

2. PROSPECTUS SUMMARY

This Prospectus Summary only highlights the key information from other parts of this Prospectus. It does not contain all the information that may be important to you. You should read and understand the contents of the whole Prospectus prior to deciding on whether to invest in our Shares.

2.1 Principal details of our IPO

Our IPO comprises the following:-

(i) Public Issue

356,250,000 IPO Shares at the IPO Price, allocated in the following manner:-

- (a) 25,000,000 IPO Shares for Application by the Malaysian Public through a balloting process, of which 12,500,000 IPO Shares will be set aside for Bumiputera investors, which include individuals, companies, societies, co-operatives and institutions;
- (b) 30,000,000 IPO Shares for Application by our Eligible Persons;
- (c) 145,000,000 IPO Shares by way of private placement to identified institutional and/or selected investors; and
- (d) 156,250,000 IPO Shares by way of private placement to identified Bumiputera investors approved by the MITI

(ii) Moratorium on our Shares

Pursuant to Paragraph 5.29(a), Part II of the Equity Guidelines, our Shares directly held by the Moratorium Providers as at the date of our Listing are subject to moratorium for a period of 6 months from the date of our Listing. The Moratorium Providers have provided written undertaking letters to the SC that they will not sell, transfer or assign any of their respective shareholdings as at the date of our Listing for a period of 6 months from the date of our Listing.

In addition, the Voluntary Moratorium Shareholders have also provided written undertaking letters to the SC that they will not sell, transfer or assign any of their respective shareholdings as at the date of our Listing for a period of 6 months from the date of our Listing. Further details on the moratorium are set out in **Section 1.2** of this Prospectus.

Based on our IPO Price of RM[●] per IPO Share and our enlarged issued share capital comprising 1,250,000,000 Shares, our market capitalisation upon Listing is RM[●].

Please refer to **Section 3** of this Prospectus for further information on our IPO.

2.2 History and business

Our Company was incorporated in Malaysia on 7 May 2025 under the Act as a private limited company under the name of Stratus Global Holdings Sdn Bhd. On 25 November 2025, our Company was converted into a public limited company and assumed our present name.

Our principal activity is investment holding whilst our subsidiaries are principally involved in the provision of factory automation solutions, specialising in cleanroom AMHS solutions.

Please refer to **Sections 5.2** and **6** of this Prospectus for further information on our history and business respectively.

2. PROSPECTUS SUMMARY (CONT'D)

The business model of our Group is summarised in the diagram below:-

Principal activities	Cleanroom AMHS solutions specialist		
Solutions	Conveyor-based AMHS	Hybrid AMHS	ASRS
Customers	Primarily front-end semiconductor production companies (i.e. IDMs and semiconductor foundries) as well as back-end semiconductor production companies (i.e. IDMs and OSATs)		
Geographical markets	<ul style="list-style-type: none"> • Asia (comprising Malaysia and other Asian countries) • Europe • North America 		

2.3 Competitive strengths

Our competitive strengths are summarised as follows:-

2.3.1 We have a well-established history and track record of 27 years in the AMHS segment

We have an established operating history and track record of 27 years in the AMHS segment since the commencement of our business operations in 1998. Over the years, we have built a strong track record in the design, fabrication, installation and commissioning of cleanroom AMHS solutions, as evidenced by the growth of our business operations and the expansion of our international customer base. Our long-standing presence in the AMHS segment has also enabled us to broaden our solutions portfolio from cleanroom conveyor-based AMHS to include ASRS and hybrid AMHS as well as our proprietary TCS, allowing us to address a wider range of customer requirements. Following our relocation to Penang, Malaysia in 2016, our Group continued to demonstrate strong execution and scalability with our revenue growing from RM145.92 million in the FYE 2023 to RM220.27 million in the FYE 2025, reflecting our ability to secure projects of increasing scale and complexity and to support customers across multiple geographical markets.

