

10. RELATED PARTY TRANSACTIONS

10.1 Related party transactions

Save for the Acquisition of SECL and as disclosed below, there are no other material related party transactions to be entered into by our Group which involves the interest, direct or indirect, of our Directors, major shareholders and/or persons connected with them for the Financial Years Under Review as well as the subsequent period up to the LPD:-

No.	Transacting parties with our Group	Nature of relationship	Nature of transaction	FYE 2023	FYE 2024	FYE 2025	⁽²⁾ From 1 June 2025 up to the LPD
				(RM'000)	(RM'000)	(RM'000)	(RM'000)
1.	SQTSB group of companies as follows:- <ul style="list-style-type: none"> • QBPO • QSC • Qforce • Qdynamics • Qventures • QIndia 	Interested Major Shareholders <ul style="list-style-type: none"> • SQT Holdings • SQ Venture • SQ Technology Group Limited • SQ Technology Limited • SQTSB Interested Major Shareholders and Directors <ul style="list-style-type: none"> • Jeffrey Hwang • Brian Low Interested Directors <ul style="list-style-type: none"> • Dato' Hwang Thean Long • Whong Poh Choon QBPO, QSC, Qforce, Qdynamics and Qventures are the wholly-owned subsidiaries of SQTSB. SQTSB, our major shareholder, is wholly-owned by SQ Technology Limited, which in turn is a wholly-owned subsidiary of SQ Technology Group Limited. SQ Technology Group Limited is 75.00% owned by SQT Holdings and 25.00% owned by SQ Venture.	Marketing service fees payable by our Group to QBPO for marketing, promotional, sales and support services in relation to the business and operations of QFSB. The transaction ceased in September 2025. Upon the disposal of QBPO by SQAI to SQTSB, our Group assumed the marketing role.	96 (0.20% of our Group's total administrative and marketing expenses)	106 (0.24% of our Group's total administrative and marketing expenses)	120 (0.30% of our Group's total administrative and marketing expenses)	40
			Sales commission for marketing paid by our Group to QSC. The transaction ceased in September 2025. Upon the disposal of QSC by SQAI to SQTSB, our Group assumed the marketing role, dealing directly with the customer instead of through QSC.	174 (0.37% of our Group's total administrative and marketing expenses)	221 (0.50% of our Group's total administrative and marketing expenses)	301 (0.74% of our Group's total administrative and marketing expenses)	92

10. RELATED PARTY TRANSACTIONS (CONT'D)

No.	Transacting parties with our Group	Nature of relationship	Nature of transaction	FYE 2023	FYE 2024	FYE 2025	⁽²⁾ From 1 June 2025 up to the LPD
				(RM'000)	(RM'000)	(RM'000)	(RM'000)
		<p>SQT Holdings is wholly owned by Jeffrey Hwang, our Promoter, major shareholder and Director, and SQ Venture is wholly owned by Brian Low, our Promoter, major shareholder and Director. Jeffrey Hwang is the director of SQTSB.</p> <p>Brian Low, is the uncle of Jeffrey Hwang. Jeffrey Hwang is the son of Dato' Hwang Thean Long, our Non-Independent Non-Executive Chairman.</p> <p>Dato' Hwang Thean Long and Jeffrey Hwang are directors of QBPO, Qforce and Qdynamics, with Jeffrey Hwang also serving as a director of QSC and Qventures.</p> <p>Whong Poh Choon is the director of QFSB, QISB and QTSB, our wholly-owned subsidiaries. He is also the director of QBPO.</p>	<p>A one-off sale of tooling and prototype by our Group to QSC.</p> <p>This was a one-off transaction entered into between our Group and QSC. Following our Listing, our Group does not intend to enter into similar transactions with QSC.</p> <p>Disposal of the entire equity interest of the Non-Core Subsidiaries by our Group to SQTSB and QBPO⁽¹⁾.</p>	-	26 (0.01% of our Group's total revenue)	-	-
				-	-	-	20,903

