

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

This Circular has been reviewed by Kenanga Investment Bank Berhad, being the Principal Adviser and Sponsor to MMIS Berhad ("MMIS" or "Company") for the Proposed Transfer of Listing (as defined herein).

Bursa Malaysia Securities Berhad ("Bursa Securities") takes no responsibility for the contents of this Circular, valuation certificate and report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

CHARACTERISTICS OF THE LEAP MARKET OF THE EXCHANGE

THE LEAP MARKET HAS BEEN POSITIONED AS A MARKET DESIGNED TO ACCOMMODATE CORPORATIONS TO WHICH A HIGHER INVESTMENT RISK MAY BE ATTACHED THAN OTHER CORPORATIONS LISTED ON THE EXCHANGE. IT IS A QUALIFIED MARKET WHICH IS MEANT MAINLY FOR SOPHISTICATED INVESTORS ONLY. ONLY EXISTING SECURITIES HOLDERS AND SOPHISTICATED INVESTORS ARE ALLOWED TO PARTICIPATE IN CORPORATE EXERCISES UNDERTAKEN BY OUR COMPANY. INVESTORS SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN SUCH CORPORATIONS AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER DUE AND CAREFUL CONSIDERATION.



MMIS BERHAD

(Registration No. 201901006068 (1315395-W))
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE

PART A

- (I) **PROPOSED VOLUNTARY WITHDRAWAL OF MMIS BERHAD'S LISTING FROM THE LEAP MARKET OF BURSA SECURITIES ("PROPOSED WITHDRAWAL OF LISTING"); AND**
- (II) **PROPOSED LISTING AND QUOTATION OF THE ENTIRE ENLARGED ISSUED ORDINARY SHARES OF MMIS BERHAD ON THE ACE MARKET OF BURSA SECURITIES ("PROPOSED LISTING")**

(COLLECTIVELY, THE "PROPOSED TRANSFER OF LISTING")

PART B

INDEPENDENT ADVICE LETTER IN RELATION TO THE PROPOSED TRANSFER OF LISTING AND THE PROPOSED PRE-CONDITIONAL VOLUNTARY GENERAL TAKE-OVER OFFER IN ACCORDANCE WITH THE RULES ON TAKE-OVERS, MERGERS AND COMPULSORY ACQUISITIONS ISSUED BY THE SECURITIES COMMISSION MALAYSIA FOR ALL THE REMAINING ORDINARY SHARES IN MMIS BERHAD NOT ALREADY HELD BY THE JOINT OFFERORS (AS DEFINED HEREIN)

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser and Sponsor for Part A

Independent Adviser for Part B

kenanga

Kenanga Investment Bank Berhad
(Registration No. 197301002193 (15678-H))

sierac
corporate advisers

Sierac Corporate Advisers Sdn Bhd
(Registration No. 200001013247 (515853-A))

The Notice of the Extraordinary General Meeting ("**EGM for the Proposed Transfer of Listing**") and Proxy Form are enclosed in this Circular and available at our Company's website at <https://mmisb.com/>.

If you are unable to attend and vote at our Company's EGM for the Proposed Transfer of Listing and wish to appoint proxy(ies) instead, you shall complete and deposit the Proxy Form in accordance with the instructions therein at our Company's registered office at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor, Malaysia or electronically lodged by email to proxyform@cospec.com.my, not less than 48 hours before the time appointed for holding the EGM for the Proposed Transfer of Listing. The lodging of the Proxy Form will not preclude you from participating and voting at the EGM for the Proposed Transfer of Listing, should you subsequently wish to do so.

Last date and time for lodging the Proxy Form : Saturday, 10 October 2026 at 1:30 p.m.

Date and time of the EGM : Monday, 12 October 2026 at 1:30 p.m. or at any adjournment thereof

Venue : Plot 84, Lot 188807, Jalan Johan 1/2, Kawasan Perindustrian Pengkalan 2, 31550 Pusing, Perak, Malaysia

DEFINITIONS

Except where the context otherwise requires, the following abbreviations and definitions shall apply throughout this Circular:

ACE Market	: ACE Market of Bursa Securities
ACE Market Listing Requirements	: ACE Market Listing Requirements of Bursa Securities
Act	: Companies Act 2016
Announcement	: The announcement dated 30 July 2026 in relation to the Proposed Transfer of Listing
Board	: Board of Directors of our Company
Bumiputera	: In the context of: (i) individuals - Malay and the aborigines and the natives of Sabah and Sarawak as specified in the Federal Constitution of Malaysia; (ii) companies - a company which fulfil, amongst others, the following criteria as may be imposed by the MITI: (a) registered under the Act as a private company; (b) its shareholders are 100% Bumiputera; and (c) its board of directors (including its staffs) are at least 51% Bumiputera; and (iii) cooperatives - a cooperative whose shareholders or cooperative members are at least 95% Bumiputera or such other criteria as may be imposed by the MITI
Bursa Depository	: Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W))
Bursa Securities	: Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W))
Circular	: The circular to the shareholders of our Company dated 18 September 2026 in relation to the Proposed Transfer of Listing
Closing Date	: Being as at 5.00 p.m. on a date to be determined and fixed by the Joint Offerors at a later date, on which the Proposed Exit Offer closes for acceptances
CMSA	: Capital Markets and Services Act 2007 and any amendments made thereto from time to time
Director	: A natural person who holds a directorship in a company, whether in an executive or non-executive capacity, and shall have the meaning given in subsection 2(1) of the CMSA and Section 2(1) of the Act
EGM	: Extraordinary general meeting
EGM for the Proposed Allotment and Proposed Amendments	: EGM to be convened at a later date for the Proposed Allotment and Proposed Amendments

DEFINITIONS (CONT'D)

EGM for the Proposed Transfer of Listing	: Forthcoming EGM to be convened for the Proposed Transfer of Listing
Eligible Directors	: Any existing or proposed director of our Company who is eligible to participate in the Proposed Allotment
Eligible Persons	: Eligible Directors, key senior management, employees and persons who have contributed to the success of our Group
EPS	: Earnings per Share
Exit Offer Price	: Indicative cash consideration of RM0.34 per Offer Share
FYE	: Financial year ended / ending 30 June, as the case may be
Group	: Collectively, MMIS and MMI
IAC	: Independent advice circular to be issued by the Independent Adviser in relation to the Proposed Exit Offer
IAL	: Independent advice letter prepared by the Independent Adviser dated 18 September 2026 as set out in Part B of this Circular
Independent Director(s)	: Member(s) of our Board who are independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of our Company
Information Memorandum	: Information Memorandum of our Company dated 28 June 2019 for the listing on LEAP Market
Interested Director(s)	: Director(s) of our Company with interest, either directly or indirectly, in the Proposed Transfer of Listing and the Proposed Exit Offer, namely Loh Chin Soon, Loh Chin Siang and Law Woo Hock
IPO Price	: Indicative issue price of RM0.34 per IPO Share
IPO Shares	: Shares to be issued pursuant to the Proposed Public Issue
Issue Price	: Issue price to be determined by our Board and the underwriter at a later date, for the Issue Shares
Issue Shares	: New Shares to be issued by our Company pursuant to the Proposed Public Issue
Joint Offerors	: Collectively, Loh Chin Soon, Loh Chin Siang, Low Oo Seng, Law Woo Hock and Cheong Siew Chyuan, being the offerors for the Proposed Exit Offer
Kenanga IB or Principal Adviser or Sponsor	: Kenanga Investment Bank Berhad (Registration No. 197301002193 (15678-H))
LEAP Market	: LEAP Market of Bursa Securities
LEAP Market Listing Requirements	: LEAP Market Listing Requirements of Bursa Securities
LPD	: 14 September 2026, being the latest practicable date prior to the date of this Circular

DEFINITIONS (CONT'D)

MITI	:	Ministry of Investment, Trade and Industry
MMI	:	Multi Mould Industries Sdn Bhd (Registration No. 199601009594(381942-V)), a wholly-owned subsidiary of MMIS
NA	:	Net assets
Offer Document	:	Offer document to be issued in relation to the Proposed Exit Offer
Offer for Sale Shares	:	Existing Shares to be offered for sale by the Selling Shareholders under the Offer for Sale pursuant to the Proposed Listing
Offer Period	:	The period commencing from the date of the Proposal Letter, and expiring on the earlier of: (i) the Closing Date; or (ii) the date on which the Proposed Exit Offer lapses or is withdrawn with the prior written consent of the SC
Offer Shares	:	All the remaining 90,303,000 ordinary shares in our Company not already held by the Joint Offerors, representing approximately 15.05% of the total issued shares of our Company as at the LPD in respect of the Proposed Exit Offer
Official List	:	A list specifying all securities listed on Bursa Securities
PAC	:	The person acting in concert with the Joint Offerors in relation to the Proposed Exit Offer pursuant to subsections 216(2) and 216(3) of the CMSA
PAT	:	Profit after taxation
PBT	:	Profit before taxation
Pre-Conditions	:	The approval/noting to be procured from the parties as set out in Section 9 (i) to (v) of Part A of this Circular
Promoters	:	Loh Chin Soon, Loh Chin Siang and Law Woo Hock, collectively in respect of the Proposed Listing
Proposal Letter	:	Letter from the Joint Offerors to our Board dated 30 July 2026, proposing our Company to undertake the Proposed Transfer of Listing and the Proposed Exit Offer to facilitate the Proposed Transfer of Listing
Proposed Allotment	:	Proposed allotment of Shares to the Eligible Persons pursuant to the Proposed Listing
Proposed Amendments	:	Proposed amendments to the existing constitution of our Company to facilitate the requirements of ACE Market Listing Requirements pursuant to the Proposed Transfer of Listing
Proposed Exit Offer	:	Proposed cash exit offer which will be extended through a pre-conditional voluntary general take-over offer by the Joint Offerors to acquire all the Offer Shares, in accordance with the Rules for all the Offer Shares
Proposed Listing	:	Proposed listing and quotation of the entire enlarged issued ordinary shares of our Company on the ACE Market
Proposed Offer for Sale	:	Offer for sale of up to 63,580,000 Offer for Sale Shares by the Selling Shareholders pursuant to the Proposed Listing

DEFINITIONS (CONT'D)

Proposed Public Issue	:	Proposed issuance of Public Issue Shares to the Malaysian Public, Eligible Persons, Bumiputera investors approved by MITI and selected investors in accordance with Rule 3A.02(1)(d) of the ACE Market Listing Requirements
Proposed Public Offering	:	Proposed Public Issue and Proposed Offer for Sale, collectively
Proposed Transfer of Listing	:	Proposed Withdrawal of Listing and Proposed Listing, collectively
Proposed Withdrawal of Listing	:	Proposed voluntary withdrawal of listing of our Company from the LEAP Market pursuant to Rules 8.06 and 8.08 of the LEAP Market Listing Requirements
Prospectus	:	Prospectus to be issued by our Company pursuant to the Proposed Public Offering
Public Issue Shares	:	148,000,000 new Shares to be issued by our Company under the Proposed Public Issue
Record of Depositors	:	A record of securities holders established and maintained by Bursa Depository under the Rules of Bursa Depository
Rules	:	Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC
SC	:	Securities Commission Malaysia
SCA or Independent Adviser	:	Sierac Corporate Advisers Sdn Bhd (Registration No. 200001013247 (515853-A))
Scenario A	:	Assuming none of our shareholders accept the Proposed Exit Offer
Scenario B	:	Assuming all our shareholders (save for the Joint Offerors) accept the Proposed Exit Offer
Selling Shareholders	:	Loh Chin Soon, Loh Chin Siang and Low Oo Seng, collectively in respect of the Proposed Listing
Shares or MMIS Shares	:	Ordinary shares in our Company
Undertaking Letter	:	Irrevocable and unconditional undertaking from the shareholders of our Company not to accept the Proposed Exit Offer
VWAP	:	Volume weighted average price
<u>Currency</u>		
RM and sen	:	Ringgit Malaysia and sen, the lawful currency of Malaysia
<u>Technical terms</u>		
CNC	:	Computer Numerical Control, a computerised manufacturing process in which pre-programmed software and code control the movement of production equipment
Fabricated sheet metal	:	Sheet metals that have undergone sheet metal fabrication processes such as bending, stamping and welding

DEFINITIONS (CONT'D)

Mechanical assembly	: The process of joining manufactured mechanical components to create a functional product or system
MIG welding	: Metal inert gas welding, an arc welding process where a continuous solid wire electrode is fed through a welding gun into the weld pool
Structure weldment	: A fabrication process that joins heavy metal part or component to enhance its properties such as improving corrosion resistance, durability or changing its appearance
TIG welding	: Tungsten inert gas welding, an arc welding process that uses a non-consumable tungsten electrode to melt and fuse metals

All references to “**you**” and “**your**” in this Circular are to our shareholders.

All references to “**our Company**” in this Circular are to MMIS and all references to “**our Group**” in this Circular are to our Company and our subsidiaries.

All references to “**we**”, “**us**”, “**our**” or “**ourselves**” in this Circular are to MMIS and where the context requires, shall include our subsidiaries.

Unless specifically referred to, words denoting the singular shall, where applicable, include the plural and vice versa and words denoting the masculine gender shall, where applicable, include the feminine and / or neuter genders and vice versa. References to persons shall include corporations, unless otherwise specified.

Any reference in this Circular to any statute, rules, regulation or rules of stock exchange shall (where the context admits) be construed as a reference to such statute, rules, regulation or rules of stock exchange (as the case may be) currently in force or as may be amended from time to time and any re-enactment thereof. Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated. Any discrepancies in the tables included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by our Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Company's and / or our Group's plans and objectives will be achieved.

Any exchange rate translation in this Circular is provided solely for your convenience and should not be constituted as representative that the translated amounts stated in this Circular could have been or would have been converted into such other amounts or vice versa.

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NOTICE OF EGM **ENCLOSED**

PROXY FORM **ENCLOSED**

PART A

**LETTER TO OUR SHAREHOLDERS IN RELATION TO THE PROPOSED
TRANSFER OF LISTING**

EXECUTIVE SUMMARY

THIS EXECUTIVE SUMMARY SETS OUT THE SALIENT INFORMATION ON THE PROPOSED TRANSFER OF LISTING, WITH FULL DETAILS IN PART A OF THIS CIRCULAR. PLEASE READ THIS CIRCULAR IN ITS ENTIRETY (INCLUDING THE IAL AS SET OUT IN PART B OF THIS CIRCULAR) FOR FURTHER DETAILS ON THE PROPOSED TRANSFER OF LISTING BEFORE VOTING.

Our Board recommends that you vote in favour of the resolutions in relation to the Proposed Transfer of Listing to be tabled at the forthcoming EGM.

PROPOSED WITHDRAWAL OF LISTING													
Details	The Proposed Withdrawal of Listing is undertaken as part of our Company's transfer of listing from the LEAP Market to the ACE Market. To facilitate the Proposed Withdrawal of Listing, an exit offer is required to be offered to the shareholders of our Company. In this respect, our Company had, on 30 July 2026, received the Proposal Letter from the Joint Offerors, requesting our Board to consider undertaking the Proposed Withdrawal of Listing via the Proposed Exit Offer. <table><tr><th colspan="2">Brief details on the Proposed Exit Offer</th></tr><tr><td>Joint Offerors</td><td>Loh Chin Soon, Loh Chin Siang, Low Oo Seng, Law Woo Hock and Cheong Siew Chyuan</td></tr><tr><td>Exit Offer Price</td><td>It is the intention of the Joint Offerors to fix the Exit Offer Price to be the same as the IPO Price, which will be determined by our Board and the underwriter at a later date, after taking into consideration the factors as set out in Section 2.2.5 of Part A of this Circular</td></tr><tr><td>Offer Period</td><td>The Offer Period for the Proposed Exit Offer shall commence from the date of the Proposal Letter until the Closing Date</td></tr><tr><td>Number of Offer Shares</td><td>90,303,000 Shares, representing approximately 15.05% of the total issued shares of our Company</td></tr><tr><td>Valid Acceptances</td><td>Cheong Siew Chyuan will be the legal and registered owner of all the Offer Shares (including the Shares held by the PAC), if any, pursuant to the Proposed Exit Offer</td></tr></table> Please refer to Section 2.1.1 of Part A of this Circular for further details.	Brief details on the Proposed Exit Offer		Joint Offerors	Loh Chin Soon, Loh Chin Siang, Low Oo Seng, Law Woo Hock and Cheong Siew Chyuan	Exit Offer Price	It is the intention of the Joint Offerors to fix the Exit Offer Price to be the same as the IPO Price, which will be determined by our Board and the underwriter at a later date, after taking into consideration the factors as set out in Section 2.2.5 of Part A of this Circular	Offer Period	The Offer Period for the Proposed Exit Offer shall commence from the date of the Proposal Letter until the Closing Date	Number of Offer Shares	90,303,000 Shares, representing approximately 15.05% of the total issued shares of our Company	Valid Acceptances	Cheong Siew Chyuan will be the legal and registered owner of all the Offer Shares (including the Shares held by the PAC), if any, pursuant to the Proposed Exit Offer
Brief details on the Proposed Exit Offer													
Joint Offerors	Loh Chin Soon, Loh Chin Siang, Low Oo Seng, Law Woo Hock and Cheong Siew Chyuan												
Exit Offer Price	It is the intention of the Joint Offerors to fix the Exit Offer Price to be the same as the IPO Price, which will be determined by our Board and the underwriter at a later date, after taking into consideration the factors as set out in Section 2.2.5 of Part A of this Circular												
Offer Period	The Offer Period for the Proposed Exit Offer shall commence from the date of the Proposal Letter until the Closing Date												
Number of Offer Shares	90,303,000 Shares, representing approximately 15.05% of the total issued shares of our Company												
Valid Acceptances	Cheong Siew Chyuan will be the legal and registered owner of all the Offer Shares (including the Shares held by the PAC), if any, pursuant to the Proposed Exit Offer												
Rationale	The Proposed Withdrawal of Listing is undertaken to facilitate the Proposed Listing pursuant to the ACE Market Listing Requirements. The Proposed Exit Offer provides an avenue for our shareholders to realise their investment in our Company. Please refer to Section 3.1 of Part A of this Circular for further details.												

EXECUTIVE SUMMARY (CONT'D)

PROPOSED LISTING	
Details	The Proposed Listing entails the listing and quotation of the entire enlarged issued Shares on the ACE Market. In order to ensure that there is a clear price discovery mechanism for the Shares which will be transferred to the ACE Market, our Company shall undertake the Proposed Public Offering pursuant to Rule 3A.02(1)(d) of the ACE Market Listing Requirements as part of the Proposed Transfer of Listing. The final details of the Proposed Listing (including the listing scheme and underwriting and placement arrangements) will be set out in the Prospectus. Please refer to Section 2.2 of Part A of this Circular for further details.
Proposed utilisation of proceeds	The proceeds from the Proposed Public Issue are proposed to be used for, amongst others, the following purposes: (i) Construction of New Production Plant – RM23,000,000; (ii) Purchase of New Machineries – RM14,000,000; (iii) Working Capital – RM8,570,000; and (iv) Listing Expenses – RM4,750,000. Please refer to Section 2.2.6 of Part A of this Circular for further details.
Rationale	(i) Marks another milestone for our Company subsequent to our listing on the LEAP Market; (ii) Enhances our Group's credibility, prestige and reputation, and accord our Group with greater recognition and acceptance by our stakeholders; (iii) Enhances the attractiveness, liquidity and marketability of the Shares; and (iv) Strengthens the confidence of our Company's employees, customers, suppliers, business associates, financial institutions and shareholders through our profile as a company listed on the ACE Market. Please refer to Section 3.2 of Part A of this Circular for further details.

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PROPOSED TRANSFER OF LISTING	
Risk Factors	(i) Completion risks The completion of the Proposed Transfer of Listing is subject to the Pre-Conditions being satisfied / fulfilled. If the Pre-Conditions are not satisfied / fulfilled, the Proposed Transfer of Listing and the Proposed Exit Offer will not be implemented and the Shares will remain listed on the LEAP Market. (ii) Investment risks Our shareholders will face an immediate paper loss and may not be able to recover their investment cost in the Shares if the final IPO Price is below the Shares prices traded on the LEAP Market of the Shares, upon listing on the ACE Market, are traded at a price below the Shares prices on the LEAP Market or the final IPO Price. (iii) Risk of shareholding dilution Upon issuance of new Shares pursuant to the Proposed Public Issue, the shareholders will experience dilution in its shareholdings and voting interest in our Company proportionately to the enlarged issued share capital of our Company. (iv) No prior market for the Shares on the ACE Market and it is uncertain whether a sustainable market for the Shares on the ACE Market will ever develop There is no assurance that upon completion of the Proposed Transfer of Listing, an active market for the Shares on the ACE Market will develop or if develop, that such a market will be sustainable. Please refer to Section 4 of Part A of this Circular for further details.
Approvals required	The Proposed Transfer of Listing is conditional upon the following being obtained from: (i) the shareholders of our Company for the Proposed Transfer of Listing at the forthcoming EGM to be convened; (ii) the shareholders of our Company for the Proposed Amendments at a separate EGM to be convened; (iii) Bursa Securities for the following: (a) approval for the Proposed Withdrawal of Listing; (b) approval for the admission as well as listing and quotation of the entire enlarged Shares to the Official List of the ACE Market; and (c) approval-in-principle for the registration of the Prospectus to be issued pursuant to the public offering; (iv) the SC for the Bumiputera equity requirement for public listed companies pursuant to the Proposed Listing; and (v) MITI for taking note and having no objections to the Proposed Transfer of Listing. Please refer to Section 9 of Part A of this Circular for further details.

EXECUTIVE SUMMARY (CONT'D)

PROPOSED TRANSFER OF LISTING	
Effects	Please refer to Section 6 of Part A of this Circular for further details on the pro forma effects of the Proposed Transfer of Listing and the Proposed Exit Offer.
Other impact	The price discovery mechanism set out in Section 2.2.5 of Part A of this Circular seeks to determine a price for the Share that is reflective of the valuation of our Group. Therefore, the resultant share price arising from the price discovery mechanism may result in a share price that differs significantly from the current market price of the Shares, which would be expected to have an impact to the value of the shareholders' shareholdings. Please refer to Section 7.3 of Part A of this Circular for further details.

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MMIS BERHAD

(Registration No. 201901006068 (1315395-W))
(Incorporated in Malaysia)

Registered Office:

Third Floor, No. 77, 79 & 81
Jalan SS21/60, Damansara Utama
47400 Petaling Jaya
Selangor, Malaysia

18 September 2026

Board of Directors

Loh Chin Soon (*Executive Chairman*)
Loh Chin Siang (*Executive Director*)
Law Woo Hock (*Executive Director*)
Chua Leng Leek (*Independent Non-Executive Director*)
Chern Meng Gaik (*Independent Non-Executive Director*)
Ong Sheau Teng (*Independent Non-Executive Director*)

To: Our shareholders

Dear Sir / Madam,

(I) PROPOSED WITHDRAWAL OF LISTING; AND

(II) PROPOSED LISTING

(COLLECTIVELY, THE “PROPOSED TRANSFER OF LISTING”)

1. INTRODUCTION

On 30 July 2026, Kenanga IB had, on behalf of our Board, announced that our Board had received a letter on even date, from the Joint Offerors, requesting our Board to consider undertaking the Proposed Transfer of Listing.

In the same announcement, Kenanga IB had, on behalf of our Board, announced that our Company proposes to undertake the Proposed Transfer of Listing and that our Board (save for the Interested Directors), had on even date appointed SCA as the Independent Adviser to advise and make recommendations for the consideration of our shareholders in connection with the Proposed Transfer of Listing as well as the fairness and reasonableness of the Proposed Exit Offer. The Proposed Exit Offer will be implemented to facilitate the Proposed Withdrawal of Listing upon all the Pre-Conditions being satisfied, in which the (i) notice on the Proposed Exit Offer will be served by the Joint Offerors to our Board, and thereafter, (ii) Offer Document and IAC will be despatched to our shareholders (upon obtaining notification from the SC that they have no further comments on the Offer Document) as required under the Rules. The Independent Adviser will provide its views and recommendations to the non-interested Directors and non-interested shareholders of our Company in relation to the Proposed Exit Offer.

Further details of the Proposed Transfer of Listing are set out in the ensuing sections in **Part A** of this Circular. The IAL containing the Independent Adviser's evaluation and recommendation on the Proposed Transfer of Listing as well as its opinion on the fairness and reasonableness of the Proposed Exit Offer is set out in **Part B** of this Circular.

THE PURPOSE OF THIS CIRCULAR TOGETHER WITH THE APPENDICES IS TO PROVIDE YOU WITH THE RELEVANT DETAILS OF THE PROPOSED TRANSFER OF LISTING AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSED TRANSFER OF LISTING TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF THE EGM AS WELL AS THE PROXY FORM ARE ENCLOSED TOGETHER WITH THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED TRANSFER OF LISTING TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED TRANSFER OF LISTING

Our Company has been listed on the LEAP Market since 6 September 2019, which meets the requirements under Rule 3A.02(1)(a) of the ACE Market Listing Requirements which stipulates that a transfer applicant must have been listed for at least 2 years on the LEAP Market at the time of application for a transfer of listing from the LEAP Market to the ACE Market.

As at the LPD, the issued share capital of our Company is RM14,768,002 comprising 600,000,000 Shares. As at the LPD, our Company does not have any convertible securities.

The Proposed Transfer of Listing, which entails the transfer of listing and quotation of the entire issued Shares from the LEAP Market to the ACE Market, will involve the following:

- (i) proposed voluntary withdrawal of our Company's listing from the LEAP Market in accordance with Rules 8.06 and 8.08 of the LEAP Market Listing Requirements; and
- (ii) proposed listing and quotation of the entire enlarged issued Shares on the ACE Market.

The Proposed Transfer of Listing is subject to, amongst others, the following requirements under Rule 3A.02 of the ACE Market Listing Requirements:

Rule	Requirements	Status of compliance
3A.02(1)(a)	A transfer applicant must have been listed for at least 2 years on the LEAP Market at the time of application for transfer of listing.	Complied. Our Company was listed on the LEAP Market on 6 September 2019.
3A.02(1)(b)	A transfer applicant must be considered as suitable for listing after the assessment by a Sponsor (as defined in the ACE Market Listing Requirements) or both the Sponsor and Recognised Approved Adviser (as defined in the ACE Market Listing Requirements) as Joint Transfer Sponsor (as defined in the ACE Market Listing Requirements) pursuant to Rule 4.07 of the ACE Market Listing Requirements.	Noted and to be complied. As part of the application to Bursa Securities for the Proposed Transfer of Listing, Kenanga IB (as the Sponsor) will undertake an assessment on the suitability of listing of our Company on the ACE Market on, amongst others, our Company's business prospects; systems, procedures, policies, controls and resources to comply with the ACE Market Listing Requirements as well as governance, internal control and risk management systems; and that our Company's admission to the Official List of ACE Market is not detrimental to the interest of investors or does not undermine public interest.

Rule	Requirements	Status of compliance
3A.02(1)(c)	A transfer applicant must comply with Chapter 3 and 3A of the ACE Market Listing Requirements, as the case may be, subject to additional requirements, modifications or exceptions set out in the Chapter.	Noted and to be complied.
3A.02(1)(d)	A transfer applicant must undertake an issue of shares to the general public as part of its transfer of listing.	Noted and to be complied. The Proposed Transfer of Listing shall involve the Proposed Public Offering comprising, amongst others, issuance of Shares to the general public via balloting process. Please refer to Section 2.2.1 of Part A of this Circular for further details of the indicative listing scheme.
3A.02(1)(e)	A transfer applicant must comply with the relevant admission procedures and requirements as may be prescribed by the Exchange.	Noted and to be complied.
<i>Cross reference: Guidance Notes 15 (listing procedures for initial admission and prospectus registration) and 15A (procedures and other requirements relating to an application for transfer of listing pursuant to Rule 3A.02) of the ACE Market Listing Requirements.</i>		Kenanga IB, as the Sponsor, shall ensure that the implementation of the Proposed Transfer of Listing comply with the ACE Market Listing Requirements.

2.1 Proposed Withdrawal of Listing

Pursuant to Paragraph 2.1 of Guidance Note 15A of the ACE Market Listing Requirements, a transfer applicant must, as part of the transfer of listing to the ACE Market, request for a withdrawal of listing from the LEAP Market in accordance with Rules 8.06 and 8.08 of the LEAP Market Listing Requirements with modifications where the transfer applicant must offer its shareholders and holders of any other class of listed securities, if applicable, the following:

- (i) an exit offer in accordance with Rule 8.06(1)(c) of the LEAP Market Listing Requirements, in which case the transfer applicant must ensure full compliance with Rule 8.06 of the LEAP Market Listing Requirements, including Rules 8.06(1)(d) and 8.06(2) of the LEAP Market Listing Requirements in respect of the exit offer only; or
- (ii) any other exit mechanism that is equitable for its shareholders and holders of any other class of securities, if applicable, subject to the transfer applicant consulting Bursa Securities and submitting the proposed exit mechanism to Bursa Securities for its perusal. The transfer applicant must not proceed until Bursa Securities has notified that it has no further comments on the proposed exit mechanism.

Rule 8.06(1) of the LEAP Market Listing Requirements

In accordance with Rule 8.06(1) of the LEAP Market Listing Requirements, a listed corporation may not request to withdraw its listing from the LEAP Market unless:

- (i) the listed corporation convenes a general meeting to obtain its shareholders' approval and a separate meeting for the approval of the holders or any other class of listed securities, if applicable, and the circular sent to the shareholders and the holders of any other class of listed securities includes the information set out in Appendix 8B of the LEAP Market Listing Requirements;

- (ii) the passing of the resolution for the withdrawal of listing is subject to the following conditions:
 - (a) the resolution is approved by a majority of shareholders and holders of any other class of listed securities, if applicable, in number, representing 75% of the total number of issued securities held by the shareholders and other securities holders respectively, present and voting either in person or by proxy at each meeting; and
 - (b) the number of votes cast against the resolution, if any, by each class of listed securities respectively, if applicable, is not more than 10% of the total number of issued securities held by the shareholders and other securities holders respectively, present and voting either in person or by proxy at each meeting;
- (iii) the shareholders and holders of any other class of listed securities, if applicable, are offered a reasonable cash alternative or other reasonable alternative ("**Exit Offer**"); and
- (iv) the listed corporation appoints an independent adviser to advise and make recommendations for the consideration of the shareholders and holders of any other class of listed securities, if applicable, in connection with the withdrawal of its listing as well as the fairness and reasonableness of the Exit Offer.

In this regard, our Company will comply with the requirements of items (i) to (iv) above to undertake the Proposed Withdrawal of Listing. Further details on the Proposed Exit Offer are set out in **Section 2.1.1 of Part A** of this Circular.

2.1.1 Proposed Exit Offer

As at the LPD, the Joint Offerors hold 509,697,000 Shares, representing approximately 84.95% equity interest in our Company. Pursuant to Rule 8.06(1)(c) of the LEAP Market Listing Requirements and Paragraph 2.1 of Guidance Note 15A of the ACE Market Listing Requirements, the Joint Offerors had vide a Proposal Letter dated 30 July 2026, proposed to undertake a cash exit offer which will be extended through a pre-conditional voluntary general take-over offer in accordance with the Rules for all the remaining 90,303,000 Offer Shares, representing approximately 15.05% of the total issued shares of our Company as at the LPD, not already held by the Joint Offerors, for a cash consideration of RM0.34 per Offer Share.

The Proposed Exit Offer shall only be implemented by the Joint Offerors upon all the Pre-Conditions being satisfied, in which the Joint Offerors will then:

- (i) serve the Notice to our Board; and
- (ii) despatch the Offer Document to our Board, our shareholders together with the form of acceptance and transfer for the Offer Shares and the procedures for acceptance of the Proposed Exit Offer upon obtaining notification from the SC that they have no further comments on the Offer Document.

For the avoidance of doubt, Cheong Siew Chyuan will be the legal and registered owner of all the valid acceptances of the Offer Shares (including the Shares held by the PAC), if any, pursuant to the Proposed Exit Offer.

If our shareholders wish to participate in the Proposed Transfer of Listing, they are required to vote for the Proposed Transfer of Listing at our Company's forthcoming EGM for the Proposed Transfer of Listing and opt not to accept the Proposed Exit Offer during its implementation. The shareholders may also opt to accept the Proposed Exit Offer in respect of part of the Offer Shares held by them if they seek to monetise part of their investment in our Company. Consequently, the existing Shares held by them as well as the new Shares to be allotted and issued pursuant to the Proposed Public Offering will be transferred, listed and / or quoted on the ACE Market upon completion of the Proposed Transfer of Listing.

If our Company fails to fulfil any of the Pre-Conditions, the Joint Offerors will not implement the Proposed Exit Offer. Consequently, the existing Shares will remain listed, quoted and traded on the LEAP Market.

For the Proposed Exit Offer, Tan Booi Charn, being Cheong Siew Chyuan's spouse, is deemed a PAC pursuant to subsection 216(3) of the CMSA.