2.3.2 Our strong R&D and engineering capabilities have led to the development of a suite of automation solutions for the semiconductor industry

We have undertaken continuous R&D activities since the commencement of our business in 1998. As a result of our continuous R&D efforts and accumulated engineering expertise, our Group has successfully developed a suite of proprietary AMHS solutions, including conveyor-based AMHS, hybrid AMHS and ASRS. We have also developed our proprietary TCS which automates, controls and manages the operation of our AMHS solutions. Our R&D activities are underpinned by our in-house engineering and technical capabilities, which enable us to refine our existing solutions and develop new offerings in response to evolving requirements within the semiconductor industry. The adaptability and resilience of our engineering and technical abilities are fundamental to our sustained growth and position us to remain competitive and sustainable over the long term.

2.3.3 We have a portfolio of overseas customers and multinational companies in the semiconductor industry and have established long standing relationships with our major customers

Over the course of our 27 years of business in the AMHS segment, we have primarily served multinational customers within the front-end semiconductor industry. Building on this foundation and our growing industry presence, we began to expand our customer base to include customers in the back-end semiconductor industry. This expansion has also allowed our Group to support our customers across a broader range of semiconductor production activities and strengthen our relationships with customers across different segments of the semiconductor value chain.

2. PROSPECTUS SUMMARY (CONT'D)

2.3.4 We are well-positioned to capitalise on the growth in the global semiconductor industry

We are well positioned to capitalise on the growth in the global semiconductor industry given our role in providing AMHS solutions that support semiconductor production processes. The growth of the global semiconductor industry is expected to be driven by increasing global demand for E&E products, rapid technological advancements, rising prevalence of generative AI spurring demand for data centres, E&E devices and semiconductors as well as approved investments and government initiatives to drive digitalisation. In line with the industry trends, as our Group operates within a segment of the semiconductor value chain where demand for AMHS solutions is directly linked to semiconductor capacity expansion, throughput requirements and increasing process complexity, our engineering and technical capabilities and established presence in the semiconductor AMHS segment support our Group's competitive positioning in serving semiconductor industry players.

2.3.5 Our AMHS solutions are certified to internationally recognised standards

We are certified with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 for the design, manufacturing, installation and services of automation material handling systems for semiconductor and electronics industry. These certifications reflect our established quality management systems and our commitment to meeting internationally recognised standards relating to quality assurance, environmental management, and occupational health and safety. Further, our AMHS components are designed and fabricated in accordance with SEMI standards and/or CE standards or UL Solutions (US) standards. This demonstrates our ability to comply with global industry requirements and best practices, and supports the consistent performance, safety and reliability of our AMHS solutions in demanding semiconductor production environments.

2.3.6 We have an experienced and hands-on management team

Our Group is led by an experienced and technically skilled management team that has accumulated years of industry experience and in-depth knowledge of our business operations. Our Promoter, substantial shareholder and Executive Director / CEO, Ryo Narisawa, has 36 years of experience in machinery automation and the AMHS segment. His experience, vision and leadership have been instrumental in steering the overall strategic direction and business development to drive the continuous expansion of our Group. He has conceptualised and implemented various business and marketing strategies that led our Group to our current position in the AMHS segment. He is further supported by our key senior management that possess strong industry and functional expertise built over years of experience in their respective fields. They take an active, hands-on role in spearheading their respective departments to support the growth of our Group.

Please refer to **Section 6.4** of this Prospectus for further information on our competitive strengths.

2.4 Future plans and business strategies

Our future plans and business strategies are summarised as follows:-

2.4.1 Expansion of our facility

As part of our business expansion plans, we intend to acquire the New Property for the establishment of the New Facility. The New Facility is expected to provide us with additional production floor space for our in-house fabrication as well as assembly and testing of AMHS components to support multiple projects concurrently and to cater for our growing order book. The New Facility will also incorporate a dedicated R&D and demonstration centre. In addition, the New Facility will provide expanded warehouse capacity for the storage of raw materials and outsourced parts as well as temporary storage of AMHS components prior to assembly and testing. This will enhance our operational efficiency and support higher volumes of production in line with our growth strategy.

2. PROSPECTUS SUMMARY (CONT'D)

2.4.2 Geographical business expansion to overseas market

We plan to expand our overseas presence through the establishment of sales and engineering support offices in Asia, Europe and the USA. In view of the significance of these regions in the global semiconductor industry (in particular, Asia and Europe being amongst the leading global semiconductor manufacturing hubs) as well as the anticipated growing global demand for semiconductors, we have identified Japan, Taiwan, Germany and the USA as our target market and priority for our overseas expansion. By establishing a physical presence in these regions, we are able to enhance our business visibility, strengthen our sales outreach and customer support capabilities and broaden our access to new opportunities in both front-end and back-end semiconductor markets internationally.

