laws, the Company may from time to time by Ordinary Resolution:

(1) consolidate and divide all or any of its share capital into Shares of larger amount than its existing shares;

(2) subdivide its share capital or any part thereof into shares of smaller amount than is fixed by this Constitution by subdivision of its existing shares or any of them, subject nevertheless to the provisions of the Act and so that as between the resulting shares, one (1) or more of such shares may, by the resolution by which such subdivision is effected, be given any preference or advantage as regards dividends, return of capital, voting or otherwise over the others or any other of such shares;

(3) cancel Shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled;

(4) convert all or any of its issued Shares into stock and reconvert that stock into paid up Shares; and

(5) subject to the provisions of this Constitution and the Act, convert and/or re-classify any class of Shares into any other class of Shares."

Clause 15.2 – Power to cancel and reduce capital

"Subject to the applicable laws, the Company may from time to time by Special Resolution:

(1) cancel Shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled or in such other manner allowed by law; and

(2) reduce its share capital in any manner permitted by law, and (where applicable) subject to the relevant required approvals being obtained."

Clause 15.4 – Purchase of own Shares

"Subject to the provisions of the Act and/or the Applicable Laws, the Company may, with the sanction of an Ordinary Resolution of the members in meeting of members, purchase its own Shares and make payment in respect of the purchase and/or give financial assistance to any person for the purpose of purchasing its own Shares on such date(s), terms and manner as may be determined from time to time by the Directors. Any Shares in the Company so purchased by the Company shall be dealt with in accordance with the Act and/or the Applicable Laws. The provision of Clauses 15.1 and 15.2 hereof shall not affect the power of the Company to cancel any Shares or reduce its share capital pursuant to any exercise of the Company's power under this Clause."

Clause 16.1 – Increase of share capital

"Subject to all Applicable Laws, the Company may from time to time, whether all the Shares for the time being issued shall have been fully called up or not, by Ordinary Resolution increase its share capital by the creation of new Shares, such new capital to be of such amount and to be divided into Shares of such respective amounts and (subject to any special rights for the time being attached to any existing class of shares) to carry such preferential, deferred or other special rights (if any) or to be subject to such conditions or restrictions (if any), in regard to dividend, return of capital, voting or otherwise, as the Company by the resolution authorising such increase may direct."

Clause 17 – Variation on Rights

"If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of seventy-five per centum (75%) of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate meeting the provisions of this Constitution relating to meeting of members shall mutatis mutandis apply so that the necessary quorum shall be two (2) persons at least holding or representing by proxy at least one-third (1/3) of the issued shares of the class and that any holder of Shares of the class present in person or by proxy may demand a poll. To every such Special Resolution the provisions of Section 292 of the Act shall apply with such adaptations as are necessary."

(iii) Transfer of securities

Clause 11.1 – Transfer in writing and to be left at the Office

"For the purpose of registration of a transfer of Shares that are not Deposited Securities, every instrument of transfer which is executed in accordance with the Applicable Laws, shall be left at the Office together with such fee not exceeding RM3.00 or as the Directors may determine, where a share certificate has been issued for the Share to be transferred, the certificate of the Shares and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the Shares, and thereupon the Company shall subject to the powers vested in the Directors by this Constitution register the transferee as the member within thirty (30) days from receipt of such duly executed and stamped instrument of transfer."

Clause 11.2 – Transfer of Securities

"The transfer of any Deposited Security shall be by way of book entry by the Central 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 Deposited Securities."

15. STATUTORY AND OTHER INFORMATION (cont'd)

Clause 11.5 – Directors may refuse registration of transfer

"Subject to the provisions of the Act, the SICDA, the Listing Requirements and the Rules, the Directors may refuse or delay to register, the transfer of any Share within thirty (30) days from the receipt of the instrument of transfer if:

(1) it is not a fully paid Share;

(2) the Company claims lien on the Shares;

(3) The shareholder fails to pay the company an amount due in respect of those Shares, whether by way of consideration for the issue of the Shares or in respect of the sums payable by the shareholder in accordance with the Constitution; or

(4) the Directors passed a resolution with full justification to refuse or delay the registration of transfer, where applicable, the Company shall send a notice of the resolution to the transferor and transferee, within seven (7) days of the resolution being passed by the Directors."

