

7. IMR REPORT

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Date: 10 December 2025

The Board of Directors

Stratus Global Holdings Berhad

Plot 73-C, Lintang Bayan Lepas

Bayan Lepas Industrial Park, Phase 4

11900 Bayan Lepas

Pulau Pinang

Dear Sirs / Madams,

Independent Market Research Report on the Global Semiconductor Industry and Automated Material Handling System ("AMHS") Segment within the Semiconductor Industry ("IMR Report")

This IMR Report has been prepared by SMITH ZANDER INTERNATIONAL SDN BHD ("SMITH ZANDER") for inclusion in the draft Prospectus in conjunction with the proposed listing of Stratus Global Holdings Berhad on the Main Market of Bursa Malaysia Securities Berhad.

The objective of this IMR Report is to provide an independent view of the industry in which Stratus Global Holdings Berhad and its subsidiaries ("Stratus Global Group") operate and to offer a clear understanding of the industry dynamics. Stratus Global Group is a factory automation solutions provider, specialising in cleanroom AMHS solutions, whereby its solutions are primarily catered towards companies operating within the semiconductor industry. Hence, the scope of work for this IMR Report will address the following areas:

- (i) The global semiconductor industry; and
- (ii) The AMHS segment within the semiconductor industry, being the segment of the semiconductor industry within which Stratus Global Group is principally involved.

The research process for this study has been undertaken through secondary or desktop research, as well as detailed primary research when required, which involves discussing the status of the industry with leading industry participants. Quantitative market information could be sourced from interviews by way of primary research and therefore, the information is subject to fluctuations due to possible changes in business, industry and economic conditions.

SMITH ZANDER has prepared this IMR Report in an independent and objective manner and has taken adequate care to ensure the accuracy and completeness of the report. We believe that this IMR Report presents a balanced view of the industry within the limitations of, amongst others, secondary statistics and primary research, and does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective and may not necessarily reflect the performance of individual companies in this IMR Report. SMITH ZANDER shall not be held responsible for the decisions and/or actions of the readers of this report. This report should also not be considered as a recommendation to buy or not to buy the shares of any company or companies mentioned in this report.

For and on behalf of SMITH ZANDER:



DENNIS TAN
MANAGING PARTNER

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The research for this IMR Report was completed on 8 December 2025.

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About SMITH ZANDER INTERNATIONAL SDN BHD

SMITH ZANDER is a professional independent market research company based in Kuala Lumpur, Malaysia, offering market research, industry intelligence and strategy consulting solutions. SMITH ZANDER is involved in the preparation of independent market research reports for capital market exercises, including initial public offerings, reverse takeovers, mergers and acquisitions, and other fund-raising and corporate exercises.

Profile of the signing partner, Dennis Tan Tze Wen

Dennis Tan is the Managing Partner of SMITH ZANDER. Dennis Tan has over 27 years of experience in market research and strategy consulting, including over 22 years in independent market research and due diligence studies for capital markets throughout the Asia Pacific region. Dennis Tan has a Bachelor of Science (major in Computer Science and minor in Business Administration) from Memorial University of Newfoundland, Canada.

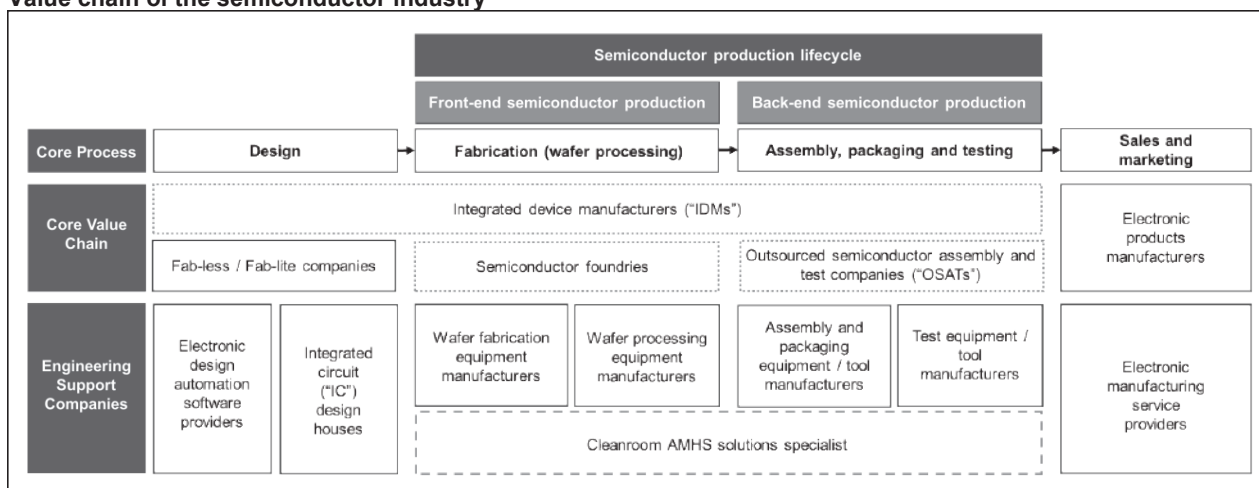
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1 THE GLOBAL SEMICONDUCTOR INDUSTRY

The global semiconductor industry has significant economic contribution to most regions around the world, with significant linkages to the global electrical and electronic ("E&E") industry as semiconductors are essential components of electronic devices. The range of applications for semiconductors has broadened significantly over the last decade and they play an essential role in almost every aspect of our lives, supporting the needs of various industries such as consumer electronics, information and communications technology, telecommunications, automotive, healthcare as well as manufacturing. The technology of semiconductors has been constantly evolving in terms of performance and size to meet increasing demand for lighter and more sophisticated electronic devices.

