MERCURY SECURITIES SDN. BHD.

BURSA RISE+
Brought to you by Bursa Malaysia
Supported by Capital Market Development Fund

OGX Group Berhad

IPO Note – Non-Rated
Research Team Coverage / research@mersec.com.my
Tuesday, March 3, 2026
ACE Market
Technology Sector
SUBSCRIBE

IPO Price:	**RM0.350**
Fair Value:	**RM0.429**

Pipeline-Driven Growth with Structural Digital Tailwinds

Valuation / Recommendation

We have a **SUBSCRIBE** recommendation on OGX Group Berhad with a **fair value of RM0.429,** representing a **23% upside** to the IPO price, based on **18x target P/E** ascribed to **FY27E EPS**. Our target multiple is benchmarked against five-years historical average of selected listed peers with (i) Similar business models operating within the same industry and (ii) Comparable market capitalisation range, and is broadly in line with the 1-year Best Forward P/E of the Bursa Malaysia Technology Index. We like OGX for its (i) Robust SI-Driven Sales Pipeline, (ii) Balanced Public-Private Revenue Mix, and its position as (iii) Integrated One-Stop IT Infrastructure Solutions Platform.

Investment Highlights

Robust SI-Driven Sales Pipeline. OGX's investment case is anchored on its entrenched system integrator ("SI") ecosystem, transacting with 400–500 SIs annually and supported by a database of over 3,000 registered partners. With a RM400–500m sales pipeline and average project tenures of 2–3 years, the Group benefits from recurring engagement visibility and strong customer stickiness, as SIs typically prefer continuity with authorised distributors for technical compatibility and warranty support. This established network provides a solid foundation for sustainable growth.

Balanced Public-Private Revenue Mix. OGX maintains a balanced revenue exposure, with approximately 55% derived from government-linked projects and 45% from the private sector, providing structural earnings stability and diversification. Public sector visibility is supported by ongoing digitalisation initiatives, including Budget 2026 allocations of RM1.0bn in financing and RM25.0m for public service digital infrastructure, while private sector engagements offer agility and recurring enterprise-led IT upgrades. This dual exposure mitigates concentration risk and supports sustainable medium-term growth.

Integrated One-Stop IT Infrastructure Platform. OGX operates an integrated, brand-centric IT infrastructure platform covering networking, cybersecurity and enterprise data centre solutions, supported by distribution and technical enablement. With 18 authorised brands, the Group enables system integrators to source comprehensive solutions from a single distributor, enhancing cross-selling opportunities, customer stickiness and wallet share. This positions OGX as a value-added partner rather than a pure distributor, supporting sustainable growth.

Risk Factors for OGX include: (i) Revenue Concentration in Core Infrastructure Segments, (ii) Exposure to Government-Linked Projects & Procurement Cycles and (iii) Dependence on Authorised Brand Principals.

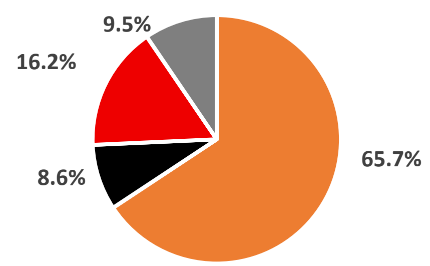
Business Overview

OGX Group Berhad operates in Malaysia's IT infrastructure solutions industry, focusing on the distribution and provision of networking, cybersecurity and enterprise data centre infrastructure solutions. The Group serves system integrators across both public and private sectors through its portfolio of 18 authorised IT infrastructure brands, complemented by product warranties and technical support services. To be listed on the ACE market.

Listing Details	
Listing date	12 March 2026
New Shares (m)	150.0
Offer for sale (m)	75.0
Fund to be raised (RM m)	52.5
Post Listing	
Ordinary shares (m)	750.0
Market cap (RM m)	262.5
Estimated free float (%)	30%
P/E(x) (*Based on prospectus*)	17.16x

Top 3 Shareholders	**%**
Tan Ting Fong	35.7
Tan Suan Loong	34.3

Utilisation of Proceeds	**RM m**
Business Expansion	34.5
Repayment of Bank Borrowings	4.5
Working Capital	8.5
Estimated Listing Expenses	5.0



FYE Dec (RM m)	**FY24A**	**FY25A**	**FY26E**	**FY27E**
Revenue	172.5	176.3	222.6	245.9
EBITDA	16.2	26.0	30.1	32.3
EBIT	13.2	24.0	26.6	28.6
PBT	11.4	22.0	25.4	27.7
Core Net Profit	8.2	15.3	16.4	17.9
Core EPS (sen)*	**1.08**	**2.04**	**2.19**	**2.39**
Core EPS Growth (%)	118.3%	89.6%	7.1%	9.1%
Net DPS (sen)*	0.63	1.20	-	-
Net Div. Yield (%) *	1.8%	3.4%	-	-
BVPS (sen)	4.10	5.02	42.21	44.59
PER (*Using IPO price*)	32.5	17.1	16.0	14.7
PBV (x) (*Using IPO price*)	8.5	7.0	0.8	0.8
Net Gearing	0.6	0.2	*N.Cash*	*N.Cash*

**Based on enlarged issued share capital of 750.0m*

MERCURY SECURITIES SDN. BHD.

Company Overview

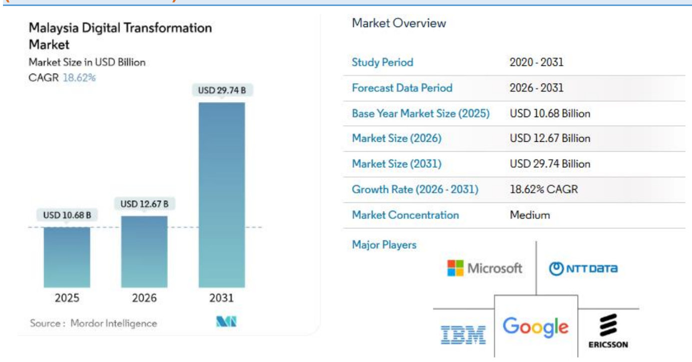
OGX Group Berhad operates in Malaysia's IT infrastructure solutions industry, which supports digital connectivity, cybersecurity and enterprise data centre deployment across organisations. The Group is principally involved in the (i) provision of IT Infrastructure solutions, (ii) distribution of IT infrastructure products and (iii) the provision of product warranties and support services in Malaysia. The Group operates a brand-centric business model, serving system integrators ("SIs") who in turn deliver IT solutions to public and private sector end users. Its solution offerings span network infrastructure, cybersecurity infrastructure and enterprise data centre infrastructure, supported by an extensive portfolio of approximately 18 authorised IT infrastructure brands. With an established operating track record since 2007, OGX has built long-standing relationships with brand principals and SI customers, positioning itself as a key intermediary within Malaysia's IT infrastructure value chain.

Industry Overview

Growth in Malaysia's Digitalisation & IT Infrastructure Spending. Malaysia's IT infrastructure solutions market is being propelled by accelerating digital transformation across both the public and private sectors. Under national digital strategies such as the *Malaysia Digital Economy Blueprint*, which aims to drive digital transformation in government services, build enabling digital infrastructure and enhance cybersecurity adoption, Malaysia is investing heavily in digital ecosystem development and technology enablement, which supports demand for IT infrastructure and related services.

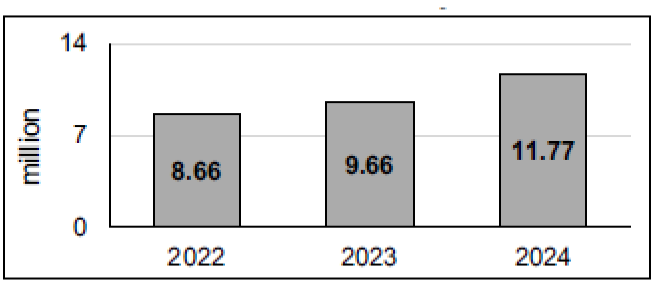
According to industry research by *Mordor Intelligence* (*Figure 1*), the Malaysia digital transformation market is valued at approximately USD$12.7bn in 2026 and is projected to grow at a near-double-digit CAGR through 2031, reflecting broad adoption of cloud, cybersecurity, data analytics and digital platforms across enterprises. This structural industry expansion underpins sustained spending on network infrastructure, cybersecurity systems and enterprise data centre deployments, core segments that align with OGX's solutions portfolio and distribution ecosystem.