2.4.3 Expansion of markets within the semiconductor value chain

We intend to broaden our market coverage in line with the projected expansion of the global semiconductor industry. According to SEMI, global semiconductor equipment sales is expected to increase at a CAGR of 4.44% from 2022 to 2024. SEMI has also extended its outlook to 2030, reflecting sustained investment in 300mm wafer fabrication capacity, which is expected to represent a significant share of global installed wafer capacity by the mid-2020s.

In view of such prospects, we are well positioned to participate in this transition, as our AMHS solutions are already deployed in facilities handling 300mm wafers and have been developed with specifications that meet the stringent requirements of this segment. We also intend to further broaden our participation in the back-end semiconductor production segment.

Please refer to **Section 6.23** of this Prospectus for further information on our future plans and business strategies.

2.5 Risk factors

Before investing in our Shares, you should carefully consider, along with the other matters set out in this Prospectus, the risks and investment considerations. The following are some of the key risks affecting our business, operations and industry.

2.5.1 Risks relating to our business operations

(i) We are exposed to risk due to absence of long-term agreements

We provide our AMHS solutions on a project-by-project basis, and our sales are transacted through purchase orders. While certain projects may be governed by project specific agreements due to their scope and technical complexity, such agreements are generally entered into with the aim to define project specifications and commercial terms, and do not provide for long term supply arrangements or contractual commitments that assure recurring orders or fixed volumes of continuous purchases from our customers. As a result thereof, the absence of such long term commitments or long term agreements exposes our Group to the risk of uncertainty in securing repeat orders or sustaining the same level of engagement with our existing customers. This reduces the visibility of our future earnings and subjects our financial performance to fluctuations in customer procurement cycles.

(ii) We are dependent on customers operating in the semiconductor industry, which exposes us to customer concentration risks

We primarily derive our revenue from customers operating within the semiconductor industry. Our major customers (who operate in the semiconductor industry) contributed to more than 90.0% of our total revenue during the financial years under review, reflecting a high degree of industry and customer concentration. As such, we are materially dependent on a limited number of major customers within the semiconductor industry, in particular, Customer A Group, Customer B and Customer E for a significant portion of our Group's revenue.

2. PROSPECTUS SUMMARY (CONT'D)

(iii) Our project-based business model and billing cycle may result in fluctuations in revenue, profitability and operating performance

Our business operates on a project-by-project basis, with each AMHS solutions project involving multiple stages of execution, including system design, sourcing and fabrication of AMHS components, pre-installation preparation, on-site installation and commissioning, as well as customers' acceptance. The timing, scale and technical complexity of individual projects vary significantly depending on customer-specific requirements, system configuration and the site conditions of our customer's production area. As a result thereof, the scale of the project together with the timing of project completion as well as customers' acceptance may vary materially between projects and financial periods.

(iv) We are dependent on our ability to attract and retain skilled engineers

We are dependent on our ability to attract and retain skilled engineers as the technical skills and engineering capabilities of our engineering workforce will have an impact on the quality and reliability of our cleanroom AMHS solutions. Our engineers play crucial roles across system design, R&D, project management, fabrication, installation and commissioning as well as sales engineering functions. Their technical knowledge of our AMHS solutions is also essential for solution development, customisation, customer engagement and the overall execution of our operations.

(v) We are dependent on our management team for the continued success and growth of our business

Our success is dependent on the abilities, experience and continued efforts of our management team, comprising our Executive Directors and key senior management, all of whom possess the relevant knowledge in their respective fields of expertise to ensure the smooth operation of our business as well as the continued growth of our Group. We are dependent on the leadership of our Promoter, substantial shareholder and Executive Director / CEO, Ryo Narisawa, in determining the strategic direction and driving the business development and growth of our Group as well as spearheading the R&D efforts of our Group.

(vi) Damage to our reputation may affect our business, financial conditions and results of operations

Our Group's ability to secure and retain customers is highly dependent on our reputation and market perception relating to the quality, reliability and performance of our AMHS solutions as well as our ability to deliver projects in accordance with agreed timelines, specifications and performance requirements. Given the critical role of AMHS solutions in semiconductor manufacturing operations, customers place significant emphasis on proven track record, referenceability and delivery capability when selecting AMHS solution providers.