Value chain of the semiconductor industry



Notes:

- denotes Stratus Global Group's customers within the value chain of the semiconductor industry.
- denotes the segment within the value chain of the semiconductor industry in which Stratus Global Group is principally involved.

Source: SMITH ZANDER

The semiconductor industry comprises companies involved in the design, fabrication, assembly, packaging, testing as well as sales and marketing of semiconductor products. These processes represent the semiconductor production lifecycle. The front-end segment of the semiconductor production lifecycle entails the fabrication of semiconductor products, while the back-end segment entails the assembly, packaging and testing of semiconductor products.

In the past, the semiconductor industry primarily comprised IDMs, which are vertically integrated companies that own the brands or intellectual properties for various electronic devices, and whose principal activities encompass the design, fabrication, assembly, packaging and testing of semiconductor products. As semiconductor production increased in complexity over the years due to technological advancements, companies that specialise in specific processes within the semiconductor industry emerged.

Presently, there are five major types of companies involved in the semiconductor industry value chain, namely IDMs, fab-less companies (i.e. companies that design ICs and outsource the entire semiconductor production process), fab-lite companies (i.e. companies that design ICs and outsource a significant part of the semiconductor production process), semiconductor foundries and OSATs. OSATs are industry players that specialise in semiconductor assembly, packaging and testing, whereby the fab-less and fab-lite companies, and sometimes the IDMs, outsource assembly, packaging and testing activities to OSATs.

As different equipment and tools are required at each stage of the semiconductor value chain, semiconductor industry players are supported by engineering support companies that supply equipment and/or tools that are required in the manufacturing of semiconductors. Engineering support companies include, amongst others, companies that specialise in the production of equipment and/or tools, such as AMHS, wafer fabrication equipment and wafer processing equipment.

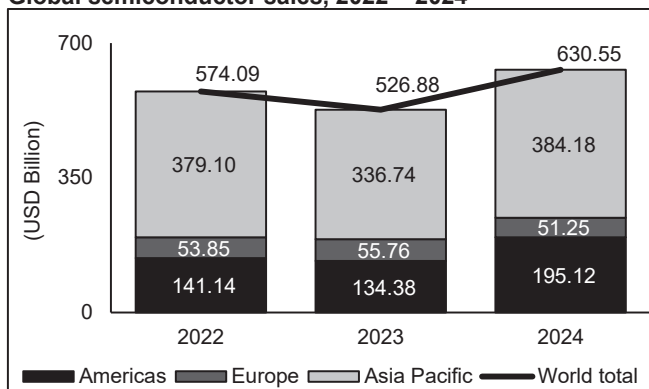
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The industry performance, size and growth of the semiconductor industry are as follows:

(i) **Global semiconductor sales**

The size of the global semiconductor industry can be represented by global semiconductor sales.

Global semiconductor sales, 2022 – 2024

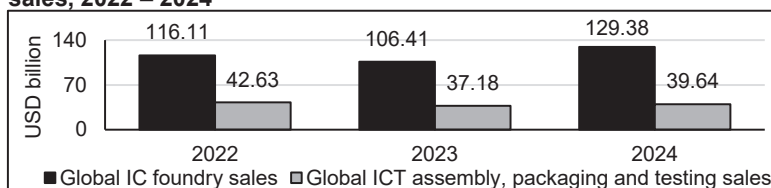
Source: World Semiconductor Trade Statistics ("WSTS")

From 2022 to 2024, global semiconductor sales increased at a compound annual growth rate ("CAGR") of 4.80% from USD574.09 billion (RM2.53 trillion)¹ to USD630.55 billion (RM2.88 trillion)¹. In 2023, global semiconductor sales declined year-on-year ("YOY") by 8.22% due to dampened demand for consumer electronics such as personal computers, tablets and smartphones caused by macroeconomic factors such as rising interest rates and inflation rates, which led to the decrease in sales in the IC segment, and subsequently resulted in a global oversupply of semiconductor chips.

Nevertheless, in 2024, global semiconductor sales experienced a rebound of 19.68% to USD630.55 billion (RM2.88 trillion) as the IC segment underwent a significant recovery. Moving forward, in 2025, WSTS expects global semiconductor sales to grow YOY by 11.15% to USD700.88 billion (RM3.20 trillion)¹.

From 2022 to 2024, Asia Pacific was the largest contributor to the global semiconductor industry, contributing to an average of 63.53% to global semiconductor sales, followed by the Americas (27.18%) and Europe (9.29%). Overall, semiconductor sales in Asia Pacific and the Americas grew during this period, with the Americas exhibiting the most growth, while semiconductor sales in Europe declined. From 2022 to 2024, semiconductor sales in Asia Pacific, the Americas and Europe registered CAGRs of 0.67%, 17.58% and -2.44% respectively. The decline in Europe's semiconductor sales can be attributed to weakened domestic demand. WSTS estimates semiconductor sales for Asia Pacific, the Americas and Europe to grow YOY in 2025 by 8.71%, 18.01% and 3.36% respectively, in line with the expected growth in global semiconductor sales.

