

Research Team

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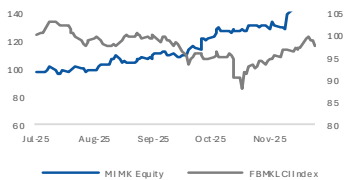
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| | |
|------------------------------|--------------|
| Recommendation: | BUY |
| Current Price: | RM3.82 |
| Previous Target Price: | RM4.20 |
| Target Price: | RM6.23 |
| Capital Upside/Downside: | 63.1% |
| Dividend Yield (%) | 0.9% |
| Total Upside/Downside | 64.1% |

| | |
|--------------------------|-------------|
| Stock information | |
| Board | MAIN |
| Sector | Technology |
| Bursa / Bloomberg Code | 5286 / MIMK |
| Syariah Compliant | Yes |
| ESGRating | ★★★ |
| Shares issued (m) | 885.0 |
| Market Cap (RM' m) | 3,380.7 |
| 52-Week Price Range (RM) | 3.97-1.75 |
| Beta (x) | 1.5 |
| Free float (%) | 36.6 |
| 3MAverage Volume (m) | 3.0 |
| 3MAverage Value (RM' m) | 9.9 |

| | | |
|---------------------------|--|------|
| Top 3 Shareholders | | (%) |
| Oh Kuang Eng | | 45.4 |
| Yong Shiao Voon | | 11.3 |
| NorgesBank | | 5.2 |

Share Price Performance



| | 1M | 3M | 12M |
|--------------|------|------|-------|
| Absolute (%) | 19.4 | 27.3 | 113.4 |
| Relative (%) | 19.5 | 30.6 | 90.8 |

Earnings summary

| FYE (Dec) | FY26F | FY27F | FY28F |
|------------------|-------|-------|-------|
| Revenue (RM'm) | 692.1 | 752.7 | 839.4 |
| PATAMI (RM'm) | 134.6 | 149.3 | 167.8 |
| CNP (RM'm) | 134.6 | 149.3 | 167.8 |
| EPS - core (sen) | 15.2 | 16.8 | 18.9 |
| P/E(x) | 25.2 | 22.7 | 20.2 |

Source: Company, Apex Securities

Mi Technovation Berhad

Record Q1: Multi-engine growth story taking shape

- MITECH reported a record Q1 with core net profit of RM30.5m (+61% YoY, +11% QoQ), exceeding our expectations. Headline CNP represents 25% of our prior FY26F estimate and 26% of consensus (RM116.5m), but SMBU revenue of RM82.9m already accounts for c.35% of our full-year segment forecast in a seasonally weaker quarter (CNY), signalling the segment is running well ahead.
- Revenue hit a quarterly record of RM167.8m, driven by strong SMBU performance with PBT margin expanding to 29.4% (1Q25: 23.2%), a robust SEBU recovery (+37% QoQ), and maiden VTBU revenue of RM0.7m. Effective tax rate improved to 22.4% (1Q25: 23.4%) on the 70% pioneer tax exemption. A first interim dividend of 1.0 sen was also declared.
- The Group announced a proposed SGX listing of its SMBU division as it progresses its four-engine growth platform across AI packaging, solder materials, SiC power semiconductors, and EV powertrains.
- Raise FY26F/FY27F CNP by 10.3%/9.6% to RM134.6m/RM149.3m on higher SMBU margins; introduce FY28F CNP of RM167.8m. Upgrade TP to RM6.23 (from RM4.20) on 37x PE (+2SD) rolled-forward FY27F EPS of 16.8 sen. Reiterate BUY.

Above estimates. MITECH reported 1Q26 core net profit of RM30.5m, arrived after adjusting for unrealised FX gain (-RM0.5m). While headline CNP represents 25% of our prior FY26F forecast of RM122.1m and 26% of consensus (RM116.5m), we deem the results as above expectations for two reasons: (i) Q1 is seasonally the weakest quarter due to fewer working days from the CNY and Hari Raya period, with H2 typically stronger driven by equipment delivery peaks in Q3 supported by management expecting further improvement in Q2 and demand acceleration in H2. (ii) SMBU PBT of RM24.4m already accounts for approximately c.35% of our full-year segment forecast in this seasonally soft quarter, implying the segment is running materially ahead of plan. In addition, revenue grew 40.3% YoY to RM167.8m driven by balanced contributions from both SEBU (RM84.2m, 50.2% of revenue) and SMBU (RM82.9m, 49.4%).