The shareholdings of the Joint Offerors and their PAC in MMIS as at the LPD are set out below:

Name	Direct		Indirect	
	No. of Shares	(1) %	No. of Shares	(1) %
<u>Joint Offerors</u>				
Loh Chin Soon ⁽²⁾	243,000,000	40.50	-	-
Loh Chin Siang ⁽²⁾	121,500,000	20.25	-	-
Low Oo Seng ⁽³⁾	120,197,000	20.03	-	-
Law Woo Hock ⁽³⁾	25,000,000	4.17	-	-
Cheong Siew Chyuan	-	-	(4) 5,500,000	0.92
Subtotal	509,697,000	84.95		
<u>PAC with the Joint Offerors</u>				
Tan Booi Charn ⁽⁵⁾	5,500,000	0.92	-	-
Subtotal	5,500,000	0.92		
Total	515,197,000	85.87		

Notes:

- (1) Based on 600,000,000 Shares in issue as at the LPD.
- (2) Loh Chin Soon and Loh Chin Siang are brothers of each other, and are cousins of Low Oo Seng and Law Woo Hock.
- (3) Low Oo Seng and Law Woo Hock are brothers of each other, and are cousins of Loh Chin Soon and Loh Chin Siang.
- (4) Deemed interest by virtue of him being the spouse of Tan Booi Charn.
- (5) She is the spouse of Cheong Siew Chyuan.

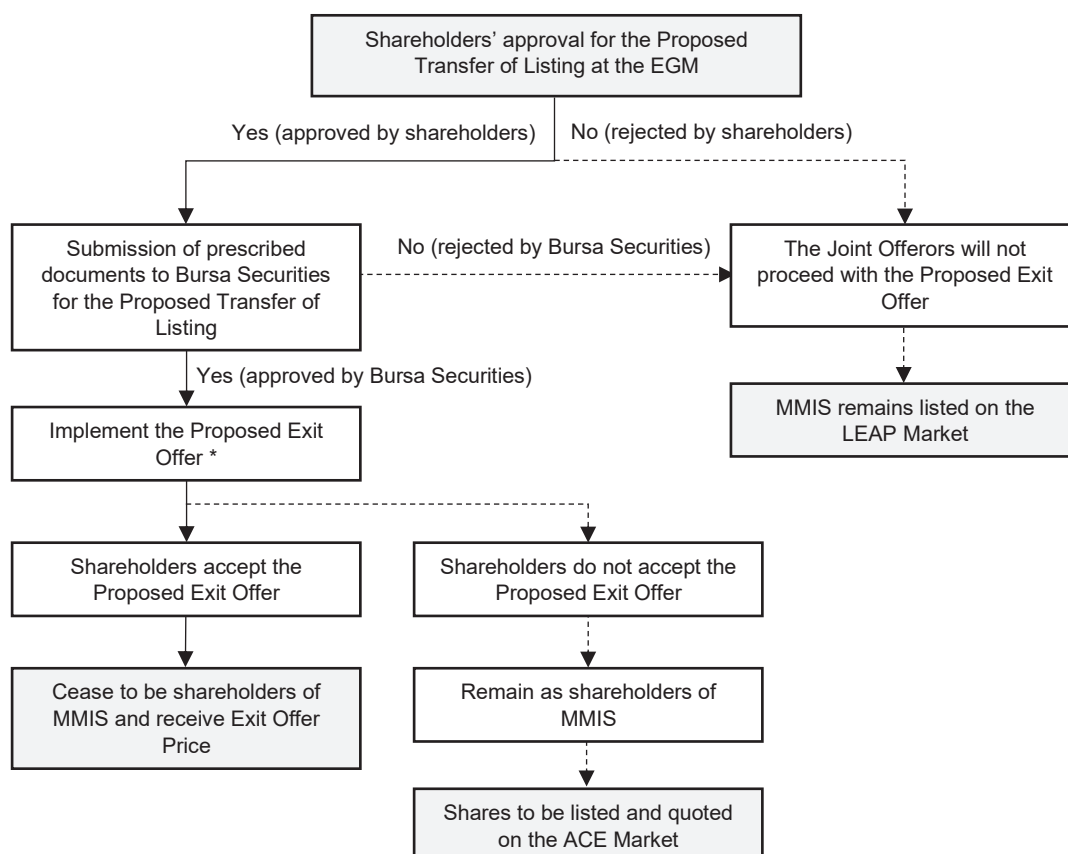
Save for Tan Booi Charn, who is the spouse of Cheong Siew Chyuan, a Joint Offeror, holding 5,500,000 Shares representing approximately 0.92% equity interest in MMIS, there are no other persons acting in concert with the Joint Offerors who hold direct or indirect equity interest in MMIS.

For avoidance of doubt, the Proposed Exit Offer will be extended to the PAC.

In respect of the Proposed Exit Offer, the Joint Offerors do not intend to obtain any Undertaking Letters from the PAC as well as other shareholders of our Company. While the Joint Offerors had explored various avenues and engaged with the PAC and other shareholders to obtain such Undertaking Letters, they were unable to secure undertakings from all relevant shareholders. As the Proposed Exit Offer is an integral component of the Proposed Transfer of Listing and is required to facilitate the Proposed Withdrawal of Listing, the Joint Offerors have decided to proceed with the launch of the Proposed Exit Offer notwithstanding the absence of such Undertaking Letters.

In accordance with Rule 8.06(1)(d) of the LEAP Market Listing Requirements, our Board (save for the Interested Directors) had on 30 July 2026, appointed SCA as the Independent Adviser to advise and make recommendations to our shareholders in connection with the Proposed Transfer of Listing, as well as the fairness and reasonableness of the Proposed Exit Offer.

The impact of the Proposed Transfer of Listing and the Proposed Exit Offer on our Company and shareholders is illustrated below:



Note:

* Upon fulfilment of all Pre-Conditions.

The Proposed Transfer of Listing will not have any impact on the existing corporate structure of our Company. However, there may be changes to the shareholding structure of our Company upon completion of the Proposed Exit Offer depending on the valid acceptances of the Offer Shares, if any, to be received by the Joint Offerors pursuant to the Proposed Exit Offer. In addition, the shareholding structure of our Company will change upon completion of the Proposed Transfer of Listing due to the issuance of Issue Shares pursuant to the Proposed Public Issue, and the disposal of Shares by the Joint Offerors pursuant to the Proposed Offer for Sale.

2.1.2 Listing status and compulsory acquisition

The Joint Offerors intend to maintain the listing status of our Company. As part of the Proposed Transfer of Listing, upon completion of the Proposed Exit Offer, our Company shall undertake the Proposed Listing which entails the transfer of the entire enlarged issued Shares from the LEAP Market to the ACE Market.

Subsection 222(1) of the CMSA provides that, where an offeror:

- (i) has made a take-over offer for all the shares or all the shares in any particular class in an offeree; and

(ii) has received acceptances of not less than 9/10 in the nominal value of the offer shares, the offeror may, within 4 months of the date of the take-over offer, acquire the remaining shares or remaining shares in any particular class in the offeree, by issuing a notice in the form or manner specified by the SC to such effect, to all dissenting shareholders provided that the notice:

- (i) is issued within 2 months from the date of achieving the conditions under paragraphs 222(1)(a) and 222(1)(b) of the CMSA; and
- (ii) is accompanied by a copy of a statutory declaration by the offeror that the conditions for the giving of the notice are satisfied.

Subsection 222(1A) of the CMSA provides that for the purpose of paragraphs 222(1)(b) of the CMSA, the acceptances shall not include shares already held at the date of the take-over offer by the offeror or any persons acting in concert.

If the Joint Offerors receive acceptances of not less than 9/10 in the value of the total number of Offer Shares in issue (excluding the Shares already held by the Joint Offerors as at the date of the Proposal Letter) on or before the Closing Date of the Proposed Exit Offer, **the Joint Offerors do not intend to invoke the provisions of subsection 222(1) of the CMSA to compulsorily acquire any remaining Offer Shares for which valid acceptances have not been received on or before the closing date of the Proposed Exit Offer.**

2.1.3 Requirements of the Rules

The SC had, vide its letter dated 20 July 2026, provided its consent for the announcement of the Proposed Exit Offer subject to the Pre-Conditions.

Pursuant to subparagraph 9.10(1) of the Rules, an offeror who has a firm intention to make a take-over offer shall:

- (i) make an immediate announcement regarding the take-over offer, including by way of press notice; and
- (ii) send a written notice to:
 - (a) the board of directors of the offeree or an adviser designated by the board of directors of the offeree;
 - (b) the SC; and
 - (c) the relevant stock exchange in Malaysia, if the securities of the offeree or the offeror are listed on the relevant stock exchange in Malaysia.

The announcement should be made only when an offeror has every reason to believe that it can and will continue to be able to implement the offer.

In this regard, the Joint Offerors will serve the Notice to our Board upon our Company fulfilling all the Pre-Conditions.

The Offer Period for the Proposed Exit Offer shall commence from the date of the Proposal Letter until the Closing Date.

2.1.4 Conditions of the Proposed Exit Offer

The Proposed Exit Offer shall only be implemented by the Joint Offerors, namely Loh Chin Soon, Loh Chin Siang, Low Oo Seng, Law Woo Hock and Cheong Siew Chyuan when all the Pre-Conditions have been satisfied / fulfilled.

Pursuant to note (4) to subparagraph 6.01(2) of the Rules, as the Joint Offerors hold more than 50% of the voting shares or voting rights of our Company, the Proposed Exit Offer is not conditional upon any minimum level of acceptance of the Offer Shares.

2.1.5 Consideration

Pursuant to the Rules:

- (i) Paragraph 6.03 of the Rules stipulates that the offer price in a voluntary take-over offer must not be less than the highest price (excluding stamp duty and commission) paid or agreed to be paid by the offeror or persons acting in concert for any voting shares or voting rights to which the take-over offer relates, during the offer period and within 3 months prior to the beginning of the offer period.

There is no dealing in Shares by the Joint Offerors and the PAC within the 3 months prior to the beginning of the Offer Period (i.e. 30 April 2026) and up to the LPD.

- (ii) Note to paragraph 5.01 of the Rules stipulates that a voluntary offer should not be made at a price that is substantially below the market price of the shares in the offeree company. A voluntary offer at more than 50% discount to the lesser of the closing price of the relevant shares of the offeree company on the day before the announcement under paragraph 9.10 and the 5-day average closing price prior to such day will be considered as being “substantially below the market price of the shares in the offeree company.”

It is the intention of the Joint Offerors to fix the Exit Offer Price to be the same as the IPO Price, which will be determined by our Board and the underwriter at a later date, after taking into consideration the factors as set out in **Section 2.2.5 of Part A** of this Circular. For illustrative purposes, based on the illustrative IPO Price of RM0.34 as illustrated in **Section 2.2.5 of Part A** of this Circular, the illustrative Exit Offer Price of RM0.34 represents the following:

	Price	⁽¹⁾ Premium / (Discount)	
	RM	RM	%
Last reference price of the Shares as at the LPD ⁽²⁾	0.20	0.14	70.00

(Source: Bloomberg)

Notes:

- (1) Calculated based on the illustrative Exit Offer Price of RM0.34.
- (2) The Shares were last traded at RM0.20 on 22 October 2025. As such, 22 October 2025 represents the last reference price of the Share as at the LPD.

Holders of the Offer Shares may accept the Proposed Exit Offer in respect of all or any part of their Offer Shares. Entitlements to the cash payment will be rounded down to the nearest whole sen. The Joint Offerors will not pay fractions of a sen to the accepting holders. Where there are valid acceptances, the settlement for the Offer Shares to which such acceptances relate will be effected by Cheong Siew Chyuan within 10 days from the date of receipt of such valid acceptances.

2.1.6 Rights of dissenting shareholders

Section 223 of the CMSA provides that subject to section 224 of the CMSA, if the Joint Offerors received valid acceptances from the holders of the Offer Shares resulting in the Joint Offerors holding not less than 9/10 in the value of all the Shares in issue (including the Shares which are already held by the Joint Offerors as at the date of the Proposal Letter) on or before the Closing Date, a dissenting holder may exercise his rights, under subsection 223(1) of the CMSA, by serving a notice on the Joint Offerors as set out in the Offer Document or such other terms as may be agreed between the Joint Offerors and the dissenting holder.

If a dissenting holder invokes the provisions of subsection 223(1) of the CMSA, the Joint Offerors will acquire such Offer Shares in accordance with the provisions of the CMSA, subject to the provisions of section 224 of the CMSA which provides that when a dissenting holder exercises his rights under subsection 223(1) of the CMSA, the court may, on an application made by such dissenting holder or by the Joint Offerors, order that the Joint Offerors acquire the dissenting holders' Offer Shares on terms that the court thinks fit.

Subsection 223(2) of the CMSA requires the Joint Offerors to give the dissenting holders a notice in the manner specified under the Rules or specified by the SC of the rights exercisable by the dissenting holders under subsection 223(1) of the CMSA, within 1 month of the time the Joint Offerors having acquired not less than 9/10 in the value of all the Shares in issue (including the Shares which are already held by the Joint Offerors as at the date of the Proposal Letter). The notice to the dissenting holders under subsection 223(2) of the CMSA may specify the period for the exercise of the rights of the dissenting holders and such period shall not be less than 3 months after the Closing Date.

2.2 Proposed Listing

The Proposed Listing entails the listing and quotation of the entire enlarged issued Shares on the ACE Market. Our Company shall undertake the Proposed Public Offering pursuant to Rule 3A.02(1)(d) of the ACE Market Listing Requirements as part of the Proposed Transfer of Listing. The Proposed Public Offering is expected to comprise:

- (i) issuance of new Shares; and
- (ii) offer for sale of the existing Shares held by Loh Chin Soon, Loh Chin Siang and Low Oo Seng,

to the Malaysian public, Eligible Directors, employees and persons who have contributed to the success of our Group, Bumiputera investors approved by the MITI and selected investors.

Further information on the Proposed Public Offering, including the quantity, group of investors, basis of allotment and the price discovery mechanism in determining the issue price for the IPO Shares to be issued as part of the Proposed Listing are disclosed in **Sections 2.2.1 and 2.2.5** of **Part A** of this Circular.

2.2.1 Proposed Public Offering

For illustration purposes, our Company will undertake the Proposed Public Offering which entails the issuance of 148,000,000 new Shares and offer for sale of 63,580,000 existing Shares in the following manner:

Our Company proposes to undertake the Proposed Public Offering, comprising the following:

	No. of Shares	(1) %
Proposed Public Issue		
(i) Malaysian public ⁽²⁾	37,400,000	5.00
(ii) Eligible persons ⁽³⁾	7,480,000	1.00
(iii) Placement to selected investors	9,620,000	1.29
(iv) MITI investors (Bumiputera) ⁽⁴⁾	93,500,000	12.50
	148,000,000	19.79
Proposed Offer for Sale		
(i) Placement to selected investors ⁽⁵⁾	63,580,000	8.50
	63,580,000	8.50

Notes:

- (1) Based on the proposed enlarged 748,000,000 Shares in issue after the completion of the Proposed Listing.
- (2) 5.00% of the enlarged issued share capital of our Company will be made available for application by the Malaysian public through a balloting process, of which 50% will be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions.
- (3) 1.00% of the enlarged issued share capital of our Company will be made available for application by the Eligible Persons. The breakdown and basis of allocation for the Eligible Persons are as follows:

Eligible Persons	Allocation	
	No. of Shares	(i) %
Eligible Employees ⁽ⁱⁱ⁾	3,141,600	0.42
Eligible Directors ⁽ⁱⁱ⁾	1,271,600	0.17
Persons who have contributed to the success of our Group ⁽ⁱⁱⁱ⁾	3,066,800	0.41
Total	7,480,000	1.00

Notes:

- (i) Based on the proposed enlarged 748,000,000 Shares in issue after the completion of the Proposed Listing.
- (ii) The allocation to the Eligible Directors and eligible employees is based on, amongst others, their seniority, designation and position, the length of service, past performance and respective contribution made to our Group as well as other factors deemed relevant to our Board.

As at the date of this Circular, our Board has yet to finalise the allocation to Eligible Directors and eligible employees including key senior management. The finalised details will be set out in the Prospectus.
- (iii) The allocation to the persons who have contributed to the success of our Group are based on, amongst others, the nature and terms of their business relationships with our Group, length of their relationship with our Group and the level of contribution and support to our Group (i.e. key suppliers and/or outsource vendors). The details of the allocation under this category can only be determined at a later date and shall be disclosed in the Prospectus to be issued pursuant to the Proposed Public Offering.
- (4) 12.50% of the enlarged issued share capital of our Company will be made available by way of private placement to Bumiputera investors as approved by MITI.

- (5) *8.50% of the enlarged issued share capital of our Company will be offered for sale.*

Please refer to **Section 7.2 of Part A** of this Circular for the effects of the Proposed Transfer of Listing and the Proposed Exit Offer on our Company's public shareholding spread.

The final details of the Proposed Listing, including the listing scheme, issue price of the Shares to be issued pursuant to the Proposed Public Offering and underwriting arrangement is subject to the approval and conditions from Bursa Securities, SC and MITI which will be set out in the Prospectus, where applicable.

An application will be made to Bursa Securities for the following:

- (i) admission of the entire enlarged issued Shares to the Official List of the ACE Market; and
- (ii) listing and quotation of the entire enlarged issued Shares (including any Shares to be allotted and issued pursuant to the Proposed Public Offering) on the ACE Market.

In addition to the above, the Proposed Public Offering would not result in any breach of paragraphs 18.01 and 21.02 of the Rules as the Shares under the Proposed Public Offering will not be placed to any of the Joint Offerors and / or the PAC.

Upon the completion of the Proposed Public Offering, the enlarged issued shares of our Company will be 748,000,000 Shares.

2.2.2 Underwriting and placement arrangements

The new Issue Shares to be made available for application by the Malaysian public and the Eligible Directors and / or employees of our Group as well as persons who have contributed to our Group's success will be subject to an underwriting arrangement with underwriter(s) to be identified by our Company at a later date i.e. after obtaining relevant approvals from authorities and the completion of the Proposed Exit Offer. The identity of the underwriter(s) who shall not be related parties to our Company and the Joint Offerors, and terms of the underwriting arrangement will be disclosed in the Prospectus to be issued at a later date. Kenanga IB as the Sponsor for the Proposed Transfer of Listing shall be an underwriter or part of the syndicate of underwriters, where applicable.

The new Issue Shares to be allocated to selected investors and Bumiputera investors as approved by MITI under the Proposed Public Issue, as well as the Offer Shares to be allocated to selected investors under the Proposed Offer for Sale, will be placed out by Kenanga IB (as the placement agent for the Proposed Listing) and will not be underwritten.

The relevant cost in relation to the underwriting and placement arrangements under the Proposed Public Issue shall be fully borne by our Company, while the relevant cost in relation to the placement arrangement under the Proposed Offer for Sale shall be fully borne by the Selling Shareholders.

2.2.3 Basis of allocation of the IPO Shares

The IPO Shares will be allocated on a fair and equitable manner and the basis of allocation for the IPO Shares shall take into account the desirability of distributing the IPO Shares to a reasonable number of applicants to broaden our Company's shareholding base and to establish a liquid market for the Shares.

2.2.4 Ranking of the IPO Shares

The Issue Shares shall, upon allotment and issuance, rank equally in all respects with the then existing Shares in issue, save and except that the Issue Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that may be declared, made or paid to our shareholders, the entitlement date of which is prior to the date of allotment and issuance of the Issue Shares.

The IPO Shares to be offered for sale shall rank equally in all respects with the then existing issued Shares, save and except that the IPO Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution which may be declared, made or paid to our shareholders, the entitlement date of which is prior to the date of transfer of the IPO Shares to be offered for sale.

2.2.5 Price discovery mechanism

Based on Rule 3A.03 of the ACE Market Listing Requirements, a transfer applicant and its sponsor must ensure that there is a clear price discovery mechanism for the Shares which will be transferred to the ACE Market. The issue price for the Proposed Public Offering will be determined by our Board and the underwriter after our shareholders have approved the Proposed Transfer of Listing and before the issuance of the Prospectus, after taking into consideration, amongst others, the prevailing price earnings multiple ("**PE Multiple**") of selected comparable public listed companies as well as the prevailing equity market and economic condition in Malaysia.

For illustrative purposes only, an illustrative IPO Price of RM0.34 is assumed throughout this Circular, which represents:

- (i) an illustrative PE Multiple of approximately 41.46 times, computed based on the EPS of our Group of approximately 0.82 sen for the FYE 2025 and the total number of 600,000,000 Shares in issue as at the LPD;
- (ii) an illustrative PE Multiple of approximately 51.52 times, computed based on the pro forma EPS of our Group of approximately 0.66 sen for the FYE 2025 and the pro forma enlarged total number of 748,000,000 Shares in issue (after considering the Proposed Public Offering);
- (iii) an illustrative PE Multiple of approximately 12.27 times, computed based on the EPS of our Group of approximately 2.77 sen for the unaudited FYE 2026 and the total number of 600,000,000 Shares in issue as at the LPD;
- (iv) an illustrative PE Multiple of approximately 15.32 times, computed based on the pro forma EPS of our Group of approximately 2.22 sen for the unaudited FYE 2026 and the pro forma enlarged total number of 748,000,000 Shares in issue (after considering the Proposed Public Offering); and

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- (v) an illustrative Enterprise Value (“**EV**”)/Earnings Before Interest, Tax, Depreciation and Amortisation (“**EBITDA**”) of approximately 14.37 times and 6.70 times for the audited FYE 2025 and unaudited FYE 2026 respectively, computed based on the following:

	FYE 2025 (Audited)	FYE 2026 (Unaudited)
	RM' million	RM' million
Market capitalisation	120.00	120.00
- Add: Debt	33.41	37.84
- Less: Cash	(7.68)	(7.87)
EV	145.73	149.97
Profit after taxation (“ PAT ”)	4.94	16.61
Adjustments for:		
Tax	1.77	1.68
Interest expense	1.41	1.61
Depreciation	2.36	2.73
Amortisation	(0.03)	(0.03)
Interest income	(0.31)	(0.21)
EBITDA	10.14	22.39
EV/EBITDA	14.37	6.70

For comparison purposes, Kenanga IB has selected the comparable companies (“**Comparable Companies**”) based on the following criteria:

- (i) public listed companies principally operating in similar business / sector i.e. industrial products and services including but not limited to precision engineering;
- (ii) listed on the Main Market of Bursa Securities and / or ACE Market; and
- (iii) market capitalisation ranging between RM100,000,000 and RM800,000,000.

For the avoidance of doubt, there is no publicly listed company which may be considered to be identical to our Company in terms of, amongst others, composition of business activities, scale of business operations, risk profile, accounting and tax policies, track record, future prospects, market standing in the competitive environment, cost of capital, reinvestment requirements, financial positions and that such business may have fundamentally difference profitability objectives. Any comparison made with respect to the Comparable Companies is merely to provide a comparison to the illustrative P/E Multiple represented by the illustrative IPO Price of our Company. In addition, there are no companies listed on the LEAP Market that are considered comparable to our Group based on the criteria set out in items (i) and (iii) above.

The details of the selected Comparable Companies are as follows:

Name / Market	Principal activities	As at the LPD			⁽²⁾ Basic earnings per share (RM)	⁽³⁾ P / E Multiple (times)	⁽⁴⁾ EV (RM'000)	⁽⁵⁾ EBITDA (RM'000)	EV/ EBITDA (times)
		Closing price (RM)	⁽¹⁾ Market capitalisation (RM'000)						
MMIS Berhad / LEAP Market	Investment holding company with its subsidiary principally involved in the manufacturing, marketing and sales of precision parts and fabrication of metal and sheet metal.	0.20	120,000		0.01	20.00	145,728	10,137	14.37
Selected comparable companies									
Northeast Group Berhad / Ace Market	Principally involved in the manufacturing of precision engineering components.	1.04	769,600		0.03	34.67	683,672	33,486	20.42
CPE Technology Berhad / Main Market	Investment holding company with its subsidiaries principally involved in the manufacturing, sale of precision machined parts and components.	1.26	845,857		0.04	31.50	640,240	36,016	17.78
Foundpac Group Berhad / Main Market	Principally involved in designing, developing, manufacturing, marketing, and sale of precision engineering parts.	0.40	216,563		0.02	17.77	225,160	22,144	10.17
Oxford Innotech Berhad	Investment holding company with its subsidiaries principally involved in the manufacturing of jig and fixtures, general trading, machining, manufacturing, assembly and sub-assembly of precision plastic parts and components.	0.43	301,750		0.01	42.50	273,983	16,559	16.55
Coraza Integrated Technology Berhad /	Provides integrated engineering services including sheet metal fabrication, precision machining, and electro-mechanical sub-assembly for semiconductor, electronics, medical, and aerospace industries.	1.05	521,271		0.03	35.00	517,433	30,946	16.72
			High		0.04	42.50			20.42
			Low		0.01	17.77			10.17
			Average		0.03	32.29			16.33
			Median		0.03	34.67			16.72

(Source: Bloomberg, latest annual reports and quarterly reports of the respective Comparable Companies as at the LPD)

Notes:

- (1) *The market capitalisation of the Comparable Companies was calculated based on the last traded price as at the LPD multiplied with the total number of outstanding shares of the respective Comparable Companies as at the LPD.*
- (2) *Based on the latest audited PAT attributable to the owners of the company divided by the weighted average number of ordinary shares in issue.*
- (3) *Computed based on the last traded price as at the LPD divided by the basic earnings per share derived from the latest available audited financial statements of the respective Comparable Companies.*
- (4) *Computed based on the formula of (market capitalisation as at the LPD - cash and cash equivalents + debts + non-controlling interest) of the respective companies based on the latest available audited financial statements of such Comparable Companies.*
- (5) *Computed based on the formula of (profit before tax – finance income + finance costs + depreciation + amortisation) of the respective companies. For avoidance of doubt, the EBITDA figures are derived from the latest available audited financial statements of the respective Comparable Companies.*

Based on the analyses above, we noted that:

- (i) for the audited FYE 2025, the illustrative IPO Price of RM0.34 implies PE Multiples of approximately 41.46 times and 51.52 times based on the issued share capital and enlarged issued share capital, respectively, which are within/above the range of the Comparable Companies' PE Multiples of 17.77 times to 42.50 times;
- (ii) for the unaudited FYE 2026, the illustrative IPO Price of RM0.34 implies PE Multiples of approximately 12.27 times and 15.32 times based on the issued share capital and enlarged issued share capital, respectively, which are below the range of the Comparable Companies' PE Multiples of 17.77 times to 42.50 times; and
- (iii) for the audited FYE 2025 and unaudited FYE 2026, the illustrative IPO Price of RM0.34 implies EV/EBITDA ratios of approximately 14.37 times and 6.70 times, respectively, which are within/below the range of the Comparable Companies' EV/EBITDA ratios of 10.17 times to 20.42 times.

Overall, although the illustrative IPO Price of RM0.34 implies higher PE Multiples for the audited FYE 2025 compared to the Comparable Companies, the implied PE Multiples based on the unaudited FYE 2026 financial performance fall below the comparable range, reflecting the anticipated growth in earnings. In addition, the implied EV/EBITDA ratios are within/below the range of the Comparable Companies' EV/EBITDA ratios. Accordingly, taking into consideration our Group's earnings growth prospects, future financial performance and the valuation benchmarks of the Comparable Companies, the illustrative IPO Price of RM0.34 is considered reasonable.

The final listing scheme and final IPO Price will be determined by our Board and the underwriter at a later date, after taking into due consideration, including but not limited to, the following:

- (i) the PE Multiple of selected Comparable Companies;

- (ii) the level of valid acceptances of Offer Shares pursuant to the Proposed Exit Offer;
- (iii) the total number of Shares in issue after the Proposed Public Offering and the audited consolidated profit after taxation attributable to the owners of our Company;
- (iv) the growth demonstrated by the historical financial performance and financial position of our Group;
- (v) the latest financial performance of our Group i.e. the latest audited financial results of our Group before the issuance of the Offer Document, IAC and the Prospectus to be issued pursuant to the Proposed Public Offering; and
- (vi) the competitive strengths, future plans and strategies of our Group to sustain growth in financial performance and financial position, as well as the prevailing equity market and economic conditions in Malaysia.

Please refer to **Section 7.3** of Part A of this Circular for further details on the premium / discount to be applied to the illustrative IPO Price.

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2.2.6 Proposed utilisation of proceeds

Based on the illustrative IPO Price of RM0.34 per Issue Share, our Company will raise up to RM50.32 million from the Proposed Public Issue. Our management proposes to use the proceeds to be raised from the Proposed Public Issue for, amongst others, the following purposes:

Utilisation of proceeds	Note	Estimated timeframe for utilisation from receipt of proceeds	RM'000	%
Construction of new production plant	(1)	Within 24 months	23,000,000	45.71
Purchase of new machineries	(2)	Within 24 months	14,000,000	27.82
Working Capital	(3)	Within 24 months	8,570,000	17.03
Estimated expenses	(4)	Within 1 month	4,750,000	9.44
Total			50,320,000	100.00

Notes:

- (1) As at the LPD, our Group owns 2 production plants and has no rented production plants. Both production plants are used for the manufacturing of precision engineering parts for the semiconductor industry. Our Group's existing production plants are located at (i) PT14495, Persiaran Batu Gajah Perdana 4, Kawasan Perindustrian Batu Gajah Perdana, 31000 Batu Gajah, Perak ("**Plant 1**"), which has a land size of approximately 99,437 square feet and a built-up area of approximately 68,415 square feet (inclusive of production and office floor areas); and (ii) Plot 84, Lot 188807, Jalan Johan 1/2, Kawasan Perindustrian Pengkalan II, 31550 Pusing, Perak ("**Plant 2**"), which has a land size of approximately 431,137 square feet and a built-up area of approximately 188,110 square feet (inclusive of production and corporate office buildings). Our Group intends to construct a new production plant to further expand the production of precision engineering parts for the semiconductor industry. As the current production plants are operating at approximately 60% utilisation rate and with the expected growing demand for high quality precision engineering parts for the semiconductor industry, the construction of a new production plant is crucial to ensure our Group's continued ability to fulfil growing production demands while maintaining high operational efficiency.

Currently, our Group has earmarked a vacant land owned by our Company located in Batu Gajah, Perak for the construction of a new production plant, which will be in the vicinity of our Group's existing production plants. The vacant land is located adjacent to Plant 2, has a land size of approximately 127,823 square feet (2.93 acres) and is held under a 60-year lease expiring in 2086. The new production plant will comprise 4 bays, including 1 double-storey bay, with a total production floor built-up area of approximately 129,000 square feet. The total estimated construction cost is RM23.0 million, which will be funded from the proceeds raised from our Proposed Public Issue. Construction is expected to commence in the first quarter of 2027 and be completed by the third quarter of 2028, with operations expected to commence in the fourth quarter of 2028. In addition, the total estimated cost required for setting up the new production plant is approximately RM0.5 million, which will be funded through internally generated funds. Our Group expects to progressively increase its workforce by up to an additional 120 personnel upon the new production plant reaching full production capacity.

The construction of the production plant is part of a strategic initiative aimed at enhancing production capacity and efficiency and will be used to ensure our Group is able to maintain its competitive edge and scalability as well as enable our Group to support its existing and future customer base. Upon completion of the expansion, our Group's maximum production output is expected to increase from approximately RM150.0 million to approximately RM250.0 million.

Additionally, by constructing the new production plant, our Group is able to achieve greater operational efficiency, cost savings, improved quality control, and increased production capacity. This integration would also foster innovation and flexibility in product development and strengthen our Group's market competitiveness.

Any shortfall in proceeds allocated to the construction of the new production plant will be funded through internally generated funds and/or bank borrowings.

- (2) Our Group intends to allocate RM14.0 million, representing 27.82% of the proceeds to be raised from the Proposed Public Issue for the purchase of new machineries and equipment. Firstly, our Group intends to purchase an additional CNC double column machining centre for the purpose of precision engineering manufacturing. The acquisition of the additional CNC double column machining centre will enable our Group to improve efficiency and expand our capability to meet growing demand for high quality precision engineering parts for the semiconductor industry.

The additional CNC double column machining centre is expected to cost approximately RM10.0 million. Besides the purchase of the additional CNC double column machining centre, our Group intends to utilise approximately RM4.0 million of the proceeds to acquire additional machineries which may include, but not limited to laser cutting machines, bending machines, robotic welding machines and others. The breakdown of the proposed utilisation are as follows:

Type of machinery	No. of units	Average cost per unit (RM'000)	(RM'000)
CNC double column machining centre	6	1,666	10,000
Laser cutting machine	3	600	1,800
Bending machine	3	433	1,300
Robotic welding machine	2	450	900
Total			14,000

The type, quantity and deployment of such machinery will be finalised progressively based on production requirements and operational requirements of our Group. Upon completion of the expansion, our Group's maximum production output is expected to increase from approximately RM150.0 million to approximately RM250.0 million.