Figure 1: Malaysia Digital Transformation Market Size and Share (CY2025-CY2031)



Source: *Mordor Intelligence*

Figure 2: Number of IoT connections in Malaysia (CY2022-CY2024)



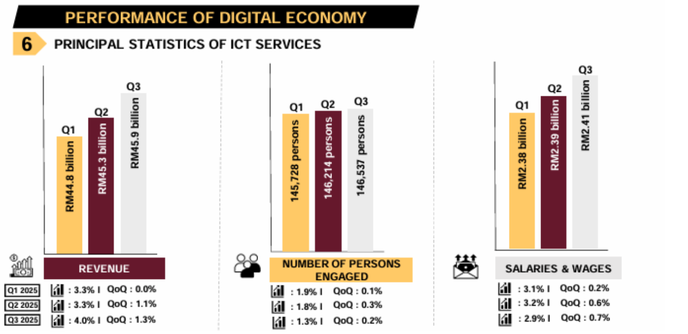
Source: *Statista, Smith Zander*

Role of System Integrators in Malaysia's IT Ecosystem. Malaysia's enterprise IT landscape is largely project-driven, with system integrators ("SIs") typically playing a central role in designing, implementing and maintaining IT infrastructure solutions for end users across the public and private sectors. According to the *Department of Statistics Malaysia (DOSM)*, the Information & Communication sector continues to expand in tandem with rising digital adoption, reflecting increasing reliance on specialised ICT services and solution providers (*Figure 3*). Within this ecosystem, SIs generally undertake the design and implementation of network, cybersecurity and enterprise data centre solutions, while sourcing hardware and software components from authorised distributors appointed by global brand principals.

This value chain structure forms a layered yet interdependent ecosystem, where authorised distributors provide certified products, technical enablement, warranty support and logistics capabilities, enabling SIs to deliver turnkey solutions efficiently to end users. Industry research further indicates that Malaysia's IT services market is projected to grow steadily over the next five years to USD$39.4bn, supported by cloud migration, cybersecurity compliance requirements and enterprise digital transformation initiatives (*Figure 4*). As enterprise IT environments become increasingly complex, reliance on certified distribution partners and technically capable intermediaries is expected to strengthen. This structural dependence reinforces the strategic importance of authorised distributors within Malaysia's IT infrastructure ecosystem, a segment in which OGX operates through its portfolio of 18 authorised IT infrastructure brands.

MERCURY SECURITIES SDN. BHD.

Figure 3: Growth in Information & Communication Services Revenue (CY2025)



Source: Department of Statistics Malaysia (DOSM)

Figure 4: Malaysia IT Services Market Size and Share

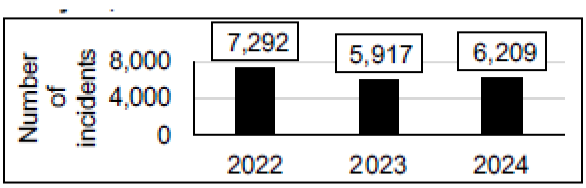
Source: Mordor Intelligence

Rising Network Infrastructure Modernisation and Cybersecurity Spending. Network infrastructure and cybersecurity solutions remain key drivers of enterprise IT spending in Malaysia, supported by accelerating cloud adoption, digital transformation and increasing demand for resilient, secure connectivity. Industry research by *Mobility Foresights Consulting* projects robust expansion in cloud network infrastructure, with Malaysia's cloud network infrastructure market forecast to grow from approximately USD$38.4bn in 2025 to USD$92.1bn by 2031, representing a CAGR of 15.8%, as enterprises transition to cloud-first networking frameworks and scalable architectures. This growth is driven by multi-cloud and hybrid deployments, demand for real-time data processing, and rising cybersecurity priorities in the context of digital services expansion.

As shown in *Figure 5*, reported cybersecurity incidents in Malaysia have remained elevated in recent years, underscoring the persistent need for stronger perimeter security, threat monitoring and system resilience. This has translated into steady growth in networking and cybersecurity infrastructure revenues, as illustrated in *Figure 6*.

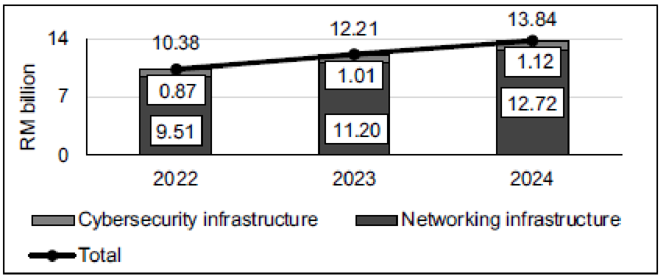
This industry trend is directly aligned with OGX's revenue composition. In FY25, network infrastructure contributed **46.4% of total revenue**, while cybersecurity infrastructure accounted for **38.2%**, collectively representing approximately **84.6% of the Group's topline**. The continued expansion of cloud-oriented networking frameworks and cybersecurity systems reinforces demand for certified hardware, authorised distribution and technical enablement, areas in which OGX's portfolio of authorised IT infrastructure brands is well positioned to benefit.

Figure 5: Number of Incidents of Cybersecurity Threats, Malaysia (CY2022-CY2024)



Source: Malaysia Computer Emergency Response Team ("MyCERT"), Smith Zander

Figure 6: Revenues for networking infrastructure and cybersecurity infrastructure, Malaysia (CY2022-CY2024)



Source: Statista, Smith Zander

Industry Headwinds. Despite structural digitalisation tailwinds, Malaysia's IT infrastructure industry remains subject to cyclical and structural headwinds. According to the *Department of Statistics Malaysia (DOSM) – Information & Communication Services Report CY2023,* revenue growth in the Information & Communication services sector moderated to low single-digit levels (c.3%-4%) in 2023 following stronger post-pandemic expansion, highlighting the project-driven and timing-sensitive nature of enterprise and public sector IT spending. Competitive intensity within Malaysia's IT services and infrastructure market remains moderate, with industry research (*Mordor Intelligence, Malaysia IT Services Market Overview),* classifying market concentration as "Medium", reflecting the presence of multiple global and regional vendors competing for enterprise deployments.

In addition, talent constraints persist within the ICT sector, with DOSM data (*Salaries & Wages Statistics)* indicating average wage growth of approximately 5–7% annually in recent years for ICT-related roles, potentially exerting cost pressures across system integrators and distribution partners. Rapid technological evolution and shorter hardware refresh cycles may also increase execution and inventory management risks. While long-term demand remains supportive, spending visibility may fluctuate alongside macroeconomic conditions, enterprise capex discipline and government procurement timelines.

MERCURY SECURITIES SDN. BHD.

Investment Case

Robust SI-Driven Sales Pipeline. OGX's business model is anchored on a broad and active system integrator ("SI") ecosystem, transacting with approximately 400–500 SIs annually and supported by a database of over 3,000 registered SIs. This extensive network provides wide market reach across both public and private sectors, enabling diversified and potentially recurring deal flow. The Group currently commands a sales pipeline of approximately RM400–500m, which provides meaningful revenue visibility.

The scale and stickiness of its SI relationships position OGX as a critical intermediary within the IT infrastructure value chain, as system integrators rely on authorised distributors to source products, warranties and support services. Once engaged on a project, SIs typically prefer to maintain continuity with established distributors due to familiarity with technical specifications, existing solution architecture, warranty coverage and after-sales support arrangements. This reduces switching propensity and fosters repeat engagements, particularly for system upgrades, renewals and multi-phase implementations. Backed by management's positive outlook on ongoing digitalisation initiatives and active project participation, OGX's entrenched SI ecosystem and healthy pipeline provide a solid foundation for sustainable growth.

Figure 7: Customer Stickiness – Length of Customer Relationship with OGX (1)

Customers	Type of customer	Type of products/ services provided by our Group	Length of business relationship as at the LPD (years)	FYE 2022		FYE 2023		FYE 2024		FYE 2025		FPE2026	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
MYI Technologies Sdn Bhd	SI Customer	Network and cybersecurity solutions and infrastructure products	7	3,171	3.83	5,359	4.46	^	^	^	^	11,407	10.78
Customer A group of companies	SI Customer	Network and cybersecurity solutions and infrastructure products	16	11,540	13.94	18,533	15.42	22,515	13.05	12,933	7.34	8,108	7.66
Angkatan Dinamik Sdn Bhd	SI Customer	Network, cybersecurity and enterprise data centre solutions and infrastructure products	7	^	^	^	^	^	^	^	^	6,432	6.08
Customer B	SI Customer	Cybersecurity solutions and infrastructure products	5	^	^	^	^	^	^	^	^	6,027	5.70
Edaran IT Services Sdn Bhd	SI Customer	Cybersecurity solutions and infrastructure products	12	-	-	-	-	-	-	-	-	5,897	5.57
Pocket Data (M) Sdn Bhd	SI Customer	Cybersecurity solutions and infrastructure products	5	^	^	^	^	^	^	11,708	6.64	^	^
Customer C	SI Customer	Cybersecurity solutions and infrastructure products	6	^	^	13,301	10.84	14,775	8.57	8,998	5.10	^	^
Linear Online Sdn Bhd	SI Customer	Network solutions and infrastructure products	10	^	^	^	^	^	^	9,306	5.28	^	^