QoQ. Revenue rose 8.7% QoQ, with a strong SEBU recovery (+37.3% QoQ to RM84.2m) offsetting a seasonal dip in SMBU (-10.8% QoQ to RM82.9m) due to fewer working days during the Chinese New Year and Hari Raya period. Core net profit grew 11.2% QoQ, supported by improved EBIT margin of 22.9% (4Q25: 20.9%) and a lower effective tax rate of 22.4% (4Q25: 28.1%). The sequential improvement in SEBU equipment billings signals sustained demand momentum for the Mi Series die sorting platform. Combined STBU+VTBU investment losses of RM8.3m compare favourably against Q4FY25's -17.1m, as the restructuring into two distinct BUs is enabling tighter cost discipline. VTBU's maiden revenue contribution of RM0.7m is a positive signal that the EV powertrain business is beginning to commercialise ahead of its 2029 inflection target.

YoY. Core net profit surged 61% YoY on the back of broad-based revenue growth from SEBU (+15.2% YoY to RM84.2m; higher ASP of advanced Mi Series WLCSP die sorters and expanding customer base in Mobility & Wearables) and SMBU (+78.3% YoY to RM82.9m; robust solder ball demand for AI-related advanced packaging and improving utilisation at Accurus China). SMBU segment PBT margin expanded sharply to 29.4% (1Q25: 23.2%), reflecting better product mix and pricing power. Importantly, VTBU recorded its maiden revenue of RM0.7m from electric powertrain system deliveries, marking the unit's transition from pure R&D burn to initial commercialisation. However, VTBU's segment loss widened to RM7.6m (1Q25: RM3.8m) due to higher development and headcount costs ahead of the commercial ramp, we expect these losses to narrow progressively as the revenue base scales from its current 50-60 vehicle target this year. STBU losses meanwhile narrowed to -RM0.7m (1Q25: -RM1.3m) as the SiC chip programme advances toward prototype stage. The effective tax rate improved to 22.4% (1Q25: 23.4%), below the 24% statutory rate, primarily due to: (i) the 70% pioneer tax exemption for its AI-enabled wafer-level advanced packaging die sorting machines, granted on December 2024 for a 5-year period through 30 January 2029; and (ii) lower tax rates at overseas subsidiaries including

Accurus Taiwan. We believe as SEBU's die sorter revenue continues to scale, the pioneer incentive should serve as a meaningful recurring earnings tailwind.

Dividend. Company declared an interim dividend of 1.0 sen per ordinary share for FY26, consistent with the 1.0 sen first interim declared for 1HFY25.

Balance Sheet. The Group remains in a net cash position with RM305.1m in cash and bank balances (plus RM57.2m in other investments) as at 31 March 2026, against total borrowings of RM86.8m (31 Dec 2025: RM61.7m). The increase in borrowings was primarily driven by revolving credit drawdowns at Accurus Taiwan to fund working capital for the SMBU capacity ramp. Inventories rose 13.0% QoQ to RM189.0m, while trade receivables surged 28.9% QoQ to RM237.7m, both reflecting higher production volumes and the stronger revenue run rate. Capital commitments stood at RM60.8m, largely related to the Johor solder ball plant and SEBU capacity expansion. The Group also incorporated Mi Material Holding Pte. Ltd. in Singapore on 28 April 2026 to facilitate the proposed SGX listing of SMBU.

Cashflow. Net cash used in operating activities was RM44.0m (1Q25: RM12.8m), despite operating profit before working capital changes rising 42.6% YoY to RM47.0m. The cash outflow was driven by a significant working capital build of RM87.3m (1Q25: RM41.0m), comprising a RM50.8m increase in trade receivables and a RM21.9m inventory build, consistent with the higher revenue trajectory and production ramp across both SEBU and SMBU. Capex for the quarter was RM7.5m (1Q25: RM13.5m), reflecting a more normalised spending pace post the prior year's expansion investments. We expect working capital to normalise in subsequent quarters as receivables convert to cash.