Any shortfall in proceeds allocated to the purchase of new machineries will be funded through internally generated funds and/or bank borrowings.

- (3) Our Group intends to allocate approximately RM8.57 million, representing 17.03% of the proceeds to be raised from the Proposed Public Issue, for the day-to-day operations of our Group, including but not limited to payments to suppliers to support the expanded production output and general administrative expenses such as utility charges and repair and maintenance expenses. The exact breakdown of the proposed utilisation has not been finalised at this juncture as it will depend on our Group's operating and funding requirements at the time of utilisation, based on our Company's best estimates. The allocation of the proceeds is as follows:

Details	RM'000
Purchases of raw materials / inputs ⁽ⁱ⁾	7,570
General administrative expenses ⁽ⁱⁱ⁾	1,000
Total	8,570

Notes:

- (i) Purchases of raw materials / inputs include amongst others, aluminium, mild steel and electrogalvanic plate.
- (ii) To defray administrative expenses and other operating expenses which includes, amongst others, utilities charges, upkeep expenses and maintenance expenses for our machinery in line with the expansion of our business operations.

Any shortfall in proceeds allocated to the Group's working capital will be funded through internally generated funds and/or bank borrowings.

- (4) Our Group intends to allocate approximately RM4.75 million, representing 9.44% of the proceeds to be raised from the Proposed Public Issue for the estimated expenses relating to the Proposed Transfer Listing, which consists of professional fees, fees payable to authorities, placement fees and other miscellaneous expenses. Any variations to the amount of estimated expenses in relation to the Proposals will result in adjustment from / to the portion being allocated for the working capital for our Group. The following summarises the estimated expenses incidental to the Proposals to be borne by our Group.

Details	RM'000
Professional fees ⁽ⁱ⁾	2,785
Underwriting, placement and brokerage fees	1,295
Fees to authorities	220
Printing, advertising fees and contingencies	450
Total	4,750

Note:

- (i) Include fees for the Principal Adviser, Solicitors, Reporting Accountants, Independent Market Researcher, Issuing House and other professional advisers.

In the event the actual proceeds utilised for the listing expenses is lower than the allocation of RM4.75 million, the excess will be used for purchase of new machinery and equipment and working capital expenses. Any excess amount required for the listing expenses will be funded from internally generated funds and / or bank borrowings.

The above allocation (in percentage and RM) is indicative at this juncture and subject to revision in the future. The exact breakdown of the proposed utilisation and the timeframe for such utilisation are also indicative at this stage, as they will depend on the final Issue Price of the Issue Shares to be determined later.

Pending utilisation, the proceeds from the Proposed Public Issue will be placed in deposits with licensed financial institution(s) or short-term money market instruments as our Board deems fit. The interest derived or any gain arising from thereon will be used for working capital requirements of our Group (such as expenses for utilities, staff costs and rental payment for offices), of which the breakdown for the utilisation cannot be determined at this juncture. Our Board intends to utilise the interest derived or the gain within 6 months from the receipt of such interest / gain.

For the avoidance of doubt, the proceeds arising from the Proposed Offer for Sale, if any, shall accrue entirely to the Selling Shareholders, i.e. Loh Chin Soon, Loh Chin Siang and Low Oo Seng.

The final details on the utilisation of proceeds will be set out in the Prospectus.

2.2.7 Previous fundraising exercise

Our Company has not undertaken any fundraising exercises in the past 12 months prior to the LPD.

Our Company has raised gross proceeds of RM5.00 million pursuant to the LEAP Market listing exercise. The details of utilisation of proceeds and its status are as follows:

	Amount raised RM'000	Utilisation as at the LPD RM'000	Balance RM'000	Completion date
Capital expenditure ⁽¹⁾	2,000	2,000	-	June 2020
Working capital ⁽²⁾	2,000	2,000	-	June 2020
Estimated expenses ⁽³⁾	1,000	1,000	-	September 2019
Total	5,000	5,000	-	

Notes:

- (1) *The proceeds were used for the purchase 4 additional machines, namely 2 units of CNC double column machining centre machines, 1 unit of grinding machine and 1 unit of CNC turret punch press machine to further expand product range / offering.*
- (2) *The proceeds were used to the gradual increase in workforce and inventory levels to cater for the increased capacity from the increase in production floor space and the purchase of 4 additional machines.*
- (3) *The proceeds were used for professional fees, fees payables to relevant authorities and other miscellaneous expenses in relation to the LEAP Market listing exercise.*

As at the LPD, the proceeds raised have been fully utilised.

2.2.8 Minimum subscription level

There is no minimum subscription level in terms of the amount of proceeds to be raised from the Proposed Listing. However, the minimum subscription in terms of the number of IPO Shares will be the number of IPO Shares required to be held by public shareholders of our Company to comply with the public shareholding spread requirements as per the ACE Market Listing Requirements or as approved by Bursa Securities. Please refer to **Section 7.2 of Part A** of this Circular for the pro forma public shareholding spread of our Company upon completion of the Proposed Transfer of Listing.

3. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSED TRANSFER OF LISTING

In connection with our Company's Proposed Transfer of Listing from the LEAP Market to the ACE Market of Bursa Securities, our Company may be required to amend certain provisions of our constitution to ensure compliance with the applicable ACE Market requirements. The Proposed Amendments will be set out in a separate circular and tabled for shareholders' consideration and approval at a separate EGM to be convened at a later date. For avoidance of doubt, no amendment to the constitution forms part of the proposals set out in this Circular.

3.1 Proposed Withdrawal of Listing

The Proposed Withdrawal of Listing is undertaken to facilitate the Proposed Listing pursuant to the ACE Market Listing Requirements.

In this respect, our Company had, on 30 July 2026, received the Proposal Letter from the Joint Offerors, requesting our Board to consider undertaking the Proposed Transfer of Listing. The Proposed Exit Offer provides an avenue for our shareholders to realise their investment in our Company.

Our Board (save for the Interested Directors), having considered the rationale above, believes it is an opportune time to undertake the Proposed Transfer of Listing to facilitate our Group's future growth. Pursuant thereto, our Board had decided to put forth the Proposed Transfer of Listing for consideration by our shareholders.

3.2 Proposed Listing

The Proposed Listing will mark another milestone for our Company subsequent to our listing on the LEAP Market. It indicates that our Company has grown in the strength of our operations and profitability to be suitable for a transfer of listing to the ACE Market. The profit after tax and net assets of our Group had grown from approximately RM4.11 million and RM7.86 million, respectively (based on the latest audited consolidated financial statements for the FYE 30 June 2018 at the point of our listing on the LEAP Market) to approximately RM4.94 million and RM39.01 million, respectively (based on the latest available audited consolidated financial statements for the FYE 2025).

Whilst our Company's listing on the LEAP Market was a significant milestone allowing our Group to advance our profile as a listed entity, our Board believes that the Proposed Listing will enable our Group to enhance our credibility, prestige and reputation, and accord our Group with greater recognition and acceptance by our stakeholders, including investors and shareholders. The Proposed Listing is also expected to enhance the attractiveness, liquidity and marketability of the Shares. In addition, the Proposed Listing is envisaged to strengthen the confidence of our Company's employees, customers, suppliers, business associates, financial institutions and shareholders through our profile as a company listed on the ACE Market.

At present, the LEAP Market is a qualified market which is meant for sophisticated investors as specified in the Guidelines on Categories of Sophisticated Investors issued by the SC which include, amongst others, accredited investors, high net-worth entities and high net-worth individuals. Shareholders who are not sophisticated investors are not able to invest in the Shares unless they subsequently become sophisticated investors. Therefore, the Proposed Listing will enable all investors, including retail investors, to purchase the Shares. With access to a wider pool of investors, the ACE Market offers a more robust listing environment with relatively greater vibrancy, more liquidity and better price discovery for the Shares.

4. RISK FACTORS

4.1 Completion risks

The completion of the Proposed Transfer of Listing is subject to the fulfilment of the Pre-Conditions as set out in **Section 9 of Part A** of this Circular. If the Pre-Conditions are not satisfied / fulfilled, the Proposed Transfer of Listing and the Proposed Exit Offer will not be implemented and the Shares will remain listed on the LEAP Market. Following which, our Company would not be able to tap into a wider pool of investors on the ACE Market, which includes individuals and entities that do not fall under the sophisticated investors specified in the Guidelines on Categories of Sophisticated Investors issued by the SC.

In the event of non-implementation of the Proposed Transfer of Listing, our Group will still continue with our business, including implementing our future plans as set out in **Section 5.4 of Part A** of this Circular (albeit on a more staggered basis) via internally generated funds, bank borrowings and / or other fundraising exercises, of which the breakdown could not been determined at this juncture as it would depend on the mode and quantum of funds available to our Group at that point in time. However, there is no assurance that the execution of our Group's future plans will increase our profitability in the future, nor will our Group be able to anticipate all the risks and uncertainties that may arise during the implementation of these future plans, which may adversely affect our Group's earnings growth, future results of operations and prospects.

Our Company intends to allocate RM4.75 million from the proceeds of the Proposed Public Issue for the expenses in relation to the Proposed Transfer of Listing, which include advisory and professional fees, underwriting, brokerage and placement fees, fees payable to the relevant authorities and other miscellaneous expenses. In the event of non-implementation of the Proposed Transfer of Listing, our Company will still be required to pay the accrued cost to the relevant parties using our internally generated fund, which may, in turn, have an adverse impact on the results of our Company's operations and financial condition.

4.2 Investment risks

The final IPO Price will be determined after taking into consideration the factors as set out in **Section 2.2.5 of Part A** of this Circular and these factors could cause the Share price to fluctuate which may adversely affect the market prices of the Shares. In view of the above and subject to fulfilling all the Pre-Conditions, there can be no assurance of the following:

- (i) the final IPO Price will be the same or higher than the share price traded on the LEAP Market;
- (ii) that the Shares will trade at or above the final IPO Price upon the listing on the ACE Market; and / or
- (iii) that the Shares, upon listing on the ACE Market, will trade at a price above the Share price on LEAP Market.

In addition to the above, the market price of the Shares upon listing on ACE Market, like all listed securities traded on Bursa Securities, may be subject to significant price fluctuations and frequent volatility that have not been experienced by the shareholders while our Company is listed on the LEAP Market as the Shares traded on the ACE Market is open to a significantly wider pool of investors. The market price of the Shares will be influenced by, amongst others, the prevailing market sentiments, the volatility of the stock market, movements in interest rates, outlook of the industry in which our Group operates, our Group's financial performance, vagaries of market forces and other uncertainties.

Our shareholders will face an immediate paper loss and may not be able to recover their investment cost in the Shares if:

- (i) the final IPO Price is below the share price traded on the LEAP Market; or
- (ii) the Shares, upon listing on the ACE Market, are traded at a price below the share price on the LEAP Market or the final IPO Price.

4.3 Risk of shareholding dilution

Upon issuance of new Shares pursuant to the Proposed Public Issue, the shareholders will experience dilution of 19.79% in its percentage shareholdings and voting interest in our Company proportionately to the enlarged issued share capital of our Company. Consequently, the proportionate entitlement to any future distribution, rights and / or allotment that our Company may make or declare after completion of the Proposed Transfer of Listing will correspondingly be diluted. However, the Proposed Transfer of Listing is expected to contribute positively to the consolidated earnings of our Company for the ensuing financial years when the benefits of the utilisation of proceeds raised from the Proposed Public Issue are realised.

4.4 No prior market for the Shares on the ACE Market and it is uncertain whether a sustainable market for the Shares on the ACE Market will ever develop

There is no assurance that upon completion of the Proposed Transfer of Listing, an active market for the Shares on the ACE Market will develop or if develop, that such a market will be sustainable. In addition, there is also no assurance as to the liquidity of the Shares, the ability of holders to sell the Shares or the prices at which holders would be able to sell the Shares on the ACE Market.

5. INDUSTRY OUTLOOK AND PROSPECTS OF OUR GROUP

5.1 Overview and outlook of the Malaysian economy

Global economic growth is expected to continue growing at a more moderate pace in 2026 (2.7%–3.2%; 2025: 3.4%), supported by resilient domestic demand including robust investment in technology and digitalisation, particularly artificial intelligence (“AI”). The prevailing monetary policy condition and fiscal support are expected to provide an additional lift to economic activity. Nonetheless, global growth is expected to face ongoing headwinds from the impact of higher tariffs, the uncertainty surrounding them, as well as heightened geopolitical conflict in the Middle East.

The Malaysian economy grew by 5.2% (2024: 5.1%), supported by resilient domestic demand that helped cushion the effects of a highly challenging global environment. Household spending remained firm, supported by positive labour market conditions and more targeted policy measures. Investment activity increased solidly, driven by continued progress in multi-year projects and strong investment approvals, particularly in high-technology services and advanced manufacturing.

The external sector demonstrated resilience despite shifting global trade dynamics and significant uncertainties. The current account of the balance of payments registered a higher surplus of RM31.8 billion, or 1.6% of GDP (2024: RM27.7 billion, or 1.4% of GDP). This was contributed by a continued surplus in the goods account and a turnaround in the services account into a surplus. The surplus in the goods account was underpinned by sustained electrical and electronics (“E&E”) exports. Malaysia’s diversified export structure also provided continued resilience. While growth in intermediate imports moderated, capital imports, especially for data centre and information technology equipment, remained robust due to ongoing investment activity. The turnaround in the services account was supported by the increase in information and communications technology-related services exports and higher travel receipts. Meanwhile, the financial account recorded a higher net acquisition of foreign assets of RM21.4 billion (2024: net acquisition of RM4.9 billion) amid net portfolio outflows. This was partly offset by strong net foreign direct investment inflows.

Domestic demand is forecast to remain the main driver of growth in 2026 amid steady private sector spending. Household spending will continue to be underpinned by firm labour market conditions and ongoing fiscal support. Investment activity will continue to expand, albeit at a more moderate pace. While intensified competition from China's production surpluses will continue to weigh on non-E&E exports, the E&E sector will benefit from strong semiconductor demand and the ongoing realisation of data centre investments. Tourism activity is also expected to remain steady, aided by promotional efforts in conjunction with Visit Malaysia 2026 and visa exemptions for visitors from China and India. Nevertheless, the conflict in the Middle East may weigh down exports and tourism activities.

Overall, external downside risks could arise from weaker global trade amid the conflict in the Middle East and tariffs. The global AI momentum also remains sensitive to shifts in global financial markets, which could spill over to production and trade. Domestically, lower than-expected commodity output may weigh on growth. On the upside, better-than-expected global growth outlook, stronger E&E demand and more robust tourism activity could provide further lift to Malaysia's growth prospects.

(Source: Economic and Monetary Review 2025, Ministry of Finance Malaysia)

Economic growth strengthened to 6% in the second quarter of 2026 (1Q 2026: 5.4%), driven by continued domestic demand and robust exports. Household spending was supported by steady income growth and ongoing policy support. Investment growth was underpinned by continued spending on structures and machinery & equipment. On the external front, exports accelerated, driven mainly by the continued strength in E&E products and sustained expansion in services, as well as the rebound in exports of liquefied natural gas and non-E&E manufacturing products. Gross imports expanded further amid robust growth in intermediate and consumer goods imports.

On the supply side, growth was underpinned by the expansion in services and manufacturing sectors. The higher growth in the services sector was supported by business-related subsectors, especially the information and communication technology ("ICT") subsector from the expanding operationalisation of data centres. The robust growth in the manufacturing sector was driven by export-oriented clusters, particularly in E&E following strong AI-related demand. The mining and quarrying sector growth turned positive, reflecting stronger natural gas production. On a quarter-on-quarter seasonally adjusted basis, the economy expanded by 2.5% (1Q 2026: -0.03%).

Headline inflation increased to 1.9% (1Q 2026: 1.6%) while core inflation moderated to 1.9% (1Q 2026: 2.1%). The increase in headline inflation mainly reflected higher external cost pressures following the conflict in the Middle East. Fuel prices, particularly RON97 and diesel, increased during the quarter, leading to higher fuel inflation (5%; 1Q 2026: -1.5%). Although producer cost pressures increased, these remained concentrated at the upstream stage, with limited pass-through to later stages of production and broader consumer prices during the quarter. Meanwhile, core inflation eased mainly due to softer inflation in jewellery and watches (23.7%; 1Q 2026: 39.1%) and rent (1.4%; 1Q 2026: 1.6%). Inflation pervasiveness, measured by the share of Consumer Price Index items registering monthly price increases, rose to 45.5% during the quarter (1Q 2026: 38.3%), close to its historical average of 45.6%, driven mainly by a sharp increase in April before moderating in May and June.

The nominal effective exchange rate ("NEER") (2Q 2026: -0.8%; 1Q 2026: +1.4%) remained broadly stable amid evolving global financial conditions, particularly the shift in market expectations regarding the direction of US monetary policy.

The ringgit continued to be supported by Malaysia's strong domestic fundamentals and sustained growth momentum. On a year-to-date basis (as at 12 August 2026), the ringgit recorded a relatively stable performance against the US dollar (-0.9%) and the currencies of major trading partners (NEER: -1%).

Moving forward, while external factors will continue to drive exchange rate movements, Malaysia's firm economic prospects and ongoing structural reforms are expected to provide enduring support to the ringgit. Bank Negara Malaysia ("**BNM**") will closely monitor global developments and remains committed to ensuring the orderly functioning of the domestic foreign exchange market.

Financing remained available to support economic activity and business needs. Credit to the private non-financial sector grew by 6.4% during the second quarter of 2026 (1Q 2026: 5.6%). Outstanding corporate bonds expanded by 8.1% (1Q 2026: 5.9%). It reflected higher bond issuances, mainly in the utilities sector and for working capital purposes. Similarly, outstanding business loans grew by 7.2% (1Q 2026: 5.7%) across both working capital and investment-related purposes. By segment, the growth was driven mainly by loans to non-small and medium enterprises ("**SME**"). Meanwhile, SME loans grew by 4.2% (1Q 2026: 5.2%) amid sustained demand for working capital. For households, loans expanded by 5.3% (1Q 2026: 5.4%) amid stable loan growth for the purchase of houses.

Financial institutions continue to support SMEs facing temporary financial difficulties. Repayment assistance, financing restructuring and tailored advisory services remain available to affected SMEs. They may also obtain assistance through the Small Debt Resolution Scheme administered by Agensi Kaunseling dan Pengurusan Kredit. Targeted support is also available for viable SMEs affected by disruptions arising from the conflict in the Middle East via the SME Stabilisation Relief Facility. As of 7 August 2026, RM2.8 billion in financing has been approved, benefiting more than 4,900 SME accounts. In addition, SMEs can make use of the RM10 billion BNM-CGC Guarantee Scheme to strengthen resilience and competitiveness for the future.

(Source: Economic and Financial Developments in Malaysia in the Second Quarter of 2026, Bank Negara Malaysia)

5.2 Overview and outlook of the manufacturing sector

The manufacturing sector grew by 7.3% in 1Q 2026 (1Q 2026: 5.9%), mainly supported by export-oriented clusters, particularly in E&E following strong AI-related demand. Investment activities remain forthcoming, with sustained investment approvals recorded in 1Q 2026 at RM92.8 billion, compared to RM93 billion in 1Q 2025, driven mainly by continued foreign investments. Notably, 85% of manufacturing projects approved between 2021 and February 2026 are in various phases of implementation. Meanwhile in the manufacturing sector, the E&E and chemical industries remained the key drivers, accounting for 40.1% of total approved investments.

(Source: Quarterly Bulletin 2Q 2026, Bank Negara Malaysia)

The manufacturing sector expanded by 4.5% (2024: 4.2%), underpinned by steady growth in both export- and domestic-oriented industries. Growth in the export-oriented segment was driven by strong E&E performance as demand for data centre and AI-related components continued to strengthen, alongside higher semiconductor investment. However, these gains were partly offset by moderation in the petrochemicals industry amid softer regional exports. Domestic-oriented industries also expanded, due to resilient household spending, stronger tourism-related demand for food and beverages as well as transportation segments, and higher output of construction-related materials in line with ongoing construction activity.

The manufacturing sector will continue to grow, albeit at a more moderate pace at 4.3% (2025: 4.5%). The E&E industry will be supported by the ongoing strong demand related to AI, while consumer-related industries are expected to benefit from resilient household spending. However, growth of primary-related industry would remain subdued. This reflects the stiff competition from lingering global excess capacity within the industry.

(Source: Economic and Monetary Review 2025, Ministry of Finance Malaysia)

5.3 Overview and outlook of the E&E sector

Growth for 2026 is expected to be within the forecast range of 4%–5%, with recent developments indicating that overall growth could be around 5%, supported primarily by continued domestic demand and strong exports.

Exports growth will be supported by robust demand for E&E products, rebound in non-E&E exports as well as sustained tourist spending and information and communications technology ICT services exports.

Investment activities remain forthcoming, with sustained investment approvals recorded in 1Q 2026 at RM92.8 billion, compared to RM93 billion in 1Q 2025, driven mainly by continued foreign investments. Notably, 85% of manufacturing projects approved between 2021 and February 2026 are in various phases of implementation. New projects continue to be concentrated in high-technology subsectors such as ICT, E&E and chemical products. Within ICT, data centre and cloud computing investments remain a key contributor, accounting for 88.9% of the subsector's total investments. Meanwhile in the manufacturing sector, the E&E and chemical industries remained the key drivers, accounting for 40.1% of total approved investments.

The resilience of E&E exports continues to be underpinned by growing investment in AI-related activities and global tech upcycle, supporting Malaysia's export growth amid elevated geopolitical uncertainty. Commodity-related and non-E&E manufacturing exports are expected to support export growth, partly driven by higher commodity prices.

Continued global demand for E&E goods and key commodities is expected to provide support to export performance amid ongoing economic and geopolitical uncertainties. Nevertheless, the outlook remains subject to risks stemming from commodity price fluctuations and potential production challenges.

(Source: Quarterly Bulletin 2Q 2026, Bank Negara Malaysia)

The sales value of the Manufacturing sector in 2025 reached RM1.97 trillion, increased 4.2 per cent (2024: 4.6%), while the sales in December 2025 amounted to RM168.6 billion (6.4%). The growth of sales value in the Manufacturing sector was primarily driven by the Electrical & electronics products, grew 12.6 per cent in December 2025 (November 2025: 10.8%).

In the fourth quarter of 2025, the sales value in the Manufacturing sector grew by 5.8 per cent year-on-year, achieved RM509.5 billion (Q3 2025: RM500.1 billion, 3.5%). The rise was supported by the Food, beverages & tobacco (9.8%); Electrical & Electronics Products (11.7%); and Non-metallic mineral products, basic metal & fabricated metal products (4.4%) sub-sectors. Meanwhile, the number of employees during the quarter improved to 1.1 per cent (Q3 2025: 1.0%), while salaries & wages paid up by 2.3 per cent.

(Source: Monthly Manufacturing Statistics, Malaysia December 2025, Department of Statistics Malaysia)

5.4 Prospects of our Group

Our Group is optimistic about our growth prospects, supported by the expansion of our product and service offerings, increased production capacity and enhanced operation capabilities following the completion of our new manufacturing plant located adjacent to Plant 2 in Pengkalan II, Perak, which is expected to be completed in the third quarter of 2028, and investment in higher-precision machinery and equipment. These investments are expected to enable our Group to undertake a broader range of projects, accommodate higher production volumes and meet the increasingly stringent technical and quality requirements of our customers.

From an industry perspective, our Group's prospects are expected to be supported by the continued development and expansion in end-user markets, particularly the semiconductor industry, which represents approximately 95% of our end-market exposure, while the remaining 5% is derived from other industries. The increasing adoption of AI, data-intensive applications and advanced electronic devices are boosting the demand for high performance computing and memory semiconductors. As our Group manufactures precision-engineered components, structural weldments, sheet metal components and mechanical assemblies used in semiconductor manufacturing and testing equipment, the continued expansion of the semiconductor industry is expected to drive the demand for our products and services. As set out in **Sections 5.1 and 5.2** of this Circular, the outlook of the semiconductor industry remains supported by continued global demand for AI-related technologies, data centre investments and E&E products, as well as Malaysia's established position within the global semiconductor and electronics manufacturing ecosystem.

The Proposed Transfer of Listing will benefit our shareholders by enabling them to hold ACE Market-listed MMIS Shares that are accessible to a wider pool of investors, thereby providing a more robust trading environment with relatively greater market vibrancy, higher liquidity and improved price discovery. As such, our shareholders will have greater flexibility to realise their investment in MMIS through a broader investor base.

In addition, the Proposed Public Issue to be undertaken in conjunction with the Proposed Transfer of Listing is expected to strengthen our Group's financial position and provide funding for the expansion of our manufacturing capacity. In particular, our Group intends to utilise approximately RM23.0 million for the construction of a new production plant and RM14.0 million for the acquisition of additional machinery and equipment, including a CNC double column machining centre and other production equipment, with these initiatives expected to be implemented within 24 months from the receipt of proceeds. These investments are intended to increase our production capacity, enhance manufacturing efficiency and broaden our technical capabilities to support the growing demand from the semiconductor industry, which accounts for approximately 95% of our end-market exposure. In addition, our Group intends to allocate approximately RM8.57 million for working capital requirements to support the expansion of its operations. Upon completion, the new production facilities and equipment are expected to strengthen our Group's ability to undertake a broader range of projects, accommodate higher production volumes and capture growth opportunities arising from the continued expansion of Malaysia's semiconductor industry and the increasing adoption of AI, data centres and advanced electronic devices. Collectively, these initiatives are expected to support the long-term growth and earnings prospects of our Group.

Based on the foregoing, the management of our Group is optimistic of our Company's growth prospects in the industry.

(Source: Our management)

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5.5

Business plans of our Group as disclosed in the Information Memorandum

The details of our Group's business future plans as disclosed in the Information Memorandum and its current status / progress are as set out below:

Section	Disclosures in the Information Memorandum	Current status or progress
Section 4.12.1 Expansion of production capacity:		
i. Increasing production	On 16 April 2018, the Group acquired a 4,252 square metres (equivalent to approximately 1.05 acres or 45,768.12 square feet) parcel of land (PT 14494) beside its existing production facility. The Group plans to construct a new facility ("Workspace") with an estimated built-up area of 27,000 square feet to undertake the manufacturing of precision engineering parts for customers in the semiconductor industry as well as other market segments. As the parcel of land for this production space is adjacent to the Group's existing production facility, the Group will construct a Workspace that will connect to its current production facility. By connecting this Workspace to its current production facility, The Group will be able to optimise floor space for production activities and inventory and finished goods storage, while maintaining efficiency in its production processes. The construction cost of this Workspace is estimated at RM2.30 million, which shall be funded via bank borrowings and/or internally generated funds. The Group anticipate that it will be able to complete the amalgamation of the land title for its current production facility and the new Workspace by the end of 2020. The Group intends to acquire 4 additional machines for its existing production facility and the new Workspace. The cost of said machines is estimated at RM2.60 million.	The amalgamation of two land titles was successfully completed in January 2021, with approval granted by the Pejabat Daerah dan Tanah Kinta, Batu Gajah, Perak. This Workspace which has a built-up area of approximately 27,000 square feet was completed in April 2022, with a construction cost of RM2.11 million. From June 2019 to June 2020, our Group acquired five machines at a total cost of RM2.565 million, comprising one turret punch machine, one grinding machine, one folding machine, and two heavy cutting machines.
ii. Recruitment of additional manpower to populate the expanded production facilities	With the additional production space, equipment and machines, the Group plans to recruit approximately 10 to 12 experienced machinists to operate the new equipment and machines, as well as staff for quality assurance and line leader. The Group will also provide training to its existing and new machinists to familiarise them with the additional machines and to ensure the safe and efficient operation of the additional machines.	The workforce expanded by approximately 30 machinists by the end of 2020. Training was provided to these machinists, covering the operation of precision machining equipment, production processes and quality requirements.

Section	Disclosures in the Information Memorandum	Current status or progress
Section 4.12.2 Enlarge customer base, by leveraging on the Group's capabilities and technological know-how: i. Expand the Group's range of offerings to existing customers ii. Acquire new customers (including those in the semiconductor industry), via targeted sales and marketing activities	The Group's existing customers are predominantly in the semiconductor industry, and the Group also have customers in medical and engineering industries. The precision engineering parts that the Group manufacture such as worktables, bases, frames and rails are intermediary materials that form the structure and internal parts of the equipment/machinery that are manufactured by its customers. The Group also provide precision engineering services such as processing and enhancing cast iron materials to produce beams. The Group have in May 2018 acquired 2 additional machines and expanded our product range to include sheet metal products. Precision sheet metal products are thin parts made from high strength materials that can be fabricated into complex shapes in various finishings. We have in April 2019 completed trial production runs for sheet metal casing products (i.e., casing for our customers' equipment/machinery), and ongoing QC testing for our sheet metal casing products and manufacturing process, as well as training of our machinists. The Group has started taking orders from customers for sheet metal casing products. Presently, the Group has a laserlab cutting system and a CNC press brake (pressing tool for bending metal sheets and plates) to support the manufacturing of sheet metal products. The intended acquisition of the CNC turret punch press (a press that is used to form and shape metals by way of punching) is also to cater for our sheet metal process.	Our Group has strengthened its capabilities through the acquisition of additional machinery, expansion of our workforce, and development of its production facilities. Improvements in sheet metal operations, coupled with advancements in precision machining, structural weldment, and mechanical sub-module assembly, have enabled our Group to offer a fully integrated suite of services. As a result, our Group has evolved into a one-stop engineering solution provider. Sheet metal manufacturing is one of our Group's core strengths. Our Group continues to receive customer orders for sheet metal products, supported by established production capabilities, ongoing quality control processes, and a skilled machining team.

6. EFFECTS OF THE PROPOSED TRANSFER OF LISTING AND PROPOSED EXIT OFFER

For illustration purposes, the effects of the indicative listing scheme pursuant to the Proposed Transfer of Listing is assumed to be based on the following 2 scenarios:

Scenario A: Assuming none of our shareholders accept the Proposed Exit Offer

Scenario B: Assuming all our shareholders (save for the Joint Offerors) accept the Proposed Exit Offer

6.1 Share capital

The Proposed Withdrawal of Listing and the Proposed Exit Offer will not have any impact on our Company's issued share capital as the Proposed Withdrawal of Listing and the Proposed Exit Offer do not involve any issuance of new Shares. The pro forma effects of the Proposed Transfer of Listing on our Company's issued share capital, under both the Scenario A and Scenario B, are as illustrated below:

	No. of Shares	RM
As at the LPD	600,000,000	14,768,002
Shares to be issued pursuant to the Proposed Public Issue ⁽¹⁾	148,000,000	50,320,000
Enlarged issued share capital	748,000,000	65,088,002

Note:

(1) Computed based on an illustrative IPO Price of RM0.34 per IPO Share.

As at the LPD, our Company has no treasury shares.

6.2 NA, NA per Share and gearing

The Proposed Withdrawal of Listing and the Proposed Exit Offer will not have any effect on our Group's NA, NA per Share and gearing as the Proposed Withdrawal of Listing and the Proposed Exit Offer do not involve any issuance of new Shares.

The pro forma effects of the Proposed Listing on the NA, NA per Share and gearing of our Group based on the audited consolidated financial statements of our Group as at 30 June 2025, under both the Scenario A and Scenario B, are as follows:

	Audited as at 30 June 2025 RM'000	After the Proposed Listing RM'000
Share capital	14,768	⁽¹⁾ 65,088
Merger deficit	(8,850)	(8,850)
Retained earnings	33,096	⁽²⁾ 28,346
Total equity	39,014	84,584
No. of Shares in issue ('000)	600,000	⁽³⁾ 748,000
NA per Share (RM)	0.07	0.11
Borrowings (including lease liabilities)	33,408	33,408
Gearing (times)	0.86	0.39

Notes:

(1) Computed based on an illustrative IPO Price of RM0.34 per IPO Share.

- (2) *After deducting the estimated expenses of approximately RM4.75 million in relation to the Proposed Transfer of Listing.*
- (3) *148,000,000 new Shares to be issued by our Company pursuant to the Proposed Public Issue.*

6.3 Earnings and EPS

The Proposed Withdrawal of Listing and the Proposed Exit Offer will not have any effect on our Group's earnings and EPS as the Proposed Withdrawal of Listing and the Proposed Exit Offer do not involve any issuance of new Shares.

The Proposed Listing is expected to have dilutive effects on our Group's EPS due to the increase in the number of Shares in issue after the Proposed Public Issue. However, the extent of dilution to our Group's EPS will depend on, amongst others, our Group's future earnings and the returns to be generated by our Group from the utilisation of proceeds pursuant to the Proposed Public Issue.

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6.4 Substantial shareholders' shareholdings

The Proposed Withdrawal of Listing will not have any effect on our substantial shareholders' shareholdings as it does not involve any issuance of new Shares.

