MERCURY SECURITIES SDN. BHD.

GTA Holdings Berhad

Gaining Altitude, Expanding Beyond Engines

IPO Note – Non-Rated
Research Team Coverage / ***research@mersec.com.my***
Wednesday, August 26, 2026
ACE Market
Industrial Product & Services Sector
SUBSCRIBE

IPO Price:	**RM0.350**
Fair Value:	**RM0.355**

Valuation / Recommendation

We have a **SUBSCRIBE** recommendation on GTA Holdings Berhad (GTA) with a **fair value of RM0.355, based on a 16.5x target P/E applied to our FY27E EPS of 2.2 sen**. The target multiple is benchmarked against selected regional **Defence-Linked Aviation MRO peers**, with a 30% discount to their 10-year historical average P/E of 23.5x to reflect GTA's smaller scale, newly-listed status, Landing Gear MRO execution risk and customer concentration. We are positive on GTA for its (i) recurring revenue from its proactive maintenance business, (ii) Sole Authorised Safran and EPI Supplier in Malaysia, and (iii) growth opportunities from Landing Gear MRO and regional expansion.

Investment Highlights

Recurring and Visible Revenue Base. GTA's earnings are increasingly underpinned by recurring, contract-backed revenue, supported by service contracts of up to five years and fixed-fee arrangements under its ASP (Availability-Support-Package) and ISS (In-Service Support) programmes. In FY25, proactive maintenance services generated RM86m, of which 48% (RM41m) was fixed-fee, recognised regardless of customer flight hours. This is further reinforced by long-standing customer relationships of up to 15 years, underpinning stickiness and providing a stable base for future growth.

Sole Authorised Safran and EPI Supplier in Malaysia. GTA is the sole authorised supplier of **Safran (a leading French aerospace and defence group)** and **EPI (a US-based aircraft engine manufacturer)** branded aircraft engines, modules, parts and components in Malaysia, holding status as a Safran Certified Maintenance Centre and EPI Approved Maintenance Organisation. This is backed by OEM relationships spanning ~15 years with Safran and ~10 years with EPI. Given the extensive regulatory certifications and technical expertise required in aviation MRO, GTA's credentials form a meaningful barrier to entry, positioning it to capture aftermarket demand from the installed Safran and EPI engine base.

Multiple Growth Levers to Expand the Addressable Market. GTA is expanding into adjacent and regional opportunities, including landing gear, wheels and brakes MRO, and helicopter MRO in Brunei and the Middle East. The landing gear segment offers recurring maintenance-cycle revenue, while an MOU with Safran Helicopter Engines targets Brunei helicopter MRO qualification by end-2026. These initiatives are supported by RM72m of IPO proceeds, including RM25m for a new facility and RM6m for the landing gear, wheels and brakes expansion, broadening GTA's addressable market over the medium term.

Direct Beneficiary of Malaysia's Expanding Aviation MRO Industry. GTA is well-placed to ride Malaysia's structural aerospace growth, as the industry moves toward higher-value engine and component MRO. Malaysia's aerospace sector generated RM33bn in revenue in 2025, targeting RM55bn by 2030. GTA's established fixed-wing and helicopter engine MRO position gives it direct exposure, with revenue already growing from RM129m in FY22 to RM332m in FY25 (~37% CAGR), evidencing its ability to convert industry growth into earnings.

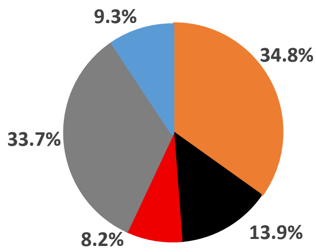
Risk Factors for GTA Holdings Berhad include: (i) Major Government Contracts and Customer Concentration Risk, (ii) Highly Dependent on ability to secure and renew MRO Contracts, and iii) Reliant on Safran and EPI.

Business Overview

GTA Holdings Berhad ("GTA") is a Malaysia-based aviation maintenance, repair and overhaul (MRO) services provider specialising in helicopter and fixed-wing engine MRO, including proactive and corrective maintenance, aviation equipment sales, and parts and components. The Group serves aviation operators, MRO customers and defence-linked markets, supported by OEM-linked relationships and certifications from Safran, EPI, CAAM, DGTA and EASA. GTA Holdings is seeking a listing on the ACE Market of Bursa Malaysia.