Clause 11.6 – Closing of registration of transfers

"The registration of transfers may be closed at such times and for such periods as the Directors may from time to time determine but not exceeding in the whole thirty (30) days in any calendar year. In relation to the closure, the Company shall give written notice in accordance with the Rules to the Central Depository to issue the relevant appropriate Record of Depositors. The Company shall before close such register:

(1) give notice of such intended book closure (in the case of the register) in accordance with Section 55 of the Act; and

(2) give notice of such intended closure to the Exchange for such period as prescribed by the Exchange or the Applicable Laws before the intended date of such closure including in such notice, such date, the reason for such closure and the address of the share registry at which documents will be accepted for registration."

Clause 11.7 – Limitation of liability

"Neither the Company nor the Directors nor any of its officers shall incur any liability for authorising or causing the registering or acting upon a transfer of Securities apparently made by sufficient parties, although the same may by reason of any fraud or other cause not known to the Company or the Directors or other officers be legally inoperative or insufficient to pass the property in the securities proposed or professed to be transferred, and although transferred, the transfer may, as between the transferor and the transferee, be liable to be set aside, and notwithstanding that, the Company may have notice that such instrument or transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee of the particulars of the Securities transferred, or otherwise in defective manner. In every such case, the person registered as the transferee, his executors, administrators and assignees alone shall be entitled to be recognised as the holder of such securities and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto."

15. STATUTORY AND OTHER INFORMATION (cont'd)

15.4 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 fixed, failing which our Share Registrar will be required to transfer his Shares to the Minister of Finance, Inc. and such Shares may not be traded on Bursa Securities.

Dealing in Shares deposited with Bursa Depository may only be effected by a person having a CDS account with Bursa Depository by means of entries in the CDS account of that Depositor.

A Depositor whose name appears in the Record of Depositors maintained by Bursa Depository in respect of our Shares will be deemed to be a shareholder of our Company and will be entitled to all rights, benefits, powers and privileges and be subject to all liabilities, duties and obligations in respect of, or arising from, such Shares.

15.5 REPATRIATION OF CAPITAL, REMITTANCE OF PROFIT AND TAXATION

(i) Malaysia

All corporations in Malaysia are required to adopt a single-tier dividend system, under which dividends distributed by Malaysian resident companies are not taxable. However, effective from the year of assessment 2025, a tax at the rate of 2.0% is imposed on annual chargeable dividend income exceeding RM100,000 received by individual shareholders (whether resident or non-resident), including individuals who hold shares through nominees, subject to certain exemptions.

Furthermore, Malaysia does not levy withholding tax on dividend payments. As such, dividends paid by Malaysian resident companies to their shareholders, including non-residents, are not subject to withholding tax in Malaysia. The disposal of listed shares is also not subject to Malaysian capital gains tax.

Pursuant to the Income Tax Act 1967, income tax is imposed on income accruing in or derived from Malaysia, or received in Malaysia from outside Malaysia. Prior to 1 January 2022, foreign-sourced income received in Malaysia was generally exempted from tax, except for a resident company carrying on the business of banking, insurance or sea/air transport.

With effect from 1 January 2022, foreign-sourced income received in Malaysia by a Malaysian tax resident is subject to tax at the prevailing tax rates. A concessionary rate of 3% on gross applied to such income received for the transitional period from 1 January 2022 to 30 June 2022, after which the prevailing tax rates shall apply.