The breakdown of global IC sales by the front-end segment (i.e. IC foundry) and back-end segment (i.e. IC assembly, packaging and testing) are as follows:

Global IC foundry sales, and IC assembly, packaging and testing sales, 2022 – 2024

Source: Taiwan Semiconductor Industry Association (TSIA)

From 2022 to 2024, in the front-end segment, global IC foundry sales reflected the growth trends in global semiconductor sales, whereby global IC foundry sales grew at a CAGR of 5.56% from USD116.11 billion (RM510.94 billion) in 2022 to USD129.38 billion (RM591.49 billion) in 2024.

In the back-end segment, global IC assembly, packaging and testing sales fell at a CAGR of 3.58% from USD42.63 billion (RM187.61 billion) in 2022 to USD39.64 billion (RM181.21 billion) in 2024. In 2023, global IC assembly, packaging and testing sales declined YOY by approximately 12.79% to approximately USD37.18 billion (RM169.74 billion), in tandem with the decline in global semiconductor sales. However, in 2024, global IC assembly, packaging and testing sales rebounded by 4.28% to USD39.64 billion (RM181.21 billion).

¹ Exchange rate from USD to RM was converted based on average annual exchange rates of the respective years, extracted from published information from Bank Negara Malaysia ("BNM").

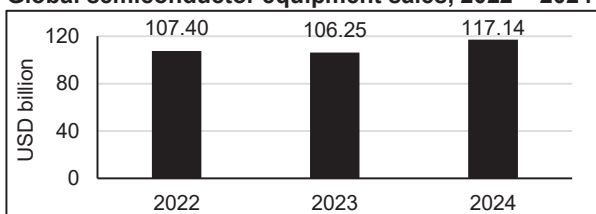
| Year | Exchange rate | Year | Exchange rate | Year | Exchange rate |
|------|---------------|------|---------------|-------------|---------------|
| 2022 | USD1=RM4.4005 | 2023 | USD1=RM4.5653 | 2024 / 2025 | USD1=RM4.5718 |

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(ii) **Global semiconductor equipment sales**

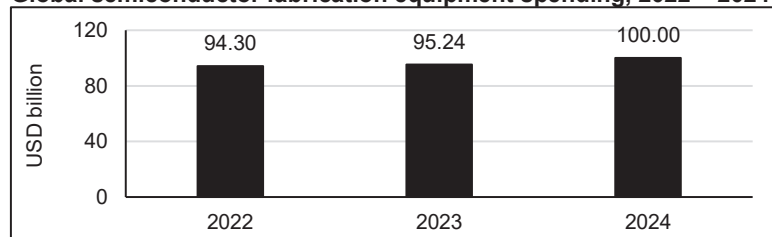
Global semiconductor equipment sales refer to the sale of semiconductor equipment for wafer fabrication, testing as well as assembly and packaging. The growth in global semiconductor equipment sales correlates positively with the global semiconductor sales as growth in semiconductor sales indicates rising demand for semiconductor equipment to support semiconductor manufacturing. Hence, the growth trend of global semiconductor equipment sales is reflective of the growth trend in global semiconductor sales.

Global semiconductor equipment sales, 2022 – 2024

Source: Semiconductor Equipment and Materials International ("SEMI")

From 2022 to 2024, global semiconductor equipment sales increased at a CAGR of 4.44% from USD107.40 billion (RM472.61 billion) to USD117.14 billion (RM535.54 billion). Global semiconductor equipment sales experienced a YOY decline of 1.07% to USD106.25 billion (RM485.06 billion) in 2023 due to a slowdown in back-end equipment segment sales caused by challenging economic conditions and easing semiconductor demand.

Nevertheless, in 2024, there was a rebound in global semiconductor equipment sales with a YOY increase of 10.25% to USD117.14 billion (RM535.54 billion), which was driven by increased investments and increased necessity of more advanced technologies (including the automation of processes) in the front-end and back-end segments of the semiconductor industry.

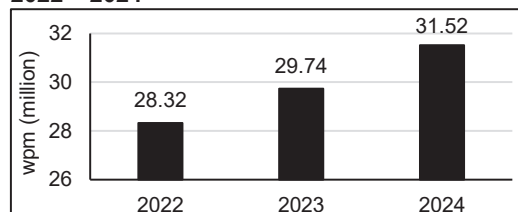
Global semiconductor fabrication equipment spending, 2022 – 2024

Source: SEMI

Global semiconductor equipment sales are mainly driven by fabrication equipment spending. From 2022 to 2024, global semiconductor fabrication equipment spending increased at a CAGR of 2.98% from USD94.30 billion (RM414.95 billion) to USD100.00 billion (RM457.18 billion).

(iii) **Global semiconductor fabrication capacity**

The rise in global demand for semiconductors has led to semiconductor foundries increasing their fabrication capacities and leveraging on automation such as AMHS in order to sustain and fulfil global market demands.

Global semiconductor fabrication capacity, 2022 – 2024

Source: SEMI

Global semiconductor fabrication capacity, which is measured in terms of wafers per month ("wpm"), being the number of semiconductor wafers fabricated each month, correlates positively with the demand for semiconductor engineering support services, which includes the provision of AMHS for semiconductor production.

In 2022, global semiconductor fabrication capacity was at 28.32 million wpm. It increased to 31.52 million wpm in 2024, at an estimated CAGR of 5.50%.