The pro forma effects of the Proposed Exit Offer and the Proposed Listing on our substantial shareholders' shareholdings as at the LPD are as follows:

Scenario A – Assuming none of our shareholders accept the Proposed Exit Offer

	As at the LPD			(I) After the Proposed Exit Offer			(II) After (I) and the Proposed Listing		
	Direct		Indirect	Direct		Indirect	Direct		Indirect
	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(2) %	(2) %
Loh Chin Soon	243,000,000	40.50	-	-	243,000,000	40.50	(3)209,340,000	27.99	-
Low Oo Seng	120,197,000	20.03	-	-	120,197,000	20.03	(4)105,237,000	14.07	-
Loh Chin Siang	121,500,000	20.25	-	-	121,500,000	20.25	(5)106,540,000	14.24	-

Scenario B – Assuming all our shareholders (save for the Joint Offerors) accept the Proposed Exit Offer

	As at the LPD			(I) After the Proposed Exit Offer			(II) After (I) and the Proposed Listing		
	Direct		Indirect	Direct		Indirect	Direct		Indirect
	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(2) %	(2) %
Loh Chin Soon	243,000,000	40.50	-	-	243,000,000	40.50	(3)209,340,000	27.99	-
Low Oo Seng	120,197,000	20.03	-	-	120,197,000	20.03	(4)105,237,000	14.07	-
Loh Chin Siang	121,500,000	20.25	-	-	121,500,000	20.25	(5)106,540,000	14.24	-
Cheong Siew Chyuan	-	-	(6)5,500,000	0.92	(7)90,303,000	15.05	90,303,000	12.07	-

Notes:

(1) Based on 600,000,000 Shares in issue as at the LPD.

(2) Based on the proposed enlarged 748,000,000 Shares in issue after the completion of the Proposed Listing.

- (3) *After the Proposed Offer for Sale by Loh Chin Soon of 33,660,000 Shares.*
- (4) *After the Proposed Offer for Sale by Low Oo Seng of 14,960,000 Shares.*
- (5) *After the Proposed Offer for Sale by Loh Chin Siang of 14,960,000 Shares.*
- (6) *Deemed interest by virtue of him being the spouse of Tan Booï Charn.*
- (7) *Assuming full acceptance by the shareholders, comprising the 90,303,000 Shares or approximately 15.05% of direct equity interest in our Company.*

6.5 Convertible securities

As at the LPD, our Company does not have any convertible securities.

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7. IMPACT OF THE PROPOSED TRANSFER OF LISTING

7.1 Issued share capital and substantial shareholders' shareholdings

The Proposed Listing is intended to increase the liquidity and marketability of the Shares by providing our Company with access to a bigger fundraising platform to raise funds for our Group and allowing a wider pool of investors to engage in the trading of the Shares upon the listing of the Shares on the ACE Market.

The Proposed Public Issue pursuant to the Proposed Listing would result in a dilution of shareholding for our shareholders. Consequently, their proportionate entitlement to any dividends, rights, allotments and / or other distributions that our Company may declare, make or pay after completion of the Proposed Listing will be diluted correspondingly. The extent of the dilution to the substantial shareholders of our Company is as illustrated in **Section 6.4 of Part A** of this Circular.

7.2 Effects on the public shareholding spread

Based on the Record of Depositors of our Company as at the LPD, approximately 15.05% of the issued Shares of our Company are held by 47 public shareholders holding not less than 100 Shares each. Under the Proposed Listing, in addition to the Proposed Public Issue, Loh Chin Soon, Loh Chin Siang and Low Oo Seng (being the Selling Shareholders of the Proposed Offer for Sale), intend to offer a number of existing Shares held by them via an offer for sale to meet the public spread requirement under Rule 3.10(1) of the ACE Market Listing Requirements.

Scenario A

Particulars	As at the LPD		After the Proposed Exit Offer		After the Proposed Listing	
	No. of Shares	⁽¹⁾ %	No. of Shares	⁽¹⁾ %	No. of Shares	⁽²⁾ %
Existing issued shares upon the Proposed Listing	600,000,000	100.00	600,000,000	100.00	600,000,000	80.21
Add: Proposed Public Issue	-	-	-	-	⁽⁵⁾ 148,000,000	19.79
	600,000,000	100.00	600,000,000	100.00	748,000,000	100.00
Less: Non-public shareholders ⁽⁷⁾	⁽³⁾ 509,697,000	84.95	⁽³⁾ 509,697,000	84.95	509,697,000	68.14
Add: Offer for Sale by Selling Shareholders pursuant to the Proposed Listing	-	-	-	-	⁽⁶⁾ 63,580,000	8.50
Public shareholding	90,303,000	15.05	90,303,000	15.05	301,883,000	40.36

Scenario B

Particulars	As at the LPD		After the Proposed Exit Offer		After the Proposed Listing	
	No. of Shares	(1) %	No. of Shares	(1) %	No. of Shares	(2) %
Existing issued shares upon the Proposed Listing	600,000,000	100.00	600,000,000	100.00	600,000,000	80.21
Add: Proposed Public Issue	-	-	-	-	⁽⁵⁾ 148,000,000	19.79
	600,000,000	100.00	600,000,000	100.00	748,000,000	100.00
Less: Non-public shareholders ⁽⁷⁾	⁽³⁾ 509,697,000	84.95	⁽⁴⁾ 600,000,000	100.00	600,000,000	80.21
Add: Offer for Sale by existing non-public shareholders pursuant to the Proposed Listing	-	-	-	-	⁽⁶⁾ 63,580,000	8.50
Public shareholding	90,303,000	15.05	-	-	211,580,000	28.29

Notes:

- (1) Based on 600,000,000 Shares in issue as at the LPD.
- (2) Based on the enlarged total number of 748,000,000 Shares after the Proposed Listing.
- (3) Please refer below for shareholdings of the non-public shareholders as at the LPD:

	No. of Shares	(i) %
Directors and shareholders ⁽ⁱⁱ⁾		
Loh Chin Soon	243,000,000	40.50
Loh Chin Siang	121,500,000	20.25
Law Woo Hock	25,000,000	4.17
	389,500,000	64.92
Substantial shareholder ⁽ⁱⁱ⁾		
Low Oo Seng	120,197,000	20.03
	120,197,000	20.03
Total	509,697,000	84.95

Notes:

- (i) Based on 600,000,000 Shares in issue as at the LPD.
- (ii) There are no associates of the directors and/or substantial shareholder who hold Shares in our Company as at the LPD.

- (4) Please refer below for shareholdings of the non-public shareholders assuming full acceptance of the Proposed Exit Offer:

	No. of Shares	(i) %
Directors and shareholders ⁽ⁱⁱ⁾		
Loh Chin Soon	243,000,000	40.50
Loh Chin Siang	121,500,000	20.25
Law Woo Hock	25,000,000	4.17
	389,500,000	64.92
Substantial shareholders ⁽ⁱⁱ⁾		
Low Oo Seng	120,197,000	20.03
Cheong Siew Chyuan	90,303,000	15.05
	210,500,000	35.08
Total	600,000,000	100

Notes:

- (i) Based on 600,000,000 Shares in issue as at the LPD.
- (ii) There are no associates of the directors and/or substantial shareholder who hold Shares in our Company as at the LPD.
- (5) Refers to the 148,000,000 new Shares to be issued by our Company under the Proposed Public Issue pursuant to the Proposed Listing.
- (6) Refers to the Offer for Sale of up to 63,580,000 Offer for Sale Shares by the Selling Shareholders pursuant to the Proposed Listing.
- (7) There is no shareholder holding less than 100 Shares each.

In this regard, upon completion of the Proposed Listing, our Company will comply with the public spread requirement under Rule 3.10(1) of the ACE Market Listing Requirements.

7.3 Impact on market price of the Shares

The current market price of the Shares on the LEAP Market is not reflective of the true valuation of our Group primarily due to lack of liquidity and trading of our Shares on the LEAP Market. The price discovery mechanism as set out in **Section 2.2.5 of Part A** of this Circular seeks to determine a share price of the Shares that is reflective to the valuation of our Group. Therefore, the resultant share price arising from the price discovery mechanism may result in a share price that differs significantly from the current market prices of the Shares, which would be expected to have an impact to the value of the shareholders' shareholdings, as illustrated below:

	Share prices (as traded on the LEAP Market)	Illustrative IPO Price (upon completion of the Proposed Transfer of Listing)	Premium of illustrative IPO Price	
	(A)	(B)	(B-A)	
	RM	RM	RM	%
Closing price on the LPD	0.20	0.34	0.14	70.00
Up to and including the LPD:				
(i) 5-day VWAP ⁽¹⁾	N/A	0.34	N/A	N/A
(ii) 1-month VWAP ⁽¹⁾	N/A	0.34	N/A	N/A
(iii) 3-month VWAP ⁽¹⁾	N/A	0.34	N/A	N/A
(iv) 6-month VWAP ⁽¹⁾	N/A	0.34	N/A	N/A
(v) 12-month VWAP	0.19	0.34	0.15	78.95

Source: Bloomberg Finance L.P.

Note:

- (1) There was no trading of Shares during the 5 market days, 1 month, 3 months and 6 months up to the LPD.

For avoidance of doubt, the Exit Offer Price will be the same as the IPO Price and the price for the Proposed Offer for Sale.

The resultant share price of our Shares arising from the price discovery mechanism may result in a share price that differs significantly from the current traded price of our Shares on the LEAP Market as at the LPD. Hence, if the final IPO Price is lower than our current share price on the LEAP Market, you will face an immediate paper loss and may not be able to recover your investment cost in our Shares immediately.

Please refer to **Section 2.2.5 of Part A** of this Circular for further information and illustration on the impact of the price discovery mechanism.

8. HISTORICAL SHARE PRICES

The monthly highest and lowest prices of the Shares as traded on Bursa Securities, for the period of 12 months up to the LPD are as follows:

	MMIS Shares ⁽¹⁾	
	High RM	Low RM
2025		
July	-*	-*
August	-*	-*
September	0.20	0.20
October	0.20	0.15
November	-*	-*
December	-*	-*
2026		
January	-*	-*
February	-*	-*
March	-*	-*
April	-*	-*
May	-*	-*
June	-*	-*
July	-*	-*
August	-*	-*
The last transacted market price immediately before the date of the announcement on 29 July 2026	(1) -*	(1) -*
Last transacted market price on the LPD	(1) -*	(1) -*

(Source: Bloomberg)

Notes:

- * There was no transaction of Shares during the months of July 2025, August 2025 and November 2025 up until the LPD.
- (1) There was no transaction of the Shares on 29 July 2026, being the last market day immediately before the Announcement and on the LPD.

9. APPROVALS REQUIRED AND CONDITIONALITY

The Proposed Transfer of Listing is conditional upon the following being obtained from:

- (i) the shareholders of our Company for the Proposed Transfer of Listing at the forthcoming EGM to be convened;
- (ii) the shareholders of our Company for the Proposed Amendments at a separate EGM to be convened;
- (iii) Bursa Securities for the following:
 - (a) approval for the Proposed Withdrawal of Listing;
 - (b) approval for the admission as well as listing and quotation of the entire enlarged issued Shares to the Official List of the ACE Market; and
 - (c) approval-in-principle for the registration of the Prospectus to be issued pursuant to the public offering;
- (iv) the SC for the Bumiputera equity requirement for public listed companies pursuant to the Proposed Listing; and
- (v) MITI for taking note and having no objections to the Proposed Transfer of Listing.

The SC had, vide its letter dated 20 July 2026, provided its consent for the announcement of the Proposed Exit Offer to be subject to the Pre-Conditions.

In accordance with note 6 to paragraph 6.02 of the Rules, the Joint Offerors expect all Pre-Conditions to be fulfilled within 6 months after the exposure draft prospectus to be issued by our Company pursuant to the Proposed Public Offering is published, and the Pre-Conditions shall not be relied upon to cause the Proposed Exit Offer to lapse unless the SC is satisfied that:

- (i) the Joint Offerors have demonstrated reasonable efforts to fulfil the Pre-Conditions within the time period stipulated; and
- (ii) the circumstances that give rise to the right to rely upon the Pre-Conditions are material in the context of the Proposed Transfer of Listing.

If any of the Pre-Conditions are not fulfilled, the Proposed Exit Offer will not be made, and Kenanga IB will make an announcement, on behalf of the Joint Offerors, confirming the fact as soon as reasonably practicable.

The Proposed Transfer of Listing and Proposed Amendments are inter-conditional upon each other.

The Proposed Exit Offer is conditional upon the Proposed Transfer of Listing being approved.

Save for the above, the Proposed Transfer of Listing and Proposed Amendments are not conditional upon any other proposals being undertaken or to be undertaken by our Company.

Save for the Proposed Transfer of Listing, which is the subject matter of this Circular, our Board confirms that there are no other outstanding proposals which have been announced but not yet completed as at the LPD.

The application for the Proposed Transfer of Listing shall be made to Bursa Securities in accordance with Rule 8.08 of the LEAP Market Listing Requirements and Paragraph 2.0 of Guidance Note 15 of the ACE Market Listing Requirements, provided that shareholders of our Company approve the Proposed Transfer of Listing and the Proposed Amendments at the respective forthcoming EGMs to be convened.

The proposed allocation of new Shares pursuant to the Proposed Public Issue to the Eligible Directors and/or persons connected to them is subject to approval from our shareholders at a separate EGM to be convened together with the Proposed Amendments.

10. INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND / OR PERSONS CONNECTED WITH THEM

As at the date of this Circular, the Interested Directors, being Loh Chin Soon, Loh Chin Siang and Law Woo Hock, are deemed interested in the Proposed Transfer of Listing by virtue of them being the Joint Offerors. Accordingly, they have abstained and will continue to abstain from all deliberations and voting in relation to the Proposed Transfer of Listing at the relevant Board meetings of our Company. The Interested Directors will also abstain from voting and have undertaken to ensure any person connected to them will abstain from voting on the resolutions pertaining to the Proposed Transfer of Listing at our Company's forthcoming EGM.

As the Proposed Transfer of Listing affects the rights of all our shareholders equally and no specific shareholder or group of shareholders would derive any special benefits from the Proposed Transfer of Listing, all shareholders (including the Joint Offerors and the PAC) are entitled to vote in respect of their shareholdings in our Company on the resolutions pertaining to the Proposed Transfer of Listing at the forthcoming EGM.

As at the date of this Circular, our Board has yet to finalise the allocation to the Eligible Directors (including proposed Director(s) who is yet to be identified and appointed pursuant to the Proposed Listing) and/or persons connected with them. The finalised details will be set out in the Prospectus. Notwithstanding, the proposed allocation to the Eligible Directors (including the proposed Director(s)) and/or persons connected with them is subject to our shareholders' approval at an EGM to be convened. The Eligible Directors will abstain from deliberation and voting in relation to the proposed respective allocations to them and persons connected to them (if any) at the relevant Board meetings of our Company. The Eligible Directors will also abstain from voting and will undertake to ensure any person connected to them will abstain from voting on the resolutions pertaining to the proposed respective allocations to them and persons connected to them (if any) at an EGM to be convened.

Save for the Interested Directors, none of the other Directors, major shareholders and / or persons connected with them has any interest, direct and / or indirect, in the Proposed Transfer of Listing.

11. DIRECTORS' STATEMENT

After taking into consideration all aspects of the Proposed Transfer of Listing including but not limited to the rationale, risk factor and the financial effects of the Proposed Transfer of Listing, as well as the evaluation and recommendation from the Independent Adviser as set out in **Part B** of this Circular, our Board (save for the Interested Directors) is of the opinion that the Proposed Transfer of Listing is in the best interest of our Company and recommends that you vote in favour of the resolutions pertaining to the Proposed Transfer of Listing to be tabled at the forthcoming EGM.

The Independent Directors have abstained from forming an opinion and making recommendations on, their respective allocations as well as allocations to persons connected to them, if any.

12. TENTATIVE TIMELINE FOR IMPLEMENTATION

Barring any unforeseen circumstances and subject to all requisite approvals / consents being obtained, the Proposed Transfer of Listing is expected to be completed by the first quarter of 2027.

Tentative timeline	Details
3 rd quarter of 2026	EGM for the Proposed Transfer of Listing
4 th quarter of 2026	Submission of applications to Bursa Securities (comprising the application for the Proposed Withdrawal of Listing, the listing application and the registration file to Bursa Securities), SC (Equity Compliance Unit) and MITI
1 st quarter of 2027	- EGM for the Proposed Allotment and Proposed Amendments - Receipt of decisions from Bursa Securities, SC (Equity Compliance Unit) and MITI
2 nd quarter 2027	- All Pre-Conditions fulfilled / satisfied - Implementation of the Proposed Exit Offer (<i>notice to be served on our Board by the Joint Offerors ("Notice")</i>) - Despatch of Offer Document (<i>within 4 days from the date of Notice</i>) - Despatch of IAC (<i>within 20 days from the date of Notice</i>)
	First closing date of the Proposed Exit Offer (<i>at least 21 days from the date of OD unless otherwise extended</i>)
	Issuance of Prospectus for the Proposed Public Offering
	- Withdrawal of our Company on the LEAP Market - Listing on the ACE Market (completion)

13. EGM

The EGM, the notice of which is enclosed in this Circular, will be held at Plot 84, Lot 188807, Jalan Johan 1/2, Kawasan Perindustrian Pengkalan 2, 31550 Pusing, Perak, Malaysia, on Monday, 12 October 2026 at 1:30 p.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions to give effect to the Proposed Transfer of Listing.

If you are unable to attend, participate, speak and vote at the EGM, please complete, sign and deposit the enclosed Proxy Form in accordance with the instructions therein at our registered office at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor, Malaysia or electronically lodged by email to proxyform@cospec.com.my not less than 48 hours before the time appointed for holding the EGM. The lodging of the Proxy Form will not preclude you from participating and voting at the EGM should you subsequently wish to do so.

14. APPLICATION TO BURSA SECURITIES

Subject to our shareholders approving the Proposed Transfer of Listing and the Proposed Amendment at the respective forthcoming EGMs to be convened, the application for the Proposed Transfer of Listing shall be made to Bursa Securities in accordance with Rule 8.08 of the LEAP Market Listing Requirements and Paragraph 2.0 of Guidance Note 15 of the ACE Market Listing Requirements upon completion of, amongst others, the due diligence as well as related preparation work in relation to the Proposed Transfer of Listing and approval from shareholders for the Proposed Transfer of Listing and Proposed Amendments at the respective forthcoming EGMs to be convened.

15. FURTHER INFORMATION

Please refer to the IAL as set out in **Part B** of this Circular and the appendices of this Circular for further information.

Yours faithfully
For and on behalf of our Board
MMIS BERHAD

Chua Leng Leek
Independent Non-Executive Director

PART B

**INDEPENDENT ADVICE LETTER IN RELATION TO THE PROPOSED
TRANSFER OF LISTING AND PROPOSED EXIT OFFER**

EXECUTIVE SUMMARY

*All the definitions used in this executive summary shall have the same meanings and expressions as defined in the Definitions section in **Part A of the Circular**, except where the context otherwise requires or where otherwise defined herein. All references to “you” and “your” are to the Company’s shareholders, whilst references to “we”, “us” and “our” are references to SCA, being the Independent Adviser for the Proposed Transfer of Listing and the Proposed Exit Offer.*

This executive summary highlights the salient information of the Proposed Transfer of Listing and the Proposed Exit Offer. Company’s shareholders are advised to read and understand this IAL in its entirety, together with Part A of the Circular and the appendices thereto for any other relevant information, and not to rely solely on the executive summary before forming an opinion on the Proposed Transfer of Listing. You are also advised to consider carefully the recommendations contained herein before voting on the relevant resolutions pertaining to the Proposed Transfer of Listing to be tabled at the forthcoming EGM of MMIS.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, investment adviser, accountant, solicitor, or other professional advisers immediately.

1. INTRODUCTION

On 30 July 2026, Kenanga IB had, on behalf of the Board, announced that the Board had received a letter on even date, from the Joint Offerors, requesting the Board to consider undertaking the Proposed Transfer of Listing. In the same announcement, Kenanga IB had, on behalf of the Board, announced that the Company proposes to undertake the Proposed Transfer of Listing.

Accordingly, the Board (save for the Interested Directors) had on 30 July 2026 appointed SCA as the Independent Adviser to advise and make recommendations for the consideration of the Company’s shareholders in connection with the Proposed Transfer of Listing as well as the fairness and reasonableness of the Proposed Exit Offer.

As each component of the Proposed Transfer of Listing is inter-conditional upon one another, our evaluation would also encompass the evaluation of the Proposed Listing in order to provide the Company’s shareholders with a holistic view of the fairness and reasonableness of the Proposed Withdrawal of Listing and Proposed Exit Offer.

Pursuant to the note to paragraph 5.01 and subparagraph 6.03(2) of the Rules, the offer price in a voluntary take-over offer must meet the following criteria:

	SCA’s comments
<u>Note to paragraph 5.01 of the Rules</u> A voluntary offer should not be made at a price that is substantially below the market price of the shares in the offeree company. A voluntary offer at more than a 50 per cent discount to the lesser of the closing price of the relevant shares of the offeree company on the day before the announcement under paragraph 9.10 and the five-day average closing price prior to such day will be considered as being “substantially below the market price of the shares in the offeree company.”	For your information, there has been no trading of MMIS Shares during the 5 market days up to 29 July 2026, being the market day prior to the date of the Proposal Letter on 30 July 2026 (“LMD”). The Shares were last traded at RM0.20 on 22 October 2025. As such, RM0.20 represents the last reference price of the Share as at the LMD. Therefore, the illustrative Exit Offer Price of RM0.34 is not more than a 50% discount to the last closing price of the Share on the day before the announcement of the Proposed Exit Offer.

EXECUTIVE SUMMARY (Cont'd)

	SCA's comments
<u>Subparagraph 6.03(2) of the Rules</u> The offer price in a voluntary take-over offer must not be less than the highest price (excluding stamp duty and commission) paid or agreed to be paid by the offeror or persons acting in concert for any voting shares or voting rights to which the take-over offer relates, during the offer period and within 3 months prior to the beginning of the offer period.	There was no dealing in Shares by the Joint Offerors and/or the PAC within the 3 months before the beginning of the Offer Period (i.e. since 30 April 2026).

The purpose of this IAL is to provide the Company's shareholders with an independent opinion as to whether the Proposed Transfer of Listing is fair and reasonable as well as on the fairness and reasonableness of the Proposed Exit Offer.

For clarity, upon implementation of the Proposed Exit Offer, the Offer Document and the IAC will be despatched to the Company's shareholders in accordance with the Rules. The IAC will set out our views and recommendations to the non-interested directors of MMIS and the Holders in relation to the Proposed Exit Offer. The Offer Period for the Proposed Exit Offer shall commence from the date of the Proposal Letter until the Closing Date.

Please refer to **Section 2 of Part A of the Circular** for details of the Proposed Transfer of Listing.

2. OUR EVALUATION OF THE PROPOSED TRANSFER OF LISTING

In evaluating the Proposed Transfer of Listing, we have taken into consideration the following factors:

Section in this IAL	Area of evaluation	SCA's comments
Section 7.1	Rationale and justifications for the Proposed Transfer of Listing	We are of the view that the rationale and justifications for the Proposed Transfer of Listing are reasonable as it will provide an avenue for the Company's shareholders to hold MMIS Shares with enhanced liquidity and marketability. In conjunction with the Proposed Transfer of Listing, the Company plans to undertake the Proposed Public Issue which will raise proceeds to be utilised for the Group to grow its business. The Proposed Withdrawal of Listing together with the Proposed Exit Offer are essentially aimed at facilitating the timely and efficient implementation of the Proposed Transfer of Listing. However, the Company's shareholders should note that the Proposed Transfer of Listing is subject to the Pre-Conditions as set out in Section 9 of Part A of the Circular. Please refer to Section 3 of Part A of this Circular for further details.
Section 7.2	Indicative listing scheme pursuant to the Proposed Public Offering	We are of the view that the basis of allocation of IPO Shares is reasonable as it broadens the Company's shareholder base to meet the public shareholding spread requirement as well as comply with other relevant requirements stipulated in the ACE Market Listing Requirements, Equity Guidelines issued by the SC ("Equity Guidelines") and Bumiputera equity requirement for public listed companies ("Bumiputera Equity Requirement").

EXECUTIVE SUMMARY (Cont'd)

Section in this IAL	Area of evaluation	SCA's comments
		However, Company's shareholders should note that the allotted percentage of the enlarged issued share capital of the Company is indicative at this juncture in view that the proposed allocation of new Shares to the Eligible Persons of the Company is subject to the shareholders' approval at a separate EGM to be convened later.
Section 7.3	Basis and justifications for the illustrative IPO Price	We note that the final IPO Price will be determined by the Board and the underwriter at a later date, after taking into consideration, amongst others, the prevailing PE Multiple of selected comparable public listed companies as well as the prevailing equity market and economic condition in Malaysia. Based on Section 7.3 of this IAL, an illustrative IPO Price of RM0.34 per IPO Share is assumed, which represents: • an illustrative PE Multiple of approximately 41.46 times, computed based on the EPS of the Group of approximately 0.82 sen for the audited FYE 2025 and the total number of 600,000,000 Shares in issue as at the LPD; • an illustrative PE Multiple of approximately 51.52 times, computed based on the pro forma EPS of the Group of approximately 0.66 sen for the FYE 2025 and the pro forma enlarged total number of 748,000,000 Shares in issue (after considering the Proposed Public Offering); • an illustrative PE Multiple of approximately 12.27 times, computed based on the EPS of our Group of approximately 2.77 sen for the unaudited FYE 2026 and the total number of 600,000,000 Shares in issue as at the LPD; • an illustrative PE Multiple of approximately 15.32 times, computed based on the pro forma EPS of our Group of approximately 2.22 sen for the unaudited FYE 2026 and the pro forma enlarged total number of 748,000,000 Shares in issue (after considering the Proposed Public Offering); and • an illustrative Enterprise Value ("EV") / Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") of approximately 22.66 times and 27.63 times for the total number of 600,000,000 Shares in issue as at the LPD and the pro forma enlarged total number of 748,000,000 Shares in issue (after considering the Proposed Public Offering), respectively. With further reference to Section 7.3 of this IAL, we are of the opinion that the basis and justifications of arriving at the illustrative IPO Price and accordingly, the illustrative IPO Price, are fair and reasonable as the following: • the illustrative PE Multiple of the Company of between 41.46 times to 51.52 times are <u>within and above the</u>

EXECUTIVE SUMMARY (Cont'd)

Section in this IAL	Area of evaluation	SCA's comments
		range of PE Multiples of the Comparable Companies of between 17.77 times and 42.50 times, respectively; - the illustrative PE Multiples of MMIS of 12.27 times and 15.32 times for the unaudited FYE 2026, are <u>within the range</u> of PE Multiples of the Comparable Companies of between 17.77 times and 42.50 times; and - the illustrative EV/EBITDA multiples of MMIS of 22.66 times and 27.63 times are <u>above the range</u> of EV/EBITDA multiples of the Comparable Companies of between 10.17 times and 20.42 times.
Section 7.4	Effects of the Proposed Transfer of Listing and Proposed Exit Offer	The Proposed Withdrawal of Listing and Proposed Exit Offer will not have any effect on the issued share capital of MMIS, the NA, NA per Share, gearing, earnings and EPS of the Group as they do not involve any issuance of new Shares. (a) Under both Scenario A and Scenario B, the Proposed Listing will increase the issued share capital of MMIS pursuant to the issuance of new Shares from the Proposed Public Issue. (b) Based on the audited consolidated financial statement of MMIS as at 30 June 2025, under both the Scenario A and Scenario B: - the Group's NA per Share will increase from RM0.07 to RM0.11; and - the Group's gearing will decrease from 0.86 times to 0.39 times, upon completion of the Proposed Listing. (c) The Proposed Listing is expected to have an immediate dilutive effect on the Group's EPS under both Scenario A and Scenario B, due to the increase in the number of Shares in issue after the Proposed Public Issue. However, the extent of dilution to the EPS of the Group will depend on, amongst others, future earnings of the Group and the returns to be generated by the Group from the utilisation of proceeds pursuant to the Proposed Public Issue. (d) The Proposed Withdrawal of Listing will not have any effect on the Company's substantial shareholders shareholdings as it does not involve any issuance of new Shares. However, under both Scenario A and Scenario B, the substantial shareholders will experience a dilution in their shareholdings upon completion of the Proposed Listing. After the Proposed Transfer of Listing, the public shareholding spread of MMIS is expected to increase from 15.05% to 40.36% under Scenario A and to 28.29% under Scenario B.

EXECUTIVE SUMMARY (Cont'd)

Section in this IAL	Area of evaluation	SCA's comments
		This will satisfy Rule 3.10(1) of the ACE Market Listing Requirements upon completion of the Proposed Listing as MMIS's public shareholding spread is not expected to fall below 25% of its enlarged issued share capital with more than 200 public shareholders holding not less than 100 Shares each. With further reference to the effects as illustrated in Section 7.4 of this IAL, we are of the view that the overall effects of the Proposed Transfer of Listing and the Proposed Exit Offer are not detrimental to the interest of the Company's shareholders. MMIS does not have any convertible securities as at the LPD. Please refer to Section 6 of Part A of this Circular for further details.
Section 7.6	Risk factors for the Proposed Transfer of Listing	In evaluating the Proposed Transfer of Listing, you should carefully consider the following risk factors as set out in Section 4 of Part A of the Circular: (a) Risks relating to the Proposed Transfer of Listing such as completion risks and investment risks; (b) Risk of shareholding dilution; and (c) Risks relating to no prior market for the Shares on the ACE Market and it is uncertain whether a sustainable market for the Shares on the ACE Market will ever develop. Please refer to Section 4 of Part A of this Circular for further details.

3. OUR EVALUATION OF THE PROPOSED EXIT OFFER

In arriving at our recommendation in respect of the Proposed Exit Offer, we have assessed the fairness and reasonableness of the Proposed Exit Offer in accordance with paragraphs 1 to 6 under Schedule 2: Part III of the Rules, whereby:

- (i) in relation to a take-over, the term "fair and reasonable" should generally be analysed as 2 distinct criteria i.e. whether the offer is "fair" and whether the offer is "reasonable", rather than as a composite term;
- (ii) the take-over offer is considered "fair", if the offer price is equal to or higher than the market price and is also equal to or higher than the value of the securities of the offeree. However, if the offer price is equal to or higher than the market price but is lower than the value of the securities of the offeree, the take-over offer is considered "not fair". In making the assessment, the value of the securities of the offeree is determined based on the assumption that 100% of the issued shares of the offeree is being acquired; and
- (iii) pursuant to paragraph 4 of Schedule 2: Part III of the Rules, in considering whether a take-over offer is "reasonable", the independent adviser should take into consideration matters other than the valuation of the securities that are subject of the take-over offer. A take-over offer would be considered "reasonable" if it is "fair".

EXECUTIVE SUMMARY (Cont'd)

The MMIS Group is principally involved in the manufacturing, marketing and sale of precision parts and fabrication of metal and sheet metal. We have considered the discounted cash flow (“DCF”) methodology as the primary valuation methodology and relative valuation analysis using PE Multiple as a cross-check valuation methodology in arriving at the value of MMIS Shares, based on the following justifications:

- (i) the Group has consistently generated profit after tax (“PAT”) and positive cash flows from its operating activities for the past 3 years up to the FYE 2025 and the latest unaudited FYE 2026. Accordingly, the stream of future cash flows to be derived from its business operations is expected to be predictable and supported by the Group’s historical financial performance trend. Therefore, we are able to apply earnings-based valuation methodologies such as PE Multiple and DCF based approach as a basis to determine the fair value of MMIS Shares; and
- (ii) MMIS’s underlying value is more likely to be derived from its business operations rather than its underlying assets and hence asset-based valuation methodologies such as revalued net asset valuation may not accurately reflect the potential worth of MMIS Group.

Please refer to **Section 8.1 of this IAL** for details on the valuation of MMIS Shares.

3.1 Fairness

Based on our analysis as set out in **Section 8.1 of this IAL**, we are of the view that the Proposed illustrative Exit Offer is **not fair** as the illustrative Exit Offer Price of RM0.34 represents:

- (i) a discount of RM0.155 (31.31%) to the estimated value of MMIS Share of RM0.495 based on DCF valuation method;
- (ii) a premium of RM0.14 (70.00%) to the last reference price of MMIS Share on the LMD and LPD of RM0.20; and
- (iii) a premium of RM0.15 (78.95%) to the 1-year VWAP of MMIS Shares up to the LMD of RM0.19.

Please refer to **Section 8.1 of this IAL** for further details.

3.2 Reasonableness

Based on our evaluation in **Section 8.2 of this IAL**, we are of the view that the Proposed Exit Offer is **not reasonable** after taking into consideration the following factors:

- (i) in the event of fulfilment of the Pre-Conditions, MMIS will be withdrawn from the LEAP Market and listed on the ACE Market irrespective of the acceptance level for the Proposed Exit Offer. As such, Holders who do not accept the Proposed Exit Offer will be holding ACE Market listed MMIS Shares upon completion of the Proposed Transfer of Listing and will still be able to realise their investment in MMIS Shares in the ACE Market which are expected to be more liquid; and
- (ii) the Joint Offerors do not intend to invoke the provisions of Section 222(1) of the CMSA to compulsorily acquire any remaining Offer Shares from the dissenting shareholders for which valid acceptances have not been received under the Proposed Exit Offer even if the conditions stipulated in subsection 222(1) of the CMSA are fulfilled.