Outlook. We expect sustained momentum in FY26 for SEBU, driven by the Mi Series die-sorting platform, which becomes increasingly critical as 3D stacking rises in advanced packaging, while the current AI and semiconductor upcycle positions the Ai Series and Si Series for broader adoption among Tier 1 OSAT and IDM/foundry customers. SMBU's Accurus Taiwan is running at maximum capacity serving a Taiwan foundry expansion at c.30% PBT margins, with management expecting Q2 improvement and H2 demand acceleration fuelled by higher ASPs; the Johor plant timeline is locked (construction June, trials September, qualification Q1 2027), adding RM100–140m in Phase 1 revenue, while Accurus China's 15% preferential tax rate accelerates its FY26 breakeven. The proposed SGX listing of SMBU would also provide a sum-of-parts re-rating catalyst. In addition, STBU's SiC chip design was sent to foundry in April 2026, with first prototype expected by September, and VTBU is targeting 50–60 commercial vehicles this year at USD40k ASP with vertically integrated c.25–30% gross margins.

Forecast. We raise our FY26F/FY27F core net profit forecasts by 10.3%/9.6% primarily driven by higher margin assumptions for SMBU as the segment's Q1 performance already accounts for c.35% of our prior full-year PBT segment estimate, signalling a sustained improvement in pricing power and ASPs. We also introduce our FY28F CNP forecasts of RM167.8m.

Valuation. We reiterate our **BUY** rating with a **higher TP of RM6.23 (from RM4.20)**, based on a higher PE multiple of 37x (from 30.5x) representing +2SD of its three-year mean applied to rolled-forward FY27F EPS of 16.8 sen. At the current share price of RM3.82, the stock trades at 25.2x FY26F P/E, a **c.85%** discount to its equipment peer simple average of 46.6x FY26F P/E. We believe the discount is unwarranted and current valuations remain very undemanding given MITECH's strong 40%+ revenue growth trajectory, direct exposure to Tier 1 OSATs and foundries via both equipment and materials, multiple unpriced growth engines via the Johor plant expansion, SiC chip developments, EV powertrain module ramp up and a potential SGX IPO catalyst for SMBU that would unlock a SOP re-rating catalyst.

Results Note

Friday, 22 May, 2026

Earnings Summary

| FYE Dec (RM m) | FY24 | FY25 | FY26F | FY27F | FY28F |
|--------------------|---|-------|-------|-------|-------|
| Revenue | 463.5 | 625.0 | 692.1 | 752.7 | 839.4 |
| EBITDA | 117.8 | 144.7 | 193.5 | 213.1 | 237.5 |
| Pre-tax profit | 90.7 | 123.4 | 171.4 | 190.1 | 213.7 |
| Net profit | 68.1 | 93.8 | 134.6 | 149.3 | 167.8 |
| Core net profit | 69.9 | 115.1 | 134.6 | 149.3 | 167.8 |
| Core EPS (sen) | 7.8 | 12.9 | 15.2 | 16.8 | 18.9 |
| P/E (x) | 48.8 | 29.5 | 25.2 | 22.7 | 20.2 |
| P/B (x) | 3.3 | 3.2 | 2.9 | 2.6 | 2.4 |
| EV/EBITDA (x) | 26.8 | 218 | 16.3 | 14.8 | 13.3 |
| Dividend Yield (%) | 16% | 0.8% | 0.9% | 0.9% | 0.9% |
| Net Gearing (%) | NET CASH NET CASH NET CASH NET CASH ET CASH | | | | |

Source: Company, Apex Securities

Results Comparison

| FYE Dec (RM m) | 1QFY26 | 1QFY25 | yoy (%) | 4QFY25 | qoq (%) | 1QFY26 | 1QFY25 | yoy (%) |
|------------------------|--------|--------|---------|--------|---------|--------|--------|---------|
| Revenue | 167.8 | 119.5 | 40.3 | 154.3 | 8.7 | 167.8 | 119.5 | 40.3 |
| EBITDA | 46.0 | 28.0 | 64.0 | 38.7 | 18.8 | 46.0 | 28.0 | 64.0 |
| EBIT | 38.5 | 21.0 | 82.8 | 32.3 | 19.0 | 38.5 | 21.0 | 82.8 |
| Profit before tax | 39.9 | 22.7 | 76.2 | 34.3 | 16.5 | 39.9 | 22.7 | 76.2 |
| Profit after tax | 31.0 | 17.3 | 79.1 | 24.6 | 25.9 | 31.0 | 17.3 | 79.1 |
| Net profit | 31.0 | 17.6 | 76.1 | 24.7 | 25.5 | 31.0 | 17.6 | 76.1 |
| Core net profit | 30.5 | 18.9 | 61.2 | 27.4 | 11.2 | 30.5 | 18.9 | 61.2 |
| Core EPS (sen) | 3.4 | 2.1 | 62.2 | 3.1 | 11.0 | 3.4 | 2.1 | 62.2 |
| EBIT margin | 23% | 18% | | 21% | | 23% | 18% | |
| PBT margin | 24% | 19% | | 22% | | 24% | 19% | |
| Core net profit margin | 18% | 16% | | 18% | | 18% | 16% | |