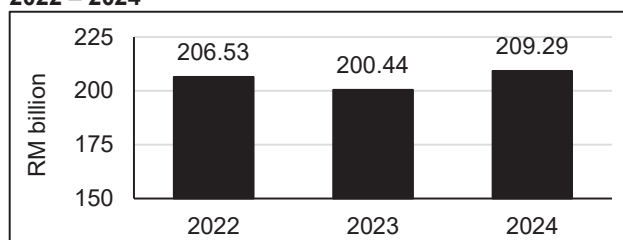
(iv) **Semiconductor sales in Malaysia**

As the 6th largest exporter for semiconductors², the demand for semiconductors in Malaysia can be seen increasing from 2022 to 2024, which is represented by Malaysia's manufacturing sales value of semiconductors.

² Source: Malaysian Investment Development Authority ("MIDA")

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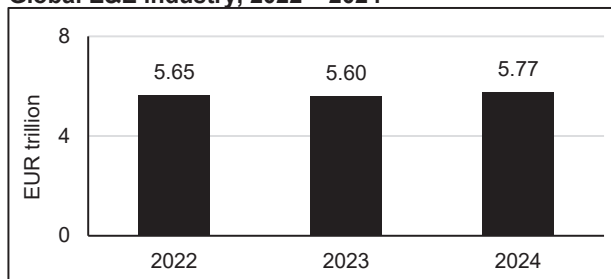
Semiconductor manufacturing sales value in Malaysia, 2022 – 2024

Source: Department of Statistics Malaysia
("DOSM")

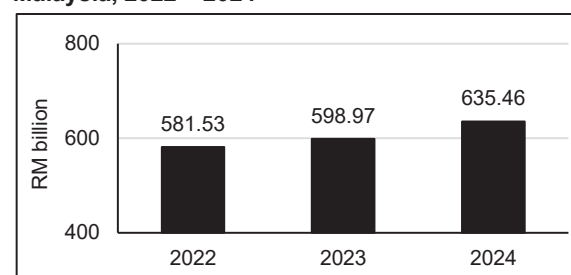
Semiconductor manufacturing sales value in Malaysia increased from RM206.53 billion in 2022 to RM209.29 billion in 2024 at a CAGR of 0.67%. However, in 2023, semiconductor manufacturing sales value in Malaysia declined YOY by 2.95% to RM200.44 billion. The decline in demand for semiconductors was attributable to greater economic uncertainty, high inflation and borrowing costs as well as a slowdown in demand for E&E products globally in 2023. In 2024, semiconductor manufacturing sales value rebounded by 4.42% to RM209.29 billion.

The growth in the semiconductor industry is driven by the following key drivers:

- **Increasing global demand for E&E and rapid technological advancements in E&E products support the demand for semiconductors**

Global E&E industry, 2022 – 2024

Source: German Electrical and Electronic
Manufacturers' Association

Manufacturing sales value of E&E products, Malaysia, 2022 – 2024

Source: DOSM

The growth of the semiconductor industry is highly correlated to the growth in demand for E&E products. The size of the global E&E industry, which is represented by global E&E production, increased from EUR5.65 trillion (RM26.16 trillion)³ in 2022 to EUR5.77 trillion (RM28.54 trillion)³ in 2024, at a CAGR of 1.06%. In Malaysia, the E&E industry, which is measured in terms of manufacturing sales value of E&E products, increased from RM581.53 billion in 2022 to RM635.46 billion in 2024, at a CAGR of 4.53%.

Technologies used in the semiconductor industry are constantly changing owing to the dynamic business environment and the continuous demand for more sophisticated and high-performance semiconductors. This drives new product advancements in the market as manufacturers need to ensure their products remain competitive and are not technologically obsolete. Furthermore, with the widespread digital revolution, technological advancements have become more interconnected with economic activities. The need to keep up with advancing technology is driven by its influence on economic performance and national security. As a result, rapid technological advancements in E&E products are expected to drive the demand for semiconductor devices for the manufacturing of E&E products.

- **The rising prevalence of generative artificial intelligence ("AI") spurs the demand for data centres, E&E devices and semiconductors, which in turn, support the demand for AMHS solutions**

Generative AI has become a major aspect of contemporary lifestyle through its ability to use data input by its users to generate new content based on the input data, as well as offer enhanced functionalities including voice and facial recognition as well as personalised recommendations. Generative AI is largely driven by the data it is fed and learns from these data to provide more accurate or relevant solutions. As

³ Exchange rate from EUR to RM was converted based on average annual exchange rates of the respective years, extracted from published information from BNM.

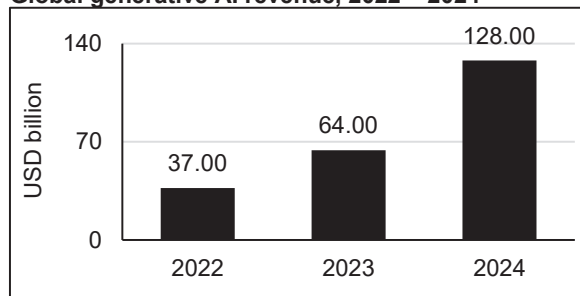
| Year | Exchange rate | Year | Exchange rate |
|------|---------------|------|---------------|
| 2022 | EUR1=RM4.6296 | 2024 | EUR1=RM4.9467 |

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the use of generative AI increases over time, the demand for data centres to process and store the soaring amounts of data used in generative AI will inevitably rise. As data centres are heavily dependent on semiconductor ICs to process and store large amounts of data, the development of generative AI will also spur the demand for semiconductors and in turn, the demand for semiconductor fabrication (which are process automation centric) and the demand for AMHS solutions (which is crucial in the automation of material handling processes).