Listing Details	
Listing date	08 September 2026
New Shares (m)	205.0
Offer for sale (m)	124.0
Fund to be raised (RM m)	71.75
Post Listing	
Ordinary shares (m)	1,291.3
Market cap (RM m)	451.97
Estimated free float (%)	25.48
P/E(x) *(Based on prospectus)*	11.18x
Top Shareholder	**%**
Dato' Nonee Ashirin binti Dato' Mohd Radzi	39.57
Ludev Capital Limited	19.67
Brands Connect Asia Sdn. Bhd	12.23

Utilization of Proceeds	**RM m**
Establishing a new operating facility	25.0
Expansion of helicopter MRO activities in the Middle East	10.0
Expansion into MRO of landing gear, wheels and brakes	5.90
Working Capital	24.15
Defraying the listing expenses	6.70



FYE Dec (RM m)	**FY25A**	**FY26E**	**FY27E**	**FY28E**
Revenue	**331.8**	**312.5**	**308.2**	**363.9**
EBITDA	55.2	48.2	48.5	57.4
EBIT	54.5	43.1	37.3	49.2
PBT	54.1	42.5	36.7	49.2
Core Net Profit	40.4	37.4	27.9	37.4
Core EPS (sen)*	**3.13**	**2.89**	**2.16**	**2.90**
Core EPS Growth (%)	*10.5%*	*-7.6%*	*-25.4%*	*34.3%*
Net DPS (sen)*	2.94	0.82	0.71	0.96
Net Div. Yield (%)*	8.4%	2.4%	2.0%	2.7%
BVPS (sen)*	4.9	11.3	12.0	13.0
PER (*Using IPO price*)	11.2	12.1	16.2	12.1
PBV (x) (*Using IPO price*)	7.2	3.1	2.9	2.7
Net Gearing	N.Cash	N.Cash	N.Cash	N.Cash