Source: Company, Apex Securities

Segmental Breakdown

| FYE Dec (RM m) | 1QFY26 | 1QFY25 | yoy (%) | 4QFY25 | qoq (%) | 3MFY26 | 3MFY25 | yoy (%) |
|--------------------------------|--------------|--------------|-------------|--------------|-------------|--------------|--------------|-------------|
| Revenue | | | | | | | | |
| SEBU | 84.2 | 73.1 | 15.2 | 61.3 | 37.3 | 84.2 | 73.1 | 15.2 |
| SMBU | 82.9 | 46.5 | 78.4 | 92.9 | (10.7) | 82.9 | 46.5 | 78.4 |
| STBU and others | - | 0.0 | (100.0) | 0.1 | (100.0) | - | 0.0 | (100.0) |
| VTBU | 0.7 | - | nm | - | nm | 0.7 | - | nm |
| Total | 167.8 | 119.5 | 40.3 | 154.3 | 8.7 | 167.8 | 119.5 | 40.3 |
| Profit before tax (PBT) | | | | | | | | |
| SEBU | 25.4 | 19.8 | 28.6 | 24.6 | 3.4 | 25.4 | 19.8 | 28.6 |
| SMBU | 24.4 | 10.8 | 126.2 | 22.5 | 8.4 | 24.4 | 10.8 | 126.2 |
| STBU and others | (2.2) | (6.9) | (67.4) | (17.1) | (86.9) | (2.2) | (6.9) | (67.4) |
| VTBU | (7.6) | - | nm | - | nm | (7.6) | - | nm |
| Total | 39.9 | 23.7 | 68.5 | 30.0 | 33.1 | 39.9 | 23.7 | 68.5 |
| PBT margin (%) | | | | | | | | |
| SEBU | 30.2% | 27.1% | | 40.1% | | 30.2% | 27.1% | |
| SMBU | 29.4% | 23.2% | | 24.2% | | 29.4% | 23.2% | |
| STBU and others | nm | nm | | nm | | nm | nm | |
| VTBU | ##### | nm | | nm | | -1146.6% | nm | |