Source: Company

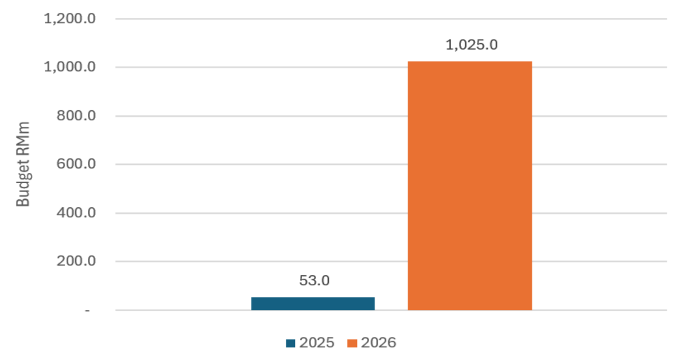
Figure 8: Customer Stickiness – Length of Customer Relationship with OGX (2)

Customers	Type of customer	Type of products/ services provided by our Group	Length of business relationship as at the LPD (years)	FYE 2022		FYE 2023		FYE 2024		FYE 2025		FPE2026	
				RM'000	%	RM'000	%	RM'000	%	RM'000	%	RM'000	%
Pentech Solution Sdn Bhd	SI Customer	Network solutions and infrastructure products	10	^	^	5,078	4.22	5,922	3.43	8,199	4.65	^	^
iPlanet Solution Sdn Bhd	SI Customer	Network solutions and infrastructure products	11	^	^	4,440	3.69	7,699	4.46	^	^	^	^
Customer D	SI Customer	Network solutions and infrastructure products	14	^	^	^	^	6,454	3.74	^	^	^	^
Net Infra Sdn Bhd	SI Customer	Network solutions and infrastructure products	13	3,039	3.67	^	^	^	^	^	^	^	^
Chronosys Integrator Sdn Bhd	SI Customer	Enterprise data centre solutions and infrastructure products	13	2,885	3.49	^	^	^	^	^	^	^	^
Amn Technologies Sdn Bhd	SI Customer	Network solutions and infrastructure products	15	2,170	2.62	^	^	^	^	^	^	^	^
Total				**22,805**	**27.55**	**46,441**	**38.63**	**57,365**	**33.25**	**51,144**	**29.01**	**37,871**	**35.79**
Total Revenue of Our Group				**82,759**	**100.00**	**120,201**	**100.00**	**172,464**	**100.00**	**176,308**	**100.00**	**105,807**	**100.00**

Source: Company

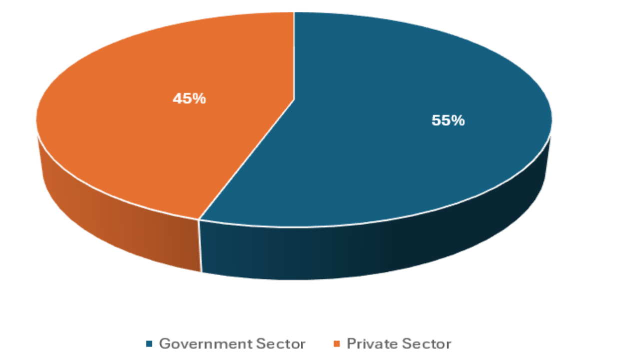
Balanced Public-Private Revenue Mix. OGX maintains a well-diversified customer exposure, with approximately 55% of its revenue from government-linked projects and 45% from the private sector, providing structural earnings stability. Public sector contracts typically offer greater visibility and scale, while private sector engagements provide faster execution and recurring upgrade cycles. The Group's ability to participate across both segments allows it to capture demand from national digitalisation initiatives as well as enterprise-led IT upgrades. Notably, under Budget 2026, approximately RM1.0bn in financing and grants have been allocated via Development Financial Institutions (DFIs) to facilitate automation and digitalisation initiatives, alongside RM25.0m earmarked under the Special Task Force on Agency Reform (STAR) to support public sector digital infrastructure. Meanwhile, Budget 2025 introduced accelerated capital allowances for IT equipment and digital solutions to support nationwide e-Invoicing implementation, alongside RM53.0m for CyberSecurity Malaysia to enhance cyber threat monitoring and certification capabilities. These continued allocations underscore sustained government commitment to IT modernisation, supporting medium-term demand visibility for OGX.

Figure 9: Malaysia Government Digitalisation & Technology Support Allocations (Budget 2025 and Budget 2026)



Source: Malaysia Budget 2025 and Budget 2026, Mercury Securities

Figure 10: Revenue Segment Between Private Sector and Government Sector

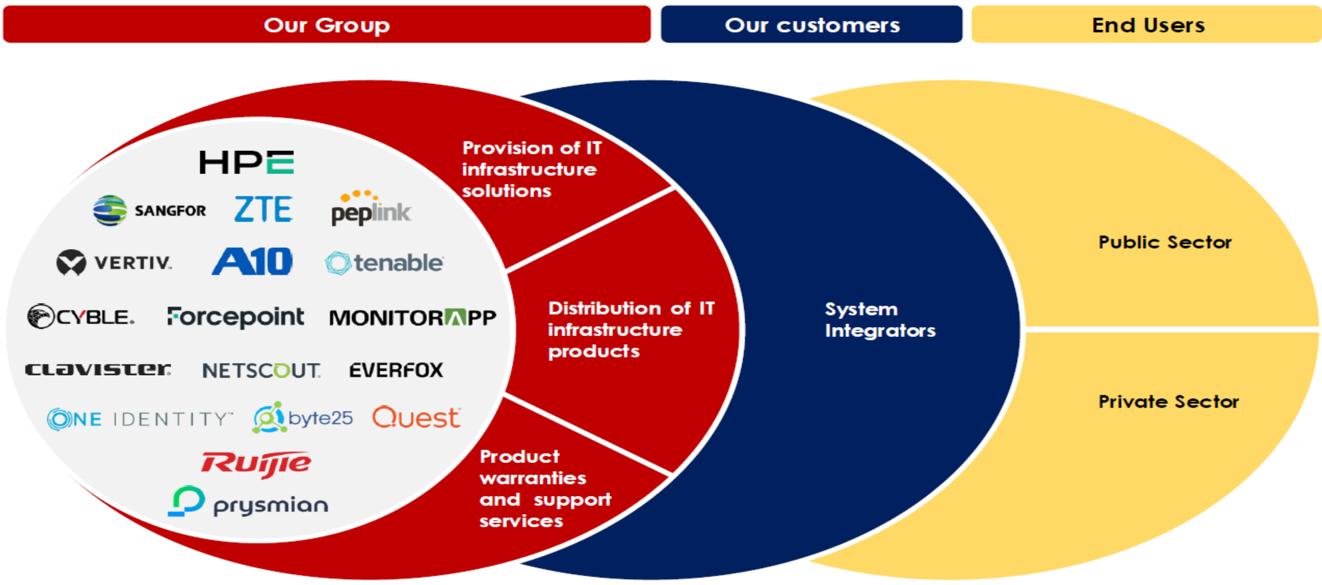


Source: Company, Management Guidance, Mercury Securities

MERCURY SECURITIES SDN. BHD.

Integrated One-Stop IT Infrastructure Solutions Platform. OGX operates a brand-centric, one-stop platform encompassing network, cybersecurity and enterprise data centre infrastructure solutions, alongside distribution, warranties and in-house technical support. This integrated model enables system integrators (“SIs”) to source a comprehensive suite of products and services from a single authorised distributor, streamlining procurement and project execution. By offering end-to-end capabilities, from design and implementation to post-deployment support, OGX enhances customer convenience while increasing wallet share per engagement. The ability to cross-sell complementary technologies across its portfolio of 18 authorised brands further strengthens revenue depth and customer stickiness. This one-stop ecosystem positions OGX as a value-added partner rather than merely a product distributor, supporting sustainable long-term growth.