Notwithstanding the above, the Income Tax (Exemption) (No. 6) Order 2022 (Amendment) Order 2024 (gazetted on 12 June 2024) provides for exemption on foreign-sourced dividend income received in Malaysia by, among others, a resident company incorporated under the Act, for the period 1 January 2022 to 31 December 2026, subject to the following conditions:

(a) the dividend income has been subjected to tax in the country of origin and the headline tax rate in the country of origin is at least 15%; or

(b) the recipient company complies with the prescribed economic substance requirements.

Further reference may be made to the guidelines issued by the Inland Revenue Board of Malaysia on 20 June 2024 to determine compliance with the above conditions. Where the conditions are satisfied, foreign-sourced dividend income received in Malaysia within the exemption period will not be taxable.

(ii) Taiwan

(a) Investment repatriation

Foreign investment in Taiwan is principally governed by the Statute for Investment by Foreign Nationals and the Foreign Investment Act, with related requirements under the Company Act, Income Tax Act and Foreign Exchange Regulation Act. Foreign investors are entitled to repatriate capital, dividends and other lawful investment income derived from Emits Radio Wave, provided that all tax obligations are paid, no accumulated losses and allocation of 10% of the annual profits as legal reserve.

(b) Dividend distribution and withholding tax

In principle, dividend distribution by a company to its foreign parent company is subject to a 21% withholding tax under the Income Tax Act and the Standards of Withholding Rates for Various Categories of Income. Pursuant to the prevailing Agreement between the Taipei Economic and Cultural Office in Malaysia and the Malaysian Friendship and Trade Centre in Taipei for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income ("**Tax Treaty**"), Emits Technology is granted a preferential withholding tax rate of 12.5% upon application and approval for such dividends paid by Emits Radio Wave to Emits Technology.

Emits Radio Wave has the obligation to withhold the abovementioned withholding tax from dividends distribution and pay to the tax authority.

Save as disclosed above, we do not have any other foreign subsidiary or associated company which requires repatriation of capital and remittance of profits by or to our Group.

15.6 MATERIAL CONTRACTS

Save as disclosed below, we have not entered into any contracts which are material (not being contracts entered into in the ordinary course of business) within the period covered by the historical financial information as disclosed in this Prospectus up to the date of this Prospectus:

(i) Conditional share sale agreement for the Acquisition dated 15 December 2025. Please refer to Section 6.2.3 of this Prospectus for further details of the Acquisition;

(ii) RCPS Subscription Agreements dated 16 July 2024 (and as supplemented by supplemental agreements dated 15 January 2025) between Emits Technology and Lim Kean Yap, as well as between Emits Technology and Tiong Keng Woo, for the RCPS Issuance. Please refer to Section 6.2.1 of this Prospectus for further details; and

(iii) Underwriting Agreement.

15.7 MATERIAL LITIGATION

As at the LPD, we are not engaged in any material litigation, claims and/or arbitration, either as plaintiff or defendant, which has a material effect on our financial position or business, and our Directors confirm that there are no proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect our financial position or business.

15.8 CONSENTS

(i) Our Principal Adviser, Sponsor, Underwriter and Placement Agent, Legal Advisers, Share Registrar, Issuing House, and Company Secretaries have given and have not subsequently withdrawn their written consents before the date of the issue of this Prospectus with the inclusion of their names and all references thereto in the form, manner and context in which they are included in this Prospectus.

(ii) Our Auditors and Reporting Accountants have given and have not subsequently withdrawn their written consents before the date of the issue of this Prospectus with the inclusion of their names and all references thereto, the Accountants' Report and the Reporting Accountants' Report on the Compilation of Pro Forma Combined Statements of Financial Position as at 30 June 2026 in the form, manner and context in which they are included in this Prospectus.

(iii) Our IMR has given and has not subsequently withdrawn its written consent before the date of the issue of this Prospectus with the inclusion of its name and all references thereto and the IMR Report in the form, manner and context in which they are included in this Prospectus.

15.9 RESPONSIBILITY STATEMENTS

This Prospectus has been seen and approved by our Directors, Promoters and Selling Shareholders and 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 statement or other facts which if omitted, would make any statement in this Prospectus false or misleading.