10. RELATED PARTY TRANSACTIONS (CONT'D)

No.	Transacting parties with our Group	Nature of relationship	Nature of transaction	FYE 2023	FYE 2024	FYE 2025	⁽²⁾ From 1 June 2025 up to the LPD
				(RM'000)	(RM'000)	(RM'000)	(RM'000)
2.	Nanometric Electronics Sdn Bhd	<p>Interested Major Shareholder and Director</p> <ul style="list-style-type: none"> Jeffrey Hwang <p>Interested Directors</p> <ul style="list-style-type: none"> Dato' Hwang Thean Long <p>Nanometrics Electronics Bhd is a wholly-owned subsidiary of Suiwah Holdings Sdn Bhd, a company controlled by Dato' Hwang Thean Long, our Non-Independent Non-Executive Chairman, who is the director and major shareholder of Suiwah Holdings Sdn Bhd.</p> <p>Jeffrey Hwang, our Promoter, major shareholder and Director, is the son of Dato' Hwang Thean Long.</p>	<p>Provision of manpower and operational support services by Nanometric Electronics Sdn Bhd to our Group, the sole customer of Nanometric Electronic Sdn Bhd.</p> <p>This transaction ceased in September 2025.</p>	334 (0.15% of our Group's total cost of sales)	327 (0.14% of our Group's total cost of sales)	329 (0.13% of our Group's total cost of sales)	70
3.	Sunshine Power (Xiamen) Electronic Co., Ltd ("Sunshine Power")	<p>Interested Major Shareholders and Directors</p> <ul style="list-style-type: none"> Jeffrey Hwang Brian Low <p>Sunshine Power is a wholly-owned subsidiary of Sunshine Power (HK) Limited.</p> <p>Jeffrey Hwang, our Promoter, major shareholder and Director, is the director of Sunshine Power (HK) Limited.</p>	<p>Provision of SMT processing services by Sunshine Power to our Group, the sole customer of Sunshine Power.</p> <p>As at the LPD, this transaction has ceased and Sunshine Power was deregistered on 23 January 2026.</p>	2,232 (1.01% of our Group's total cost of sales)	1,887 (0.81% of our Group's total cost of sales)	1,335 (0.54% of our Group's total cost of sales)	1,009

10. RELATED PARTY TRANSACTIONS (CONT'D)

No.	Transacting parties with our Group	Nature of relationship	Nature of transaction	FYE 2023	FYE 2024	FYE 2025	⁽²⁾ From 1 June 2025 up to the LPD
				(RM'000)	(RM'000)	(RM'000)	(RM'000)
		Low Siew Hoe, who holds 99.99% equity interest in Sunshine Power (HK) Limited, is the mother of Jeffrey Hwang and sibling of Brian Low, our Promoters, major shareholders and Directors.	Rental and property management fees paid to our Group by Sunshine Power. As at the LPD, this transaction has ceased and Sunshine Power was deregistered on 23 January 2026.	146 (0.42% of our Group's total other operating income)	147 (0.52% of our Group's total other operating income)	138 (0.54% of our Group's total other operating income)	58
4.	Harta Maintenance (Penang) Sdn Bhd ("Harta Maintenance")	Interested Directors <ul style="list-style-type: none"> Dato' Hwang Thean Long Datuk Radzali Bin Hassan <p>Jeffrey Hwang, our Promoter, major shareholder and Director, is the son of Dato' Hwang Thean Long, our Non-Independent Non-Executive Chairman.</p> <p>Dato' Hwang Thean Long is a major shareholder of Harta Maintenance.</p> <p>Datuk Radzali Bin Hassan, our Non-Independent Non-Executive Director, is a major shareholder and director of Harta Maintenance.</p>	Provision of cleaning and maintenance services by Harta Maintenance to our Group. This transaction is recurrent.	129 (0.27% of our Group's total administrative and marketing expenses)	134 (0.30% of our Group's total administrative and marketing expenses)	147 (0.36% of our Group's total administrative and marketing expenses)	110

10. RELATED PARTY TRANSACTIONS (CONT'D)

Notes:-

- (1) *The disposal of the entire equity interest of QBPO, QSC, Qforce, Qdynamics and Qventures to SQTSB and the disposal of the entire equity interest in QIndia to SQTSB and QBPO is part of a restructuring exercise undertaken prior to our Listing. The consideration of RM20.9 million for the said disposal was arrived at on a willing-buyer willing-seller basis after taking into consideration the net tangible assets or net tangible liabilities as stated in the audited financial statements of QBPO, Qforce, Qdynamics and Qventures for the FYE 2024, the audited financial statements of QSC for the FYE 2025 and the latest unaudited management accounts of QIndia as at 30 November 2025.*
- (2) *Percentage contributions are not available as there are no audited financial statements for the period from 1 June 2025 up to the LPD for our Group.*