Figure 11: OGX’s Authorised Brands for Distribution



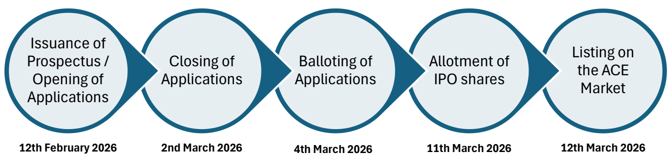
Source: Company

IPO Details

	Offer for Sale (m)	Public Issue (m)	Total (m)	(%)
Retail Offering				
Pink Form Allocation	-	18.75	18.75	2.5
Malaysian Public (Non-Bumiputera)	-	18.75	18.75	2.5
Malaysian Public (Bumiputera)	-	18.75	18.75	2.5
Private Placement				
Selected Bumiputera investors approved by MITI	75.00	18.75	93.75	12.5
Selected investors	-	75.00	75.00	10.0
Total	75.00	150.00	225.00	30.0

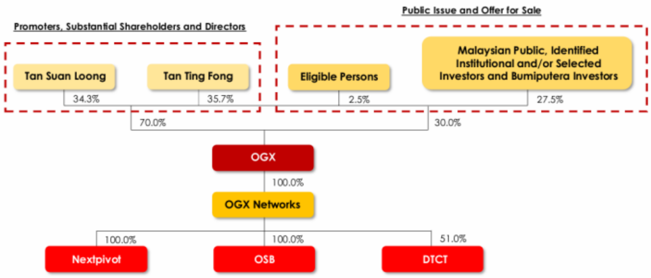
Source: Company, Mercury Securities

Figure 12: IPO Tentative Timeline



Source: Company, Mercury Securities

Figure 13: Post-IPO Corporate Structure

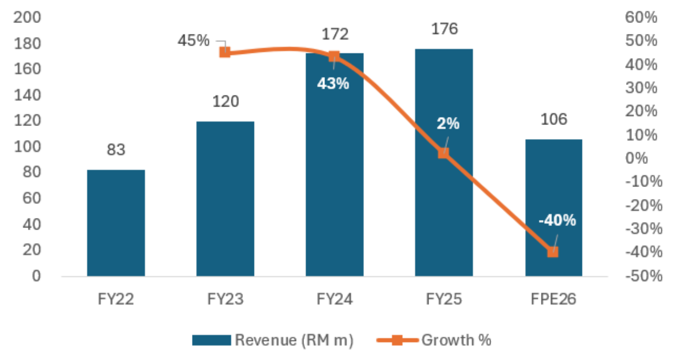


Source: Company

MERCURY SECURITIES SDN. BHD.

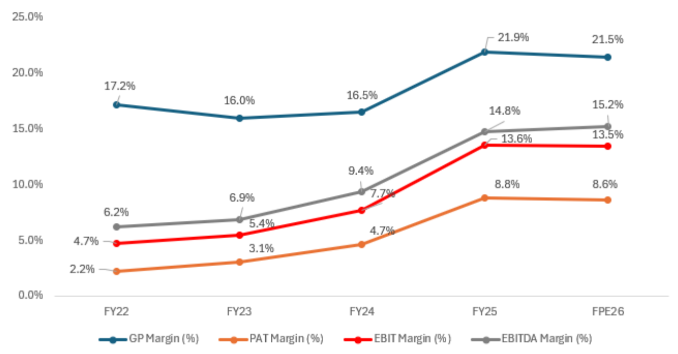
Financial Highlights

Figure 14: Revenue Trend (RM m) and YoY Growth (%)



Source: Company, Mercury Securities

Figure 15: Profitability Margins

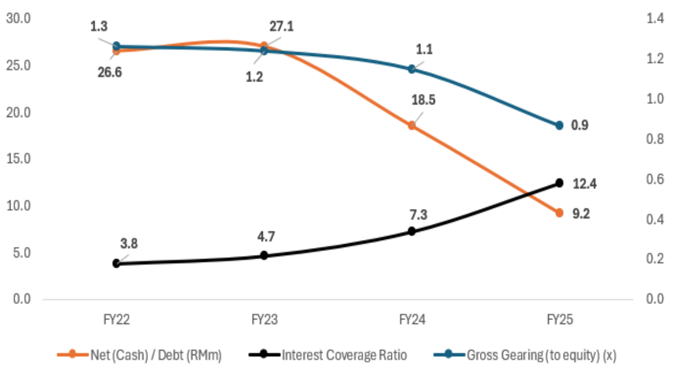


Source: Company, Mercury Securities

Robust Revenue Growth. OGX recorded a strong 28.7% revenue CAGR from FY22 to FY25, with topline expanding from RM82.8m to RM176.3m, primarily driven by its core IT infrastructure solutions segment, which consistently contributed 78%–85% of total revenue and delivered a three-year CAGR of 26.3%. Revenue growth moderated from 43% YoY in FY24 to 2% in FY25 due to lower government sector contract contributions during the period. Historically, OGX has maintained a relatively balanced customer mix of approximately 55% government and 45% private sector. Despite the softer public sector contribution in FY25, the Group still achieved 2.2% YoY growth, supported by a strong 42.7% expansion in the Product Warranties and Support Services segment. This was largely driven by higher demand for support service packages, reflected in the increase in subscribing SI customers from 179 in FY24 to 375 in FY25, mainly from renewals. As at FPE26 (five months), the Group has recognised RM106m in revenue and secured a further RM72m in orders to be recognised within the same financial year, bringing the total to a level that already exceeds FY25's full-year revenue.

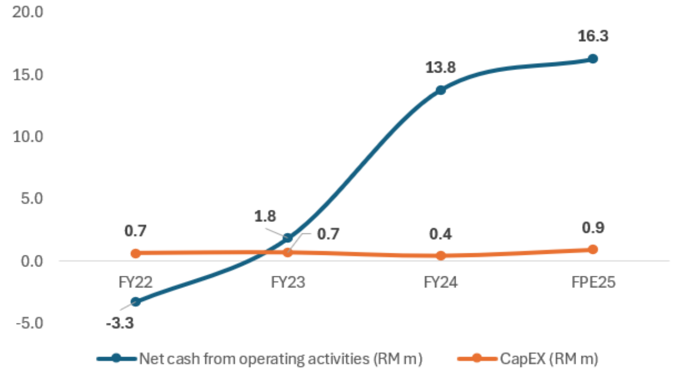
Persistent Margin Growth. Gross profit margin improved from 17.2% in FY22 to 21.9% in FY25, supported by a more favourable revenue mix and stronger contribution from the higher-margin Solutions segment. The Group operates across (i) Solutions and (ii) non-solutions segments, with the Solutions segment typically generating GP margins of approximately 19%–26%, compared to 5%–6% for the non-solutions segment. Notably, the Solutions segment contributed over 93% of total revenue, underscoring its role as the primary driver of overall margin expansion. In FY25, the improvement in GP margin was largely attributable to lower outsourced service costs within the IT infrastructure solutions segment. Correspondingly, EBITDA and PAT margins expanded to 14.8% and 8.8% in FY25 (FY22: 6.2% and 2.2%, respectively), reflecting improved operating leverage and earnings quality. The apparent moderation in FPE26 margins is due to the financials reflecting only five months of operations.

Figure 16: Balance Sheet Strength and Leverage Profile



Source: Company, Mercury Securities

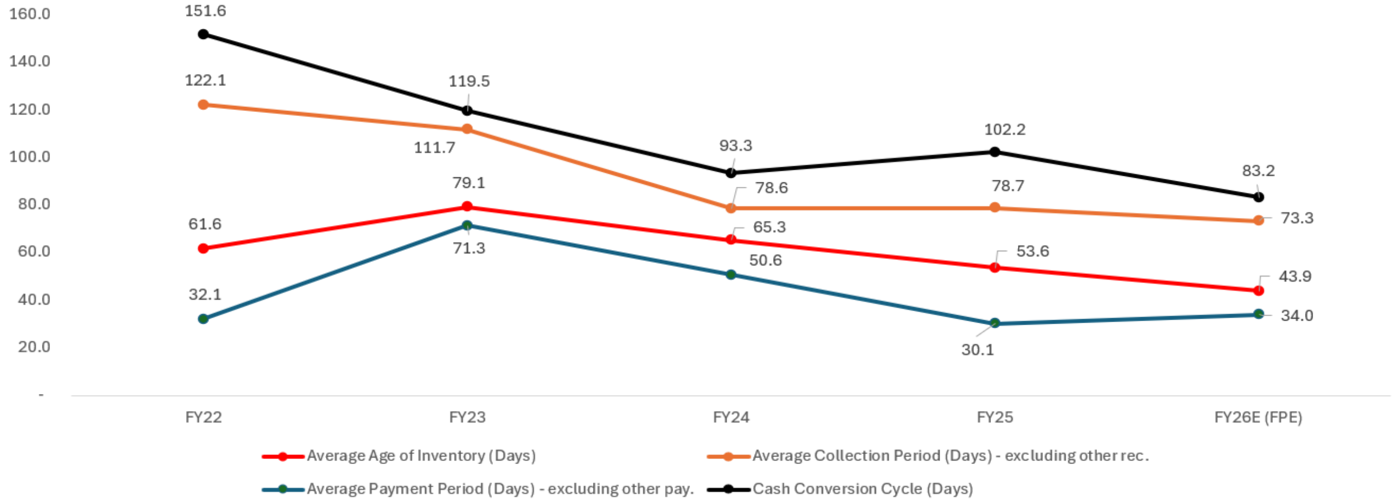
Figure 17: Capex vs. Net Operating Cash Flow



Source: Company, Mercury Securities

Balance Sheet and Cash Flow Strength. Gross gearing improved from 1.3x in FY22 to 1.1x in FY25 and further declined to 0.9x in FPE25, reflecting gradual deleveraging. The Group remained in a net debt position, with net debt increasing from RM3.8m in FY22 to RM12.4m in FY25. Notwithstanding this, interest coverage strengthened significantly to 7.3x in FY24 and 12.4x in FY25, underscoring solid debt servicing capacity. Operationally, the Group recorded a turnaround from a net operating cash outflow of RM3.3m in FY22 to inflows of RM1.8m in FY23, RM13.8m in FY24 and RM16.3m in FY25, demonstrating improving cash generation. Meanwhile, capital expenditure remained modest at approximately RM0.4m–RM0.9m annually, indicating a capital-light operating model.