Please refer to **Section 8.2 of this IAL** for further details.

4. CONCLUSION AND RECOMMENDATION

We have assessed and evaluated the Proposed Transfer of Listing holistically and have set out our evaluation in **Section 7 of this IAL**. Company's shareholders should carefully consider the merits and demerits of the Proposed Transfer of Listing based on all relevant and pertinent factors including those set out above and other considerations as set out in this IAL, the Circular and the appendices.

The Proposed Exit Offer is the adopted exit mechanism in order to facilitate the Proposed Withdrawal of Listing. Furthermore, the Proposed Exit Offer would only be implemented subsequent to the Company fulfilling the Pre-Conditions. Based on the above and our evaluation as set out in **Sections 8.1 and 8.2 of the IAL**, we are of the view that the Proposed Exit Offer is **not fair** and **not reasonable**.

We will provide our detailed independent evaluation and recommendation on the Proposed Exit Offer in a separate IAC at a later stage after the Offer Document from Joint Offerors has been despatched to you.

Based on our holistic assessment and evaluation, we are of the opinion that the Proposed Transfer of Listing is **fair** and **reasonable**, and is **not detrimental** to the Company's shareholders. Accordingly, we recommend that the Company's shareholders **vote in favour** of the resolutions pertaining to the Proposed Transfer of Listing to be tabled at the forthcoming EGM of MMIS.

As far as our analyses and assessment as contained in the IAL are concerned, we have considered factors which we believe to be of general relevance to the Company's shareholders as a whole. We have not taken into consideration any specific investment objectives, financial situation, risk profile and particular need of any individual shareholder or any specific groups of Company's shareholders.

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18 September 2026

To: The shareholders of MMIS

Dear Sir/Madam,

MMIS BERHAD ("MMIS" OR THE "COMPANY")

INDEPENDENT ADVICE LETTER TO THE SHAREHOLDERS OF MMIS IN RELATION TO THE PROPOSED TRANSFER OF LISTING AND PROPOSED EXIT OFFER

All the definitions used in this IAL shall have the same meanings and expressions as defined in the Definitions section of and throughout the Circular, except where the context otherwise requires or where otherwise defined herein. This IAL is prepared for the inclusion in the Circular to the Shareholders dated 18 September 2026 in relation to the Proposed Transfer of Listing.

1. INTRODUCTION

On 30 July 2026, Kenanga IB had, on behalf of the Board, announced that the Board had received a letter on even date, from the Joint Offerors, requesting the Board to consider undertaking the Proposed Transfer of Listing. In the same announcement, Kenanga IB had, on behalf of the Board, announced that the Company proposes to undertake the Proposed Transfer of Listing.

Accordingly, the Board (save for the Interested Directors), had on 30 July 2026 appointed SCA as the Independent Adviser to advise and make recommendations for the consideration of the Company's shareholders in connection with the Proposed Transfer of Listing as well as the fairness and reasonableness of the Proposed Exit Offer.

As each component of the Proposed Transfer of Listing is inter-conditional upon one another, our evaluation would also encompass the evaluation of the Proposed Listing in order to provide the Company's shareholders with a holistic view of the fairness and reasonableness of the Proposed Withdrawal of Listing and Proposed Exit Offer.

Pursuant to the note to paragraph 5.01 and subparagraph 6.03(2) of the Rules, the offer price in a voluntary take-over offer must meet the following criteria:

	SCA's comments
<u>Note to paragraph 5.01 of the Rules</u> A voluntary offer should not be made at a price that is substantially below the market price of the shares in the offeree company. A voluntary offer at more than a 50 per cent discount to the lesser of the closing price of the relevant shares of the offeree company on the day before the announcement under paragraph 9.10 and the five-day average closing price prior to such day will be considered as being "substantially below the market price of the shares in the offeree company."	For your information, there has been no trading of MMIS Shares during the 5 market days up to the LMD and hence there was no 5-day VWAP of the Shares up to the LMD. The Shares were last traded at RM0.20 on 22 October 2025. As such, RM0.20 represents the last reference price of the Share as at the LMD. Therefore, the illustrative Exit Offer Price of RM0.34 is not more than a 50% discount to the last closing price of the Share on the day before the announcement of the Proposed Exit Offer.

	SCA's comments
<u>Subparagraph 6.03(2) of the Rules</u> The offer price in a voluntary take-over offer must not be less than the highest price (excluding stamp duty and commission) paid or agreed to be paid by the offeror or persons acting in concert for any voting shares or voting rights to which the take-over offer relates, during the offer period and within 3 months prior to the beginning of the offer period.	There was no dealing in Shares by the Joint Offerors and/or the PAC within the 3 months before the beginning of the Offer Period (i.e. since 30 April 2026).

The purpose of this IAL is to provide the Company's shareholders with an independent opinion as to whether the Proposed Transfer of Listing is fair and reasonable as well as on the fairness and reasonableness of the Proposed Exit Offer.

For clarity, upon implementation of the Proposed Exit Offer, the Offer Document and the IAC will be despatched to the Company's shareholders in accordance with the Rules. The IAC will set out our views and recommendations to the non-interested directors of MMIS and the Holders in relation to the Proposed Exit Offer. The Offer Period for the Proposed Exit Offer shall commence from the date of the Proposal Letter until the Closing Date.

The Company's shareholders are nonetheless advised to perform their own evaluation of the merits of the Proposed Transfer of Listing and Proposed Exit Offer before deciding on the course of action to be taken.

This IAL is prepared solely for the use of the Company's shareholders for the purpose of considering the Proposed Transfer of Listing and Proposed Exit Offer and should not be used or relied upon by any other parties for any other purposes whatsoever.

SHAREHOLDERS OF MMIS ARE ADVISED TO READ BOTH THIS IAL AND PART A OF THE CIRCULAR TOGETHER WITH THE ACCOMPANYING APPENDICES AND CAREFULLY CONSIDER THE RECOMMENDATION CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSED TRANSFER OF LISTING TO BE TABLED AT THE FORTHCOMING EGM.

IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION TO BE TAKEN, YOU SHOULD CONSULT YOUR STOCKBROKER, INVESTMENT ADVISER, ACCOUNTANT, SOLICITOR OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

2. DETAILS OF THE PROPOSED TRANSFER OF LISTING AND PROPOSED EXIT OFFER

The Proposed Transfer of Listing, which entails the transfer of listing and quotation of the entire issued Shares from the LEAP Market to the ACE Market, will involve the following:

- (i) proposed voluntary withdrawal of listing of the Company from the LEAP Market in accordance with Rules 8.06 and 8.08 of the LEAP Market Listing Requirements; and
- (ii) proposed listing and quotation of the entire enlarged issued Shares on the ACE Market.

The Proposed Exit Offer will be undertaken to facilitate the Proposed Withdrawal of Listing. It entails a cash exit offer to be extended by the Joint Offerors through a pre-conditional voluntary general take-over offer in accordance with the Rules, to acquire all the remaining 90,303,000 Offer Shares, representing approximately 15.05% of the total issued shares of the Company as at the LPD for a cash consideration of RM0.34 per Offer Share. The Proposed Exit Offer is subject to the satisfaction of all the Pre-Conditions.

The full details of the Proposed Transfer of Listing and Proposed Exit Offer are set out in **Section 2 of Part A of the Circular**, which should be read in its entirety by the Company's shareholders.

3. SCOPE AND LIMITATIONS TO OUR EVALUATION OF THE PROPOSED TRANSFER OF LISTING AND PROPOSED EXIT OFFER

SCA was not involved in the formulation, deliberations and negotiations of the terms and conditions pertaining to the Proposed Transfer of Listing and the Proposed Exit Offer. The terms of reference of our appointment as the Independent Adviser in relation to the Proposed Withdrawal of Listing and Proposed Exit Offer are in accordance with the requirements as set out in Rule 8.06(1)(d) of the LEAP Market Listing Requirements.

Our scope as the Independent Adviser is limited to expressing an independent opinion on the Proposed Transfer of Listing as well as on the fairness and reasonableness of the Proposed Exit Offer, together with our recommendation on whether you should vote in favour of the resolutions pertaining to the Proposed Transfer of Listing. We have carried out our independent evaluation based on the information and documents requested and provided to us or which are available to us, including the following:

- (i) the information contained in Part A of the Circular and the accompanying appendices;
- (ii) relevant information, documents, confirmations and/or representation furnished to us by the Board and management of MMIS;
- (iii) the financial forecasts and projections of MMIS Group for 4 years from FYE 2026 to FYE 2029 ("**Future Financials**") which was prepared by the management of MMIS;
- (iv) past financial statements of MMIS Group;
- (v) discussion with the Board and management of MMIS; and
- (vi) other publicly available information which we consider relevant for our evaluation.

We have relied on the Board and management of MMIS to exercise due care to ensure that all information, documents, confirmations, and representations provided to us to facilitate our evaluation of the Proposed Transfer of Listing and Proposed Exit Offer are accurate, valid, and complete in all material aspects and free from material omission. After making all reasonable enquiries and to the best of our knowledge, we are satisfied that sufficient information has been provided to us and we have no reason to believe that the aforesaid information and documents provided to us or which are available to us are unreasonable, incomplete, inaccurate and/or that there are any facts not contained in this IAL, the omission of which would make any information in this IAL misleading.

The Board has seen, reviewed and accepted this IAL. The Board, collectively and individually, accepts full responsibility for the accuracy of the information contained in this IAL (save for the views and recommendation of SCA) and confirms that, after having made all reasonable enquiries and to the best of their knowledge, there are no omissions of any material facts which would make any statement in this IAL false or misleading.

In rendering our advice, we have taken into consideration various factors which we believe are of relevance and general importance to an assessment of the Proposed Transfer of Listing and Proposed Exit Offer and would be of general concern to you. Notwithstanding the foregoing:

- (i) it is not within our terms of reference to express any opinion on the legal, accounting and taxation implications relating to the Proposed Transfer of Listing and Proposed Exit Offer; and

- (ii) we have not taken into consideration any specific investment objectives, financial situation, risk profile or particular needs of any individual shareholder or any specific groups of shareholders. We recommend that if any of you who require specific advice in relation to the Proposed Transfer of Listing and Proposed Exit Offer in the context of your individual investment objectives, financial situation, risk profile or particular needs to consult your stockbroker, investment advisor, accountant, solicitor, or other professional advisers immediately.

Our advice should be considered in the context of the entirety of this IAL. Our evaluation and opinion as set out in this IAL are based on, amongst others, the equity capital market, economic, industry, regulatory and other prevailing conditions and the information/documents made available to us as at the LPD.

After the despatch of the Circular and the IAL and prior to the EGM, we shall notify the Company's shareholders if we become aware that the information or document previously circulated or provided:

- (i) that we have relied upon during our engagement has changed significantly;
- (ii) contains a material statement which is false or misleading;
- (iii) contains a statement from which there is a material omission; or
- (iv) does not contain a statement relating to a material development.

If the circumstances require, we shall issue a supplementary letter to the Company's shareholders.

4. CREDENTIALS, EXPERIENCE AND EXPERTISE OF SCA

SCA is a corporate finance advisory firm licensed by the SC to carry on the regulated activity of advising on corporate finance under the CMSA.

Our credentials and experience as an Independent Adviser since 2023 up to the LPD are as follows:

No.	Company	Description
1.	Go Innovate Asia Berhad (" GIAB ")	Independent advice letter dated 5 December 2025 to the non-interested shareholders of GIAB in relation to proposed selective capital reduction and repayment.
2.	NuEnergy Holdings Berhad (" NuEnergy ")	Independent advice circular dated 18 September 2025 to the non-interested directors and the holders of the offer shares in NuEnergy pertaining to a conditional voluntary take-over offer.
3.	Omesti Berhad (" Omesti ")	Independent advice letter dated 2 September 2025 to the non-interested shareholders of Omesti in relation to proposed creditor settlement. Independent advice letter dated 2 September 2025 to the non-interested shareholders and non-interested redeemable preference shareholders of Omesti in relation to proposed redeemable preference shares settlement.
4.	Pan Malaysia Corporation Berhad (" PMC ")	Independent advice letter dated 5 March 2025 to the non-interested shareholders of PMC in relation to proposed acquisition.

No.	Company	Description
5.	Stella Holdings Berhad (" Stella ")	Independent advice letter dated 11 October 2023 to the non-interested shareholders of Stella in relation to proposed acquisition.
6.	Asia Poly Holdings Berhad (" Asia Poly ")	Independent advice letter dated 27 April 2023 to the non-interested shareholders of Asia Poly in relation to proposed disposal.
7.	Reneuco Berhad (" Reneuco ")	Independent advice letter dated 12 April 2023 to the non-interested shareholders of Reneuco in relation to proposed acquisition.

Premised on the above, we are capable, competent and have the relevant experience in carrying out our role and responsibilities as the Independent Adviser for the Proposed Transfer of Listing and Proposed Exit Offer.

5. DECLARATION OF CONFLICT OF INTEREST

SCA is not aware of any circumstances which exist or are likely to give rise to a possible conflict of interest situation for SCA to carry out the role as the Independent Adviser to MMIS in respect of the Proposed Transfer of Listing and Proposed Exit Offer.

Save for our role as the Independent Adviser for the Proposed Transfer of Listing and Proposed Exit Offer, we do not have any other professional relationship with MMIS in the past two (2) years prior to our appointment as the Independent Adviser.

6. INTERESTS OF THE DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

The interests of the directors, major shareholders and/or persons connected with them are disclosed in **Section 10 of Part A of the Circular**.

As at the date of the Circular, the Interested Directors, being Loh Chin Soon, Loh Chin Siang and Law Woo Hock are deemed interested in the Proposed Transfer of Listing by virtue of them being the Joint Offerors. Accordingly, they have abstained and will continue to abstain from all deliberations and voting in relation to the Proposed Transfer of Listing at the relevant Board meetings of the Company. The Interested Directors will also abstain from voting and have undertaken to ensure any person connected to them will abstain from voting on the resolutions pertaining to the Proposed Transfer of Listing at the Company's forthcoming EGM.

As the Proposed Transfer of Listing affects the rights of all the Company's shareholders equally and no specific shareholder or group of shareholders would derive any special benefits from the Proposed Transfer of Listing, all shareholders (including the Joint Offerors and the PAC) are entitled to vote in respect of their shareholdings in the Company on the resolutions pertaining to the Proposed Transfer of Listing at the forthcoming EGM.

As at the date of the Circular, the Board has yet to finalise the allocation to the Eligible Directors (including proposed Director(s) who is yet to be identified and appointed pursuant to the Proposed Listing) and/or persons connected with them. The finalised details will be set out in the Prospectus. Notwithstanding, the proposed allocation to the Eligible Directors (including the proposed Director(s)) and/or persons connected with them is subject to the shareholders' approval at an EGM to be convened. The Eligible Directors will abstain from deliberation and voting in relation to the proposed respective allocations to them and persons connected to them (if any) at the relevant Board meetings of the Company. The Eligible Directors will also abstain from voting and will undertake to ensure any person connected to them will abstain from voting on the resolutions pertaining to the proposed respective allocations to them and persons connected to them (if any) at an EGM to be convened.

Save for the Interested Directors, none of the other Directors, major shareholders and/or persons connected with them has any interest, direct and/or indirect, in the Proposed Transfer of Listing.

7. OUR EVALUATION OF THE PROPOSED TRANSFER OF LISTING

As the Proposed Withdrawal of Listing and Proposed Listing are inter-conditional upon one another, the evaluation of the Proposed Listing is necessary to provide the Company's shareholders with a holistic assessment of the Proposed Transfer of Listing. In evaluating the Proposed Transfer of Listing, we have taken into consideration the following factors:

No.	Factors	Sections in this IAL
1.	Rationale and justifications for the Proposed Transfer of Listing	7.1
2.	Indicative listing scheme pursuant to the Proposed Public Offering	7.2
3.	Basis and justifications for the illustrative IPO Price	7.3
4.	Effects of the Proposed Transfer of Listing and Proposed Exit Offer	7.4
5.	Industry outlook and prospects of the Group	7.5
6.	Risk factors of the Proposed Transfer of Listing	7.6

7.1 Rationale and justifications for the Proposed Transfer of Listing

7.1.1 Proposed Withdrawal of Listing

We have taken note of the rationale and justifications for the Proposed Withdrawal of Listing as set out in **Section 3.1 of Part A of the Circular**.

We note that the Proposed Withdrawal of Listing is undertaken to facilitate the Proposed Listing and that the Proposed Exit Offer is made in conjunction with the Proposed Withdrawal of Listing to provide the shareholders with an opportunity to realise their investment in the Company should they do not wish to remain invested in MMIS Shares following the Proposed Transfer of Listing.

7.1.2 Proposed Listing

We have taken note of the rationale and justifications for the Proposed Listing as set out in **Section 3.2 of Part A of the Circular**.

The Company has been listed by way of introduction on the LEAP Market since 6 September 2019. Since its listing, the Group recorded growth in its financial performance and position. The Group's PAT increased from approximately RM2.61 million for the FYE 2020 (being the first financial year since its listing) to approximately RM16.61 million for the FYE 2026 (being the latest available unaudited consolidated financial statement), representing a compound annual growth rate of approximately 36.13%. Meanwhile, its NA grew from approximately RM15.91 million as at 30 June 2020 to approximately RM55.63 million as at 30 June 2026, representing a compound annual growth rate of approximately 23.20%. Such growth reflects, amongst other factors, the enhanced profile of the Company as a listed entity.

Notwithstanding the above, we note that the liquidity of the Shares has remained relatively low level since its listing. This is generally consistent with companies listed on the LEAP Market, which is intended primarily for sophisticated investors as specified in the Guidelines on Categories of Sophisticated Investors issued by the SC. Consequently, the investor base for the MMIS Shares is relatively limited compared with companies listed on the ACE Market.

The Board believes that the Proposed Listing will enable the Group to enhance its credibility, prestige and reputation as well as accord the Group with greater recognition and acceptance by its stakeholders, including investors and shareholders. The Proposed Listing is also expected to enhance the attractiveness, liquidity and marketability of MMIS Shares.

In addition, the Proposed Listing is envisaged to strengthen the confidence of MMIS's employees, customers, suppliers, business associates, financial institutions and shareholders through its profile as a company listed on the ACE Market.

Upon successful listing of MMIS on the ACE Market, the liquidity and marketability of the Company's shares are expected to improve due to access to a broader investor base. This would offer a more robust listing environment with relatively greater vibrancy, higher liquidity, and improved price discovery for the Shares.

We further note that, in conjunction with the Proposed Listing, the Company intends to undertake the Proposed Public Issue whereby the Company will raise proceeds to be utilised for, amongst others, the following purposes:

- (i) construction of new production plant;
- (ii) purchase of new machineries;
- (iii) working capital; and
- (iv) listing expenses.

The abovementioned proposed utilisation of proceeds from the Proposed Public Issue may enable the Group to further grow its business, strengthen future earnings and enhance shareholders' value.

Based on the foregoing, we are of the view that the rationale and justifications for the Proposed Transfer of Listing are **reasonable** as the Proposed Withdrawal of Listing and the Proposed Exit Offer are undertaken to facilitate the Proposed Listing. The Proposed Exit Offer constitutes the exit opportunity made available to the Holders in connection with the Proposed Withdrawal of Listing. Furthermore, the implementation of the Proposed Exit Offer is subject to fulfilment of the Pre-Conditions.

The Proposed Listing entails the listing and quotation of the entire enlarged issued MMIS Shares on the ACE Market, including the new Shares to be issued pursuant to the Proposed Public Issue, subject to approval and conditions from Bursa Securities. Accordingly, Holders who elect not to accept the Proposed Exit Offer and who remain shareholders of MMIS are expected to continue holding MMIS Shares listed on the ACE Market upon completion of the Proposed Transfer of Listing, thereby retaining the ability to realise their investment through trading on the ACE Market.

Accordingly, the Proposed Transfer of Listing provides an avenue for the Company's shareholders to remain invested in MMIS Shares on the ACE Market. In addition, the Proposed Exit Offer offers the Holders an option to realise their investment at the Exit Offer Price should they wish to do so prior to the listing on the ACE Market.

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7.2 Indicative listing scheme pursuant to the Proposed Public Offering

We take note of the indicative listing scheme as set out in **Section 2.2.1 of Part A of the Circular**.

In conjunction with the Proposed Listing, MMIS proposes to undertake the Proposed Public Offering, comprising the following:

	No. of Shares	(1)%
Proposed Public Issue		
(i) Malaysian public ⁽²⁾	37,400,000	5.00
(ii) Eligible Persons ⁽³⁾	7,480,000	1.00
(iii) Placement to selected investors	9,620,000	1.29
(iv) MITI investors (Bumiputera) ⁽⁴⁾	93,500,000	12.50
	148,000,000	19.79
Proposed Offer for Sale		
(i) Placement to selected investors ⁽⁵⁾	63,580,000	8.50
	63,580,000	8.50
Total	211,580,000	28.29

Notes:

- (1) Based on the proposed enlarged 748,000,000 Shares in issue after the completion of the Proposed Listing.
- (2) 5.00% of the enlarged issued share capital of MMIS will be made available for application by the Malaysian public through a balloting process, of which 50% will be set aside for Bumiputera individuals, companies, societies, co-operatives and institutions.
- (3) 1.00% of the enlarged issued share capital of MMIS will be made available for application by Eligible Persons. The breakdown and basis of allocation for the Eligible Persons are as follows:

Eligible Persons	Allocation	
	No. of Shares	(i)%
Eligible employees ⁽ⁱⁱ⁾	3,141,600	0.42
Eligible Directors ⁽ⁱⁱ⁾	1,271,600	0.17
Persons who have contributed to the success of the Group ⁽ⁱⁱⁱ⁾	3,066,800	0.41
Total	7,480,000	1.00

Notes:

- (i) Based on the proposed enlarged 748,000,000 Shares in issue after the completion of the Proposed Listing.
- (ii) The allocation to the Eligible Directors and eligible employees is based on, amongst others, their seniority, designation and position, the length of service, past performance and respective contribution made to the Group as well as other factors deemed relevant to the Board.

As at the date of this Circular, the Board has yet to finalise the allocation to Eligible Directors and eligible employees including key senior management. The finalised details will be set out in the Prospectus.
- (iii) The allocation to the persons who have contributed to the success of the Group are based on, amongst others, the nature and terms of their business relationships with the Group, length of their relationship with the Group and the level of contribution and support to the Group (i.e. key suppliers and/or outsource vendors). The details of the allocation under this category can only be determined at a later date and shall be disclosed in the Prospectus to be issued pursuant to the Proposed Public Offering.
- (4) 12.50% of the enlarged issued share capital of MMIS will be made available by way of private placement to Bumiputera investors approved by MITI.

(5) 8.50% of the enlarged issued share capital of MMIS will be offered for sale.

We further note that the final details of the Proposed Listing including the listing scheme, issue price of the Shares to be issued pursuant to the Proposed Public Offering and underwriting arrangement is subject to the approval and conditions from Bursa Securities, SC and MITI which will be set out in the Prospectus, where applicable.

Our view on the basis of allotment for the Proposed Public Offering is as follows:

No.	Allocation	SCA's comments
1.	Proposed Public Issue - Malaysian public - 5.00%	The basis of allotment to the Malaysian public is reasonable as it enables the Company to have a broad base of shareholders and to meet the shareholding spread requirement under Rule 3.10 of the ACE Market Listing Requirements of 25% of the total number of shares in the hands of a minimum number of 200 public shareholders holding not less than 100 shares each. We also note that this is consistent with paragraph 5.15 of the Equity Guidelines in which a corporation seeking listing on Bursa Securities with an enlarged issued share capital of below RM200 million must provide a minimum offering to the Malaysian public of at least 5% of the enlarged number of shares issued and will be made available for application through a balloting process. The Company also complies with the Bumiputera Equity Requirement which states that at least 50% of the new Shares offered to Malaysian public investors via balloting must be made available to Bumiputera public investors.
2.	Proposed Public Issue - Eligible Persons - 1.00%	The basis of allotment to the Eligible Persons of the Company is reasonable as it complies with Rule 3.16 of the ACE Market Listing Requirements which states that restricted offers for subscription which is undertaken as part of a listing scheme may only be made to selected groups which includes the directors and employees of the corporation seeking listing on Bursa Securities. We also note that this is consistent with paragraph 5.22 of the Equity Guidelines which states that the aggregate number of securities to be offered under a restricted offers for subscription to the directors and employees of a corporation seeking listing on Bursa Securities must not be more than 10% of the enlarged number of shares of said corporation upon listing or 25% of the total securities offered, whichever is lower. We note that the proposed allocation of new Shares to the Eligible Directors and/or persons connected to them is subject to the Company's shareholders' approval at an EGM to be convened later. Hence the details of this proposed allocation including basis of allotment will be disclosed in a circular to shareholders of the Company to be issued in due course.

No.	Allocation	SCA's comments
3.	Proposed Public Issue - MITI investors - 12.50%	The basis of allotment to the selected Bumiputera investors as approved by MITI is reasonable as it complies with the Bumiputera Equity Requirements which states that corporations seeking listing on Bursa Securities are required to allocate 12.50% of the enlarged number of issued shares to Bumiputera investors to be approved or recognised by MITI.
4.	Proposed Offer for Sale - 8.50%	The basis of allotment for the Proposed Offer for Sale is reasonable as it is consistent with paragraph 5.22 of the Equity Guidelines which states that the aggregate number of securities offered under a restricted offer for sale must not be more than 10% of the enlarged number of shares of a corporation upon listing or 25% of the total securities offered, whichever is lower.

Premised on the above, we are of the view that the basis of allocation of IPO Shares is **reasonable** as it broadens the Company's shareholder base to meet the public shareholding spread requirement as well as comply with the other relevant requirements stated in the ACE Market Listing Requirements, Equity Guidelines and Bumiputera Equity Requirement. However, shareholders of MMIS should note that the allotted percentage of the enlarged issued share capital of the Company is indicative at this juncture in view that the proposed allocation of new Shares to the Eligible Persons of the Company is subject to the shareholders' approval at a separate EGM to be convened later.

7.3 Basis and justifications for the illustrative IPO Price

We note from **Section 2.1.5 of Part A of the Circular** that it is the intention of the Joint Offerors to fix the Exit Offer Price to be the same as the IPO Price. We also note that as set out in **Section 2.2.5 of Part A of the Circular**, the final IPO Price will be determined by the Board and the underwriter at a later date, after taking into consideration, amongst others, the prevailing PE Multiple of selected comparable public listed companies as well as the prevailing equity market and economic condition in Malaysia.

For illustrative purposes only, as set out in **Section 2.2.5 of Part A of the Circular**, an illustrative IPO Price of RM0.34 per IPO Share is assumed throughout the Circular, which represents:

- (i) an illustrative PE Multiple of approximately 41.46 times, computed based on the EPS of the Group of approximately 0.82 sen for the audited FYE 2025 and the total number of 600,000,000 Shares in issue as at the LPD;
- (ii) an illustrative PE Multiple of approximately 51.52 times, computed based on the pro forma EPS of the Group of approximately 0.66 sen for the FYE 2025 and the pro forma enlarged total number of 748,000,000 Shares in issue (after considering the Proposed Public Offering);
- (iii) an illustrative PE Multiple of approximately 12.27 times, computed based on the EPS of our Group of approximately 2.77 sen for the unaudited FYE 2026 and the total number of 600,000,000 Shares in issue as at the LPD;
- (iv) an illustrative PE Multiple of approximately 15.32 times, computed based on the pro forma EPS of our Group of approximately 2.22 sen for the unaudited FYE 2026 and the pro forma enlarged total number of 748,000,000 Shares in issue (after considering the Proposed Public Offering); and

- (v) an illustrative EV/EBITDA of approximately 14.37 times and 6.72 times for the audited FYE 2025 and unaudited FYE 2026 respectively, computed based on the following:

	FYE 2025 (Audited)	FYE 2026 (Unaudited)
	RM' million	RM' million
Market capitalisation	120.00	120.00
- Add: Debt	33.41	37.84
- Less: Cash	(7.68)	(7.87)
EV	145.73	149.97
 PAT	 4.94	 16.61
Adjustments for:		
Tax	1.77	1.68
Interest expense	1.41	1.61
Depreciation	2.36	2.73
Amortisation	(0.03)	(0.03)
Interest income	(0.31)	(0.21)
EBITDA	10.14	22.39
 EV/EBITDA	 14.37	 6.70

Given that MMIS is principally involved in the manufacturing, marketing and sale of precision parts and fabrication of metal and sheet metal and has been profitable in the past 5 financial years up to FYE 2026, the Company's valuation is primarily supported by its operating performance instead of its asset holdings. Hence, we are of the view that PE Multiple is an appropriate trading multiple to be used for price discovery purpose.

PE Multiple is the measure of the market price of a company's shares relative to its annual sustainable net income per share earned by the company. PE Multiple is commonly used to estimate the value of the business, even more so for profit-making companies.

We note that for comparison purposes, Kenanga IB has selected the Comparable Companies given that they are public listed companies principally operating in similar business / sector i.e. industrial materials, components and equipment including but not limited* to precision engineering, listed on the Main Market of Bursa Securities and / or ACE Market.

Note:

- * *The phrase "including but not limited to" was intended to reflect minor variations in business activities among companies within the precision engineering industry, and not to extend the selection criteria to companies with materially different principal operations.*

We wish to reiterate that there is no publicly listed company identical to MMIS in various aspects such as composition of business activities, scale of business operations, risk profile, accounting and tax policies, track record, future prospects, market standing in the competitive environment, cost of capital, reinvestment requirements, financial positions and profit objectives. Any comparison made with respect to the Comparable Companies is merely to provide a comparison to the illustrative PE Multiple represented by the illustrative IPO Price of MMIS. In addition, there are no companies listed on the LEAP Market that are considered comparable to the Group based on the criteria sets out in **Section 2.2.5 of Part A of the Circular**.

The details of the Comparable Companies selected by Kenanga IB are as follows:

Selected Comparable Companies	Board	Principal activities	As at the LPD		(2)Basic EPS RM (B)	(6)PE Multiple times (A/B)	(7)EV RM'000 (C)	(8) EBITDA RM'000 (D)	EV/ EBITDA times (C/D)
			Illustrative IPO Price / Closing price RM (A)	(1)Market capitalisation RM'000					
MMIS	LEAP Market	Principally involved in the manufacturing, marketing and sale of precision parts and fabrication of metal and sheet metal.	(3)0.34	(4)204,000	(4)0.01	41.46	229,728	10,137	22.66
			(3)0.34	(5)254,320	(5)0.01	51.52	280,048	10,137	27.63
Selected Comparable Companies									
Northeast Group Berhad	ACE Market	Principally involved in the manufacturing of precision engineering components.	1.04	769,600	0.03	34.67	683,672	33,486	20.42
CPE Technology Berhad	Main Market	Investment holding company with its subsidiaries principally involved in the manufacturing, sale of precision machined parts and components.	1.26	845,857	0.04	31.50	640,240	36,016	17.78
Foundpac Group Berhad	Main Market	Principally involved in designing, developing, manufacturing, marketing, and sale of precision engineering parts.	0.395	216,563	0.02	17.77	225,160	22,144	10.17
Oxford Innotech Berhad	ACE Market	Investment holding company with its subsidiaries principally involved in the manufacturing of jig and fixtures, general trading, machining, manufacturing, assembly and sub-assembly of precision plastic parts and components.	0.395	301,750	0.01	42.50	273,983	16,559	16.55

Selected Comparable Companies	Board	Principal activities	As at the LPD			⁽²⁾ Basic EPS	⁽⁶⁾ PE Multiple times	⁽⁷⁾ EV RM'000	⁽⁸⁾ EBITDA RM'000	EV/ EBITDA times
			Illustrative IPO Price / Closing price	⁽¹⁾ Market capitalisation RM'000	⁽³⁾ Basic EPS RM					
						(A)	(B)	(C)	(D)	(C/D)
Coraza Integrated Technology Berhad	ACE Market	Provides integrated engineering services including sheet metal fabrication, precision machining, and electro-mechanical sub-assembly for semiconductor, electronics, medical, and aerospace industries.	1.05	521,271	0.03	35.00	517,433	30,946	16.72	
High Low Average Median 42.50 17.77 32.29 34.67 20.42 10.17 16.33 16.72										

(Source: Bloomberg Finance L.P., latest annual reports and quarterly reports of the respective Comparable Companies as at the LPD)

Notes:

- (1) *The market capitalisation of the Comparable Companies was calculated based on the last traded price as at the LPD multiplied with the total number of outstanding shares of the respective Comparable Companies as at the LPD.*
- (2) *Computed based on the latest audited PAT attributable to the owners of the company divided by the weighted average number of shares in issue as at the LPD.*
- (3) *Illustrative IPO Price of RM0.34 per IPO Share.*
- (4) *Based on total number of 600,000,000 Shares in issue as at the LPD.*
- (5) *Based on the pro forma enlarged total number of 748,000,000 Shares in issue after considering the Proposed Public Offering.*
- (6) *Computed based on the last traded price as at the LPD divided by the basic earnings per share as at the LPD.*
- (7) *Computed based on the formula of (market capitalisation as at the LPD - cash and cash equivalents + debts + non-controlling interest) of the respective companies based on the latest available audited financial statements of such Comparable Companies.*
- (8) *Computed based on the formula of (profit before tax – finance income + finance costs + depreciation + amortisation) of the respective companies. For avoidance of doubt, the EBITDA figures are derived from the latest available audited financial statements of the respective companies.*

Based on the table above, we note the following:

- the illustrative PE Multiples of MMIS of 41.46 times and 51.52 times for the FYE 2025, are within and above the range of PE Multiples of the Comparable Companies of between 17.77 times and 42.50 times, respectively. This indicates that the illustrative IPO Price implies a PE Multiple that is within the range of the Comparable Companies at 41.46 times, while the 51.52 times represents a premium to the range of PE Multiples of the Comparable Companies.
- the illustrative PE Multiples of MMIS of 12.27 times and 15.32 times for the unaudited FYE 2026, are within the range of PE Multiples of the Comparable Companies of between 17.77 times and 42.50 times. This indicates that the illustrative PE Multiple of MMIS are reasonably in line with the Comparable Companies.
- the illustrative EV/EBITDA multiples of MMIS of 22.66 times and 27.63 times is above the range of EV/EBITDA multiples of the Comparable Companies of between 10.17 times and 20.42 times. This indicates that the illustrative EV/EBITDA multiples of MMIS implies a higher EV/EBITDA multiple compared to the Comparable Companies, representing a premium to the range of PE Multiples of the Comparable Companies.