**Based on enlarged issued share capital.*

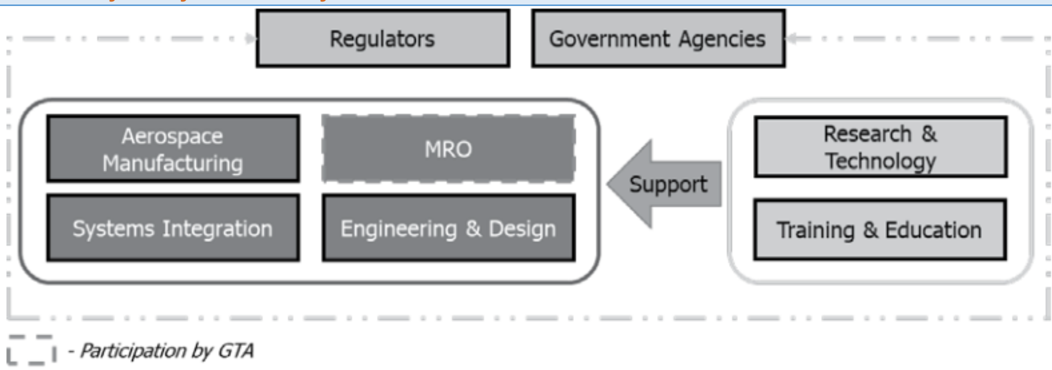
Company Overview

GTA Holdings Berhad ("GTA") is a specialised aviation engineering company focusing on the supply, maintenance, repair and overhaul (MRO), engineering support and lifecycle management of aircraft engines, auxiliary power units (APUs), engine modules and related aviation components for both the defence and civil aviation sectors. Operating primarily through its wholly-owned subsidiary, Global Turbine Asia Sdn. Bhd., the Group has established itself as one of Malaysia's specialised turbine engine support providers, serving government defence agencies, helicopter operators and aviation MRO companies. The Group generates revenue from three core business segments, namely **Proactive Maintenance Service Packages**, **Corrective Maintenance**, and **Sales of Aviation Equipment**. Proactive Maintenance Service Packages comprise scheduled maintenance programmes that provide customers with predictable maintenance planning, improve engine availability and minimise unplanned operational downtime, while Corrective Maintenance involves repair, overhaul and component replacement services performed following equipment faults or failures. Meanwhile, the **Sales of Aviation Equipment** segment includes the supply of aircraft engines, auxiliary power units (APUs), engine modules, spare parts and other related aviation components to support customers' operational and maintenance requirements. The Group's Proactive Maintenance Service Packages are principally delivered through three maintenance programmes, namely the **Availability Support Package (ASP)**, **Power-by-the-Hour (PBH)** programme and **In-Service Support (ISS)**, each designed to provide customers with structured, long-term maintenance support that enhances engine reliability and fleet availability.

Industry Overview

The MRO Industry. The maintenance, repair and overhaul (MRO) industry forms part of the wider aerospace ecosystem alongside manufacturing, engineering and design, systems integration, research and technology, and training. It covers scheduled and corrective maintenance of aircraft, engines, components and systems to preserve safety, performance, airworthiness and asset life. Services range from line maintenance and base checks to engine and component overhaul, serving commercial aircraft, business and general aviation, military aircraft and helicopters.

Figure 1: Aerospace Industry EcoSystem in Malaysia



Source: Prospectus, MITI

The global MRO industry is expanding on the back of higher air travel, rising aircraft utilisation, ageing fleets, fleet modernization, strict safety requirements and airlines' focus on minimizing downtime. According to the International Air Transport Association ("IATA"), global passenger traffic increased by 10.4% in 2024 and stood 3.8% above 2019 levels. Aircraft production constraints and delivery backlogs are also keeping older aircraft in service for longer, sustaining maintenance demand even as airlines add newer platforms.

Defence is another major source of MRO demand. Global military expenditure rose for a tenth consecutive year to USD2,718 billion in 2024, up 9.4%, according to the Stockholm International Peace Research Institute ("SIPRI"). The USA and China remained the largest spenders at USD997 billion and an estimated USD314 billion respectively. Higher defence budgets, fleet modernization and increasingly complex aircraft support recurring requirements for maintenance, upgrades and service-life extension.

The industry is mature but fragmented, with global, regional and domestic providers offering different combinations of airframe, engine, component and line-maintenance capability. Prominent operators include Safran, Lufthansa Technik, RTX, AAR, Airbus, HAECO, ST Engineering, Delta TechOps, MTU Aero Engines and KLM U.K. Engineering. Competitive advantage depends on OEM authorizations, platform expertise, licensed technical personnel, spare-parts access, capacity and turnaround time. In helicopter MRO, growing civil and military usage and ageing fleets have encouraged OEMs to form partnerships and joint ventures with local service providers.

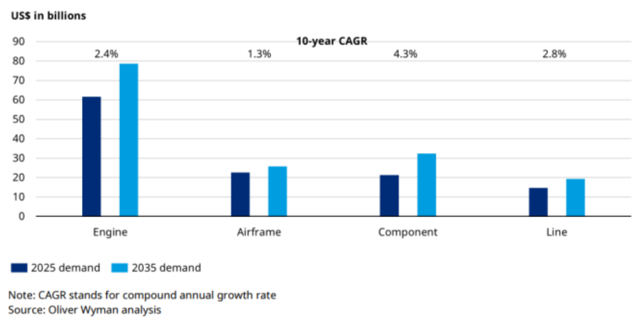
Protégé Associates valued the global MRO industry at USD94.75 billion in 2025 and forecasts it to reach USD99.62 billion in 2026 and USD121.74 billion by 2030, representing a 5.1% CAGR. North America remains a major market because of its large and ageing fleet, established OEM base and advanced maintenance infrastructure, while Europe is supported by dense air traffic, technical capability and increasingly stringent safety and sustainability requirements.