Figure 18: Working Capital Cycle (Days)



Source: Company, Mercury Securities

Working Capital Trend. The Group's average age of inventory declined to 54 days in FY25 (FY22: 62 days), primarily reflecting its project-driven procurement model. OGX does not typically maintain inventory in advance for project-specific requirements; instead, IT infrastructure products are generally procured upon receipt of purchase orders from System Integrator (SI) customers. This approach minimises inventory holding costs and supports lower inventory days.

Meanwhile, the average collection period improved significantly to 79 days in FY25 (FY22: 122 days), attributable to stronger receivables management and improved customer collections. The Group's standard credit terms range from 30 to 90 days, assessed and approved on a case-by-case basis. The extended collection periods observed in FY22 and FY23 were mainly due to several sizeable and technically complex IT infrastructure projects undertaken during those years, coupled with a concentration of project billings issued towards the financial year-end (April and May).

The average payment period remained disciplined at 30 days in FY25 (FY22: 32 days), in line with supplier credit terms of 30 to 60 days, reflecting prudent payables management while maintaining healthy supplier relationships. Consequently, the cash conversion cycle (CCC) shortened to 102 days in FY25 (FY22: 152 days), indicating improved working capital efficiency and faster cash monetisation. Since FY23, the Group has consistently generated positive operating cash flow and free cash flow, demonstrating its ability to fund operations internally without undue reliance on external financing.

Moving Forward. We expect OGX to deliver stable and sustainable growth over the next three years, supported by its RM400m–RM500m sales pipeline and recurring engagements from 400–500 active system integrators annually. We estimate a revenue CAGR of 18% from FY25 to FY27E, driven by post-IPO expansion into East Malaysia, continued participation in public sector digitalisation initiatives, deeper monetisation of its 3,000+ SI database, and sustained demand for cybersecurity solutions. At the earnings level, we project a more moderate CAGR of 4%, reflecting prudent assumptions of margin compression due to higher operating expenses associated with expansion initiatives. From FY26E onwards, we expect GP margin to remain stable at c.22%, supported by OGX's ability to pass through cost fluctuations, thereby limiting forex and input cost risks. However, EBITDA margin is expected to moderate to c.14% amid higher operating expenses from new sales offices in Sabah and Sarawak, as well as the new headquarters facility. Accordingly, PAT margin is projected to ease slightly to 7.4% (FY25: 8.8%) due to a higher effective tax rate (>24%). As there is no formal dividend policy, we do not expect any dividend payout over the forecast period.

FYE Dec (RM m)	FY22A	FY23A	FY24A	FY25A	FY26E	FY27E
Revenue	82.8	120.2	172.5	176.3	222.6	245.9
EBITDA	5.1	8.3	16.2	26.0	30.1	32.3
EBIT	3.9	6.6	13.2	24.0	26.6	28.6
PBT	2.9	5.2	11.4	22.0	25.4	27.7
Core Net Profit	1.9	3.8	8.2	15.3	15.1	16.5
Core EPS (sen)*	0.24	0.49	1.08	2.04	2.02	2.20
Core EPS Growth (%)	-	102.6%	118.3%	89.6%	64.7%	9.1%
Net DPS (sen)*	-	-	0.63	1.20	-	-
Net Div. Yield (%) *	-	-	1.8%	3.4%	-	-
BVPS (sen)	3.17	3.68	4.10	5.02	42.04	44.24
PER (*Using IPO price*)	143.8	71.0	32.5	17.1	17.3	15.9
PBV (x) (*Using IPO price*)	11.0	9.5	8.5	7.0	0.8	0.8
Net Gearing	1.1	1.0	0.6	0.2	*Net Cash*	*Net Cash*

**Based on enlarged issued share capital of 750.0m*

Valuation

We derive a **Fair Value (FV) of RM0.429** for OGX Group Berhad, based on a **target P/E multiple of 18x** applied to its **FY27E EPS of 2.39 sen**. The target multiple is benchmarked against selected listed peers with (i) similar business models operating within the same industry and (ii) comparable market capitalisation range, and is broadly in line with the 1-year best forward P/E of the Bursa Malaysia Technology Index. Relative to its peers, OGX's profitability margins are largely in line and do not reflect a material premium or discount.

Profitability Margin and Return Ratios Comparison

Company	Bloomberg Ticker	Share price	Mkt Cap	Margin (%)				%		
		(RM)	(RM'm)	GP	EBITDA	PBT	PAT	ROE	ROA	ROIC
Heitech Padu Bhd	HEIT MK	1.67	272.2	n/a	7.3	1.6	2.0	4.2	1.4	3.0
Cloudpoint Technology Bhd	CLOUDPT MK	0.53	281.8	26.0	19.3	19.1	14.1	26.1	17.9	27.6
Infoline Tec Group Bhd	INFOTEC MK	0.36	128.9	49.1	25.8	20.6	15.2	22.1	15.4	22.8
Mesiniaga Bhd	MES MK	1.12	67.7	n/a	-3.5	-3.5	-1.9	-3.1	-1.6	-4.2
Simple Avg.				**37.5**	**12.2**	**9.5**	**7.4**	**12.3**	**8.3**	**12.3**
OGX Group Bhd		0.35		21.9	14.8	12.5	8.8	44.8	13.8	38.7

Source: Bloomberg, Mercury Securities

5-Year Historical P/E Average of Selected Peers (x)

Company	Bloomberg Ticker	2020	2021	2022	2023	2024	Average P/E
Heitech Padu Bhd	HEIT MK	14.4	LAT	9.5	12.4	52.0	22.1
Cloudpoint Technology Bhd	CLOUDPT MK	N.A	N.A	N.A	17.9	24.4	21.1
Infoline Tec Group Bhd	INFOTEC MK	LAT	LAT	22.8	15.0	19.9	19.2
Mesiniaga Bhd	MES MK	LAT	17.5	14.9	21.4	6.9	15.2
Simple Avg.		**14.4**	**17.5**	**15.7**	**16.7**	**25.8**	**18.0**

Source: Bloomberg, Mercury Securities

Comparison Against the Sector OGX Operated In

As per the latest Financial Recorded		Margin %			1-Year Forward P/E Multiple
Index	Bloomberg Ticker	GP	EBITDA	PAT	
Bursa Malaysia Technology Index	KLTEC Index	17.7	14.6	7.6	17.8x
OGX Group Berhad	OGX MK EQUITY	21.9	14.8	8.8	18.0x