(vii) We are exposed to foreign exchange fluctuation risks which may impact the profitability of our Group

Our Group primarily uses RM and USD as our functional currencies, with USD being the main foreign currency in which our transactions are conducted. Hence, we are subject to fluctuations in USD, SGD, EUR, JPY and RMB. It should also be noted that while our revenue is denominated in USD and a significant portion of our purchases (apart from RM) is denominated in USD, which to a certain extent, provides a natural hedge, our Group remains exposed to foreign exchange fluctuations arising from foreign currencies sales and purchases as well as timing differences between billings and settlements.

(viii) We may be adversely affected by system malfunctions, quality issues or product defects

Our Group designs and supplies cleanroom AMHS solutions that are deployed within our customers' manufacturing operations, where reliability and strict conformance to technical specifications are critical. While we have implemented QA/QC testing measures to prevent the occurrence of product defects and malfunction incidents, there can be no assurance that our AMHS solutions will not have any defects or experience malfunctions that may lead to the disruption of our customers' operations.

2. PROSPECTUS SUMMARY (CONT'D)**(ix) We rely on third-party vendors for the quality of the fabrication of parts for our cleanroom AMHS solutions as well as the installation and commissioning of our AMHS solutions**

Our Group undertakes in-house fabrication for certain components of our cleanroom AMHS solutions and selectively outsources less critical parts as well as certain standardised critical parts for our cleanroom AMHS solutions to third-party fabricators. As a result thereof, we are dependent on our third-party fabricators to fabricate the parts that meet our specifications in accordance with our fabrication schedule. Our Group may also engage third-party service providers on a project-by-project basis to support certain aspects of the installation and commissioning of our AMHS solutions. Hence, any shortage, underperformance or unavailability of these third-party vendors may result in delays in project execution, increased costs or quality issues.

2.5.2 Risks relating to the industry in which we operate**(i) We are dependent on the semiconductor industry and we face changes and uncertainties in the end-user industries for semiconductors**

Our customers comprise front-end and back-end semiconductor production companies, and our revenue is therefore directly dependent on capital expenditure within the semiconductor industry. Demand for our AMHS solutions arises mainly from greenfield projects (involving the construction of new production facilities) and brownfield projects (involving the expansion or upgrades to existing production facilities such as capacity expansion, layout optimisation, automation enhancements and equipment replacement). Accordingly, our ability to secure projects and generate revenue depends on the scale, timing and continuity of these investments.

(ii) We face competition from industry players in the global semiconductor AMHS industry

We delivered our solutions to customers located across the regions of Asia, Europe and North America during the financial years under review. According to the IMR Report in **Section 7** of this Prospectus, the semiconductor AMHS industry is global in nature, with IDMs, semiconductor foundries and OSATs sourcing for semiconductor AMHS solutions globally. In Malaysia, the semiconductor AMHS industry players comprise local companies and multinational companies with presence in Malaysia, with or without locally incorporated entities in Malaysia. As such, in addition to competing with local companies and multinational companies with presence in Malaysia, industry players of the semiconductor AMHS industry in Malaysia also compete with foreign industry players in overseas as they may provide their solutions to overseas customers.

(iii) We are subject to risk relating to the economic, political and/or legal environment in the markets in which we operate and serve

While our principal operations are based in Malaysia, a significant portion of our revenue is derived from overseas customers across Asia, Europe and North America. Our overseas sales accounted for 41.30%, 36.89% and 55.42% of our total revenue in the FYE 2023, FYE 2024 and FYE 2025 respectively. We are hence affected by the economic, political and/or legal conditions in the geographical markets where we transact business or have interests, making us increasingly susceptible to the risks caused by these conditions. Please refer to **Sections 6.3.2** and **11.3.2** of this Prospectus for the breakdown of revenue derived from these geographical regions in the financial years under review.

Please refer to **Section 4** of this Prospectus for further details on our risk factors.