From 2022 to 2024, global generative AI revenue increased at a CAGR of 86.00% from USD37.00 billion (RM162.82 billion) to USD128.00 billion (RM585.19 billion).

Global generative AI revenue, 2022 – 2024

Source: Statista

Moreover, as generative AI continues to advance, E&E devices such as smartphones are increasingly being developed with advanced AI functionalities. Manufacturers are equipping their products with dedicated AI processors and neural processing units (NPUs) to enable features such as real-time image creation, intelligent voice interaction and enhanced user personalisation. The continuous advancement of generative AI technologies is accelerating hardware innovation, as existing devices may lack the processing

power required to support newer AI applications. As a result, product replacement cycles in the consumer electronics segment are expected to become shorter, with manufacturers introducing updated models ever more frequently to accommodate evolving AI capabilities and meet rising consumer expectations for improved speed and performance. The rise in demand for newer E&E products will drive the demand for semiconductor fabrication and in turn, the demand for AMHS solutions.

► **Approved investments and government initiatives in Malaysia to drive digitalisation**

According to MIDA, the E&E industry in Malaysia in 2024 recorded the highest amount of total approved investments at RM55.81 billion with 153 approved manufacturing projects, primarily driven by foreign direct investment. Total approved investments in the E&E industry contributed to 46.32% of total approved investments in the manufacturing sector of RM120.48 billion in 2024.

Furthermore, the Government of Malaysia has set out various initiatives to drive the growth of digitalisation and the E&E and semiconductor industries. The rise in adoption of digital technologies and E&E demand is expected to sustain the demand for semiconductors and in turn, support the demand for AMHS solutions. Examples of these government initiatives are as follows:

- Through the 13th Malaysia Plan (13MP) 2026 – 2030, Malaysia is targeting nearly RM1.00 trillion in E&E product exports by 2030, driven by the High Value–High Technology Semiconductor Industry Flagship Project. Additionally, the Government of Malaysia has highlighted its intention to accelerate technology and AI adoption through, amongst others, the implementation of a National Data Bank and digital twin technology.
- Under Budget 2026, the Government of Malaysia allocated budgets to drive digitalisation and the E&E and semiconductor industries. Amongst the initiatives are as follows:
 - ❖ Khazanah Nasional Berhad and Kumpulan Wang Persaraan (KWAP) will invest RM550.00 million in the semiconductor industry to drive collaboration between local and multinational companies.
 - ❖ Under the National Semiconductor Strategy (NSS), Bank Pembangunan Malaysia Berhad (BPMB) will allocate RM500.00 million in soft loans to promote high value-added activities, particularly research and development initiatives led by local companies contributing to the E&E industry.
 - ❖ In collaboration with global incubators, the Malaysian Technology Development Corporation (MTDC) will launch an incubator programme called SemiconStart to assist early-stage start-up companies obtain mentorship, access to global funding, discounted prototype and a broader customer network.
 - ❖ RM53.00 million will be allocated for the Malaysia Digital Acceleration Grant to support the growth and adoption of technologies such as AI, blockchain and quantum computing.
- In 2023, the Government of Malaysia launched the New Industrial Master Plan (“NIMP”) 2030, which aims to offer a clear national roadmap to guide the growth and transformation of the industrial sector. The objectives of the NIMP 2030 include advancing the complexity of industrial activities to encompass higher value-added activities, developing complete ecosystems to support the higher value-added activities, and increasing manufacturing exports. Amongst the initiatives set out under the NIMP 2030

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include the setup of at least 3,000 smart factories by 2030, and supporting local companies to grow into global IC design players in AI, electrical vehicle and renewable energy industries. Moreover, in Budget 2026, RM180.00 million has been earmarked for the NIMP Industry Development Fund to support industry development initiatives in high-impact sectors, including semiconductors, AI, digital technologies, pharmaceuticals and sustainability.

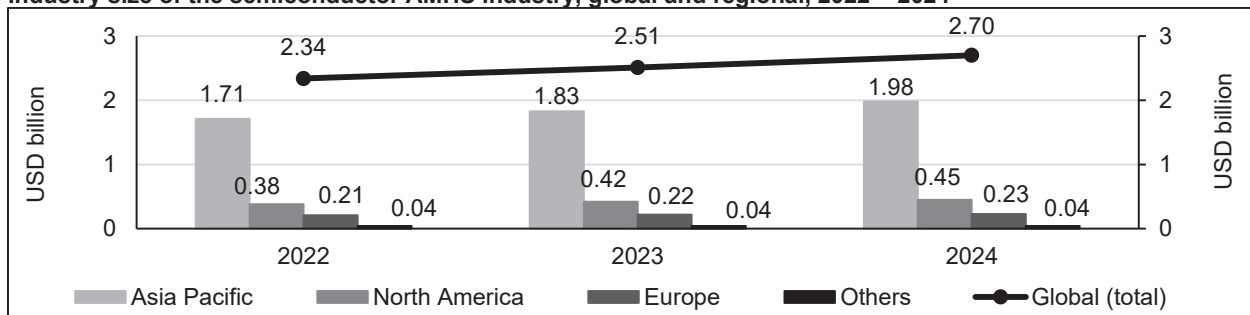
2 THE AMHS SEGMENT WITHIN THE SEMICONDUCTOR INDUSTRY

A material handling system can be a transport system and/or a storage and retrieval system, which is a system designed to move, store and/or retrieve products/materials along manufacturing lines and/or processes. An AMHS is a computer-programmed material handling system that is designed to automate the movement/transport of materials and products throughout manufacturing processes, and thus, enhancing the efficiency, productivity and cost-effectiveness of material handling.