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We wish to highlight that the illustrative IPO Price is strictly indicative at this juncture. For illustrative purposes, the illustrative IPO Price represents the following:

	Share prices (as traded on LEAP Market)	Illustrative IPO Price	Premium of illustrative IPO Price to the prevailing market price	
	(A)	(B)	(B – A)	
	RM	RM	RM	%
Last reference price of MMIS Shares as at the LPD ⁽¹⁾	0.20	0.34	0.14	70.00
Up to and including the LPD:				
5-day VWAP ⁽²⁾	-	0.34	-	-
1-month VWAP ⁽²⁾	-	0.34	-	-
3-month VWAP ⁽²⁾	-	0.34	-	-
6-month VWAP ⁽²⁾	-	0.34	-	-
1-year VWAP	0.19	0.34	0.15	78.95

(Source: Bloomberg Finance L.P.)

Notes:

- (1) MMIS Shares were last traded at RM0.20 on 22 October 2025. As such, RM0.20 represents the last reference price of MMIS Share as at the LPD.
- (2) There was no trading of Shares during the 5 market days, 1 month, 3 months and 6 months up to the LPD.

Based on the table above, we note that the illustrative IPO Price of RM0.34 per Share represents a premium of RM0.14 per Share to the Company's existing shareholders, when compared against the last reference price of MMIS Shares as at the LPD of RM0.20. Accordingly, the existing Company's shareholders would enjoy an immediate paper gain based on the illustrative IPO Price.

However, as set out in **Section 7.3 of Part A of the Circular**, the current market price of the Shares on the LEAP Market does not reflect the true valuation of the Group mainly due to the low liquidity and limited trading of the Shares on the LEAP Market. The low liquidity and limited trading activity may hamper effective price discovery, as the market price of the Shares could be influenced by isolated transactions rather than the Group's underlying performance and prospects. Therefore, the share price determined through the price discovery mechanism may differ significantly from the current market prices of the Shares, which would be expected to have an impact on the value of the shareholders' shareholdings.

Notwithstanding the above, there can be no assurance that (i) the final IPO Price will be the same or not fall below the share price on LEAP Market; and (ii) the price at which the Shares will trade on the ACE Market upon completion of the Proposed Listing will correspond to or not decline below the final IPO Price. The Shares could trade at prices below the final IPO Price due to various factors, including prevailing economic, financial, and fiscal conditions in Malaysia; the Group's operational and financial performance; and volatility in the market prices of securities in similar or related industries in Malaysia. Accordingly, you should exercise caution and take note that there is a potential for immediate unrealised or paper losses of holding MMIS Shares upon completion of the Proposed Transfer of Listing.

Premised on the above, we are of the opinion that the basis and justifications of arriving at the illustrative IPO Price and accordingly, the illustrative IPO Price, are **fair and reasonable** after taking into consideration:

- the illustrative PE Multiple of MMIS of between 41.46 times to 51.52 times are within and above the range of PE Multiples of the Comparable Companies of between 17.77 times and 42.50 times, respectively;
- the illustrative PE Multiples of MMIS of 12.27 times and 15.32 times for the unaudited FYE 2026, are within the range of PE Multiples of the Comparable Companies of between 17.77 times and 42.50 times; and
- the illustrative EV/EBITDA multiples of MMIS of 22.66 times and 27.63 times are above the range of EV/EBITDA multiples of the Comparable Companies of between 10.17 times and 20.42 times.

Nevertheless, MMIS's shareholders should note that the price discovery mechanism is subject to certain risk factors as disclosed in **Section 4 of Part A of the Circular**.

7.4 Effects of the Proposed Transfer of Listing and Proposed Exit Offer

We take cognisance of the effects of the Proposed Transfer of Listing and Proposed Exit Offer as detailed out in **Section 6 of Part A of the Circular**.

The effects of the indicative listing scheme pursuant to the Proposed Transfer of Listing are assumed to be based on the following 2 scenarios:

Scenario A : Assuming none of the Company's shareholders accept the Proposed Exit Offer

Scenario B : Assuming all the Company's shareholders (save for the Joint Offerors) accept the Proposed Exit Offer

Our comments on the effects are summarised as follows:

Effects	SCA's comments
Share capital	We note that the Proposed Public Issue is expected to increase the share capital of MMIS from RM14.77 million, comprising 600.00 million MMIS Shares to RM65.09 million, comprising 748.00 million MMIS Shares under both Scenario A and Scenario B. We further note that the Proposed Withdrawal of Listing and the Proposed Exit Offer are not expected to have any impact on the Company's issued share capital as the Proposed Withdrawal of Listing and the Proposed Exit Offer do not involve any issuance of new Shares.
NA, NA per Share and gearing	We note that the Proposed Listing is expected to increase the Group's NA per Share from RM0.07 to RM0.11. In addition, the Group's gearing will decrease from 0.86 times to 0.39 times upon completion of the Proposed Listing. We further note that the Proposed Withdrawal of Listing and the Proposed Exit Offer are not expected to have any effect on the Group's NA, NA per Share and gearing as the Proposed Withdrawal of Listing and the Proposed Exit Offer do not involve any issuance of new Shares.

Effects	SCA's comments
Earnings and EPS	We note that the Proposed Listing is expected to have dilutive effects on the Group's EPS due to the increase in the number of Shares in issue after the Proposed Public Issue. However, the extent of dilution to the Group's EPS will depend on, amongst others, the Group's future earnings and the returns to be generated by the Group from the utilisation of proceeds pursuant to the Proposed Public Issue. We further note that the Proposed Withdrawal of Listing and the Proposed Exit Offer are not expected to have any effect on the Group's earnings and EPS as the Proposed Withdrawal of Listing and the Proposed Exit Offer do not involve any issuance of new Shares.
Substantial shareholders' shareholdings	We note that: Under Scenario A, the collective shareholdings of the substantial shareholders: (i) remain unchanged at 80.78% after the Proposed Exit Offer; and (ii) is expected to be diluted from 80.78% to 56.30% after the Proposed Listing. Under Scenario B, the collective shareholdings of the Joint Offerors and their PAC: (i) is expected to increase from 80.78% to 95.83% after the Proposed Exit Offer; and (ii) is expected to be diluted from 95.83% to 68.37% after the Proposed Listing. We further note that the Proposed Withdrawal of Listing will not have any effect on the Company's substantial shareholders' shareholdings as it does not involve any issuance of new Shares.
Public shareholding spread	We note that under the Proposed Listing, in addition to the Proposed Public Issue, Loh Chin Soon, Loh Chin Siang and Low Oo Seng (being the Selling Shareholders of the Proposed Offer for Sale), intend to offer a number of existing Shares held by them via an offer for sale to meet the public spread requirement under Rule 3.10(1) of the ACE Market Listing Requirements. We further note that based on the Record of Depositors of MMIS as at the LPD, approximately 15.05% of the total issued Shares of the Company are held by public shareholders. After the Proposed Transfer of Listing, the public shareholding spread of MMIS is expected to increase from 15.05% to 40.36% under Scenario A and to 28.29% under Scenario B. This will satisfy Rule 3.10(1) of the ACE Market Listing Requirements upon completion of the Proposed Listing as MMIS's public shareholding spread is not expected to fall below 25% of its enlarged issued share capital with more than 200 public shareholders holding not less than 100 Shares each.
Convertible securities	We note that MMIS does not have any convertible securities as at the LPD.

Based on the above, we are of the view that the overall effects of the Proposed Transfer of Listing and the Proposed Exit Offer are **not detrimental** to the interest of the Company's shareholders.

7.5 Industry outlook and prospects of the Group

The overview and outlook of the Malaysian economy, manufacturing sector and prospects of the Group are set out in **Section 5 of Part A of the Circular**.

7.5.1 Overview and outlook of the Malaysian economy

Malaysia's gross domestic product expanded by 5.4% in the first quarter of 2026, reflecting a moderation from the elevated 6.2% growth in the fourth quarter of 2025. The pace of expansion softened progressively across the quarter, with monthly growth easing from 6.8% in January to 5.2% in February and 4.1% in March 2026. In terms of quarter-on-quarter seasonally adjusted, gross domestic product showed minimal change, slipping by 0.01% from 1.4% increase in the previous quarter.

Malaysia's economy continued to expand in the first quarter of 2026, reflecting underlying resilience and stable growth conditions amid a challenging global environment. While most major sectors remained on an expansionary path, the pace of growth eased following the strong performance in the preceding quarter. Economic activity in the first quarter of 2026 was reinforced by a series of domestic events and policy measures that supported overall demand and sectoral performance.

(Source: Gross Domestic Product First Quarter of 2026, released on 15 May 2026, Ministry of Economy)

For Malaysia, latest developments point towards resilient growth in the second quarter, driven by sustained domestic demand and stronger-than-expected export performance. Ongoing uncertainties surrounding the Middle East conflict could affect the outlook of domestic inflation and growth. Malaysia's strong fundamentals will continue to underpin the economy's resilience against external shocks. Employment, wage growth and policy measures will remain supportive of household spending. Investment activity will be driven by the progress of multi-year projects in both the private and public sectors, implementation of new smaller-scale public projects, continued high realisation of approved investments, as well as the ongoing implementation of national master plans. The external sector will be further lifted by improved global prospects and robust demand for electrical and electronics ("E&E"). Additional support will come from the rebound in non-E&E exports and sustained tourist spending. Therefore, the growth projection for 2026 is expected to be firmly within the forecast range of 4% - 5%. This growth outlook remains subject to downside risks from a prolonged conflict in the Middle East and lower commodity production. Upside potential to growth could arise from a better global growth outlook following de-escalation of the conflict, stronger demand for E&E goods and higher tourism activity.

Headline and core inflation in the first five months of the year averaged 1.7% and 2.1% respectively, broadly within expectation, amid some initial pass-through of higher global cost pressures. Developments surrounding the Middle East conflict remain fluid, with elevated global commodity prices expected to exert upward pressure on inflation. Nevertheless, the impact on both headline and core inflation in 2026 is expected to remain contained, reflecting domestic policy measures and stable demand conditions, which will mitigate the pass-through of external cost pressures to domestic prices.

(Source: Monetary Policy Statement, released on 7 July 2026, Bank Negara Malaysia)

SCA's comments:

We note that Malaysia's economy is expected to remain resilient in 2026, underpinned by sustained domestic demand, continued investment activities and a supportive labour market. Investment growth is expected to be driven by the progress of infrastructure and development projects, the continued realisation of approved investments and the implementation of national master plans, while the external sector is expected to benefit from resilient demand for E&E products, a recovery in non-E&E exports and sustained tourism activities. Although the economic outlook continues to be subject to external uncertainties, including geopolitical tensions and their potential impact on global commodity prices and inflation, Malaysia's strong economic

fundamentals and supportive policy measures are expected to provide resilience against external headwind. Overall, the Malaysian economy is expected to remain on a stable growth trajectory in 2026, with growth projected to remain within the forecast range of 4.0% to 5.0%.

7.5.2 Overview and outlook of the manufacturing sector

The manufacturing sector grew by 5.9% in the first quarter of 2026, as against 6.0% in the preceding quarter. This performance was mainly supported by electrical, electronic & optical products segment, which increased by 12.8% (Q4 2025: 12.7%), followed by vegetable and animal oils & fats and food processing at 9.2% (Q4 2025: 10.0%), as well as non-metallic mineral products, basic metals and fabricated metal products, which grew 5.0% (Q4 2025: 4.9%). In contrast, the transport equipment, other manufacturing & repair and petroleum, chemical, rubber & plastic products declined by 1.9% (Q4 2025: 1.7%) and 1.3% (Q4: 2025: -0.3%), respectively during the quarter.

(Source: Gross Domestic Product First Quarter of 2026, released on 15 May 2026, Ministry of Economy)

The manufacturing sector will continue to grow, albeit at a more moderate pace at 4.3% (2025: 4.5%). The E&E industry will be supported by the ongoing strong demand related to AI, while consumer-related industries are expected to benefit from resilient household spending.

(Source: Annual Report 2025, released on 31 March 2026, Bank Negara Malaysia)

Structurally, the ongoing AI- driven technology cycle is expected to continue supporting E&E exports, reflecting Malaysia's well-established position within the global semiconductor and electronics manufacturing services ecosystem. Malaysia's increasing involvement in advanced packaging and the supply of critical components has further strengthened its participation in higher value-added activities. These developments have also generated positive spillover to supporting machinery and equipment segments, thereby broadening the sources of growth momentum.

(Source: Quarterly Bulletin 1Q 2026, released on 8 May 2026, Bank Negara Malaysia)

SCA's comments:

We note that Malaysia's manufacturing sector continued to record steady growth in the first quarter of 2026, supported primarily by the electrical, electronic and optical products segment. Although growth is expected to moderate in 2026, the sector is expected to remain resilient, underpinned by the sustained demand for E&E products driven by AI-related applications and Malaysia's well-established semiconductor ecosystem.

7.5.3 Overview and outlook of the E&E sector

In July 2026, the E&E sector contributed 55% of total exports, representing an increase by of RM32.30 billion or 50.99%, from RM63.35 billion to RM95.65 billion.

(Source: Malaysia External Trade Statistics Bulletin, released on 20 August 2026, Department of Statistics Malaysia)

In 2025, the E&E sector recorded total approved investments of RM28.50 billion, of which RM23.70 billion were foreign investments and RM4.70 billion were domestic investments. The E&E sector attracted the largest share of approved investment, representing 31.53% of the total approved investment of RM90.40 billion in the manufacturing sector. This investment is actively driving a repositioning of Malaysia within global semiconductor value chain, moving nation beyond backend assembly and testing into higher-value domains such as chip design, wafer fabrication support, and advanced packaging.

(Source: Malaysia Investment Performance Report 2025, released on March 2026, Malaysian Investment Development Authority)

The E&E sector is poised to gain from strong semiconductor demand in 2026 amid the global technology expansion, digitalisation and acceleration of AI adoption. Robust E&E ecosystem and earlier investments to move towards higher value-added activities, such as advanced packaging, have enabled the sector to be in a prime position to capture these opportunities. The realisation of data centre investments, particularly those with AI capabilities will strengthen Malaysia's information and communications technology ("ICT") ecosystem linkages and encourage more sophisticated manufacturing activities. Additionally, newly operational data centre facilities will also provide some support to ICT services exports.

(Source: Annual Report 2025, released on 31 March 2026, Bank Negara Malaysia)

SCA's comments:

We note that Malaysia's E&E sector continued to play a significant role in Malaysia's exports, contributing 55% of total exports in July 2026. The sector also attracted the largest share of approved investments within the manufacturing sector in 2025, reflecting continued investment in the sector and Malaysia's ongoing efforts to move towards higher-value added activities within the global semiconductor value chain. Looking ahead, the E&E sector is expected to remain well-positioned to benefit from strong semiconductor demand, the continued adoption of AI and digitalisation, as well as the development of data centres and related ICT activities.

7.5.4 Prospects of the Group

We take note of the prospects of the Group as set out in Section 5.4 of Part A of the Circular and the details and current status or progress of the Group's business future plans (as disclosed in the Information Memorandum) as set out in Section 5.5 of Part A of the Circular.

The Group's growth prospects are underpinned by investments to enhance its manufacturing capabilities. The completion of its new manufacturing plant located adjacent to Plant 2 in Pengkalan II, Perak, which is expected to be completed in the third quarter of 2028, and investment in higher-precision machinery and equipment are expected to enhance production capacity, improve operational efficiency and strengthen the Group's ability to undertake a wider range of projects while meeting customers' increasingly stringent technical and quality requirements.

From an industry perspective, the Group is expected to benefit from the continued growth of the semiconductor industry, driven by the increasing adoption of AI, data-intensive applications and advanced electronic devices. Given the Group's involvement in supplying precision-engineered components, structural weldments, sheet metal components and mechanical assemblies used in semiconductor manufacturing and testing equipment, the Group is well positioned to benefit from the continued expansion of its end-user markets.

The Proposed Public Issue is expected to strengthen the Group's financial position and support the expansion of the Group's manufacturing capacity through investments in a new production plant, additional machinery and equipment and working capital. These investments are expected to increase production capacity, enhance manufacturing efficiency and broaden the Group's technical capabilities. The expanded manufacturing capacity is expected to strengthen the Group's ability to undertake a broader range of projects and accommodate higher production volumes, enabling it to capture growth opportunities arising from the continued expansion of Malaysia's semiconductor industry and the increasing adoption of AI, data centres and advanced electronic devices. Collectively, these initiatives are expected to support the Group's long-term growth and earnings prospects.

We note that the manufacturing sector continued to record steady growth in the first quarter of 2026. While growth is expected to moderate in 2026, the sector is expected to remain resilient, underpinned by sustained demand for E&E products driven by AI-related technologies.

The Proposed Public Issue is expected to strengthen the Group's financial position and support the expansion of its manufacturing capacity through investments in a new production plant, additional machinery and equipment and working capital. These initiatives are expected to enhance the Group's production capacity and technical capabilities, enabling it to undertake a broader range of projects and capture growth opportunities arising from the continued expansion of the semiconductor industry.

Premised on the above and based on the generally positive outlook on the Malaysian economy, we are of the view that the overall prospects of the MMIS Group following the completion of the Proposed Transfer of Listing are favourable.

Nonetheless, we wish to highlight that all businesses are subject to uncertainties which are not within the Board's control such as, amongst others, changes in government policies, changes in interest rates, changes in global economic conditions and changes in the manufacturing industry in Malaysia.

7.6 Risk factors of the Proposed Transfer of Listing

Section 4 of Part A of the Circular sets out the following risk factors for the Proposed Transfer of Listing:

(i) Completion risks

We note that the completion of the Proposed Transfer of Listing is dependent on the fulfilment of the Pre-Conditions set out in **Section 9 of Part A of the Circular** (which include approvals from the shareholders of the Company). If the Pre-Conditions are not satisfied/fulfilled, this will hinder the implementation of the Proposed Transfer of Listing and the Proposed Exit Offer. Under this scenario, MMIS will remain listed on the LEAP Market and will have to obtain other sources of funding for the implementation of its future plans as set out in **Section 2.2.6 of Part A of the Circular**. In addition to that, MMIS and the Company's shareholders will not be able to benefit from the large pool of retail investors available on the ACE Market which could potentially lead to higher liquidity and better price discovery.

If the Proposed Transfer of Listing is not fully implemented and/or aborted, we note that-

- the expenses incurred up to the relevant stage of implementation will be foregone. We note that the management of MMIS has allocated RM4.75 million from the proceeds of the Proposed Public Issue for the expenses in relation to the Proposed Transfer of Listing, which will be funded via the Group's internally generated funds in the event the Proposed Transfer of Listing and the Proposed Exit Offer are not fully implemented and/or aborted.

The internally generated funds required to pay off the estimated expenses for the Proposed Transfer of Listing will deplete the Group's current cash resources of approximately RM7.91 million as at 31 December 2025 and will reduce the availability of financial resources for the working capital requirements of the Group.

- the Group will still continue with its business, including implementing its future plans as set out in **Section 2.2.6 of Part A of the Circular** (albeit on a more staggered basis) via internally generated funds, bank borrowings and/or other fund-raising exercises, of which the breakdown could not be determined at this juncture as it would depend on the mode and quantum of funds available to the Group at that point in time.

Notwithstanding the above, there is no assurance that the execution of the Group's future plans will increase the Group's profitability in the future, nor will the Group be able to anticipate all the risks and uncertainties that may arise during the implementation of these future plans, which may adversely affect the Group's earnings growth, future results of operations and prospects.

(ii) Investment risks

We note that the investment risk in relation to the Proposed Transfer of Listing is due to the IPO Price not being fixed at this juncture. The final IPO Price will be determined after taking into consideration the factors as set out in **Section 2.2.5 of Part A of the Circular** and these factors could cause the Share price to fluctuate which may adversely affect the market prices of the Shares.

There can be no assurance on whether:

- the final IPO Price will be the same or higher than the share price traded on the LEAP Market;
- the Shares will trade at or above the final IPO Price upon the listing on the ACE Market; and/or
- the Shares, upon listing on the ACE Market, will trade at a price above the Share price on LEAP Market.

We also note that market price of the Shares upon listing on ACE Market may be subject to significant price fluctuations and frequent volatility that have not been experienced by the Company's shareholders during its listing on the LEAP Market. Upon the Company's listing on the ACE Market, MMIS will have access to a wider pool of investors and may therefore experience fluctuations in the market price of MMIS Shares as influenced by, amongst others, the prevailing market sentiments, the volatility of the stock market, movements in interest rates, outlook of the industry in which the Group operates, the Group's financial performance, vagaries of market forces and other uncertainties.

If the final IPO Price is below the Company's Shares traded on the LEAP Market or, if upon listing on the ACE Market the Shares are traded at a price below the Company's Shares prices on the LEAP Market or the final IPO Price, this will result in an immediate unrealised loss or paper loss for MMIS's shareholders without the guarantee of recovering your initial investment immediately.

We are of the opinion that even if the final IPO Price might be lower than the current indicative IPO Price, the Company's shareholders will be able to realise a higher return on their investment in MMIS Shares as long as the investment cost in MMIS Shares is lower than the final IPO Price. Nevertheless, the Board aims to determine an IPO Price that is both appealing and agreeable to both the Company and potential investors, thereby facilitating investment in the Issue Shares on the ACE Market.

(iii) Risk of shareholding dilution

We note that upon completion of the Proposed Public Issue, the issuance of new Shares will dilute the shareholdings and voting interest of the existing shareholders of the Company proportionately to the Company's enlarged issued share capital.

Consequently, your proportionate entitlement to any future distribution, rights and/or allotment that the Company may make or declare after completion of the Proposed Transfer of Listing will be diluted correspondingly.

(iv) No prior market for the Shares on the ACE Market and it is uncertain whether a sustainable market for the Shares on the ACE Market will ever develop

We note that prior to the Proposed Transfer of Listing, there is no prior public market for the Shares on the ACE Market. Accordingly, there is no assurance that upon completion of the Proposed Transfer of Listing, an active market for the Shares on the ACE Market will develop or if developed, that such a market will be sustainable. In addition, there is also no assurance as to the liquidity of the Shares, the ability of holders to sell the Shares or the prices at which holders would be able to sell the Shares on the ACE Market.

We wish to highlight that although efforts and measures would be taken by the Company to ensure that the risks associated with the Proposed Transfer of Listing are mitigated, no assurance can be given that one or a combination of risk factors will not occur and give rise to material and adverse impact on the business and operations of MMIS, its competitiveness, financial performance, financial position, or prospects thereon, and that MMIS Shares will trade at or above the final IPO Price or its share price on the LEAP Market upon MMIS's listing on the ACE Market.

In evaluating the Proposed Transfer of Listing, Company's shareholders should carefully consider the said risk factors and their respective mitigating factors prior to voting on the resolutions pertaining to the Proposed Transfer of Listing at the forthcoming EGM of MMIS. Company's shareholders should also note that the risk factors in this section are not meant to be exhaustive.

Notwithstanding the above risk factors, we are of the view that the rationale and justifications for the Proposed Transfer of Listing as disclosed in **Section 3 of Part A of the Circular**, outweigh the potential risk highlighted above as the Proposed Transfer of Listing will benefit the Company's shareholders by holding ACE Market listed MMIS Shares that are accessible to a wider pool of investors which offers a more robust listing environment and there will be relatively greater vibrancy, higher liquidity, and better price discovery. As such, the remaining Company's shareholders will be able to realise their investment in MMIS Shares in the open market. Additionally, the indicative utilisation of proceeds from the Proposed Public Issue, which will be undertaken in conjunction with the Proposed Transfer of Listing, will enable the Group to grow its business as well as strengthen its market visibility and brand recognition. This could potentially improve the Group's future financial performance.

8. OUR EVALUATION OF THE PROPOSED EXIT OFFER

In arriving at our recommendation in respect of the Proposed Exit Offer, we have assessed the fairness and reasonableness of the Proposed Exit Offer in accordance with Paragraph 1 to Paragraph 6 under Schedule 2: Part III of the Rules, whereby:

- (i) a recommendation on a take-over offer or proposal made by an independent adviser must contain adequate information and be meaningful and useful to assist shareholders of offeree companies in making an informed decision as to the merits of the take-over offer or proposal as follows:
 - (a) in relation to a take-over, the term "fair and reasonable" should generally be analysed as two distinct criteria i.e. whether the offer is "fair"; and whether the offer is "reasonable", rather than as a composite term; and
 - (b) where evaluating exemptions from mandatory offers, the terms "fair and reasonable" may be considered on a holistic basis;
- (ii) in considering whether a take-over offer is considered "fair", the independent adviser should assess if the offer price or value of consideration is equal to or greater than the value of the securities that are the subject of the take-over offer, based on the following criteria:
 - (a) if the offer price (or value of consideration) is equal to or higher than the market price and is also equal to or higher than the value of the securities of the offeree, the take-over offer is considered as "fair"; and
 - (b) if the offer price (or value of consideration) is equal to or higher than the market price, but is lower than the value of the securities of the offeree, the take-over offer is considered as "not fair";

- (iii) the independent adviser should not consider the percentage holding of the offeror or its associates in the offeree when making the above comparison, but should instead value the securities assuming 100 per cent of the offeree is being acquired;
- (iv) in considering whether a take-over offer is “reasonable”, the independent adviser should take into consideration matters other than the valuation of the securities that are the subject of the take-over offer. Generally, a take-over offer would be considered “reasonable” if it is “fair”. Nevertheless, an independent adviser may also recommend for shareholders to accept the take-over offer despite it being “not fair”, if the independent adviser is of the view that there are sufficient strong reasons to accept the offer in the absence of a higher bid and such reasons should be clearly explained;
- (v) the independent adviser should take into consideration all relevant factors in evaluating whether an offer is “reasonable” including, but not limited to, the following:
 - (a) the existing shareholding of the offeror and persons acting in concert with the offeror in the offeree and their ability to pass special resolutions or control the assets of the offeree;
 - (b) any other significant shareholding in the offeree, other than (a) above;
 - (c) the liquidity of the market in the offeree’s securities;
 - (d) the expected market price if the take-over offer is unsuccessful; and
 - (e) the likelihood and value of alternative offers or competing offers before the close of the take-over offer;
- (vi) in the event the independent adviser concludes that a take-over offer is “not fair but reasonable”, the independent adviser must clearly explain the following:
 - (a) what is meant by “not fair but reasonable”;
 - (b) how has the independent adviser reached to this conclusion; and
 - (c) the course of action that the shareholders are recommended to take pursuant to the conclusion.

For the evaluation of the Proposed Exit Offer, we have taken into consideration the following factors:

	Fairness of the Proposed Exit Offer	Sections in this IAL
(i)	Valuation of the MMIS Shares	Section 8.1.1
(ii)	Historical share price analysis of the MMIS Shares	Section 8.1.2
(iii)	Illustrative IPO Price comparison	Section 8.1.3

	Reasonableness of the Proposed Exit Offer	Sections in this IAL
(i)	Listing status of MMIS	Section 8.2.1
(ii)	Compulsory acquisition	Section 8.2.2
(iii)	Rights of dissenting shareholders	Section 8.2.3

8.1 FAIRNESS OF THE PROPOSED EXIT OFFER

We have assessed the fairness of the Exit Offer Price by taking into consideration the following:

8.1.1 Valuation of the MMIS Shares

The MMIS Group is principally involved in the manufacturing, marketing and sales of precision parts and fabrication of metal and sheet metal. A summary of the audited consolidated financial information of MMIS Group for the past 3 financial years up to the FYE 2025 and the latest unaudited FYE 2026 are set out below:

	Audited				Unaudited
	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	39,426	26,651	25,212	32,174	62,506
Cost of sales	(25,201)	(15,838)	(18,230)	(18,835)	(36,097)
Gross Profit ("GP")	14,225	10,813	6,982	13,339	26,409
Other income	249	270	985	451	695
Administrative expenses	(3,521)	(4,303)	(5,648)	(5,284)	(6,269)
Selling and distribution expenses	(385)	(351)	(457)	(368)	(689)
Other expenses	(69)	(5)	(57)	(15)	(242)
Finance costs	(467)	(1,063)	(1,266)	(1,409)	(1,607)
PBT	10,032	5,361	539	6,714	18,297
Taxation	(2,186)	(499)	(84)	(1,770)	(1,684)
Profit for the financial year / period	7,846	4,862	455	4,944	16,613
No. of Shares in issue ('000)	600,000	600,000	600,000	600,000	600,000
Basic earnings per Share (sen)	1.31	0.81	0.08	0.82	2.77
Earnings before interest, tax, depreciation and amortisation ("EBITDA") ⁽¹⁾	11,548	8,026	3,831	10,138	22,395
GP margin (%)	36.08	40.57	27.69	41.46	42.25
PBT margin (%)	25.45	20.12	2.14	20.87	29.27
PAT margin (%)	19.90	18.24	1.80	15.37	26.58

Notes:

* *Negligible*

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(1) The EBITDA is calculated as follows:

	Audited				Unaudited
	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026
	RM'000	RM'000	RM'000	RM'000	RM'000
PBT	10,032	5,361	539	6,714	18,297
Less:					
- Interest income	(32)	(145)	(271)	(311)	(207)
- Amortisation of Government grant	(30)	(30)	(30)	(30)	(30)
Add:					
- Finance costs	467	1,063	1,266	1,409	1,606
- Depreciation charges	1,111	1,777	2,327	2,356	2,729
EBITDA	11,548	8,026	3,831	10,138	22,395

(Source: Audited Consolidated Financial Statements and half yearly reports of the Company for the respective FYE)

Comparison between FYE 2023 and FYE 2022

The Group's total revenue decreased by approximately RM12.78 million or 32.41% to RM26.65 million (FYE 2022: RM39.43 million). The lower revenue recorded was mainly due to the decrease in revenue from orders with customers which was caused by the semiconductor sector downturn.

The Group's PAT decreased by RM2.99 million or 38.09% to RM4.86 million (FYE 2022: RM7.85 million). The lower PAT performance recorded was primarily attributable to the decrease in revenue and gross profit, as well as the increase in administrative expenses and higher finance costs incurred during the financial year.

Comparison between FYE 2024 and FYE 2023

The Group's total revenue decreased by approximately RM1.44 million or 5.40% to RM25.21 million (FYE 2023: RM26.65 million). The lower revenue recorded was mainly due to the decrease in revenue from contracts with customers which was caused by the semiconductor sector downturn.

The Group's PAT decreased by approximately RM4.40 million or 90.53% to RM0.46 million (FYE 2023: RM4.86 million). The lower PAT performance recorded was primarily attributable to the increase in operating expenses such as administrative expenses and selling and distribution expenses as well as higher finance costs incurred during the financial year.

Comparison between FYE 2025 and FYE 2024

The Group's total revenue increased by approximately RM6.96 million or 27.61% to RM32.17 million (FYE 2024: RM25.21 million). The higher revenue recorded was mainly attributable to the increase in revenue from contracts with customers which was attributable to the recovery in the semiconductor sector.

The Group's PAT increased by approximately RM4.48 million or 973.91% to RM4.94 million (FYE 2024: RM0.46 million). The higher PAT recorded was in line with the higher GP recorded during the FYE 2025.