2. PROSPECTUS SUMMARY (CONT'D)**2.6 Use of proceeds**

We intend to utilise the total gross proceeds from our IPO amounting to RM[•] million in the following manner:-

Details of use	Estimated timeframe for use upon Listing	RM'000	Percentage of gross proceeds (%)
(i) Business expansion			
• Expansion of our Group's facility	Within 36 months	[•]	[•]
• Overseas business expansion	Within 36 months	[•]	[•]
• R&D expenditure	Within 36 months	[•]	[•]
		[•]	[•]
(ii) Working capital	Within 12 months	[•]	[•]
(iii) Estimated listing expenses	Within 1 month	[•]	[•]
Total		[•]	[•]

Please refer to **Section 3.5** of this Prospectus for further details on the use of proceeds from our Public Issue.

2.7 Our Directors and key senior management

Our Directors and key senior management are set out as follows:-

Name	Designation
<u>Directors</u>	
Fazrin Azwar Bin Md. Nor	Independent Non-Executive Chairman
Ryo Narisawa	Executive Director / CEO
Tan Chan Chin	Executive Director / COO
Teh Su-Ching	Independent Non-Executive Director
Samivel A/L Krishnamoorthy	Independent Non-Executive Director
Tan Ming-li	Independent Non-Executive Director
<u>Key senior management</u>	
Ryo Narisawa	Executive Director / CEO
Tan Chan Chin	Executive Director / COO
Yap Kim Seng	Senior Director of Application Control Engineering
Beh Yong Yee	Senior Controller of Finance and Accounting Department
Satiaseelan A/L Kanasamy	Director of Sales and Project Engineering
Azahar Bin Mat Elias	Director of Manufacturing and Supply Chain
Lee Junyi	Director of R&D

Please refer to **Sections 8.1.3, 8.2.2 and 8.4.2** of this Prospectus for the profiles of our Directors and key senior management.

2. PROSPECTUS SUMMARY (CONT'D)

2.8 Our Promoters and substantial shareholders

Our Promoters and substantial shareholders, as well as their respective shareholdings in our Company, are set out as follows:-

Name / Company	Nationality / Place of incorporation	After the Pre-IPO Restructuring / As at the LPD				After our IPO			
		Direct		Indirect		Direct		Indirect	
		No. of Shares	(1)%	No. of Shares	(1)%	No. of Shares	(3)%	No. of Shares	(3)%
Ryo Narisawa	Japanese	36,240,600	4.06	⁽²⁾ 520,000,000	58.18	⁽⁴⁾ 38,240,600	3.06	⁽²⁾ 520,000,000	41.60
Jiyuan	Malaysia	520,000,000	58.18	-	-	520,000,000	41.60	-	-
Beh Lai Lien	Malaysian	114,856,800	12.85	⁽²⁾ 520,000,000	58.18	114,856,800	9.19	⁽²⁾⁽⁵⁾ 521,500,000	41.72
Tan Chan Chin	Malaysian	64,356,600	7.20	-	-	⁽⁴⁾ 66,106,600	5.29	-	-

Notes:-

- (1) Based on our issued share capital comprising 893,750,000 Shares after the Pre-IPO Restructuring but before our IPO.
- (2) Deemed interested by virtue of their direct shareholdings in Jiyuan pursuant to Section 8(4) of the Act.
- (3) Based on our enlarged issued share capital comprising 1,250,000,000 Shares after our IPO.
- (4) Assuming they subscribe for their entitlement in full under the Pink Form Allocation.
- (5) Deemed interested by virtue of his daughter's shareholdings in our Company pursuant to Section 59(11)(c) of the Act, assuming she subscribes for her entitlement in full under the Pink Form Allocation. He does not exercise any control, influence or involvement over his daughter's investment decisions. Accordingly, the reference to her shareholdings is made solely for disclosure purposes pursuant to Section 59(11)(c) of the Act and does not constitute any actual indirect interest in his shares.

Please refer to **Section 8.1.3** of this Prospectus for the profiles of our Promoters and substantial shareholders.

2. PROSPECTUS SUMMARY (CONT'D)**2.9 Financial and operational highlights**

The historical financial information presented below should be read in conjunction with the management's discussion and analysis of financial condition and results of operations as set out in **Section 11.3** of this Prospectus and the Accountants' Report, together with the accompanying notes, assumptions and bases as set out in **Section 12** of this Prospectus. There has been no audit qualification on our audited financial statements for the financial years under review.