Manufacturing processes typically comprise various stages to produce the final product, from raw material handling to packaging, and may involve handling of materials in large volumes, high frequency and precise timings, throughout the entire manufacturing process. Manufacturing processes which involve manual material handling is more prone to human error and hence may be time-consuming and predisposed to wastages. With the integration of AMHS in automating manufacturing processes, overall production time can be reduced while achieving the required level of precision in the manufacturing process, and ultimately, optimising the manufacturing process and maximising output. The use of AMHS also reduces the need for manual labour which enables manufacturers to maintain a more sustainable operational cost structure and increase their profitability.

AMHS can be used in a wide range of industries within the manufacturing sector. As Stratus Global Group focuses on the provision of AMHS solutions for cleanrooms in the semiconductor industry, this IMR Report will focus on the AMHS segment within the semiconductor industry ("semiconductor AMHS industry"). In the semiconductor industry, AMHS is primarily utilised to support production lines/processes. AMHS may be used in both the front-end and back-end segments of the semiconductor production lifecycle.

Industry size of the semiconductor AMHS industry, global and regional, 2022 – 2024



Note:

- Others comprise Middle East, Africa and South America.

Source: QYResearch

From 2022 to 2024, the global semiconductor AMHS industry size expanded at a CAGR of 7.42% from USD2.34 billion (RM10.30 billion) to USD2.70 billion (RM12.34 billion). Between 2022 to 2024, Asia Pacific was the largest contributor to the global semiconductor AMHS industry size, contributing an average 73.11%, followed by North America (16.55%), Europe (8.75%) and other regions (1.59%). Overall, all regions exhibited growth in the semiconductor AMHS industry from 2022 to 2024, in tandem with the global semiconductor AMHS industry.

In 2024, the global semiconductor AMHS industry size and semiconductor AMHS industry size for Asia Pacific, North America and Europe were recorded at USD2.70 billion (RM12.34 billion), USD1.98 billion (RM9.05 billion), USD0.45 billion (RM2.06 billion) and USD0.23 billion (RM1.05 billion) respectively.

For the financial year end 2024, Stratus Global Group captured the following market shares:

- Global: 1.29%, computed based on its total revenue of RM158.88 million against the global semiconductor AMHS industry size.
- Asia Pacific: 1.49%, computed based on its revenue of RM134.56 million derived from sales to Asia (i.e. Malaysia and other Asian countries) against the semiconductor AMHS industry size for Asia Pacific.

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- North America: less than 1.00%, computed based on its revenue of RM0.01 million derived from sales to North America against the semiconductor AMHS industry size for North America.
- Europe: 2.32%, computed based on its revenue of RM24.32 million derived from sales to Europe against the semiconductor AMHS industry size for Europe.

The growth of the semiconductor AMHS industry is correlated to the growth of the semiconductor industry as the demand for semiconductor products reflects the market for semiconductor engineering support services, including semiconductor AMHS. As such, the demand for semiconductor AMHS is expected to be driven by the key drivers of the semiconductor industry as elaborated in Section 1 of this IMR Report. In addition to the abovementioned key drivers, the semiconductor AMHS industry is also driven by the need for automation as semiconductor manufacturing companies increasingly seek to automate their production processes to maximise production capacity and enhance throughput in response to increasing demand for E&E products. Moreover, semiconductor AMHS has the capability to efficiently adjust to changes in production processes as semiconductor AMHS operates using software that can be programmed according to production requirements, enabling it to adapt to rapid technological advancements in E&E products.

Competitive landscape overview

The semiconductor AMHS industry is global in nature, with IDMs, semiconductor foundries and OSATs sourcing for semiconductor AMHS solutions globally. In Malaysia, semiconductor AMHS industry players comprise local companies and multinational companies ("MNCs") with presence in Malaysia, with or without locally incorporated entities in Malaysia. In addition to competing with local companies and MNCs with presence in Malaysia, industry players in Malaysia also compete with foreign industry players.

The barriers to entry in the semiconductor AMHS industry are high due to high capital investment required for the setup of production facilities as well as the possession of technical expertise such as electronic, mechanical and software engineering expertise. Industry players compete in terms of functionalities and technical capabilities of solutions offered, pricing, quality and timeliness of delivery, amongst other factors. To remain competitive and sustainable, industry players are required to ensure the availability of sufficient production floor space and skilled personnel, as well as to keep abreast with the latest technologies to offer improved products and services.

Key Industry Players

As Stratus Global Group is a factory automation solutions provider, specialising in cleanroom AMHS solutions, whereby its solutions are primarily catered towards companies operating within the semiconductor industry, the basis of selection of the key industry players in the semiconductor AMHS industry are as follows:

- Companies that offer semiconductor AMHS solutions; and
- Companies that recorded more than RM50.00 million in revenue based on their respective latest available financial year. It is pertinent to note that such revenue may include revenue derived from other businesses that are not related to semiconductor AMHS solutions.