Mercury Securities, 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.

15.10 DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at our Registered Office during office hours for a period of 6 months from the date of this Prospectus:

(i) our Constitution;

(ii) the IMR Report as included in Section 8 of this Prospectus;

(iii) the Accountants' Report as included in Section 13 of this Prospectus;

(iv) the audited financial statements of our Company for the FYE 2025 and FPE 2026;

15. STATUTORY AND OTHER INFORMATION (cont'd)

(v) the audited financial statements of our subsidiaries for the FYE 2023, FYE 2024, FYE 2025 and FPE 2026;

(vi) the Reporting Accountants' Report on the Compilation of Pro Forma Combined Statements of Financial Position as at 30 June 2026 as included in Section 14 of this Prospectus;

(vii) our material contracts referred to in Section 15.6 of this Prospectus; and

(viii) the letters of consent referred to in Section 15.8 of this Prospectus.

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16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE

THIS SUMMARY OF 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 COPY OF OUR 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 APPLICATIONS

OPENING OF THE APPLICATION PERIOD: 10.00 A.M., 6 NOVEMBER 2026

CLOSING OF THE APPLICATION PERIOD: 5.00 P.M., 19 NOVEMBER 2026

Applications for our IPO Shares will open and close at the dates stated above.

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

Late Applications will not be accepted.

16.2 METHODS OF APPLICATIONS

16.2.1 Application for Our IPO Shares by the Malaysian Public and the Eligible Persons

Applications must accord with the terms of our Prospectus and our Constitution. You agree to be bound by our Constitution. The submission of an Application Form does not mean that your Application will succeed.

Types of Application and category of investors		Application method
Applications by the Eligible Persons		Pink Application Form only
Applications by the Malaysian Public:		
(i)	Individuals	▪ White Application Form; ▪ Electronic Share Application; or ▪ Internet Share Application.
(ii)	Non-Individuals	White Application Form only

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

16.2.2 Application of Our IPO Shares by selected investors via private placement

Types of Application and category of investors	Application method
Applications by the selected investors	The Placement Agent will contact the selected investors directly. They should follow the Placement Agent's instructions.

Eligible Persons and selected investors 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 set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our 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.

AN APPLICANT WHO WISHES TO SUBMIT APPLICATIONS USING A JOINT BANK ACCOUNT MUST CONTACT THE FINANCIAL INSTITUTION HANDLING THE APPLICATIONS TO ENSURE THAT THE NAME ON THE JOINT BANK ACCOUNT MATCHES THE NAME ON THEIR CDS ACCOUNT. THIS STEP MINIMISES THE RISK OF REJECTION OF IPO APPLICATIONS DUE TO NAME DISCREPANCIES. OUR COMPANY, PRINCIPAL ADVISER AND ISSUING HOUSE ARE NOT RESPONSIBLE FOR ANY ISSUES ARISING THEREAFTER.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

16.3.2 Application by the Malaysian Public

You can only apply for our IPO Shares if you fulfill all of the following:

(i) You must be one of the following:

(a) a Malaysian citizen who is at least 18 years old as at the date of the application for our IPO Shares; or

(b) 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

(c) a superannuation, co-operative, foundation, provident, pension fund established or operating in Malaysia.

(ii) 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

(iii) You must submit Applications by using only one of the following methods:

(a) White Application Form;

(b) Electronic Share Application; or

(c) Internet Share Application.

16.3.3 Application by the Eligible Persons

The Eligible Persons will be provided with Pink Application Forms and letters from us detailing their respective allocation. The Eligible Persons must follow the notes and instructions in the said document and where relevant, in this Prospectus. All duly completed Pink Application Forms should be submitted to our Company through the Human Resources or Finance Department.

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 PROCEDURES FOR 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 or which are illegible will not be accepted.

The FULL amount payable is RM0.16 for each IPO Share.