The Disposal of Non-Core Subsidiaries and the transaction set out in item 3 in the table above, are not considered to be on an arm's length basis and were not transacted on commercial terms as:-

- (i) the disposal considerations for the Disposal of Non-Core Subsidiaries were arrived at based on the respective net tangible assets or net tangible liabilities, without reference to an independent valuation or prevailing market comparable and without considering any similar commercial terms. The disposals were undertaken by our Group to establish a clearer operating structure, focusing on the FPC and IC substrate segment; and
- (ii) there were insufficient comparable transactions to support the prevailing market rates for the provision of SMT processing services by Sunshine Power and the rental income charged was not in line with the prevailing market rates.

Save for the aforementioned, our Board is of the opinion that all the transactions set out in **Section 10.1** of this Prospectus were carried out on an arm's length basis on normal commercial terms which are not more favourable to the related parties than those generally available to the public and to the detriment to our minority shareholders.

Our Directors confirmed that there are no material related party transactions that have been effected after the LPD, or entered into but not yet effected up to the date of this Prospectus by our Group that involve the interest, direct or indirect, of our Directors, major shareholders and/or persons connected to them.

Upon our Listing, in the event that our Group enters into any material related party transactions in accordance with the Listing Requirements, we will be required to seek our shareholders' approval accordingly. However, if such related party transactions are deemed as recurrent related party transactions, we may then seek a general mandate from our shareholders (which mandate would typically be renewed as required at each AGM of our Company) to enter into such recurrent transactions without having to seek separate shareholders' approval each time our Group wishes to enter into such recurrent related party transactions during the validity period of the mandate.

In the event that there are any proposed related party transactions that require the prior approval of our shareholders, our Directors, substantial shareholders and/or persons connected with them, which have any interest, direct or indirect, in the proposed related party transaction, will hence abstain from deliberating and voting in respect of their direct and/or indirect shareholdings, if any. Such interested Directors and/or substantial shareholders will also undertake to ensure that the person(s) connected with them will abstain from voting on the resolution approving the proposed related party transaction at a general meeting of our Company.

10. RELATED PARTY TRANSACTIONS (CONT'D)

In addition, our Audit and Risk Management Committee will, amongst others, review the terms of the related party transactions (if any) moving forward and report to our Board for further action to safeguard the interest of our Group and our minority shareholders, as well as to mitigate any potential conflict of interest situation. Further details on our monitoring and oversight practices in relation to related party transactions and conflicts of interest are set out in **Section 10.4** of this Prospectus.

10.2 Related party transactions that are unusual in their nature or conditions

Our Directors have confirmed that there are no transactions that are unusual in nature or conditions, involving goods, services, tangible or intangible assets, to which our Group was a party for the Financial Years Under Review as well as the subsequent period up to the LPD.

10.3 Material outstanding loans and/or financial assistance

10.3.1 Material outstanding loans and/or financial assistance (including guarantees of any kind) made to or for the benefit of related parties

Save as disclosed below, our Board has confirmed that there are no material outstanding loans and/or financial assistance (including guarantees of any kind) that has been provided by our Group to or for the benefits of any related parties for the Financial Years Under Review as well as the subsequent period up to the LPD:-

No.	Transacting parties with our Group	Nature of relationship	Nature of transaction	As at			As at the LPD
				FYE 2023	FYE 2024	FYE 2025	
				(RM'000)	(RM'000)	(RM'000)	
1.	SQTSB group of companies as follows:- <ul style="list-style-type: none"> • SQTSB • QBPO • Qventures • Qforce • QSC • Qfri • Millennium Solutions Sdn Bhd 	<ul style="list-style-type: none"> • SQTSB⁽¹⁾ is our major shareholder. • Jeffrey Hwang⁽²⁾ is the director of SQTSB. 	The advance was extended by SQAI to SQTSB for working capital purposes.	-	-	191	-
		<ul style="list-style-type: none"> • QBPO is a wholly-owned subsidiary of SQTSB. • Dato' Hwang Thean Long⁽²⁾, Jeffrey Hwang⁽²⁾ and Whong Poh Choon⁽²⁾ are the directors of QBPO. 	The advance was extended by QFSB to QBPO for working capital purposes.	82	68	20	-