Given the global nature of the semiconductor AMHS industry whereby industry players can provide semiconductor AMHS solutions to customers worldwide and hence compete with other industry players globally, the key industry players selected in this IMR Report are based on global industry players, and are not country-specific. However, the locally incorporated entities in Malaysia of overseas industry players is disclosed where the information is publicly available. Further information on the overseas holding entity is disclosed in the footnotes.

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The key industry players identified based on the above basis of selection are as listed below:

| Company name ⁽¹⁾ | Location of head office | Examples of semiconductor AMHS solutions offered | Latest available financial year | Total revenue | Total revenue (RM) | Segmental revenue ⁽²⁾ | Segmental revenue (RM) | Gross profit/(loss) margin (%) | Profit/(loss) after tax margin (%) |
|---|-------------------------|---|---------------------------------|--------------------|------------------------------|----------------------------------|------------------------|--------------------------------|------------------------------------|
| Daifuku Co., Ltd. ⁽³⁾ | Japan | Automated storage and retrieval system ("ASRS"), overhead monorail system, zip tower | 31 December 2024 ⁽⁴⁾ | JPY563.23 billion | 16.73 billion ⁽⁵⁾ | N/A | N/A | 22.15 | 10.15 |
| Murata Group | Japan | Overhead hoist transport ("OHT"), overhead shuttle, automated guided vehicle ("AGV"), carrier stocker, front opening unified pods ("FOUP") ⁽⁶⁾ | 31 March 2025 | JPY526.08 billion | 15.57 billion ⁽⁷⁾ | N/A | N/A | 33.41 | 13.71 |
| Murata Machinery Malaysia Sdn Bhd (part of the Murata Group and a subsidiary of Murata Machinery, Ltd. ⁽⁸⁾) | Malaysia | | 31 March 2025 | RM45.15 million | 45.15 million | N/A | N/A | 10.03 | 3.23 |
| SFA Engineering Corporation ⁽⁹⁾ | South Korea | Stocker, overhead shuttle, conveyor system, lifter and OHT | 31 December 2024 | KRW2.05 trillion | 6.95 billion ⁽¹⁰⁾ | N/A | N/A | 11.22 | (1.57) |
| Synus Tech Co., Ltd. | South Korea | OHT, conveyor system, lifter, AGV, stocker, local hoist transfer, FOUP in out system | 31 December 2024 | KRW335.6 4 billion | 1.14 billion ⁽¹⁰⁾ | N/A | N/A | 9.26 | N/A |
| Mirle Automation Corporation ⁽¹¹⁾ | Taiwan | Conveyor system, stocker system, lifter and OHT | 31 December 2024 | NTD7.50 billion | 1.07 billion ⁽¹²⁾ | NTD3.52 billion | 501.54 million | 18.09 | 1.47 |
| Pentamaster Corporation Berhad ⁽¹³⁾ | Malaysia | Conveyor system, lifter and AGV | 31 December 2024 | RM623.02 million | 623.02 million | N/A | N/A | 28.65 | 16.67 |
| Stratus Global Group | Malaysia | Conveyor-based AMHS, hybrid AMHS and ASRS | 31 March 2025 | RM220.28 million | 220.28 million | RM220.28 million | 220.28 million | 53.65 | 30.04 |
| FA Systems Automation (S) Pte Ltd | Singapore | Conveyor system, lifter and AGV | 31 December 2022 | SGD17.90 million | 57.11 million | N/A | N/A | 37.45 | 21.11 |

Notes:

- Latest available information as at the date of completion of this IMR Report.
- N/A – Not available.
- The identified key industry players include all industry players that were identified by SMITH ZANDER based on sources available, such as the internet, published documents and industry directories. However, there may be companies that have no online and/or published media presence, or are operating with minimal public advertisement, and hence SMITH ZANDER is unable to state conclusively that the list of industry players is exhaustive.

⁽¹⁾ These companies may also be involved in the provision of products and services other than semiconductor AMHS solutions.

⁽²⁾ Segmental revenue which comprises the provision of semiconductor AMHS solutions is shown where available.

⁽³⁾ Daifuku Co., Ltd. is a company incorporated in Japan and listed on Tokyo Stock Exchange. Daifuku Co., Ltd. and its group of companies are principally involved in the consulting, engineering, design, manufacturing, installation and after-sales services for logistics systems and material handling equipment namely conveying systems, transport systems, storage systems, sorting/picking systems, control systems and material handling tools, as well as electronics or car wash machines.

⁽⁴⁾ The latest available financial year ended covered a period of 9 months from 1 April 2024 to 31 December 2024.