Comparison between FYE 2026 and FYE 2025

The Group's unaudited total revenue increased by approximately RM30.34 million or 94.31% to RM62.51 million (FYE 2025: RM32.17 million). The higher revenue recorded was primarily due to the increase in revenue contribution from precision machining services, structure weldment services and sheet metal fabrication services segment, which increased by RM13.54 million, RM8.70 million and RM6.65 million in FYE 2026, respectively. The increases were due to the

increased orders from its major customers driven by the continued recovery and growth in the semiconductor sector.

The Group's unaudited PAT increased by approximately RM11.67 million or 236.23% to RM16.61 million (FYE 2025: RM4.94 million). The higher PAT recorded was mainly due to the higher PBT and tax savings from reinvestment allowances of approximately RM2.97 million, which was in relation to tax benefits gained from the construction of new production plant and purchasing qualifying manufacturing machinery and equipment. Accordingly, the Group's PAT margin increased to 26.58% for FYE 2026 (FYE 2025: 15.36%).

In arriving at the value of MMIS Shares, we have considered the DCF methodology as the primary valuation methodology and relative valuation analysis using PE Multiple as a cross-check based on the following justifications:

- (i) we note that the Group has consistently generated PAT and positive cash flows from its operating activities for the past 3 years up to the FYE 2025 and the latest unaudited FYE 2026. Accordingly, the stream of future cash flows to be derived from its business operations is expected to be predictable and supported by the Group's historical financial performance trend. Therefore, we are able to apply earnings-based valuation methodologies such as PE Multiple and DCF approach as a basis to determine the fair value of MMIS Shares; and
- (ii) in view that MMIS's underlying value is more likely derived from its business operations of manufacturing, marketing and sale of precision parts rather than its underlying assets, asset-based valuation methodologies such as revalued net asset valuation may not accurately reflect the potential worth of MMIS Group.

DCF methodology

The DCF approach considers both the time value of money and the future cash flows to be generated from business over a specified period of time. As the methodology entails the discounting of future cash flows to be generated from the business at an appropriately selected discount rate to arrive at the enterprise value of the business, the riskiness of generating such cash flows will also be taken into consideration.

We have reviewed the Future Financials, which was prepared by the management of MMIS based on forecast on a best effort basis. We have considered and evaluated the key bases and assumptions as well as the arithmetic accuracy used in the preparation of the Future Financials and are of the view that the basis and assumptions are reasonable given the prevailing circumstances and significant factors that are known as at the LPD.

Notwithstanding the above, we wish to highlight that we do not warrant or guarantee the achievability of the Future Financials. The ultimately responsibility for the accuracy, completeness and achievability of the Future Financials, including the underlying bases and assumptions, rests with the Board and management of MMIS.

The Future Financials, together with the bases and assumptions adopted herein, have been reviewed and approved by the Board. The key bases and assumptions adopted in the preparation of the Future Financials are as follows:

- (a) the Group's business will continue to operate on a going concern basis and is expected to sustain its operation in perpetuity;
- (b) there will not be any significant or material changes in the principal activities of the MMIS Group;
- (c) sufficient internally generated funds and bank borrowings will be available to finance the working capital requirements and capital expenditure of the Group's business activities without any material adverse effect on the financial results, cash flows or business prospects of the Group;

- (d) there will not be any significant or material increase in costs which is expected to have a material adverse effect on the financial results, cash flows, or business prospects;
- (e) there will not be any significant changes in present legislation or government regulations which will adversely affect the business activities of the Group;
- (f) the current accounting policies adopted by the MMIS Group will remain relevant and there will not be any significant changes in the accounting policies of the MMIS Group which have a material adverse impact on the financial performance and financial position of the MMIS Group; and
- (g) there will not be any significant or material changes in political, social, and economic conditions, monetary and fiscal policies, inflation and regulatory requirements of the industry and/or countries in which the MMIS Group operates subsequent to the LPD which may have an adverse effect on the financial performance and financial position of the Group.

We wish to highlight that the Future Financials are inherently subject to limitations as they involve projections over an extended period of time and are based on the bases and assumptions adopted by the management of MMIS. The actual results may differ from the projected results due to, among others, changes in prevailing market conditions, business risks and other factors which may not be within the control of, or may not have been foreseen by, the management of MMIS at the time the Future Financials were prepared. Accordingly, the Future Financials should not be construed as a representation, guarantee or assurance of the future financial performance of the MMIS Group.

In order to derive the fair value of MMIS, we have discounted the free cash flows to firm ("**FCFF**") projected to be generated from the business of the MMIS Group at an appropriate weighted average cost of capital ("**WACC**") to reflect the rate of return. The enterprise value derived from this approach is then adjusted for net debt to determine the value attributable to equity holders.

Our valuation, together with the key bases and assumptions adopted are as follows:

No	Key bases and assumptions		Descriptions
1.	FCFF	Based on the Future Financials from the FYE 2026 to 2029	FCFF is the free cash flows from operations available to a company after taking into consideration all operating expenses, movements in working capital, net investing cash flows and deducting taxes. FCFF is discounted at an appropriate WACC which represents the required rate of return by the capital holders (both debt and equity holders) of MMIS Group. In order to arrive the value of the equity holder, net debts will be subtracted from the enterprise value derived from the FCFF. We have reviewed the Future Financials and the bases and assumptions used in its preparation and are of the opinion that they have been reasonably prepared on bases reflecting the best currently available estimates and judgement by the management of MMIS and of which the management of MMIS is solely responsible for. It should also be noted that our evaluation in itself is highly dependent on, amongst others, the achievability of the Future Financials as well as the materialisation of the bases and assumptions used therein.

No	Key bases and assumptions		Descriptions
2.	Risk-free return (“ R_f ”)	3.74%	Risk-free rate of return represents the expected rate of return from a risk-free investment. The closest available approximation of the risk-free rate of return is the yield of 10-year Malaysian Government Securities. As extracted from the Bank Negara Malaysia website, the said yield is 3.74% as at the LMD.
3.	Equity market risk premium (“ EMRP ”)	5.68%	The EMRP refers to an excess return that investing in an equity asset provides over a risk-free rate. This excess return compensates investors for taking on the relatively higher risk of equity investing. We have relied on the EMRP for Malaysia as published in July 2026 by Professor Aswath Damodaran, who is an established Professor of Finance at the Stern School of Business at New York University. He has published various research papers on equity risk premium since 2008 as well as other papers in the Journal of Financial and Quantitative Analysis, the Journal of Finance, the Journal of Financial Economics and the Review of Financial Studies. We have adopted the EMRP published by Professor Aswath Damodaran as we are of the view that the data and computation used are more robust and had taken into consideration, amongst others, a forward looking equity risk premium as compared to an equity market risk premium derived based on the historical rate of return for the FTSE Bursa Malaysia Top 100 Index, which may be affected by, amongst others, economic fundamentals of the past such as inflation and interest rates as well as one-off events that affect the market (e.g. COVID-19 pandemic) which may not be reflective of the future.
4.	Tax rate	24.00%	The latest statutory corporate income tax rate applicable to MMIS Group is 24.00%.
5.	Beta (“ β ”)	1.45	Beta is the sensitivity of an asset’s returns to the changes in market returns. It measures the correlation of systematic risk between the said asset and the market. A beta of more than 1 signifies that the asset is riskier than the market and vice versa. In deriving the estimated beta of MMIS, we have relied on the 3-year weekly beta up to the LMD of the comparable companies selected by SCA (“SCA’s Comparable Companies”). As the beta extracted from Bloomberg is based on the capital structure of the SCA’s Comparable Companies, we have un-levered the beta based on the respective capital structure and re-levered the average beta of the SCA’s Comparable Companies based on the current capital structure of MMIS as at 31 December 2025 which has a Debt to Equity (“D/E”) ratio of 0.7359.

No	Key bases and assumptions	Descriptions
		We have re-levered the beta based on the following formula: $\begin{aligned} \text{Re-levered beta} &= \text{Average un-levered beta} \times [1 + (1 - \text{tax rate}) \times \text{D/E ratio of MMIS}] \\ &= 0.9308 \times 1.5593 \\ &= 1.4514 \end{aligned}$ The SCA's Comparable Companies that were selected are public companies listed on the ACE Market and Main Market based on the following criteria: (i) principally involved in manufacturing, marketing and sales of precision parts and fabrication of metal and sheet metal with more than 60.00% of the revenue derived from such activities; (ii) market capitalisation between RM100.00 million and RM700.00 million. The market capitalisation range was selected after taking into consideration MMIS's market capitalisation of approximately RM120.00 million as at the LPD and to capture a sufficiently broad selection and meaningful set of comparable peers; and (iii) recorded profit in the latest audited financial statements.

No	Key bases and assumptions		Descriptions				
			The SCA's Comparable Companies identified are as follows:				
				Company Name	Market capitalisation as at the LMD (RM'mil)	D/E ratio (times)	Un-levered beta (times)
				Northeast Group Berhad ⁽¹⁾	669.70	0.0511	-
				Globaltec Formation Berhad	236.83	0.0801	0.7566
				CPE Technology Berhad ⁽¹⁾	644.46	0.0078	-
				Coraza Integrated Technology Berhad	525.41	0.3367	1.2501
				Foundpac Group Berhad	208.34	0.3544	0.7856
				Oxford Innotech Berhad ⁽¹⁾	276.90	0.1625	-
			Average				0.9308
			Note:				
			(1) The beta of Northeast Group Berhad, CPE Technology Berhad and Oxford Innotech Berhad has been excluded as these companies have a listing history of less than 3 years, which does not provide a sufficient historical timeframe to establish a representative beta coefficient. For information, Northeast Group Berhad, CPE Technology Berhad and Oxford Innotech Berhad were listed on 15 October 2024, 7 December 2023, and 29 July 2025, respectively.				
6.	Terminal growth rate (“g”)	1.50%	Terminal growth rate is the constant annual rate at which the FCFF is assumed to grow indefinitely beyond the forecast period of the Future Financials. We adopted a terminal growth rate of 1.50% after taking into consideration the following:				
			(i) the Group's revenue growth for the past 3 financial years up to the FYE 2025 which ranges from -5.40% to 27.61%;				
			(ii) the average 10-year monthly industrial production index growth rate from 2016 to 2025 in Malaysia of 3.42%; and (Source: Department of Statistics Malaysia Official Portal)				
			(iii) the average 10-year annual inflation rate from 2016 to 2025 in Malaysia of 1.79%. (Source: Department of Statistics Malaysia Official Portal)				

No	Key bases and assumptions		Descriptions
7.	Cost of equity ("K _e ")	11.98%	K_e represents the rate of return required by an investor on the cash flow streams generated by the business given the risks associated with the cash flows. In deriving the cost of equity for MMIS, we have adopted the Capital Asset Pricing Model and derived an estimated cost of equity of approximately 11.98% based on the following formula: $K_e = R_f + [\beta \times EMRP]$
8.	After tax cost of debt ("K _d ")	5.16%	K_d represents the effective cost of debt (after taking into consideration the tax-deductible element of interest expense) associated with MMIS Group's borrowing, computed based on the prevailing weighted average interest rates of the Group's borrowing as at 31 December 2025.
9.	Existing debt to total capital ratio ("W _d ")	42.39%	Based on MMIS Group's existing debt-to-total capital ratio as at 31 December 2025 of 42.39%.
10.	WACC	9.09%	WACC is computed by summing up the cost of each capital component as per the following formula: $WACC = (K_e \times W_e) + (K_d \times W_d)$ whereby, W_e (equity-to-total capital ratio) = 1 – W_d
11.	Enterprise value	RM323.04 million	The formula used to derive the enterprise value of MMIS is as follows: $\begin{array}{lcl} \text{Enterprise value of MMIS} & = & \text{Present value of projected FCFF based on the Future Financials of the Group}^{(1)} + \text{Present value of terminal value} \end{array}$ Notes: (1) Computed based on the following formula: $\text{Present value of FCFF} = \frac{FCFF}{(1 + WACC)^n}$ Whereby, n represents time, in years into the future. (2) Computed based on the following formula: $\begin{array}{lcl} \text{Present value of terminal value} & = & \frac{\text{Terminal value}}{(1 + WACC)^n} \end{array}$ Whereby, n represents times in number of years into the future.

Based on the discounted FCFF of MMIS above, we have then derived the estimated equity value of MMIS as follows:

	RM'000
Sum of present value of FCFF	38,039
Present value of terminal value	284,999
Enterprise value of MMIS	323,038
(+) Cash and cash equivalents as at 31 December 2025	7,909
(-) Borrowings as at 31 December 2025	(34,100)
Estimated equity value of MMIS	296,847
No. of Shares in issue ('000)	600,000
Estimated value per MMIS Share (RM)	0.495
Discount of the Exit Offer Price to the estimated value per MMIS Share (RM)	0.155
Discount of the Exit Offer Price to the estimated value per MMIS Share (%)	31.31

Based on the above, the Exit Offer Price of RM0.34 is lower than and represents a discount of RM0.155 or approximately 31.31% to the estimated value of MMIS Share of RM0.495 based on the DCF valuation.

PE Multiple

To further support the valuation from the DCF methodology, we have adopted a PE Multiple comparison method as a cross-check to determine how the estimated PE Multiple derived from the estimated value per MMIS Share under the DCF methodology, compares with the trading PE Multiples of the SCA's Comparable Companies.

Based on the estimated value per MMIS Share of RM0.495 above and the EPS of the Group of approximately 0.82 sen for the audited FYE 2025 based on the total number of 600,000,000 MMIS Shares as at the LPD, the illustrative PE Multiple of MMIS is approximately 60.37 times.

For information, based on the latest available unaudited consolidated financial statements of the Group for the FYE 2026, the Group recorded a PAT of RM16.61 million and the EPS of the Group is approximately 2.77 sen, based on the total number of 600,000,000 MMIS Shares as at the LPD. Based on the estimated value per MMIS Share of RM0.495 above, the corresponding illustrative PE Multiple is approximately 17.87 times.

For your information, we have not computed the PE Multiple based on the total enlarged number of 748,000,000 MMIS Shares in issue (assuming issuance/allotment of Issue Shares) as at the LPD in view that the Proposed Exit Offer would have been completed prior to the Proposed Public Issue and thus will not involve the Issue Shares.

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The selected comparable companies under the PE Multiple analysis are identical to the comparable companies used for the DCF methodology. The trading PE Multiples of the SCA's Comparable Companies as at the LPD are as follows:

SCA's Comparable Companies	Market capitalisation ⁽¹⁾	Trailing twelve months PAT	PE Multiple ⁽²⁾
	RM'000	RM'000	times
Northeast Group Berhad	769,600	36,471	21.10
Globaltec Formation Berhad	254,318	6,843	37.16
CPE Technology Berhad	845,857	18,185	46.51
Coraza Integrated Technology Berhad	521,271	18,055	28.87
Foundpac Group Berhad	216,563	13,890	15.59
Oxford Innotech Berhad	301,750	9,646	31.28
High			46.51
Low			15.59
Simple average			30.09

Notes:

- (1) Computed based on the share price multiplied by the total number of shares outstanding as at the LPD.
- (2) Computed based on trailing twelve months PAT.

We note that the illustrative PE Multiple of MMIS, based on the latest audited PAT of RM4.94 million for FYE 2025, is approximately 60.37 times, which is above the range of PE Multiples of the SCA's Comparable Companies of between 15.59 times and 46.51 times. However, the illustrative PE Multiple of MMIS, based on the unaudited PAT of RM16.61 million for FYE 2026, is approximately 17.87 times, which is within the range of PE Multiples of the SCA's Comparable Companies of between 15.59 times and 46.51 times.

Based on the Exit Offer Price of RM0.34 and the Group's EPS of approximately 0.82 sen for the audited FYE 2025 (based on the total number of shares of 600,000,000 MMIS Shares as at the LPD), the implied PE Multiple of MMIS is approximately 41.46 times, which is within the range of the PE Multiples of the SCA's Comparable Companies of between 15.59 times and 46.51 times.

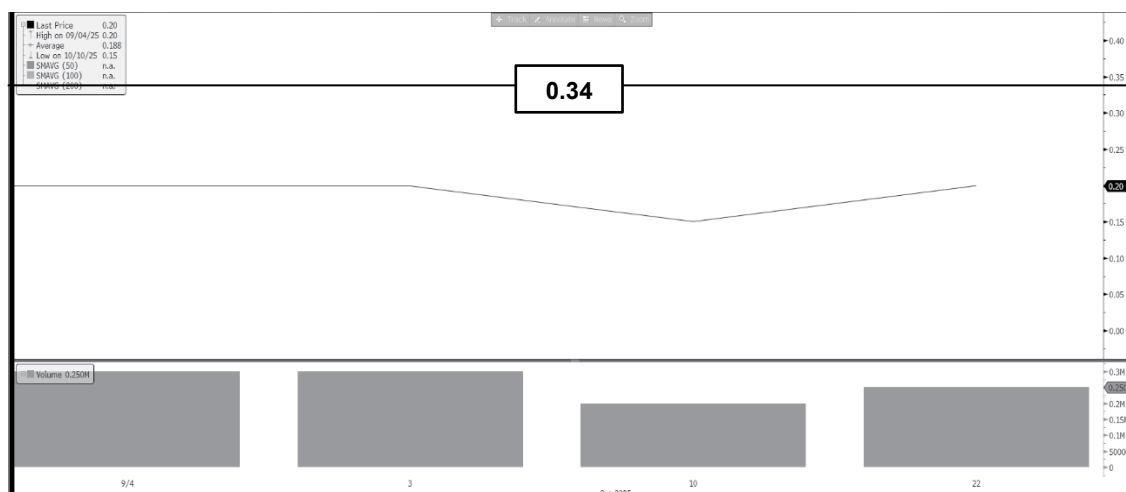
For information purposes, based on the Exit Offer Price of RM0.34 and the Group's unaudited EPS of approximately 2.77 sen (based on the total number of 600,000,000 MMIS Shares as at the LPD), the corresponding implied PE Multiple of MMIS is approximately 12.27 times, which is below the range of the PE Multiples of the SCA's Comparable Companies of between 15.59 times and 46.51 times.

Notwithstanding the foregoing, our opinion is based on the primary valuation methodology adopted, namely DCF methodology. Given that the Exit Offer Price of RM0.34 per Share is lower than and represents a discount of RM0.155 or approximately 31.31% to the estimated value of MMIS Share of RM0.495 based on the DCF valuation, we are of the view that the Proposed Exit Offer is **not fair**.

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8.1.2 Historical share price analysis of the MMIS Shares

In assessing the Exit Offer Price of RM0.34, we have taken into consideration the movement of the market prices of MMIS Shares for the past 1 year preceding the LMD as illustrated below:



(Source: Bloomberg Finance L.P.)

Given the lack of trading of MMIS Shares over the past 1 year up to the LMD, the available data is only limited up to 22 October 2025, i.e. when the MMIS Shares were last traded.

To the best of our knowledge and upon confirmation from the management of MMIS, there have been no material news/developments throughout the period of analysis which may have led to the upward or downward movements of market prices of MMIS Shares for the past 1 year up to the LMD. For information, there were no changes to the principal activities of the MMIS Group during the same period.

We set out below a comparison of the Exit Offer Price of RM0.34 per Offer Share vis-à-vis the historical market prices of MMIS:

	Market price of MMIS Shares	Premium of the Exit Offer Price to the prevailing market price	
	RM	RM	%
Closing price on the LMD ⁽¹⁾	0.20	0.14	70.00
Closing price on the LPD ⁽¹⁾	0.20	0.14	70.00
Up to and including the LMD:			
5-day VWAP ⁽²⁾	N/A	-	-
1-month VWAP ⁽²⁾	N/A	-	-
3-month VWAP ⁽²⁾	N/A	-	-
6-month VWAP ⁽²⁾	N/A	-	-
1-year VWAP	0.19	0.15	78.95

(Source: Bloomberg Finance L.P.)

Notes:

N/A Not available.

(1) Based on the last reference price of the Share as at the LPD/LMD of RM0.20.

(2) No trading of MMIS Shares during the 5 market days, 1 month, 3 months and 6 months up to the LMD.

Based on the table above, we note that the Exit Offer Price represents:

- (i) a premium of RM0.14 (70.00%) to the closing price of MMIS Shares on the LMD and LPD; and
- (ii) a premium of RM0.15 (78.95%) to the 1-year VWAP of MMIS Shares up to the LMD.

8.1.3 Illustrative IPO Price comparison

We note from **Section 2.1.5 of Part A of the Circular** that it is the intention of the Joint Offerors to fix the Exit Offer Price to be the same as the IPO Price, which will be determined by the Board and the underwriter at a later date, after taking into consideration the factors as set out in **Section 2.2.5 of Part A of the Circular**.

Please refer to **Section 7.3 of this IAL** for further details and our view on the basis and justifications for the illustrative IPO Price.

8.1.4 Our view on the fairness of the Proposed Exit Offer

Based on our evaluation in **Sections 8.1.1 and 8.1.2 of this IAL**, the Exit Offer Price of RM0.34 represents:

- (i) a discount of RM0.155 (31.31%) to the estimated value of MMIS Share of RM0.495 based on DCF valuation method;
- (ii) a premium of RM0.14 (70.00%) to the closing price of MMIS Share on the LMD and LPD of RM0.20; and
- (iii) a premium of RM0.15 (78.95%) to the 1-year VWAP of MMIS Shares up to the LMD.

Premised on the above, we are of the view that the Proposed Exit Offer is **not fair**.

8.2 REASONABLENESS OF THE PROPOSED EXIT OFFER

8.2.1 Listing status of MMIS

The Proposed Transfer of Listing involves the withdrawal of the Company's listing from the LEAP Market and the transfer of the listing and quotation of the enlarged issued share capital of the Company to the ACE Market, subject to the Company fulfilling the Pre-Conditions as set out in **Section 9 of Part A of the Circular**.

The passing of the resolution pertaining to the Proposed Withdrawal of Listing at MMIS's EGM is subject to the following conditions:

- (i) the resolution is approved by a majority of shareholders, in number, representing 75% of the total number of issued Shares held by the shareholders present and voting either in person or by proxy at the EGM; and
- (ii) the number of votes cast against the resolution by the shareholders of the Company is not more than 10% of the total number of issued Shares held by the shareholders present and voting either in person or by proxy at the EGM.

Once the Company has fulfilled the Pre-Conditions, the Proposed Exit Offer shall be implemented by the Joint Offerors and subsequently, MMIS will be withdrawn from the LEAP Market and listed on the ACE Market, irrespective of the acceptance level for the Proposed Exit Offer. This is consistent with the intention of the Joint Offerors to maintain the listing status of MMIS.

In the event the Company's shareholders do have accept the Proposed Exit Offer, the Company's shareholders will be holding ACE Market listed MMIS Shares upon completion of the Proposed

Transfer of Listing whereas Company's shareholders who have accepted the Proposed Exit Offer will forego the future potential benefits of holding ACE Market listed MMIS Shares.

For information, the Joint Offerors are eligible to vote at the EGM for the Proposed Transfer of Listing. The Joint Offerors collectively hold 509,697,000 ordinary shares in MMIS as at the LPD, representing approximately 84.95% of the total issued share capital of the Company.

8.2.2 Compulsory acquisition

Section 222(1) of the CMSA provides that, where an offeror:

- (a) has made a take-over offer for all the shares or all the shares in any particular class in an offeree; and
- (b) has received acceptances of not less than 9/10 in the nominal value of the offer shares,

the offeror may, within 4 months of the date of the take-over offer, acquire the remaining shares or remaining shares in any particular class in the offeree, by issuing a notice in the form or manner specified by the SC to such effect, to all dissenting Company's shareholders provided that the notice:

- (a) is issued within 2 months from the date of achieving the conditions under Sections 222(1)(a) and 222(1)(b) of the CMSA; and
- (b) is accompanied by a copy of a statutory declaration by the offeror that the conditions for the giving of the notice are satisfied.

Section 222(1A) of the CMSA provides that for the purpose of subsection 222(1)(b) of the CMSA, the acceptances shall not include shares already held at the date of the take-over offer by the offeror or any persons acting in concert.

We note from **Section 2.1.2 of Part A of the Circular** that if the Joint Offerors receive valid acceptances of not less than 9/10 in the value of the total number of Offer Shares in issue (excluding Shares already held by the Joint Offerors and the PAC as at the date of the Proposal Letter) on or before the Closing Date of the Proposed Exit Offer, **the Joint Offerors do not intend to invoke the provisions of subsection 222(1) of the CMSA to compulsorily acquire any remaining Offer Shares for which valid acceptances have not been received on or before the closing date of the Proposed Exit Offer** even if the conditions stipulated in subsection 222(1) of the CMSA are fulfilled. This will assist the Company in complying with the public shareholding spread requirement as set out in Rule 3.10(1) of the ACE Market Listing Requirements upon completion of the Proposed Transfer of Listing and allow the Company's shareholders who do not accept the Proposed Exit Offer to not have their Shares compulsorily acquired by the Joint Offerors.

8.2.3 Rights of dissenting shareholders

Notwithstanding **Section 2.1.2 of Part A of the Circular** as set out in **Section 8.2.2 above**, and subject to Section 224 of the CMSA, Section 223 of the CMSA provides that if the Joint Offerors receive valid acceptances from the holders of Offer Shares resulting in the Joint Offerors holding not less than 9/10 in the value of all the Shares in issue (including the Shares which are already held by the Joint Offerors as at the date of the Proposal Letter) on or before the Closing Date, a dissenting holder may exercise his rights, under subsection 223(1) of the CMSA, by serving a notice on the Joint Offerors to require the Joint Offerors to acquire his Offer Shares on the same terms and conditions as set out in the Offer Document or such other terms as may be agreed between the Joint Offerors and the dissenting holders.

If a dissenting holder invokes the provisions of subsection 223(1) of the CMSA, the Joint Offerors will acquire such Offer Shares in accordance with the provisions of the CMSA, subject to the provisions of section 224 of the CMSA which provides that when a dissenting holder exercises his rights under subsection 223(1) of the CMSA, the court may, on an application made by such

dissenting shareholder or by the Joint Offerors, order that the Joint Offerors acquire the dissenting holders' Offer Shares on terms that the court thinks fit.

Subsection 223(2) of the CMSA requires the Joint Offerors to give the dissenting holders a notice in the manner specified under the Rules of the rights exercisable by the dissenting holders under subsection 223(1) of the CMSA, within 1 month of the time the Joint Offerors having acquired not less than 9/10 in the value of all of the Shares in issue (including Shares which are already held by the Joint Offerors as at the date of the Proposal Letter). The notice to the Company's shareholders under subsection 223(2) of the CMSA may specify the period for the exercise of the rights of the dissenting shareholders and such period shall not be less than 3 months after the Closing Date.

8.2.4 Our view on the reasonableness of the Proposed Exit Offer

We are of the view that the Proposed Exit Offer is **not reasonable** after taking into consideration the following factors:

- (i) in the event of fulfilment of the Pre-Conditions, MMIS will be withdrawn from the LEAP Market and listed on the ACE Market irrespective of the acceptance level for the Proposed Exit Offer. The Proposed Exit Offer would only be implemented subsequent to the Company fulfilling the Pre-Conditions and MMIS Shares will remain tradeable on the ACE Market.

As such, Holders who do not accept the Proposed Exit Offer will be holding ACE Market listed MMIS Shares upon completion of the Proposed Transfer of Listing and will still be able to realise their investment in MMIS Shares in the ACE Market which are expected to be more liquid.

Whereas the Holders who accept the Proposed Exit Offer will forego the potential future benefit of holding ACE Market listed MMIS Shares such as the benefit from being exposed to a larger pool of investors and better price discovery.

We note that the illustrative IPO Price is indicative at this juncture and the final IPO Price may differ from the illustrative IPO Price as it will depend on the prevailing PE Multiple of selected comparable public listed companies as well as the prevailing equity market and economic condition in Malaysia; and

- (ii) the Joint Offerors **do not intend to invoke the provisions of Section 222(1) of the CMSA to compulsorily acquire any remaining Offer Shares from the dissenting holders for which valid acceptances have not been received** under the Proposed Exit Offer even if the conditions stipulated in subsection 222(1) of the CMSA are fulfilled. This will assist the Company in complying with the public shareholding spread requirement as set out in Rule 3.10(1) of the ACE Market Listing Requirements upon completion of the Proposed Transfer of Listing and allow the shareholders of the Company who do not accept the Proposed Exit Offer to not have their Shares compulsorily acquired by the Joint Offerors.

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9. OUR CONCLUSION AND RECOMMENDATION

We have assessed and evaluated the Proposed Transfer of Listing after taking into consideration the relevant factors as discussed in **Section 7 of this IAL**. In arriving at our opinion on the fairness and reasonableness of the Proposed Transfer of Listing, we have taken into consideration the following pertinent factors:

- (i) the rationale and justification of the Proposed Transfer of Listing are reasonable and not detrimental to the Company's shareholders;
- (ii) the effects of the Proposed Transfer of Listing are reasonable and not detrimental to the Company's shareholders;
- (iii) the prospects of MMIS Group are positive;
- (iv) the completion risk of the Proposed Transfer of Listing which is dependent on the Company fulfilling the Pre-Conditions as set out in **Section 9 of Part A of the Circular**;
- (v) the investment risk of the Proposed Transfer of Listing which is dependent on the final IPO Price to be determined later; and
- (vi) the risks associated with the Proposed Transfer of Listing as set out in **Section 4 of Part A of the Circular** do not outweigh the rationale and justifications for the Proposed Transfer of Listing as set out in **Section 3 of Part A of the Circular**.

In arriving at our recommendation in respect of the Proposed Exit Offer, we have assessed the fairness and reasonableness of the Proposed Exit Offer in accordance with paragraphs 1 to 6 under Schedule 2: Part III of the Rules, whereby:

- (i) in relation to a take-over, the term "fair and reasonable" should generally be analysed as 2 distinct criteria i.e. whether the offer is "fair" and whether the offer is "reasonable", rather than as a composite term;
- (ii) the take-over offer is considered "fair", if the offer price is equal to or higher than the market price and is also equal to or higher than the value of the securities of the offeree. However, if the offer price is equal to or higher than the market price but is lower than the value of the securities of the offeree, the take-over offer is considered "not fair". In making the assessment, the value of securities of the offeree is determined based on the assumption that 100% of the issued shares of the offeree is being acquired; and
- (iii) pursuant to paragraph 4 of Schedule 2: Part III of the Rules, in considering whether a take-over offer is "reasonable", the independent adviser should take into consideration matters other than the valuation of the securities that are subject of the take-over offer. A take-over offer would be considered "reasonable" if it is "fair".

We have assessed and evaluated the Proposed Exit Offer as set out in **Sections 8 of this IAL**. In arriving at our opinion, we have taken into consideration the following pertinent factors:

Based on our analysis as set out in **Sections 8.1.1 and 8.1.2 of this IAL**, we are of the view that the Proposed Exit Offer is **not fair** as the Exit Offer Price of RM0.34 represents:

- (i) a discount of RM0.155 (31.31%) to the estimated value of MMIS Share of RM0.495 based on DCF valuation method;
- (ii) a premium of RM0.14 (70.00%) to the closing price of MMIS Share on the LMD and LPD of RM0.20; and
- (iii) a premium of RM0.15 (78.95%) to the 1-year VWAP of MMIS Shares up to the LMD.

In assessing the fairness of the Exit Offer Price, we have also taken into consideration paragraph 2 of Schedule 2, Part III of the Rules, which provides that an offer price that is lower than the value of the securities is considered to be “not fair”. In this regard, as the Exit Offer Price of RM0.34 is lower than the estimated value of MMIS Share of RM0.495 based on the DCF valuation method, the Exit Offer Price is considered to be “not fair”.

Based on our evaluation in **Section 8.2 of this IAL**, we are of the view that the Proposed Exit Offer is **not reasonable** after taking into consideration the following factors:

- (i) in the event of fulfilment of the Pre-Conditions, MMIS will be withdrawn from the LEAP Market and listed on the ACE Market irrespective of the acceptance level for the Proposed Exit Offer. As such, Holders who do not accept the Proposed Exit Offer will be holding ACE Market listed MMIS Shares upon completion of the Proposed Transfer of Listing and will still be able to realise their investment in MMIS Shares in the ACE Market which are expected to be more liquid; and
- (ii) the Joint Offerors do not intend to invoke the provision of Section 222(1) of the CMSA to compulsorily acquire any remaining Offer Shares from the dissenting shareholders for which valid acceptances have not been received under the Proposed Exit Offer even if the conditions stipulated in subsection 222(1) of the CMSA are fulfilled.

The Proposed Exit Offer is the adopted exit mechanism in order to facilitate the Proposed Withdrawal of Listing. Furthermore, the Proposed Exit Offer would only be implemented subsequent to the Company fulfilling the Pre-Conditions. Based on the above, we are of the view that the Proposed Exit Offer is **not fair** and **not reasonable**.