10. RELATED PARTY TRANSACTIONS (CONT'D)

No.	Transacting parties with our Group	Nature of relationship	Nature of transaction	As at			As at the LPD
				FYE 2023	FYE 2024	FYE 2025	
				(RM'000)	(RM'000)	(RM'000)	(RM'000)
		<ul style="list-style-type: none"> Qdynamics is a wholly-owned subsidiary of SQTSB. Dato' Hwang Thean Long⁽²⁾ and Jeffrey Hwang⁽²⁾ are the directors of Qdynamics. 	The advance was extended by QFSB to Qdynamics for working capital purposes.	538	-	-	-
		<ul style="list-style-type: none"> Qforce is a wholly-owned subsidiary of SQTSB. Dato' Hwang Thean Long⁽²⁾ and Jeffrey Hwang⁽²⁾ are the directors of Qforce. 	The advance was extended by QFSB to Qforce for working capital purposes.	784	-	-	-
		<ul style="list-style-type: none"> Qventures is a wholly-owned subsidiary of SQTSB. Jeffrey Hwang⁽²⁾ is the director of Qventures. 	The advance was extended by QFSB to Qventures for working capital purposes.	45	54	63	-
		<ul style="list-style-type: none"> QSC is a wholly-owned subsidiary of SQTSB. Jeffrey Hwang⁽²⁾ is the director of QSC. 	The advance was extended by QFSB to QSC for working capital purposes.	222	3	-	-

10. RELATED PARTY TRANSACTIONS (CONT'D)

No.	Transacting parties with our Group	Nature of relationship	Nature of transaction	As at			As at the LPD
				FYE 2023	FYE 2024	FYE 2025	
				(RM'000)	(RM'000)	(RM'000)	(RM'000)
		<ul style="list-style-type: none"> Quantum Fri Sdn Bhd (formerly known as Qdos Fri Sdn Bhd) ("Qfri") is 60.00% owned by Qforce and 40.00% owned by Qdynamics, both of which are wholly-owned subsidiaries of SQTSB. Dato' Hwang Thean Long⁽²⁾ and Jeffrey Hwang⁽²⁾ are the directors of Qfri. 	The advance was extended by QFSB to Qfri for working capital purposes.	252	21	23	-
		<ul style="list-style-type: none"> Millennium Solutions Sdn Bhd⁽³⁾ is wholly-owned by Qventure, which in turn is a wholly-owned subsidiary of SQTSB. Jeffrey Hwang⁽²⁾ is the director of Millennium Solutions Sdn Bhd. 	The advance was extended by QFSB to Millennium Solutions Sdn Bhd for purchase of spare parts and working capital purposes.	464	490	507	-
2.	Crimson Omega Sdn Bhd	<ul style="list-style-type: none"> Crimson Omega Sdn Bhd is 76.00% owned by SCB and 24.00% owned by Sunshine Wholesale Mart Sdn Bhd, which is in turn wholly owned by SCB, a company controlled by Dato' Hwang Thean Long. Dato' Hwang Thean Long⁽²⁾ is the director of Crimson Omega Sdn Bhd. 	<p>The corporate guarantee was provided by QFSB, in favour of United Overseas Bank (Malaysia) Bhd ("UOB") in relation to term loan of RM377.0 million granted to Crimson Omega Sdn Bhd to be used for the development of Sunshine Central, a mix development in Penang.</p> <p>The corporate guarantee had been uplifted on 19 May 2025.</p>	-	-	-	-