Payment must be made out in favour of "**TIIH SHARE ISSUE ACCOUNT NO. 840**" and crossed "**A/C PAYEE ONLY**" and endorsed on the reverse side with your name and address.

The method below is applicable for White Application Forms only. For Pink Application Forms, kindly direct the submission of the forms to our Company through the Human Resources or Finance Department.

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:

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

(i) despatch by **ORDINARY POST** in the official envelopes provided, to the following address:

Vistra Investor & Issuing House Services Sdn Bhd
(formerly known as 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 drop-in box provided at the following address:

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 19 November 2026 or by such other time and date specified in any change to the date or time for closing.

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 PROCEDURES FOR APPLICATION BY WAY OF ELECTRONIC SHARE APPLICATION

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 PROCEDURES FOR APPLICATION BY WAY OF INTERNET SHARE APPLICATION

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 Internet Participating Financial Institutions or Participating Securities Firms, namely, Affin Bank Berhad, Alliance Bank Malaysia Berhad, CGS International Securities Malaysia Sdn Bhd, Hong Leong Investment Bank Berhad, iFast Capital Sdn Bhd, Kenanga Investment Bank Berhad, Malacca Securities Sdn Bhd, Malayan Banking Berhad, Moomoo Securities Malaysia Sdn Bhd, Public Bank Berhad, RHB Bank Berhad, TA Securities Holdings Berhad and UOB Kay Hian (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.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

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:

(i) reject Applications which:

  (a) do not conform to the instructions of our Prospectus, Application Forms, Electronic Share Application and Internet Share Application (where applicable); or

  (b) are illegible, incomplete or inaccurate; or

  (c) are accompanied by an improperly drawn up, or improper form of, remittance; or

(ii) reject or accept any Application, in whole or in part, on a non-discriminatory basis without the need to give any reason; and

(iii) 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 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 any time 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, all major Bahasa Malaysia and English newspapers as well as posted on the Issuing House's website at https://srmy.vistra.com within 1 business day after the balloting event.

Pursuant to the Listing Requirements, we are required to have a minimum of 25.00% of our Company's enlarged 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 our Listing. In the event the above requirement is not met, we may not be allowed to proceed with our Listing. In such an event, we will return in full, without interest, all monies paid in respect of all Applications. If any 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.

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 4.3.3 of our Prospectus, any of the abovementioned IPO Shares not applied for will then be subscribed by the Underwriter based on the terms of the Underwriting Agreement.

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 Form

(i) 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.

(ii) 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 documents 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.

(iii) 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 (i) and (ii) above (as the case may be).

(iv) 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 (ii) above (as the case may be).

16.9.2 For applications by way of Electronic Share Application and Internet Share Application

(i) 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 Institutions or Internet Participating Financial Institutions or Participating Securities Firms (or arranged with the Authorised Financial Institutions) within 2 Market Days after the receipt of confirmation from the Issuing House.

(ii) You may check your account on the 5th Market Day from the balloting date.

16. SUMMARISED PROCEDURES FOR APPLICATION AND ACCEPTANCE (cont'd)

(iii) 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 Institutions 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 Institutions will be informed of the unsuccessful or partially successful Applications within 2 Market Days after the final balloting date. The Participating Financial Institutions 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:

(i) Our IPO Shares allotted to you will be credited into your CDS Account.

(ii) A notice of allotment or notice of transfer will be despatched to you at your last 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.

(iii) 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.

(iv) In accordance with Section 29 of the SICDA, all dealings in our Shares will be by book entries through CDS Accounts. No 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 Telephone at +603-2783 9299
Electronic Share Application	Participating Financial Institutions
Internet Share Application	Internet Participating Financial Institutions, Participating Securities Firms and Authorised Financial Institutions

The results of the allocation of the IPO Shares derived from successful balloting will be made available to the public at the Issuing House's 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 as set out in Section 12 of the Detailed Procedures for Application and Acceptance accompanying the electronic copy of our Prospectus on the website of Bursa Securities.