Source: Company, Apex Securities

Figure 1: Equipment Peer Simple Average

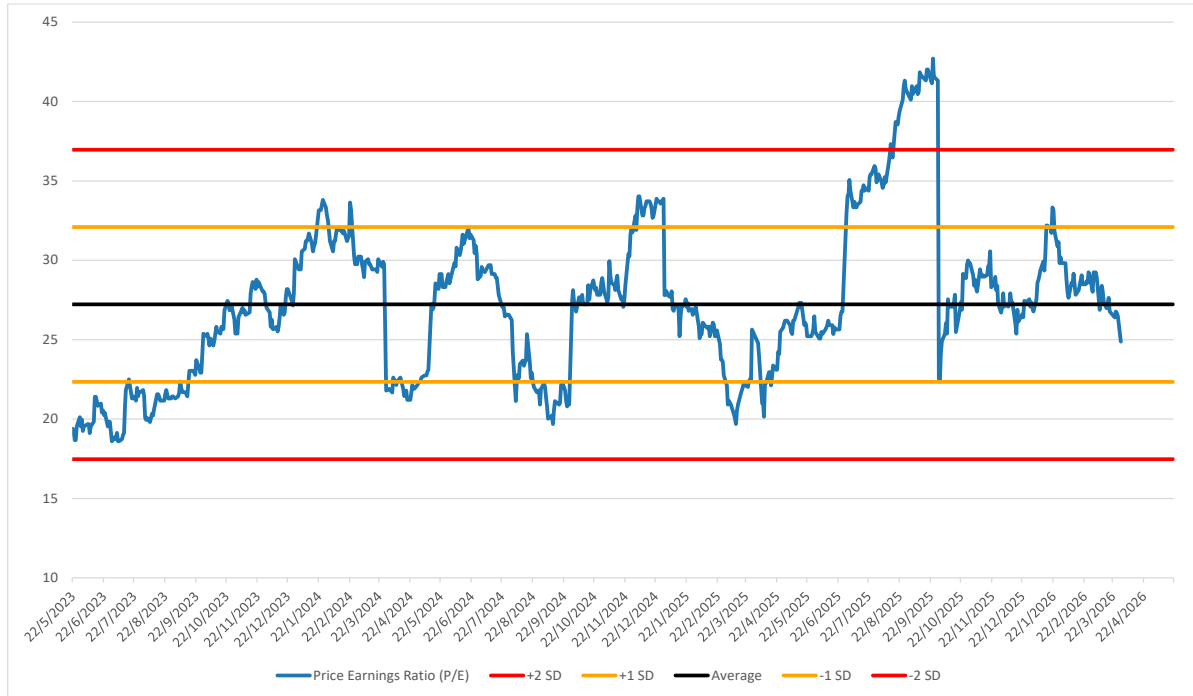
| Stock | Mkt Cap | Price | Rating | TP (RM) | Potential upside | FYE | P/E (x) | | P/B (x) | | Yield (%) | |
|------------------------|---------|-------|--------|---------|------------------|-----|-------------|-------------|------------|------------|-------------|-------------|
| | | | | | | | FY26F | FY27F | FY26F | FY27F | FY26F | FY27F |
| Mi Technovation | 3,381 | 3.82 | BUY | 6.23 | 63.1% | DEC | 25.2 | 22.7 | 2.9 | 2.6 | 0.9% | 0.9% |
| Equipment Peers | | | | | | | | | | | | |
| ViTroX Corp | 12,278 | 6.48 | BUY | 7.04 | 8.6% | DEC | 53.6 | 43.8 | 9.4 | 8.0 | 0.5% | 0.6% |
| Greatech | 6,538 | 2.60 | NR | NR | NA | DEC | 36.6 | 31.0 | 5.5 | 4.8 | 0.1% | 0.1% |
| Pentamaster | 3,030 | 4.26 | NR | NR | NA | DEC | 37.7 | 29.2 | 3.5 | 3.2 | 0.4% | 0.5% |
| THMY Group* | 1,270 | 1.43 | NR | NR | NA | MAR | 84.1 | 59.6 | 17.9 | 14.3 | 0.0% | 0.0% |
| QES Group | 404 | 0.49 | HOLD | 0.48 | -1.0% | DEC | 21.1 | 17.3 | 1.8 | 1.7 | 1.4% | 1.6% |
| Simple Average | | | | | | | 46.6 | 36.2 | 7.6 | 6.4 | 0.5% | 0.6% |

Source: Bloomberg, Apex Securities

Results Note

Friday, 22 May, 2026

Figure 2: 3 Year P/E Band



Source: Bloomberg, Apex Securities

Results Note

Friday, 22 May, 2026

Financial Highlights

Income Statement

| FYE Dec (RM m) | FY24 | FY25 | FY26F | FY27F | FY28F |
|-------------------------|--------------|--------------|--------------|--------------|--------------|
| Revenue | 463.5 | 625.0 | 692.1 | 752.7 | 839.4 |
| EBITDA | 117.8 | 144.7 | 193.5 | 213.1 | 237.5 |
| EBIT | 92.4 | 116.9 | 168.0 | 186.5 | 209.8 |
| PBT | 90.7 | 123.4 | 171.4 | 190.1 | 213.7 |
| Tax | -24.0 | -29.7 | -39.4 | -43.7 | -49.1 |
| Profit After Tax | 66.7 | 93.7 | 132.0 | 146.4 | 164.5 |
| Minority Interest | -1.4 | -0.1 | -2.6 | -2.9 | -3.3 |
| Net Profit | 68.1 | 93.8 | 134.6 | 149.3 | 167.8 |
| Exceptionals | 1.9 | 21.4 | 0.0 | 0.0 | 0.0 |
| Core Net Profit | 69.9 | 115.1 | 134.6 | 149.3 | 167.8 |