10. RELATED PARTY TRANSACTIONS (CONT'D)

Notes:-

- (1) *SQTSB is our major shareholder and is wholly-owned by SQ Technology Limited, which in turn is a wholly-owned subsidiary of SQ Technology Group Limited. SQ Technology Group Limited is 75.00% owned by SQT Holdings and 25.00% owned by SQ Venture. Jeffrey Hwang holds 100.00% equity interest in SQT Holdings and Brian Low holds 100.00% equity interest in SQ Venture.*
- (2) *Jeffrey Hwang is our Promoter, major shareholder and Director. He is also the son of Dato' Hwang Thean Long, our Non-Independent Non-Executive Chairman. Whong Poh Choon is our Key Senior Management and the director of QFSB, QISB and QTSB, our wholly-owned subsidiaries.*
- (3) *Qventures and Millennium Solutions Sdn Bhd will be struck off prior to our Listing.*

The effective interest rates charged by our Group on advances to the SQTSB group of companies are 2.00% to 6.00% per annum for the Financial Years under Review and up to the LPD. The advances were not on arm's length basis as the repayment terms for the advances are unsecured, short-term in nature and no fixed term of repayment. In addition, the corporate guarantee had been fully discharged without liability.

As at the LPD, all the above advances have been repaid in full and the above corporate guarantee has been uplifted. Our Group undertakes that they will no longer provide such advances/financial assistance (including corporate guarantee) to any related parties moving forward.

10.3.2 Material outstanding loans and/or financial assistance (including guarantees of any kind) made from related parties to our Group

QFSB has obtained 3 banking facilities from Hong Leong Islamic Bank Berhad, OCBC Bank (Malaysia) Berhad and UOB for the Financial Years Under Review and up to the LPD, pursuant to which personal guarantees were provided by Jeffrey Hwang and/or Dato' Hwang Thean Long.

As at the LPD, our Group has obtained conditional approval from the aforementioned financiers to discharge and/or uplift the said personal guarantees and the key conditions for the release being the successful listing of our Group and/or the replacement of the personal guarantees with a new corporate guarantee to be executed by our Group.

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10. RELATED PARTY TRANSACTIONS (CONT'D)

10.4 Monitoring and oversight of related party transactions and conflicts of interest

10.4.1 Audit and Risk Management Committee review

Our Audit and Risk Management Committee will review the related party transactions and conflicts of interest situations that may arise within our Company or Group, including any transaction, procedures or course of conduct that raises questions of management integrity. Our Audit and Risk Management Committee also reviews any transaction, procedure or course of conduct that raises questions of management integrity including our related party transactions. In reviewing the related party transactions, the following, amongst other things will be considered:-

- (i) the rationale and the cost/benefit to our Company are first considered;
- (ii) where possible, comparative quotes will be taken into consideration;
- (iii) that the transactions are based on normal commercial terms and not more favourable to the related parties than those generally available to third parties dealing on an arm's length basis; and
- (iv) that the transactions are not detrimental to our Company's non-interested shareholders.

Amongst others, the related parties and parties who are in a position of conflict with the interest of our Group will be required to abstain from deliberations in the transactions. All reviews by our Audit and Risk Management Committee are reported to our Board for their further action. Where necessary, our Board will make the appropriate disclosure in our annual report with regard to any related party transactions (recurrent or one-off) entered into by us.

10.4.2 Our policy on related party transactions and conflicts of interest

Related party transactions by their very nature, involve conflicts of interest between our Group and the related parties with whom our Group has entered into such transactions. It is the policy of our Group that all related party transactions in the course of business are carried out on an arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to third parties and these terms are not detrimental to the other shareholders of our Company who are not interested in the transaction.

In addition, we plan to adopt a comprehensive corporate governance framework that meets best practice principles to mitigate any potential conflict of interest situations and intend for the framework to be guided by the Listing Requirements and the Malaysian Code of Corporate Governance upon our Listing. The procedures which form part of the framework include, among others, the following:-

- (i) our Board shall ensure that at least half of our Board's members are Independent Directors and will undertake an annual assessment of our Independent Directors; and
- (ii) our Directors will be required to immediately make full disclosure of any direct or indirect interest that they may have in any business enterprise that is engaged in or proposed to be engaged in a transaction with our Group, whether or not they believe it is a material transaction. Upon such disclosure, the interested Director shall be required to abstain from deliberation and voting on any resolution related to the related party transaction; and
- (iii) all existing or potential related party transactions would have to be disclosed by the interested party for management reporting. Our management will propose the transactions to our Audit and Risk Management Committee for evaluation and assessment who would, in turn, make a recommendation to our Board.