Source: Bloomberg, Mercury Securities

SWOT Analysis

S STRENGTHS	W WEAKNESS
Strong Authorised Brand & SI Network. OGX distributes approximately 18 authorised IT infrastructure brands and transacts with 400-500 system integrators annually, supported by a database of over 3,000 SIs. This entrenched ecosystem enhances market reach and customer stickiness. **Core Exposure to Network & Cybersecurity Growth.** In FY25, network infrastructure (46.4%) and cybersecurity infrastructure (38.2%) collectively contributed 84.6% of revenue, positioning OGX to benefit from structural enterprise upgrade cycles and rising cybersecurity demand. **Asset-Light & Scalable Business Model.** OGX operates an asset-light distribution model with cost pass-through capability, limiting forex exposure and supporting operational scalability with positive operating cash flow generation.	**Revenue Concentration in Networking & Cybersecurity Segments.** In FY25, network and cybersecurity infrastructure accounted for 84.6% of total revenue, indicating reliance on two core segments and limited diversification across other IT verticals. **Dependence on System Integrator Channel.** OGX primarily sells through system integrators rather than directly to end users, which may limit pricing control and increase exposure to project timing volatility. **Vendor Concentration Risk.** As an authorised distributor, OGX depends on continued relationships with its brand principals. Changes in distribution rights, pricing terms or vendor strategies could impact product availability and margins.
T THREATS	**O OPPORTUNITIES**
Competitive Pricing Pressure in IT Distribution Market. Malaysia's IT infrastructure distribution market remains competitive, with multiple authorised distributors and regional players competing on pricing and credit terms. Margin compression may occur in commoditised networking hardware segments. **Project Timing & Government Procurement Volatility**. With approximately 55% revenue exposure to government-linked projects, delays in budget approvals, tender cycles or public sector spending reprioritisation may impact revenue visibility. **Rapid Technological Changes & Vendor Disruption**. The IT infrastructure industry evolves rapidly, with shifts toward cloud-native architectures and software-defined networking. Failure to adapt to emerging technologies or changes in vendor strategies could affect product relevance and demand.	**Structural Growth in Malaysia's Digital & Cloud Infrastructure Spending.** Malaysia's cloud network infrastructure market is projected to grow at a CAGR of 15.8% (2025–2031), driven by digital transformation and hybrid cloud adoption. This supports sustained demand for networking and cybersecurity infrastructure. **Expansion into East Malaysia & Underserved Regions.** Post-IPO expansion into Sabah and Sarawak presents opportunities to capture incremental demand from government agencies and enterprises in underpenetrated markets. **Rising Cybersecurity Awareness & Compliance Requirements.** Increasing cyber incidents and regulatory compliance requirements are expected to drive recurring upgrades in security appliances and monitoring systems, supporting long-term demand for certified infrastructure solutions.

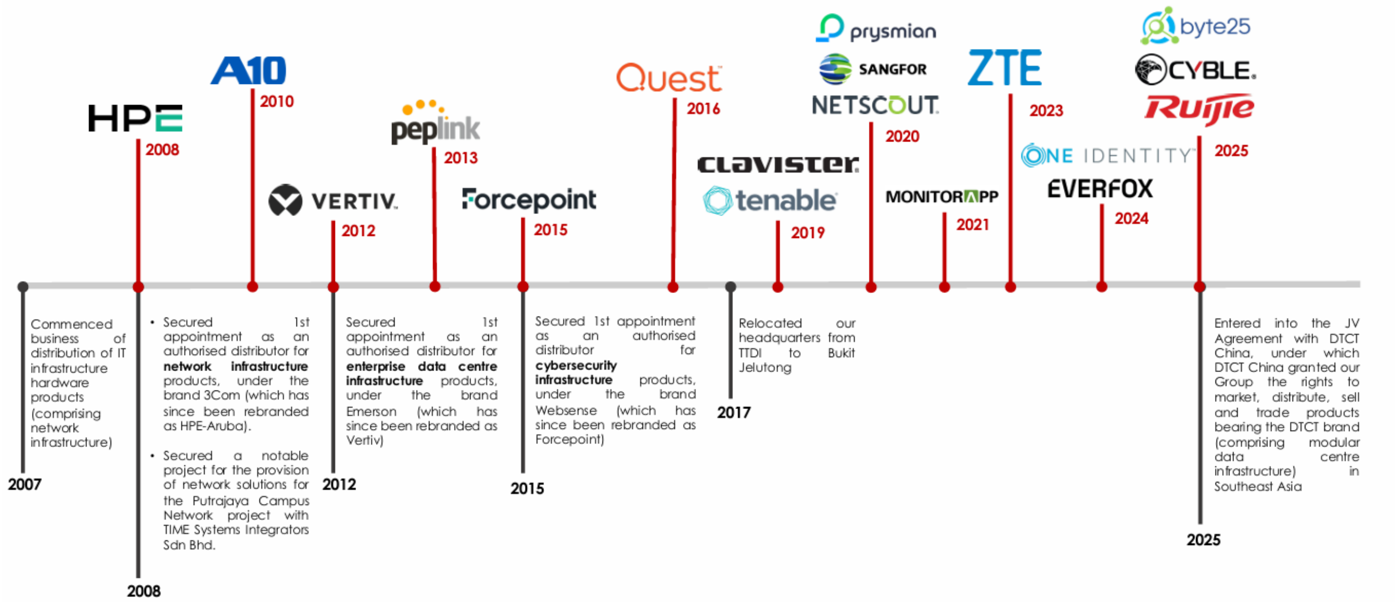
This section is left blank intentionally

MERCURY SECURITIES SDN. BHD.

Company Background

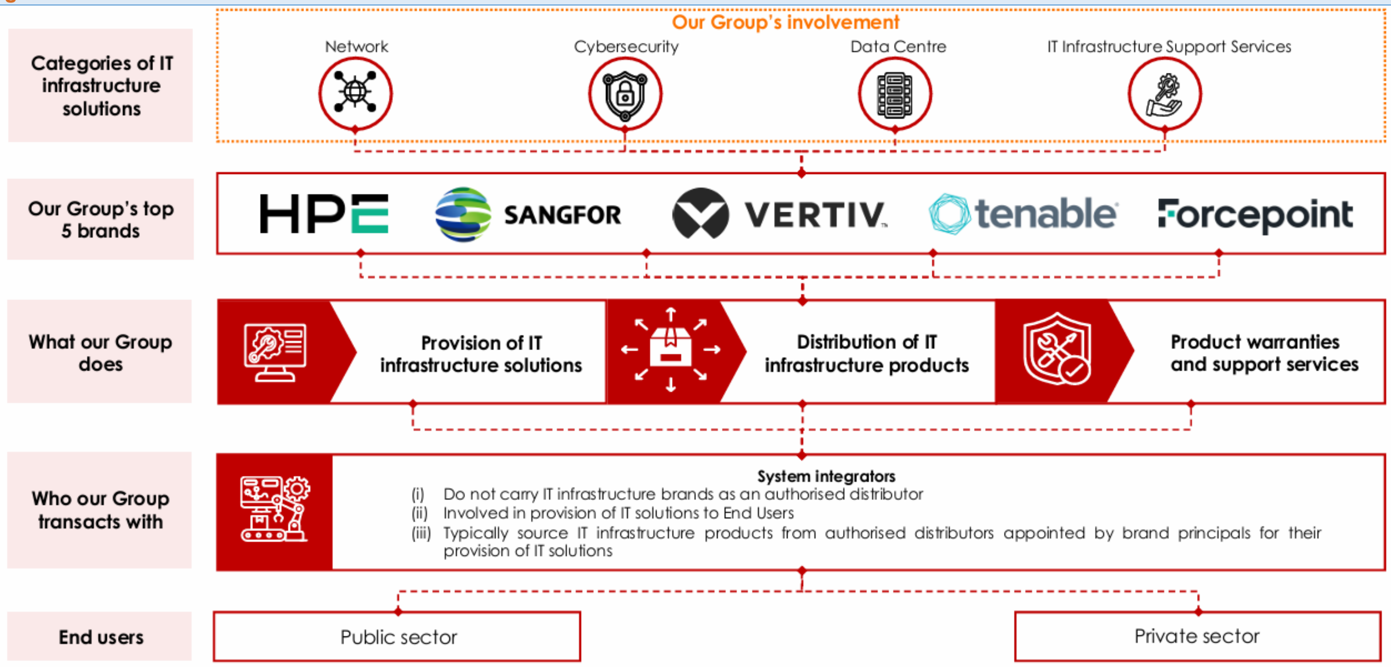
OGX Group Berhad ("OGX" or "the Company" or "the Group") is an established IT infrastructure solutions specialist that leverages a unique, solutions-driven brand-centric model to address the mission-critical needs of the digital economy. Principally engaged in the provision of IT infrastructure solutions, distribution of IT infrastructure products and product warranties and support services, focusing on three high-growth vertical segments: network solutions, cybersecurity, and enterprise data centre infrastructure. Backed by an in-house team of 56 certified engineers, OGX differentiates itself from traditional distributors by bundling its product portfolio with comprehensive warranties and technical support services. As at 13 January 2026, the Group serves as an authorized partner for 18 global brand principals—including HPE Aruba, Sangfor, Vertiv, and Tenable—primarily catering to a broad network of over 600 system integrators (SIs) across Malaysia. This hybrid model positions OGX as a key technical enabler in the local ICT ecosystem, capturing superior margins compared to pure-play distributors while maintaining a scalable, multi-brand presence that avoids over-reliance on a single technology provider.