Key Ratios

| FYE Dec (RM m) | FY24 | FY25 | FY26F | FY27F | FY28F |
|--------------------|---------|---------|---------|---------|---------|
| Core EPS (sen) | 7.8 | 12.9 | 15.2 | 16.8 | 18.9 |
| P/E(x) | 48.8 | 29.5 | 25.2 | 22.7 | 20.2 |
| BVPS | 1.16 | 1.20 | 1.31 | 1.44 | 1.59 |
| P/B(x) | 3.3 | 3.2 | 2.9 | 2.6 | 2.4 |
| EV/EBITDA (x) | 26.8 | 21.8 | 16.3 | 14.8 | 13.3 |
| DPS (sen) | 6.0 | 3.0 | 3.5 | 3.5 | 3.5 |
| Dividend Yield (%) | 1.6% | 0.8% | 0.9% | 0.9% | 0.9% |
| EBITDA margin (%) | 25.4% | 23.2% | 28.0% | 28.3% | 28.3% |
| EBIT margin (%) | 19.9% | 20.0% | 20.5% | 20.8% | 20.8% |
| PBT margin (%) | 19.6% | 19.7% | 24.8% | 25.3% | 25.5% |
| PAT margin (%) | 14.4% | 15.0% | 19.1% | 19.4% | 19.6% |
| NP margin (%) | 14.7% | 15.0% | 19.4% | 19.8% | 20.0% |
| CNP margin (%) | 15.1% | 18.4% | 19.4% | 19.8% | 20.0% |
| ROE (%) | 6.8% | 10.8% | 11.5% | 11.6% | 11.8% |
| ROA (%) | 5.9% | 8.9% | 9.5% | 9.6% | 9.8% |
| Net gearing (%) | NETCASH | NETCASH | NETCASH | NETCASH | NETCASH |

Valuations

| | FY27F |
|--------------------------------|-------------|
| Core EPS (sen) | 16.8 |
| P/E multiple (x) | 37.0 |
| Fair Value (RM) | 6.23 |
| ESG premium/discount | 0.0% |
| Implied Fair Value (RM) | 6.23 |

Source: Company, Apex Securities

Balance Sheet

| FYE Dec (RM m) | FY24 | FY25 | FY26F | FY27F | FY28F |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Cash & bank balances | 276.3 | 314.6 | 389.4 | 480.4 | 580.2 |
| Receivables | 168.0 | 181.7 | 201.2 | 218.8 | 244.1 |
| Inventories | 157.4 | 167.3 | 185.2 | 201.4 | 224.7 |
| Other current assets | 73.0 | 87.3 | 87.3 | 87.3 | 87.3 |
| Total Current Assets | 674.6 | 751.0 | 863.2 | 988.0 | 1136.2 |
| PPE | 181.5 | 203.9 | 213.4 | 221.8 | 229.0 |
| Other non-current assets | 322.7 | 345.6 | 345.6 | 345.6 | 345.6 |
| Total Non-current assets | 504.2 | 549.5 | 559.0 | 567.3 | 574.6 |
| Short-term Debt | 21.1 | 55.8 | 60.8 | 64.8 | 68.8 |
| Payables | 61.1 | 100.6 | 111.4 | 121.2 | 135.1 |
| Other Current Liabilities | 26.1 | 22.5 | 22.5 | 22.5 | 22.5 |
| Total Current Liabilities | 108.3 | 179.0 | 194.8 | 208.6 | 226.5 |
| Long-term Debt | 10.6 | 5.9 | 10.9 | 14.9 | 18.9 |
| Other non-current liabilities | 31.2 | 47.8 | 47.8 | 47.8 | 47.8 |
| Total Non-current Liabilities | 41.8 | 53.7 | 58.7 | 62.7 | 66.7 |
| Shareholder's equity | 1030.2 | 1067.7 | 1171.3 | 1289.6 | 1426.4 |
| Minority interest | -1.5 | 0.1 | -2.6 | -5.5 | -8.8 |
| Total Equity | 1028.7 | 1067.8 | 1168.7 | 1284.1 | 1417.6 |