Therefore, even if the Holders were to reject the Offer, the MMIS Shares will remain tradeable on the ACE Market and the Holders will still be able to realise their investment in MMIS Shares on the ACE Market. Furthermore, the Holders will be able to enjoy the potential benefits of holding ACE Market listed MMIS Shares such as the benefit from being exposed to a larger pool of investors and better price discovery. These benefits will be realised with the outcome of voting in favour of the resolutions pertaining to the Proposed Transfer of Listing. Holders should note that the illustrative IPO Price is indicative at this juncture, and the final IPO Price may differ from the illustrative IPO Price as it will depend on the prevailing PE Multiple of selected comparable public listed companies as well as the prevailing equity market and economic condition in Malaysia.

However, in the event the Company's shareholders were to vote against the resolutions pertaining to the Proposed Transfer of Listing at the forthcoming EGM of MMIS, the Company will remain listed on the LEAP Market and will not be able to enjoy the benefits of the Proposed Transfer of Listing as set out in **Section 3 of Part A of the Circular** whilst the expenses paid for the Proposed Transfer of Listing will not be recoverable.

We will provide our detailed independent evaluation and recommendation on the Proposed Exit Offer in a separate IAC at a later stage after the Offer Document from the Joint Offerors has been despatched to you.

We have assessed and evaluated the Proposed Transfer of Listing and have set out our evaluation in **Section 7 of this IAL**. The Company's shareholders should carefully consider the merits and demerits of the Proposed Transfer of Listing based on all relevant and pertinent factors including those set out above and other considerations as set out in this IAL, the Circular and the appendices.

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Based on our holistic assessment and evaluation, we are of the opinion that the Proposed Transfer of Listing is **fair** and **reasonable**, and is **not detrimental** to the Company's shareholders.

Accordingly, we recommend that Company's shareholders **vote in favour** of the resolutions pertaining to the Proposed Transfer of Listing to be tabled at the forthcoming EGM of MMIS.

Yours faithfully,
SIERAC CORPORATE ADVISERS SDN BHD

TEH SEW HONG
EXECUTIVE DIRECTOR

1. BACKGROUND OF OUR GROUP

Our Company was incorporated in Malaysia on 22 February 2019 under the Act as a private limited company under the name MMIS Sdn Bhd and commenced business on the same date. On 29 April 2019, our Company was converted into a public company limited by shares and adopted the name MMIS Berhad. Our Company is an investment holding company. Through our subsidiary, MMI, we are principally involved in the manufacturing, marketing and sales of precision parts and fabrication of metal and sheet metal for the semiconductor industry. Our products are primarily purchased by manufacturers of semiconductor manufacturing equipment as well as manufacturers of automated testing equipment for the semiconductor industry.

Our subsidiary, MMI, was incorporated in Malaysia on 1 April 1996 under the Companies Act 1965 and deemed registered under the Act, as a private limited company. MMI commenced operations in the same year in the business of manufacturing plastic mould bases, and our customers comprised mould makers. At that point in time, MMI operated from a production facility with a floor space of approximately 5,000 square feet at Taman Perindustrian Chandan Raya, Menglembu, Ipoh, Perak.

In 2000, we diversified into the manufacturing, marketing and sale of precision engineering parts for the semiconductor industry. In 2002, we ceased manufacturing mould bases for mould makers due to declining demand from customers. This allowed us to allocate our resources to the manufacturing of precision engineering parts for the semiconductor industry as we began witnessing greater interest and increasing demand from our customers. We operated 3 production lines at this point in time.

As a result of business growth, we relocated to a bigger production facility in Kawasan Perindustrian Menglembu, Menglembu, Ipoh, with a floor space of approximately 13,000 square feet in 2005. This allowed us to acquire more machinery for the manufacturing of precision engineering parts. We expanded our operations to include welding capabilities between 2006 and 2012. We were operating 4 production lines with 18 machines.

On 30 December 2013, we acquired a 4,986 square metres (equivalent to approximately 1.23 acres or 53,668.86 square feet) parcel of land (PT 14495) at Kawasan Perindustrian Batu Gajah Perdana in Pusing, Perak, for the construction of a new production facility to support our growing manufacturing activities. The construction of our new factory commenced in 2014 and was completed in end 2016. We relocated our operations to this new production facility which had a floor space of 32,400 square feet in December 2016, thereby allowing us to operate 4 production lines with 22 machines.

In 2018, we acquired 2 additional machines and expanded our product range to include sheet metal products. In light of the increasing demand for the precision engineering parts that we fabricate, on 16 April 2018, we acquired a 4,252 square metres (equivalent to approximately 1.05 acre or 45,768.12 square feet) parcel of land (PT 14494) beside our existing production facility, in the same year, for the expansion of our operations.

On 21 May 2019, our Company completed the acquisition of the entire equity interest in MMI, resulting in MMI becoming wholly-owned subsidiary of our Company. Subsequently on 6 September 2019, our Company was listed on the LEAP Market of Bursa Securities.

In 2022, the construction of our production facility at PT 14494 was completed thereby enabling us to commence operations in this new production facility.

On 8 July 2022, we acquired a 40,054 square metres (equivalent to 9.9 acres or 431,137 square feet) parcel of industrial land together with buildings constructed thereon located at Plot 84, Jalan Johan 1/2, Kawasan Perindustrian Pengkalan II, 31550 Pusing, Perak ("**Plot 84**"). We commenced construction of a new production facility in Plot 84 in 2023 with construction works being completed in 2025 with a total floor area of 147,433 square feet. In 2025, we commenced operations in this new production facility on Plot 84.

APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)

As at the LPD, our Group's production facilities are detailed as follows:

Production Facility	Location	Production Floor Area (square feet)	Number of Production Line			Number of Machines		
			2024	2025	2026	2024	2025	2026
Plant 1	PT14495, Persiaran Batu Gajah Perdana 4, Kawasan Perindustrian Batu Gajah Perdana, 31000 Batu Gajah, Perak	64,519	4	4	2	64	66	28
Plant 2	Plot 84, Lot 188807, Jalan Johan 1/2, Kawasan Perindustrian Pengkalan II, 31550 Pusing, Perak	147,433	0	0	4	0	0	97

In addition, details of our Group's major machinery, including the number of machines, production capacity and output utilisation as at the LPD are set out below:

Machine	2024			2025			2026		
	No. of Machines	Production Capacity (Hours)	Output Utilisation (%)	No. of Machines	Production Capacity (Hours)	Output Utilisation (%)	No. of Machines	Production Capacity (Hours)	Output Utilisation (%)
Precision Machining (CNC & Milling)	26	174,720	45	26	174,720	60	32	215,040	72
Grinding	2	13,440	38	2	13,440	52	3	20,160	50
Laser Cutting & Turret Punching	4	26,880	40	4	26,880	70	6	40,320	62
CNC Bending	3	20,160	42	3	20,160	50	3	20,160	68
Welding	29	194,880	58	31	208,320	65	81	544,320	60
Total machines	64	430,080		66	443,520		125	840,000	

APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)

Our Group is principally involved in the manufacturing, marketing and sale of precision engineering parts. Presently, the precision engineering parts that we manufacture are sold to manufacturers of semiconductor manufacturing equipment as well as manufacturers of automated testing equipment for the semiconductor industry as well as manufacturers of solar photovoltaic (PV) panels.

The precision engineering parts that we manufacture for the semiconductor industry are as follows:

(i) Precision machining

We provide precision machining services that deliver metal parts and components manufactured to our customers' designs and specifications. Using CNC processes such as milling, turning, and turn-milling, we are able to achieve consistent close-tolerance finishes. Should our customers require surface treatment for these metal parts and components, we engage external subcontractors to carry out such surface treatment processes at their respective production facilities. We have the requisite experience and CNC machinery to undertake precision machining of large and bulky metal parts such as table tops, base plates and conveyors.

(ii) Structure weldment

We fabricate metal parts and perform welding on these metal parts to create and reinforce load-bearing structures. Structure weldment utilises specific techniques based on the type of material, thicknesses and design requirement. We use the TIG and MIG welding processes, which enable us to undertake structure weldment of metal parts of various sizes with precision.

(iii) Fabrication of sheet metal

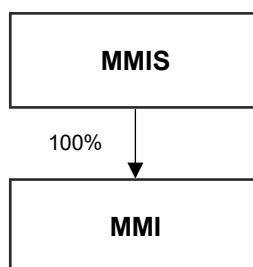
We manufacture metal sheets and tubes to transform them into custom parts or structures through cutting, bending and welding processes based on engineering specifications agreed with our customers. In our production facilities, fabricated sheet metal is processed using various CNC machineries to achieve the design specifications and precision required by our customers. If required by our customers, fabricated sheet metal further undergoes surface treatment, which is carried out by external subcontractors engaged by our Group at their respective production facilities. Completed sheet metal parts are either delivered to our customers or used as intermediate parts for our mechanical assembly services. We are able to support customers for high mix low volume parts as well as large sheet metal fabrication.

(iv) Mechanical assembly

We assemble precision machined components, frames and metal sheets into sub-module or intermediate forms based on the designs and specifications of our customers. The sub-module or intermediate forms that we assemble are semi-assembled machinery such as frames, structures and machine enclosures.

APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)

As at the LPD, our Group structure is as follows:



As at the LPD, the details of our subsidiary is as follows:

Company	Date / Place of Incorporation	Issued share capital (RM'000)	Effective equity interest (%)	Principal activities
MMI	1 April 1996 / Malaysia	5,750	100.00	Manufacturing, marketing and sales of precision parts and fabrication of metal and sheet metal

2. SHARE CAPITAL

As at the LPD, the issued share capital of our Company is RM14,768,002 comprising 600,000,000 Shares.

3. FINANCIAL INFORMATION

Historical audited consolidated statement of profit or loss for the financial years ended 30 June 2023 to 30 June 2025 ("FYE(s)") and historical unaudited consolidated statement of profit or loss for the FYE 2026.

	Audited			Unaudited
	FYE 2023 RM'000	FYE 2024 RM'000	FYE 2025 RM'000	FYE 2026 RM'000
Revenue	26,651	25,212	32,174	62,506
Cost of sales	(15,838)	(18,230)	(18,835)	(36,097)
Gross profit	10,813	6,982	13,339	26,409
Other income	270	985	451	695
Administrative expenses	(4,303)	(5,648)	(5,284)	(6,269)
Selling and distribution expenses	(351)	(457)	(368)	(689)
Other expenses	(5)	(57)	(15)	(242)
Finance costs	(1,063)	(1,266)	(1,409)	(1,607)
Profit before tax	5,361	539	6,714	18,297
Taxation	(499)	(84)	(1,770)	(1,684)
Profit after tax	4,862	455	4,944	16,613

Supplementary financial information

No. of Shares in issue ('000)	600,000	600,000	600,000	600,000
Basic / diluted earnings per Share (sen)	0.81	0.08	0.82	2.77

APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)

	Audited			Unaudited
	FYE 2023	FYE 2024	FYE 2025	FYE 2026
	RM'000	RM'000	RM'000	RM'000
Earnings before interest, tax, depreciation and amortisation ("EBITDA") ⁽¹⁾	8,026	3,831	10,138	22,395
Gross profit margin (%)	40.57	27.69	41.46	42.25
Profit before tax margin (%)	20.12	2.14	20.87	29.27
Profit after tax margin (%)	18.24	1.80	15.37	26.58

Notes:

* Negligible

(1) The EBITDA is calculated as follows:

	Audited			Unaudited
	FYE 2023	FYE 2024	FYE 2025	FYE 2026
	RM'000	RM'000	RM'000	RM'000
Profit before tax	5,361	539	6,714	18,297
Less:				
- Interest income	(145)	(271)	(311)	(207)
- Amortisation of Government grant	(30)	(30)	(30)	(30)
Add:				
- Finance costs	1,063	1,266	1,409	1,606
- Depreciation charges	1,777	2,327	2,356	2,729
EBITDA	8,026	3,831	10,138	22,395

(Source: Audited consolidated financial statements and half yearly reports of our Company for the respective FYE)

There were no shares of profit / loss from joint ventures companies as our Company does not have any associates and joint ventures companies. Besides that, there were also no profit / loss attributable to non-controlling interest as our subsidiary is wholly owned by our Company.

(i) Financial analysis and commentary

(a) FYE 2022 compared to FYE 2023

For the FYE 2023, our Group's total revenue decreased by approximately RM12.78 million or 32.4% to RM26.65 million (FYE 2022: RM39.43 million), mainly due to the decrease in revenue from orders with customers which was caused by the downturn in the semiconductor sector.

For the FYE 2023, our Group's PAT decreased by approximately RM2.98 million or 37.99% to RM4.86 million (FYE 2022: RM7.85 million). The lower PAT performance was primarily attributable to the decrease in revenue and gross profit, as well as the increase in administrative expenses and finance costs incurred during the financial year.

(b) FYE 2023 compared to FYE 2024

For the FYE 2024, our Group's total revenue decreased marginally by approximately RM1.44 million or 5.4% to RM25.21 million (FYE 2023: RM26.65 million), mainly due to the decrease in revenue from contracts with customers which was caused by the semiconductor sector downturn.

APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)

For the FYE 2024, our Group's PAT decreased by approximately RM4.40 million or 90.53% to RM0.46 million (FYE 2023: RM4.86 million). The lower PAT performance was primarily attributable to the increase in operating expenses such as administrative expenses and selling and distribution expenses as well as higher finance costs incurred during the financial year.

(c) FYE 2024 compared to FYE 2025

For the FYE 2025, our Group's total revenue increased by approximately RM6.96 million or 27.61% to RM32.17 million (FYE 2024: RM25.21 million), mainly due to increase in revenue from contracts with customers which was attributable to the recovery in the semiconductor sector.

For the FYE 2025, our Group's PAT increased by approximately RM4.48 million or 973.91% to RM4.94 million (FYE 2024: RM0.46 million); in line with the higher gross profit as a result of the increase in revenue, as explained above.

(d) FYE 2025 compared to FYE 2026

For the FYE 2026, our Group's total revenue (unaudited) increased by approximately RM30.34 million or 94.31% to RM62.51 million (FYE 2025: RM32.17 million), mainly due to an increase in revenue contribution from precision machining services, structure weldment services and sheet metal fabrication services segment, which increased by RM13.54 million, RM8.70 million and RM6.65 million, respectively in FYE 2026. Such increases were due to increased orders from our Group's major customers, attributable to the continued recovery and growth in the semiconductor sector.

Our Group's PAT (unaudited) increased by RM11.67 million or 236.23% from RM4.94 million in FYE 2025 to RM16.61 million in FYE 2026. This increase was due to the higher PBT and tax savings from reinvestment allowances of approximately RM2.97 million, which was in relation to tax benefits gained from the construction of new production plant and purchasing qualifying manufacturing machinery and equipment. Accordingly, our Group's PAT margin (unaudited) increased to 26.58% for FYE 2026 (FYE 2025: 15.36%).

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APPENDIX I – INFORMATION ON OUR GROUP (CONT'D)

4. DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The Directors and substantial shareholders and their shareholdings in MMIS Shares as at the LPD are as follows:

Name	Designation	Nationality	Direct		Indirect	
			No. of MMIS Shares	(1) %	No. of MMIS Shares	(1) %
<u>Substantial shareholders and Directors</u>						
Loh Chin Soon	Executive Chairman	Malaysian	243,000,000	40.50	-	-
Loh Chin Siang	Executive Director	Malaysian	121,500,000	20.25	-	-
<u>Substantial shareholder</u>						
Low Oo Seng	Senior Adviser	Malaysian	120,197,000	20.03	-	-
<u>Director</u>						
Law Woo Hock	Executive Director	Malaysian	25,000,000	4.17	-	-

Note:

(1) Based on 600,000,000 Shares in issue as at the LPD.

APPENDIX II – INFORMATION ON THE JOINT OFFERORS

The information on the Joint Offerors is as follows:

(i) Loh Chin Soon

Loh Chin Soon, a Malaysian male aged 58, is our substantial shareholder and Executive Chairman. He was appointed to our Board on 22 February 2019, and he is responsible for setting the strategic direction of our Group and driving business growth, including the overseeing the overall management and operations of our Group.

He obtained his Sijil Pelajaran Malaysia (SPM) from Sekolah Menengah Kebangsaan Dato Haji Hussein, Selama, Perak in December 1986.

In January 1987, he joined Yuen Tat Engineering as a trainee mould maker, where he learnt the fundamentals of mould making and gained practical exposure to the plastic moulding manufacturing industry. He left the company in May 1991 to co-found Nam Yee Engineering Works ("**Nam Yee**") as an equity partner, where he was responsible for marketing and production in the plastic moulding manufacturing business. He ceased to be an equity partner in October 1991 but remained as a partner in Nam Yee until he left the business in June 1992.

In July 1992, he joined Multi Mould Hardware Supply as Manager, where he was responsible for trading and marketing of mould accessories and hardware. In June 1993, Multi Mould Hardware Supply was incorporated as Multi Mould Hardware Sdn Bhd, where he continued his role as the Manager and was subsequently appointed as a director in September 1997. He was responsible for marketing in the wholesale of mould accessories business. The company was subsequently struck off in January 2011.

In July 1995, he joined Multi Mould Supply Sdn Bhd ("**Multi Mould Supply**") as Manager, where he was responsible for marketing in the wholesale of mould accessories business. Multi Mould Supply was struck off in July 2023.

In May 1996, he joined MMI as Managing Director and shareholder, where he was responsible for setting the strategic direction and growing the business of MMI. He was subsequently appointed as the Managing Director of our Company in February 2019. In August 2023, he was redesignated from the Managing Director to the Executive Chairman of our Company, a position he presently assumes.

He is the brother of Loh Chin Siang, our substantial shareholder and Executive Director. He is the cousin of Law Woo Hock, our Executive Director. He is also the cousin of Low Oo Seng, our substantial shareholder.

(ii) Loh Chin Siang

Loh Chin Siang, a Malaysian male aged 53, is our substantial shareholder and Executive Director. He was appointed to our Board on 22 February 2019, and he is responsible for managing and planning production operations of our Group.

He obtained his Sijil Pelajaran Malaysia (SPM) from SMK Dato Haji Hussein, Selama, Perak, in December 1991. He subsequently obtained a Diploma in Electro-Mechanical Engineering from Institut Teknologi Linton, Ipoh, Perak in December 1994.

Upon graduation, he joined Trio-Tech (Malaysia) Sdn Bhd in Penang as Technician, where he was responsible for repairing machinery in the event of breakdown. He left the company in March 1995 and joined Osram Opto Semiconductors (M) Sdn Bhd ("**Osram**"), a subsidiary of Siemens at the material time, as Technician, where he was responsible for repairing machinery.

In May 1996, he left Osram and joined Multi Gear Engineering Sdn Bhd as CNC Machine Trainee, where he assisted in the general functions of the company as an apprentice. He left the company in December 1998. In March 1999, he joined Hytex Engineering Works Sdn Bhd as CNC Machinist, where he led the machinery department. He left the company in September 2003 and took a short career break.

APPENDIX II – INFORMATION ON THE JOINT OFFERORS (CONT'D)

In March 2004, he joined MMI as Operations Manager, where he was responsible for overseeing production functions. In April 2011, he was appointed as director and General Manager of MMI, where he was responsible for managing and planning production operations and was later appointed as Executive Director of our Company in February 2019, a position he presently assumes.

He is the brother of Loh Chin Soon, our substantial shareholder and Executive Chairman. He is the cousin of Law Woo Hock, our Executive Director. He is also the cousin of Low Oo Seng, our substantial shareholder.

(iii) Low Oo Seng

Low Oo Seng, a Malaysian male aged 70, is our substantial shareholder.

He completed his secondary school education at Han Chiang High School, Penang in December 1975. He has since accumulated experience in various industries including hardware trading and the supply of mould base components. In April 1994, he founded Multi Mould Supply Sdn Bhd which was principally involved in the trading and supply of mould base components for the plastic industry. The company was struck off in July 2023.

In April 1996, he joined MMI as a Director and shareholder, where he was responsible for overseeing the overall daily operations of the company, primarily in an advisory and strategic capacity. He was subsequently appointed as a Director of our Company in February 2019. As part of the succession planning, he resigned from his directorships in both MMI and our Company in August 2023.

He is the brother of Law Woo Hock, our Executive Director. He is also the cousin of Loh Chin Soon, our Executive Chairman and Loh Chin Siang, our Executive Director, both of whom are substantial shareholders of our Group.

(iv) Law Woo Hock

Law Woo Hock, a Malaysian male aged 62, is our Executive Director and Chief Financial Officer. He was appointed to our Board on 10 September 2021, and he is responsible for overseeing the financial management, corporate affairs, corporate finance, legal and company secretarial matters of our Group.

He obtained a Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College, Malaysia in May 1988. He was admitted as an Associate Member of ACCA in January 1993 and subsequently as a Fellow Member in January 1998. He has been a Member of the MIA since July 1993.

Upon graduation in May 1988, he joined Payne Davis & Co as an Audit Junior, where he was responsible for evaluating internal controls, performing audit procedures, reviewing statutory records, and preparing audit engagements for final review. He left the firm in February 1989 to pursue the final level of ACCA from March 1989 to August 1989.

In September 1989, he joined Seberang Distributors Sdn Bhd as an Assistant Accountant, where he was responsible for managing the group's accounts (including costing, reporting, taxation and financing), liaising with the company secretary and auditors on regulatory compliance. He was promoted to Accountant in February 1991.

APPENDIX II – INFORMATION ON THE JOINT OFFERORS (CONT'D)

In June 1993, he joined Guocera Tile Industries (Kapar) Sdn Bhd (now known as Guocera Tile Industries Sdn Bhd), a subsidiary of Hong Leong Industries Berhad (“Hong Leong”), as an Accountant, where he oversaw the accounts department, including finance, treasury and cash flow management, budgeting, tax planning, credit control and stock yard operations. In April 1994, he was subsequently promoted to Finance Manager at Hong Leong Maruken Sdn Bhd, another subsidiary of Hong Leong. He left the company in April 1996 and joined General Corporation Berhad (a company which was listed on the Main Market of Bursa Securities and delisted in December 2010) as Group Accountant, where he was responsible for overseeing the group accounts consolidation, quarterly announcements to Bursa Securities and taxation. He left General Corporation Berhad in August 1997.

In August 1997, he joined C P (S.E.A) Sdn Bhd as Finance Manager, where he was responsible for group accounts consolidation, tax planning, treasury and cash flow management, and evaluation of new investments. In April 2001, he was promoted to Chief Financial Officer at Accos Communication Sdn Bhd (now known as Gold Vois Convergence Solutions Sdn Bhd), a subsidiary of C P (S.E.A) Sdn Bhd, where he oversaw the financial aspects of the corporate office. He left the company in May 2002 and joined Ireka Corporation Berhad (a company which was listed on the Main Market of Bursa Securities and delisted from the Main Market in March 2026) as Finance Manager, where he managed the property division’s financial matters, including credit control, tax, and joint venture feasibility studies. He left the company in October 2005 and joined Salcon Engineering Berhad (a subsidiary of Salcon Berhad, a company listed on the Main Market of Bursa Securities) as Group Financial Controller and was subsequently promoted to Chief Financial Officer in January 2016, where he oversaw the group’s finance, taxation, treasury and cash flow management, ensured compliance with Bursa Securities’ requirements, led corporate finance exercises, and managed corporate, secretarial and legal matters. In August 2021, he resigned from the company.

In September 2021, he was appointed as the director of MMI and our Company, a position he presently assumes.

He is the brother of Low Oo Seng, our substantial shareholder. He is also the cousin of Loh Chin Soon, our Executive Chairman and Loh Chin Siang, our Executive Director, both of whom are also substantial shareholders of our Group.

(v) Cheong Siew Chyuan

Cheong Siew Chyuan, a Malaysian male aged 68.

He obtained his Bachelor of Engineering (Civil) from Universiti Malaya, Kuala Lumpur in June 1982. He has been a Chartered Financial Analyst (CFA) since June 2000.

Upon his graduation in June 1982, he joined SMHB Sdn Bhd as a Consultant Engineer, where he was responsible for the design and site management of water infrastructure projects in Malaysia. He remained with the company until July 1994, following which he has been actively engaged as a full-time private investor, a role which he continues to hold to date.

He does not have any family relationship with any of our substantial shareholders or Executive Directors.

APPENDIX III – FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by our Board and they collectively and individually accept full responsibility for the accuracy of the information in this Circular and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular false or misleading.

2. CONSENTS AND DECLARATIONS OF CONFLICT OF INTEREST

2.1 Principal Adviser and Sponsor

Kenanga IB, being the Principal Adviser and Sponsor for the Proposed Transfer of Listing, has given and has not subsequently withdrawn its written consent to the inclusion of its name in this Circular and all references thereto in the form and context in which they appear in this Circular.

Kenanga IB confirms that there is no conflict of interest situation that exists or is likely to exist in its capacity as Principal Adviser and Sponsor for the Proposed Transfer of Listing.

2.2 Independent Adviser

SCA, being the Independent Adviser for the Proposed Transfer of Listing and the Proposed Exit Offer, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of the IAL, its name and all references thereto in the form and context in which they appear in this Circular. SCA has confirmed that there is no situation of conflict of interest that exists or is likely to exist in relation to its role as the Independent Adviser for the Proposed Transfer of Listing and Proposed Exit Offer.

3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES

As at the LPD, our Board confirmed that there are no material commitments and contingent liabilities incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the profits and NA of our Group.

4. MATERIAL LITIGATIONS, CLAIMS OR ARBITRATION

As at the LPD, neither our Company nor our subsidiary is engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has or may have a material effect on the financial position of business of our Group, and our Board confirms there is no proceeding pending or threatened against our Group or any fact likely to give rise to any proceedings which may materially or adversely affect the financial position or business of our Group.

5. MATERIAL CONTRACTS

Neither our Company nor our subsidiary have entered into any material contracts (not being contracts entered into in the ordinary course of business) within 2 years preceding the date of this Circular.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of our Company at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia, during normal office hours (8.30 a.m. to 5.30 p.m.) from Monday to Friday (except public holidays) from the date of this Circular up to and including the date of the EGM:

- (i) the Constitution of our Company;
- (ii) the audited consolidated financial statements of our Company for the past three (3) FYEs 2023, 2024 and 2025;
- (iii) the unaudited consolidated financial statements of our Company for the FYE 2026;
- (iv) Proposal Letter referred to in **Section 2 of Part A** of this Circular; and
- (v) the letters of consent referred to in Section 2 above.

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MMIS BERHAD
(Registration No. 201901006068 (1315395-W))
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting (“**EGM**” or “**Meeting**”) of MMIS Berhad (“**MMIS**” or “**Company**”) will be held at Plot 84, Lot 188807, Jalan Johan 1/2, Kawasan Perindustrian Pengkalan 2, 31550 Pusing, Perak, Malaysia on Monday, 12 October 2026 at 1:30 p.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications, the following resolutions:

SPECIAL RESOLUTION

PROPOSED VOLUNTARY WITHDRAWAL OF THE COMPANY’S LISTING FROM THE LEAP MARKET OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”) (“PROPOSED WITHDRAWAL OF LISTING”)

“THAT subject to the passing of the Ordinary Resolution and the approval of all relevant authorities and / or parties as set out in the circular to shareholders dated 18 September 2026 (“**Circular**”) being obtained for the Proposed Withdrawal of Listing and Proposed Listing (“**Proposed Transfer of Listing**”), approval be and is hereby given for the Company to undertake the Proposed Withdrawal of Listing (details of which are set out in **Section 2.1** of **Part A** of the Circular);

AND THAT the Board of Directors of the Company (“**Board**”) be and is hereby empowered and authorised to take all steps and to do all acts, deeds and things as they may consider necessary, expedient and / or appropriate to execute, sign, deliver and cause to be delivered on behalf of the Company of all such documents and / or applications to implement, complete and give full effect to the Proposed Withdrawal of Listing with full power to assent to any conditions, modifications, variations and / or amendments in any manner as may be required by Bursa Securities or any of the relevant authorities and to take all steps and do all such acts and matters in the manner as the Board may in its absolute discretion deem fit or expedient in the best interest of the Company.”

ORDINARY RESOLUTION

PROPOSED LISTING AND QUOTATION OF THE ENTIRE ENLARGED ISSUED ORDINARY SHARES OF THE COMPANY ON THE ACE MARKET OF BURSA SECURITIES (“PROPOSED LISTING”)

“THAT subject to the passing of the Special Resolution and the approval of all relevant authorities and / or parties as set out in the Circular being obtained for the Proposed Withdrawal of Listing and Proposed Listing, approval be and is hereby given for the Company to undertake the Proposed Listing (details of which are set out in **Section 2.2** of **Part A** of the Circular);

THAT the new ordinary shares of the Company (“**Shares**”), upon allotment and issuance pursuant to the Proposed Listing, shall rank equally in all respects with the then existing Shares, save and except that the new Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution which may be declared, made or paid to our shareholders, the entitlement date of which is prior to the date of allotment and issuance of the new Shares;

AND THAT the Board be and is hereby empowered and authorised to take all steps and to do all acts, deeds and things as they may consider necessary, expedient and / or appropriate to execute, sign, deliver and cause to be delivered on behalf of the Company of all such documents and / or applications to implement, complete and give full effect to the Proposed Listing with full power to assent to any conditions, modifications, variations and / or amendments in any manner as may be required by Bursa Securities or any of the relevant authorities and to take all steps and do all such acts and matters in the manner as the Board may in its absolute discretion deem fit or expedient in the best interest of the Company.

By order of the Board

TEA SOR HUA (MACS 01324) (SSM PC NO. 201908001272)
LOO HUI YAN (MAICSA 7069314) (SSM PC NO. 202308000290)
Company Secretaries

Petaling Jaya, Selangor Darul Ehsan
18 September 2026

Notes:

- (1) A member of the Company who is entitled to attend, participate, speak and vote at the Meeting is entitled to appoint more than 1 proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than 1 proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- (2) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- (3) Where a member of the Company is an exempt authorised nominee which hold ordinary shares in the Company for multiple beneficial owners in 1 securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- (4) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than 2 proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (5) To be valid, the Proxy Form must be duly completed and deposited at the registered office of the Company at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor, Malaysia or electronically lodged by email to proxyform@cospec.com.my not less than 48 hours before the date and time set for holding the Meeting.
- (6) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- (7) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 39 of the Company's Constitution, to make available a Record of Depositors ("ROD") as at 5 October 2026. Only members whose names appear in the ROD as at 5 October 2026 shall be entitled to attend, participate, speak and vote at the Meeting or appoint proxy(ies) to attend and/or speak and/or vote on his/her behalf.
- (8) Kindly check Bursa Malaysia Securities Berhad's and the Company's website at <https://mmisb.com/> for the latest updates on the status of the Meeting.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and / or representative(s) to attend, participate, speak and vote at the EGM and / or any adjournment thereof (as the case may be), a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof (as the case may be)) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof (as the case may be)), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and / or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and / or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and / or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and / or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



MMIS BERHAD
(Registration No. 201901006068 (1315395-W))
(Incorporated in Malaysia)

PROXY FORM

(Before completing this form
please refer to the notes below)

CDS Account No.	No. of Shares Held

I/We * _____ NRIC/Passport/Registration No.* _____
(full name in capital letters)
of _____
(full address)
with email address _____ mobile phone no. _____

being a member/members* of **MMIS BERHAD** ("the Company") hereby appoint(s):-

Full Name (in capital letters)	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address			
Contact No.:			
Email Address:			

and/or*

Full Name (in capital letters)	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Address			
Contact No.:			
Email Address:			

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Extraordinary General Meeting ("**EGM**" or "**Meeting**") of the Company, to be held at Plot 84, Lot 188807, Jalan Johan 1/2, Kawasan Perindustrian Pengkalan 2, 31550 Pusing, Perak, Malaysia on Monday, 12 October 2026 at 1:30 p.m. or at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces below how you wish your votes to be cast. If no specific direction as to vote is given, the proxy will vote or abstain from voting at his/her discretion.

RESOLUTIONS	FOR	AGAINST
SPECIAL RESOLUTION Proposed Withdrawal of Listing		
ORDINARY RESOLUTION Proposed Listing		

*delete whichever is not applicable



Dated this _____ day of _____ 2026

Signature/ Common Seal of Member(s)

Notes:

- (1) A member of the Company who is entitled to attend, participate, speak and vote at the Meeting is entitled to appoint more than 1 proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than 1 proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- (2) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- (3) Where a member of the Company is an exempt authorised nominee which hold ordinary shares in the Company for multiple beneficial owners in 1 securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
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- (8) Kindly check Bursa Malaysia Securities Berhad's and the Company's website at <https://mmisb.com/> for the latest updates on the status of the Meeting.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and / or representative(s), the member accepts and agrees to the personal data privacy terms as set out in the Notice of EGM dated 18 September 2026.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

MMIS BERHAD

Company Secretaries
c/o Cospec Management Services Sdn. Bhd.
Third Floor, No. 77, 79 & 81,
Jalan SS21/60,
Damansara Utama,
47400 Petaling Jaya,
Selangor, Malaysia

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