Figure 19: Key Milestones



Source: Company

Figure 20: Business Model



Source: Company

Figure 21: IT Infrastructure Brands

Source: Company

This section is left blank intentionally

Figure 22: Key Management Team

Name and Designation	Age	Profile
Tan Suan Loong, Executive Director, Managing Director	37	Appointed to the Board on 23 April 2025, Tan Suan Loong, is the Promoter, substantial shareholder and Executive Director/Managing Director of the Group. He oversees the Group's overall strategy and day-to-day operations, including its network, cybersecurity and enterprise data centre business units. He has over 10 years of experience in the IT infrastructure solutions industry, beginning his career at KPMG Malaysia before moving into business development roles at Fastenal Malaysia and OIS. He joined OGX Networks in 2015 and has since played a key role in driving the Group's operational growth. He holds a Bachelor of Science in Mechanical Engineering from Western Michigan University, United States of America.
Poon Kaixin, Chief Financial Officer	35	Appointed as Chief Financial Officer in August 2024, Poon Kaixin, is responsible for overseeing the Group's financial management, including budgeting, financial reporting, cash flow and liquidity management, and tax planning. She holds an ACCA qualification and a Bachelor of Science in Applied Accounting from Oxford Brookes University, United Kingdom, and is a member of ACCA and the Malaysian Institute of Accountants. She began her career with Crowe Malaysia PLT in 2013 under the Audit and Assurance division, where she rose to Senior Manager and was involved in statutory audits, financial due diligence and corporate exercises, including IPOs and mergers and acquisitions.
Ng Hsin Chung, Chief Technology Officer	48	Appointed as Chief Technology Officer in June 2025, Ng Hsin Chung, oversees the technical execution of the Group's IT infrastructure solutions, including project technical compliance, solution design review and engineering oversight across its network, cybersecurity and enterprise data centre business units. He has over 20 years of experience in IT systems, network infrastructure and cybersecurity solutions. He began his career in 2000 and has held various technical and pre-sales engineering roles with regional and multinational technology firms, including Fortinet and A10 Networks, before joining OGX Networks in 2018. He holds a Bachelor of Arts in Business Management from Oxford Brookes University, United Kingdom.
Ho Kwok Xheng, Chief Operations Officer	37	Appointed as Chief Operations Officer in June 2025, Ho Kwok Xheng, oversees the Group's legal and corporate affairs, as well as its logistics and warehousing functions, including matters relating to corporate governance, regulatory compliance and investor relations. He holds a Bachelor of Laws (LLB Hons) from the University of Northumbria, United Kingdom, and was admitted as an Advocate and Solicitor of the High Court of Malaya in 2015. He began his legal career in 2014 and has held roles in private practice and multinational advisory firms before joining OGX Networks in 2023 as Operations Director. He brings legal and commercial expertise in corporate transactions, contractual negotiations and operational governance.
Tan Su Ching Chief People Officer	35	Appointed as Chief People Officer in 2025, Tan Su Ching oversees the Group's human capital management, including talent acquisition, employee development and retention. She holds medical degrees from the University of Southampton and an MBA in Healthcare Management from the International Medical University. She began her career in the healthcare sector before transitioning into the IT industry as HR Manager at OGX Networks in 2021, rising to Senior HR Manager in 2023 prior to her current appointment.

Source: Company, Mercury Securities

Major Suppliers

Supplier	Country	Types of Products & Services	Length of Relationship as at FPE26 (Years)	Purchases (RM '000)	% of Group's Total Purchases
Sangfor Technologies (Hong Kong) Ltd	China	Cybersecurity Infrastructure Products	6	32,527	35.4
Hewlett-Packard (M) Sdn Bhd	Malaysia	Network Infrastructure and Cybersecurity Infrastructure Products	18	24,555	26.7
Tenable Network Security Ireland Limited	Ireland	Cybersecurity Infrastructure Products	7	3,908	4.3
Vertiv (Malaysia) Sdn Bhd	Malaysia	Enterprise Data Centre Infrastructure Products	14	2,399	2.6
Rujie Malaysia Sdn Bhd	Malaysia	Network Infrastructure Products	1	1,684	1.8
			Subtotal	65,073	70.8
			Total Purchases	91,849	100.0

Source: Company, Mercury Securities

MERCURY SECURITIES SDN. BHD.

Future Plans and Business Strategies

Scaling Infrastructure via a New Corporate Headquarters. The Group intends to utilize RM30.00 million of its IPO proceeds to acquire a 35,000 sq ft facility in Subang Jaya or Shah Alam to serve as its new headquarters. This facility will integrate a dedicated experience centre and expanded warehouse operations, allowing the Group to scale its workforce and enhance service delivery for its system integrator (SI) customers. The Group targets to complete the acquisition by Q4 2026, renovations by Q1 2028, and relocation by Q2 2028.

Diversification of the IT Infrastructure Brand Portfolio. To strengthen its brand-centric competitive advantage, OGX plans to secure at least two additional authorized distributorships from established global brand principals. This RM2.50 million expansion will enable the Group to offer a more comprehensive and tailored suite of products, ensuring it remains a one-stop provider for complex enterprise solutions.

Strategic Geographical Expansion into East Malaysia. The Group aims to bolster its footprint in Sabah and Sarawak by establishing new sales offices in Kota Kinabalu and Kuching. This RM2.00 million initiative includes hiring at least eight specialized sales and engineering personnel to provide localized support and capture a larger share of the East Malaysian market.

Leveraging DTCT Partnership for Data Centre Growth. OGX is poised to capitalize on accelerated digitalization through a strategic joint venture entered on 1 March 2025 with DTCT China, which provides exclusive rights to market and distribute enterprise data centre products in Malaysia and Vietnam. This partnership allows the Group to meet rising demand for data centre infrastructure while providing a springboard for non-exclusive expansion across the broader Southeast Asian region.

Venture into Managed Services via In-house SOC. The Group plans to establish an in-house Security Operations Centre (SOC) to provide 24/7 outsourced cybersecurity monitoring, detection, and incident response. This move into managed IT services is expected to create a stable, recurring revenue stream while complementing the Group's existing hardware and software portfolio with high-value, service-based solutions.

Key Risks

Revenue Concentration in Core Infrastructure Segments. OGX's revenue base remains highly concentrated in two key segments. In FY25, network infrastructure contributed 46.4% of total revenue, while cybersecurity infrastructure accounted for 38.2%, collectively representing approximately 84.6% of the Group's topline. This concentration exposes the Group to segment-specific demand fluctuations, including delays in enterprise network upgrades, cybersecurity budget reprioritisation, or slower-than-expected infrastructure refresh cycles. Any material slowdown in these segments could disproportionately impact revenue and earnings performance.

Exposure to Government-Linked Projects & Procurement Cycles. Approximately 55% of OGX's revenue is derived from government-linked projects, with the remaining 45% from the private sector. Government IT spending is subject to budget approvals, procurement processes and policy changes, which may result in project timing delays or revenue lumpiness. As evidenced in FY25, overall revenue growth moderated to 2.2% YoY compared to 43.5% YoY in FY24, partly reflecting lower government sector contributions during the period. Continued variability in public sector project rollout may affect earnings visibility.

Dependence on Authorised Brand Principals. OGX operates as an authorised distributor for approximately 18 IT infrastructure brands. The Group's ability to distribute these products depends on maintaining vendor relationships and distribution rights. Changes in principal strategies, termination or non-renewal of distributorship agreements, or shifts toward direct-to-enterprise sales models could materially affect product availability, pricing terms and margins. Given that networking and cybersecurity infrastructure collectively account for 84.6% of FY25 revenue, any disruption in principal relationships within these categories may have a significant financial impact.

This section is left blank intentionally

MERCURY SECURITIES SDN. BHD.

Sustainability Review

Environmental (E)

1. **Energy Management**

- The Group implements energy efficiency measures, including server virtualisation, installation of LED lighting and the use of intelligent energy monitoring systems, to reduce electricity consumption and associated greenhouse gas emissions.
- The Group also promotes minimal paper usage through process digitalisation, adoption of e-documentation and cloud-based document storage.

2. **Electronic Water Management**

- The Group manages electronic waste through licensed and certified vendors to ensure proper disposal, recycling and compliance with applicable environmental regulations.

Social (S)

1. **Workplace Diversity and Equal Opportunity**

- The Group fosters an inclusive, respectful and empowering workplace culture guided by its diversity policy. It is committed to fair employment practices, promoting gender and generational diversity, and maintaining a zero-tolerance approach to discrimination.

2. **Talent Development and Employee Well-Being**

- The Group provides a comprehensive learning and development environment that focuses on digital skills, leadership capabilities and professional growth. Structured occupational safety and health procedures, together with health awareness initiatives, are implemented to support the well-being of employees.

3. **Occupational Safety and Health (OSH)**

- In line with the Occupational Safety and Health Act 1994, the Group ensures a safe and healthy working environment for employees, including those in office-based and remote settings. A formal Safety and Health Committee has been established in accordance with regulatory requirements to oversee workplace inspections, risk assessments and incident reporting.
- Safety procedures have been developed to address equipment handling and fire safety, particularly in data-intensive and server-dependent environments. The Group conducts regular safety awareness briefings, including emergency response, first aid and screen time awareness. Safety and health policies are reviewed periodically and communicated through onboarding programmes and the employee handbook to ensure awareness and compliance.