Cash Flow

| FYE Dec (RM m) | FY24 | FY25 | FY26F | FY27F | FY28F |
|--|---------------|--------------|--------------|--------------|--------------|
| Pre-tax profit | 90.7 | 123.4 | 171.4 | 190.1 | 213.7 |
| Depreciation & amortisation | 25.4 | 27.8 | 25.5 | 26.7 | 27.7 |
| Changes in working capital | -47.7 | 9.1 | -26.7 | -24.1 | -34.5 |
| Tax paid | -20.7 | -33.7 | -39.4 | -43.7 | -49.1 |
| Others | -0.3 | 6.7 | 0.0 | 0.0 | 0.0 |
| Operating cash flow | 47.4 | 133.3 | 130.8 | 149.0 | 157.8 |
| Net capex | -17.9 | -38.9 | -35.0 | -35.0 | -35.0 |
| Others | -60.3 | 38.9 | 0.0 | 0.0 | 0.0 |
| Investing cash flow | -78.2 | 0.0 | -35.0 | -35.0 | -35.0 |
| Borrowings | -1.9 | 32.2 | 10.0 | 8.0 | 8.0 |
| Others | -79.4 | -42.0 | -31.0 | -31.0 | -31.0 |
| Financing cash flow | -81.3 | -9.9 | -21.0 | -23.0 | -23.0 |
| Net cash flow | -112.1 | 123.4 | 74.8 | 91.0 | 99.8 |
| Currency translation differences | -18.2 | -27.6 | 0.0 | 0.0 | 0.0 |
| Beginning cash & cash equivalent | 422.7 | 292.4 | 388.2 | 463.0 | 554.0 |
| Ending cash & cash equivalent | 292.4 | 388.2 | 463.0 | 554.0 | 653.7 |
| Fixed deposits & MMF | -16.1 | -73.6 | -73.6 | -73.6 | -73.6 |
| Cash and bank balances | 276.3 | 314.6 | 389.4 | 480.4 | 580.2 |

ESG Matrix Framework:

Environment

| Parameters | Rating | Comments |
|------------------|--------|--|
| Climate | ★★★ | Scope 2 emissions rose 7.4% yoy to 6.7m/kg in FY23 |
| Waste & Effluent | ★★★ | Co2 emissions reduced from 3.0m kg in FY21 to 2.5m kg in FY23 |
| Energy | ★★★ | Energy consumption reduced from 8,014,556 kWh to 7,810,114 kWh |
| Water | ★★★ | Water consumption rose 5.4% yoy to 112,658m3 in FY23 |
| Compliance | ★★★ | In compliance with local and international environmental regulations |

Social

| | | |
|--------------------------------|-----|--|
| Diversity | ★★★ | 73% of average employees age below 40, 21% of employees are female |
| Human Rights | ★★★ | Enforce and adopts Code of Ethics and Conduct |
| Occupational Safety and Health | ★★ | 292 hours of OSH trainings completed, one worksite incidence in FY23 |
| Labour Practices | ★★★ | Pay scale based on prevailing industry market rates as stipulated by the Act 732 National Wages Consultative Council Act |

Governance

| | | |
|--------------|-----|---|
| CSR Strategy | ★★★ | Donation to Sekolah Semangat Maju and participated in the Pesta Makanan Amal 2023 |
| Management | ★★ | Average board members age @ 53, 2/9 female board composition, 4/9 Independent Directors |
| Stakeholders | ★★★ | 4x analyst briefings per annum, 1x AGM per annum |

Overall ESG Scoring: ★★★

Recommendation Framework:

BUY: Total returns* are expected to exceed 10% within the next 12 months.

HOLD: Total returns* are expected to be within +10% to -10% within the next 12 months.

SELL: Total returns* are expected to be below -10% within the next 12 months.

TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.

TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.

*Capital gain + dividend yield

Sector Recommendations:

OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.

NEUTRAL: The industry defined by the analyst is expected to be within +10% to -10% within the next 12 months.

UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

ESG Rating Framework:

★★★★★ : Appraised with 3% premium to fundamental fair value

★★★★ : Appraised with 1% premium to fundamental fair value

★★★ : Appraised with 0% premium/discount to fundamental fair value

★★ : Appraised with -1% discount to fundamental fair value

★ : Appraised with -5% discount to fundamental fair value

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(a) nil.