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- ⁽⁵⁾ Exchange rate from JPY to RM was converted based on the average exchange rate for the period from 1 April 2024 to 31 December 2024 at JYP1=0.0297, extracted from published information from BNM.
- ⁽⁶⁾ These solutions are offered by Murata Group as a whole. Murata Machinery Malaysia Sdn Bhd is principally engaged in activities of installation, repair, maintenance and after sales services for industrial machineries and systems for automated storage and retrieval, data management, transportation, storage and logistics and related equipment; and business of procurement and development of industrial machineries, ASRS, data management system, transportation, storage and logistics systems, and related equipment from external sources for installation purposes.
- ⁽⁷⁾ Exchange rate from JPY to RM was converted based on the average annual exchange rate from 1 April 2024 to 31 March 2025 at JYP1=0.0296, extracted from published information from BNM.
- ⁽⁸⁾ Murata Machinery, Ltd., a company incorporated in Japan, is the holding company of Murata Machinery Malaysia Sdn Bhd. Murata Machinery, Ltd. and its group of companies (i.e. Murata Group) are principally involved in the provision of cleanroom factory automation systems, logistics and factory automation systems, machines tools, sheet metal machinery, textile machinery and communication equipment.
- ⁽⁹⁾ SFA Engineering Corporation is a company incorporated in Korea and listed on the Korea Securities Dealers Automated Quotations, a trading board of Korea Exchange. SFA Engineering Corporation and its group of companies are principally involved in the provision of smart factory solutions.
- ⁽¹⁰⁾ Exchange rate from KRW to RM was converted based on the average annual exchange rate from 1 January 2024 to 31 December 2024 at KRW1=0.0034, extracted from published information from BNM.
- ⁽¹¹⁾ Mirle Automation Corporation is a company incorporated in Taiwan and listed on the Taiwan Stock Exchange. Mirle Automation Corporation and its group of companies are principally involved in the provision of intelligent automation systems.
- ⁽¹²⁾ Exchange rate from TWD to RM was converted based on the average annual exchange rate from 1 January 2024 to 31 December 2024 at TWD1=0.1424, extracted from published information from BNM.
- ⁽¹³⁾ Pentamaster Corporation Berhad is listed on the Main Market of Bursa Malaysia Securities Berhad.

Sources: Stratus Global Group, various company websites, Companies Commission of Malaysia, SMITH ZANDER

The semiconductor AMHS industry and the global semiconductor industry face the following key risks:

► **Reliance on the growth of the semiconductor and E&E industries, which are subject to risks relating to the economic, political and/or regulatory environment globally and in Malaysia**

The demand for semiconductor AMHS solutions is dependent on the growth of the semiconductor industry, which can be affected by the demand for E&E products. The performance of the semiconductor and E&E industries can be directly or indirectly impacted by the performance of the general economy and/or political environment globally and in Malaysia. Any adverse development in the economic and/or political environment could materially or adversely affect the business operations and financial performance of industry players in the semiconductor AMHS and semiconductor industries. Such developments include, but not limited to, changes in political leadership, changes in general economic and business conditions, fluctuations in foreign exchange rates and interest rates, acts of terrorism, riots, expropriation, nationalisation, unemployment trends, imposition of international trade sanctions, deterioration of international bilateral relationships, as well as changes in fiscal and monetary policies of the respective countries such as inflation, deflation, methods of taxation, tax policies (including sale and service tax, excise duties and tariffs) and exchange control measures.

For example, a growing economy leads to an increase in disposable income and purchasing power of consumers, as well as spending budgets of businesses, resulting in the rise in demand for E&E products which drives the demand for semiconductors. In contrast, a downturn in the economy could reduce purchasing power and spending, leading to a decline in demand for semiconductors. Any economic crisis that affects the financial well-being of consumers and businesses may cause volatility and uncertainty for the E&E and semiconductor industries. This, in turn, affects the semiconductor AMHS industry which could adversely impact the performance of industry players.

Industry players could also be affected by new laws, regulations and guidelines that are introduced to govern their business activities, whether in general or specific to the semiconductor industry and/or semiconductor AMHS industry. For instance, in April 2025, the United States of America

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("US") imposed a baseline tariff of 10.00% on most imports, with higher reciprocal tariffs for certain countries and products. Amidst ongoing negotiations with other countries and investigations by the Trump administration on the impact of certain imports on US national security, there have been frequent amendments to the implementation of the reciprocal tariffs, with possibilities for more amendments in the future. For example, effective 8 August 2025, the US reverted from a 10.00% baseline tariff to a reciprocal tariff of 19.00% on most imports from Malaysia. The implementation of the reciprocal tariffs may affect import demand for semiconductor AMHS from the US, which may affect Malaysia's exports of semiconductor AMHS to the US. This may have adverse impact to the performance of the semiconductor AMHS industry in Malaysia.

Furthermore, the Trump administration also announced its intention to impose a 100% tariff on semiconductor chips from countries without US-based manufacturing. This could negatively affect import demand for semiconductor chips from the US and in turn, lower manufacturing activities for semiconductor chips globally. Subsequently, the demand for semiconductor AMHS for semiconductor manufacturing may be adversely impacted.

► **The semiconductor AMHS industry is reliant on skilled personnel**

The semiconductor and E&E industries constantly face rapid advancements in technology, therefore having skilled talent is important for industry players in the semiconductor AMHS segment. Industry players have to ensure their workforce possesses suitable and relevant skills and competencies in the production of systems, equipment and/or tools. This enables them to remain competitive in the market, prevent the obsolescence of their solutions and ensure compatibility of their solutions with newer production processes and requirements. Industry players must keep abreast with technology advancements, so that they are able to offer improved products and services timely to cater to their customers' requirements in the fast-changing semiconductor and E&E industries. In addition, employers have to continuously attract and retain suitably equipped talents such as providing conducive work environments, attractive employee benefits and remunerations, technical training as well as clear and transparent career development paths. Failure to hire and/or retain talent with suitable skills and capabilities may adversely affect an industry player's ability to secure new customers and/or sustain revenue growth, which could lead to challenges in improving their financial performance.

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