4. **Community Engagement and CSR**

- The Group promotes digital inclusion and social upliftment through corporate social responsibility initiatives. It engages in initiatives that promote digital literacy regardless of race, gender, religion or ethnicity, and encourages employee volunteering as part of its commitment to inclusive growth and positive societal impact.

Governance (G)

1. **Corporate Governance Framework**

- The Group has established a comprehensive governance framework that promotes integrity, accountability and responsible leadership. It is committed to implementing key policies required under the Listing Requirements and the Malaysian Code on Corporate Governance (MCCG).
- The Group maintains a fit and proper policy for senior leadership and adheres to internal control procedures, while the Board provides structured oversight to ensure continuous improvement and effective policy enforcement.

2. **Anti-Bribery and Anti-Corruption**

- The Group has adopted an Anti-Bribery and Anti-Corruption Policy in compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009. This is supported by mandatory employee training and enterprise-wide corruption risk assessments.

3. **Whistleblowing**

- The Group has established a Whistleblowing Policy that provides secure and independent channels for confidential reporting and protected disclosures.

4. **Code of Conduct**

    - The Group has implemented a Code of Business Conduct and Ethics that sets out ethical standards applicable to employees, directors and vendors.

5. **Corporate Disclosure**

    - The Group has adopted a Corporate Disclosure Policy to ensure timely, accurate and fair communication with the market and stakeholders.

6. **Data Protection and Cybersecurity**

    - The Group has implemented Data Protection and Cybersecurity Policies aligned with the Personal Data Protection Act 2010 to govern the management of personal data and system security.

As at the latest practicable date (LPD), the Group has adopted key MCCG recommendations, with strong board independence and gender diversity:

Key MCCG Governance Indicators	
MCCG Governance Application	Not fully adopted
Independent Directors	3 out of 5 (60% of the Board)
Women Directors	2 out of 5 (40.0% of the Board)
Compliance with 30% women target	Achieved

Source: Company, Mercury Securities

Overall ESG Outlook. OGX's ESG framework reflects a structured compliance-driven approach aligned with its asset-light, technology distribution business model. Environmental initiatives are focused on operational efficiency through energy management and responsible e-waste disposal, while structured HSE and employee development policies support workforce stability as the Group scales. Governance strength is underpinned by a majority independent and gender-diverse Board, formal anti-bribery and whistleblowing policies, and clear data protection frameworks. While ESG practices remain largely compliance-based rather than transformational, the existing governance discipline and internal control environment provide a stable foundation to support expansion, particularly as operational complexity increases post-listing.

This section is left blank intentionally

Appendix

Sensitivity Analysis

Case 1: Changes in Profit After Tax and Minority Interest (PATAMI) against PE to derive target price.

Figure 25: FY2027E Target Price (sen) Sensitivity Based on PATAMI and P/E Assumptions

P/E Multiple (x): 18.0x
PATAMI: RM17.9m

PATAMI (RM million) P/E Multiple (x)	14.9	15.9	16.9	17.9	18.9	19.9	20.9
15.00	29.78	31.8	33.8	**35.8**	**37.8**	**39.8**	**41.8**
16.00	31.77	33.9	36.0	**38.2**	40.3	42.4	44.6
17.00	33.76	36.0	38.3	**40.6**	42.8	45.1	47.4
18.00	**35.74**	**38.1**	**40.5**	**42.9**	**45.3**	**47.7**	**50.1**
19.00	37.73	40.3	42.8	**45.3**	47.9	50.4	52.9
20.00	39.71	42.4	45.0	**47.7**	50.4	53.0	55.7
21.00	41.70	44.5	47.3	**50.1**	52.9	55.7	58.5

Source: Mercury Securities Estimate

The sensitivity analysis indicates that FY27E PATAMI is primarily influenced by performance in the Group's core networking and cybersecurity infrastructure segments, which collectively contributed 84.6% of FY25 revenue. Under our base case assumption of RM17.9m PATAMI and an 18.0x P/E multiple, we derive a target price of 42.9 sen. Upside to earnings could be driven by stronger-than-expected enterprise infrastructure upgrades or sustained cybersecurity spending, potentially lifting PATAMI towards RM19.9m–RM20.9m.

Conversely, slower project rollouts or margin compression may cap earnings closer to RM14.9m–RM15.9m. From a valuation standpoint, the target price is more sensitive to changes in the P/E multiple than earnings assumptions, with a 1.0x change in P/E implying approximately a 2.4–2.5 sen movement in target price, compared with roughly 1.5–1.7 sen for every RM1.0m change in PATAMI.

This section is left blank intentionally

MERCURY SECURITIES SDN. BHD.

Disclaimer & Disclosure of Conflict of Interest

This report has been prepared by research analyst(s) of Mercury Securities pursuant to the Research Incentive Program under Bursa Research Incentive Scheme Plus ("Bursa RISE+") administered by Bursa Malaysia Berhad. This report has been produced independent of any influence from Bursa Malaysia Berhad or the subject company. Bursa Malaysia Berhad and its group of companies disclaim any and all liability, howsoever arising, out of or in relation to the administration of Bursa Research Incentive Program and/or this report. This research report can also be found in the Bursa Marketplace or via the link: https://www.bursamarketplace.com/mkt/tools/research.

The information contained in this report is based on data obtained from data and sources believed to be reliable at the time of issue of this report. However, the data and/or sources have not been independently verified and as such, no representation, express or implied, are made as to the accuracy, adequacy, completeness or reliability of the information or opinions in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as "believe", "estimate", "intend" and "expect" and statements that an event or result "may", "will" or "might" occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to Mercury Securities Sdn Bhd. ("Mercury Securities") and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. Mercury Securities expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Accordingly, neither Mercury Securities nor any of its holding company, related companies, directors, employees, agents and/or associates nor person connected to it accept any liability whatsoever for any direct, indirect, or consequential losses (including loss of profits) or damages that may arise from the use or reliance on the information or opinions in this publication. Any information, opinions or recommendations contained herein are subject to change at any time without prior notice. Mercury Securities has no obligation to update its opinion or the information in this report.

This report does not have regard to the specific investment objectives, financial situation and particular needs of any specific person. Accordingly, investors are advised to make their own independent evaluation of the information contained in this report and seek advice from, amongst others, tax, accounting, financial planner, legal or other business professionals regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report. Nothing in this report constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise represents a personal recommendation to you. This report is not intended, and should not under no circumstances be considered as an offer to sell or a solicitation of any offer or a solicitation or expression of views to influence any one to buy or sell the securities referred to herein or any related financial instruments.

Mercury Securities and its holding company, related companies, directors, employees, agents, associates and/or person connected with it may, from time to time, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or be materially interested in any securities mentioned herein or any securities related thereto, and may further act as market maker or have assumed underwriting commitment or deal with such securities and provide advisory, investment, share margin facility or other services for or do business with any companies or entities mentioned in this report. In reviewing the report, investors should be aware that any or all of the foregoing among other things, may give rise to real or potential conflict of interests and should exercise their own judgement before making any investment decisions.

This research report is being supplied to you on a strictly confidential basis solely for your information and is made strictly on the basis that it will remain confidential. All materials presented in this report, unless specifically indicated otherwise, are under copyright to Mercury Securities. This research report and its contents may not be reproduced, stored in a retrieval system, redistributed, transmitted, or passed on, directly or indirectly, to any person or published in whole or in part, or altered in any way, for any purpose.

This report may provide the addresses of, or contain hyperlinks to websites. Mercury Securities takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to Mercury Securities own website material) are provided solely for your convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or Mercury Securities' website shall be at your own risk.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

MERCURY SECURITIES SDN. BHD.

Recommendation Rating

Mercury Securities maintains a list of stock coverage. Stock can be added or dropped subject to needs with or without notice. Hence, the recommendation rating only applicable to stocks under the list. Stocks out of the coverage list will not carry recommendation rating as the analyst may not follow the stocks adequately.

Mercury Securities has the following recommendation rating:

BUY	Stock's total return is expected to be +10% or better over the next 12 months (including dividend yield)
HOLD	Stock's total return is expected to be within +10% or -10% over the next 12 months (including dividend yield)
SELL	Stock's total return is expected to be -10% or worse over the next 12 months (including dividend yield)

Published & Printed By:

MERCURY SECURITIES SDN BHD
Registration No. 198401000672 (113193-W)
L-7-2, No 2, Jalan Solaris, Solaris Mont' Kiara, 50480 Kuala Lumpur
Telephone: (603) - 6203 7227
Website: www.mercurysecurities.com.my
Email: mercurykl@mersec.com.my