Historical consolidated statements of comprehensive income

The following table sets out a summary of the audited consolidated statements of comprehensive income for the financial years under review.

	Audited		
	FYE 2023	FYE 2024	FYE 2025
	(RM'000)	(RM'000)	(RM'000)
Revenue	145,916	158,877	220,275
GP	74,509	53,529	118,170
PBT	57,604	32,264	88,287
PAT	42,866	28,945	66,162
EBITDA ⁽¹⁾	59,721	34,579	90,125
GP margin (%) ⁽²⁾	51.06	33.69	53.65
EBITDA margin (%) ⁽³⁾	40.93	21.76	40.91
PBT margin (%) ⁽⁴⁾	39.48	20.31	40.08
PAT margin (%) ⁽⁵⁾	29.38	18.22	30.04
Basic and diluted EPS (sen) ⁽⁶⁾	3.43	2.32	5.29
NA	122,277	147,363	191,618
Trade receivables turnover period (days)	115	117	116
Trade payables turnover period (days)	32	37	29
Inventory turnover period (days)	79	87	86
Current ratio (times)	5.01	3.76	9.67
Gearing ratio (times)	-	-	-
Net cash from operating activities	19,351	23,879	35,271
Net cash used in investing activities	(10,765)	(4,694)	(605)
Net cash from/(used in) financing activities	1,756	(4,942)	(21,715)

Notes:-

(1) The table below sets out the reconciliation of our PBT to EBITDA:-

	Audited		
	FYE 2023	FYE 2024	FYE 2025
	(RM'000)	(RM'000)	(RM'000)
PBT	57,604	32,264	88,287
Adjusted for:-			
Finance costs	147	37	23
Finance income	(782)	(1,532)	(2,344)
Depreciation	1,912	3,084	3,530
Amortisation	840	726	629
EBITDA	59,721	34,579	90,125

2. PROSPECTUS SUMMARY (CONT'D)

- (2) GP margin is computed based on the GP over revenue of our Group.
- (3) EBITDA margin is computed based on the EBITDA over revenue of our Group.
- (4) PBT margin is computed based on the PBT over revenue of our Group.
- (5) PAT margin is computed based on the PAT over revenue of our Group.
- (6) Basic and diluted EPS is computed based on PAT divided by the number of issued Shares of 1,250,000,000 Shares after our IPO. There are no dilutive instruments as at the end of the respective financial years.

Please refer to **Section 11** of this Prospectus for further information on our financial information.

2.10 Dividend policy

The dividends declared and paid for the financial years under review are set out as follows:-

	FYE 2023	FYE 2024	FYE 2025
Dividend declared and paid in respect of each FYE (RM'000) ⁽¹⁾	-	4,469	21,226
Dividend payout ⁽²⁾ (%)	-	15.44	32.08

Notes:-

- (1) The dividend paid by our Group was funded via internally generated funds.
- (2) Calculated based on the dividend declared divided by the PAT of our Group.

SASB had declared an interim dividend of RM13.41 million in respect of the FYE 2026 and the said dividend was fully paid using internally generated funds in November 2025. The declaration and payment of such dividends are not expected to adversely affect the execution or implementation of our Group's future plans or business strategies. As at the LPD, save for the Act, there are no dividend restrictions imposed on our Group.

Further, save for the abovementioned interim dividend, our Board does not intend to declare any further dividends prior to our Listing. There are no outstanding dividends declared which remain unpaid as at the LPD.

Our ability to pay dividends to our shareholders is dependent upon a number of factors, including our level of cash and retained earnings, gearing, results of our operations, anticipated capital expenditure requirement, financial conditions and any other factors considered relevant by our Board. Actual dividend proposed and declared may vary depending on our financial performance and cash flow and may be waived if the payment of dividends would adversely affect our cash flow and operations.

We target a payout ratio of at least 25.0% of our PAT for each financial year on a consolidated basis, after taking into account the working capital, maintenance capital and committed capital requirements of our Group. The declaration and payment of any dividends is subject to the confirmation of our Board as well as any applicable laws and contractual obligations, provided that such distribution will not be detrimental to our cash requirements, or any plans approved by our Board.

Please refer to **Section 11.6** of this Prospectus for further information on our dividend policy.