Asia Pacific is forecast to record the strongest regional growth, supported by economic expansion, rising middle-class travel, low-cost carrier growth and investment in aviation infrastructure. Protégé Associates estimates the regional market at USD30.30 billion in 2025, increasing to USD40.74 billion by 2030 at a 6.1% CAGR. China, India and Southeast Asia are the principal demand centres, while Singapore, Malaysia and China are developing MRO hubs. Providers are also adopting IoT monitoring, big-data analytics and predictive maintenance to improve reliability and reduce aircraft downtime.

According to *Oliver Wyman*, Asia-Pacific commercial MRO demand is expected to increase from approximately US$16 billion in 2025 to US$23 billion by 2035, a 3.5% CAGR. Although market estimates differ by scope and forecast vintage, the direction is consistent: Asia should outgrow mature regions. Malaysia's policy objective of capturing 50% of Southeast Asian MRO and moving into higher-value engine and component maintenance therefore aligns with GTA Holdings' existing engine-related capability and the broader localisation agenda.

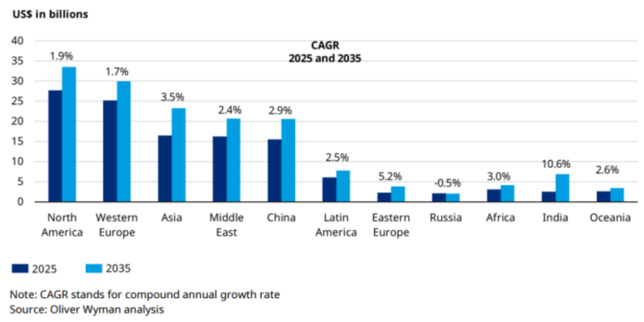
The Middle East is also expanding as Emirates, Qatar Airways and Etihad enlarge and modernize their fleets and regional governments invest in airports, hangars and maintenance facilities. Its location between Europe, Asia and Africa reinforces the region's role as a transit and service hub. Protégé Associates forecasts the Middle East MRO market to grow from USD6.16 billion in 2025 to USD7.97 billion in 2030, a 5.3% CAGR.

Figure 2: Total MRO Demand Forecast by Segment (2025 & 2035)



Source: Oliver Wyman

Figure 3: Global Demand of MRO by Region (2025 – 2026)



Source: Oliver Wyman

Overview of the MRO Industry in Malaysia

Malaysia has the second-largest aerospace industry in Southeast Asia, supported by established manufacturing and MRO activities. MRO contributed around 45.0% of local aerospace revenue in 2022. The industry is supported by the Malaysian Aerospace Industry Blueprint 2030 ("MAIB2030"), the 12th Malaysia Plan and the New Industrial Master Plan 2030 ("NIMP2030"). The ecosystem includes multinational operators such as Airbus, ExecuJet, GE Engine Services Malaysia, GKN Engine Systems Component Repair and Hamilton Sundstrand, as well as local players including AIROD, Asia AeroTechnic, Asia Digital Engineering, Global Turbine Asia, Malaysia Airlines Engineering Services and Sepang Aircraft Engineering. Malaysia aims to capture 50.0% of Southeast Asian MRO and 5.0% of the global market by 2030, with Subang Aerotech Park serving as its largest MRO cluster.

Local activity remains concentrated in line and lower-to-medium base maintenance, generally Levels 1 to 3, while participation in complex engine, component and Level 4 repairs is more limited and work is often returned to OEMs. This capability gap is a constraint but also the principal opportunity for value upgrading. Government agencies led by MIDA have promoted technology transfer, supply-chain development and investment; the Malaysian aerospace industry attracted RM1.5 billion of investment in 2024. The planned helicopter assembly and MRO facility at Melaka International Airport could further strengthen rotary-wing capability.

The military sector is a significant end-user. Malaysian defence MRO covers routine line and scheduled servicing, base maintenance, structural inspection, component and engine overhaul, avionics support, upgrades and service-life extension. Demand is linked to operational readiness and long asset lives, making platform authorizations and technical depth important competitive differentiators.

Malaysia's defence allocation increased to RM21.2 billion in 2025, including RM5.8 billion for maintenance, repair and new assets, and rose further to RM21.7 billion in 2026. Modernization includes the acquisition of 18 South Korean-built FA-50 fighter aircraft, with initial deliveries scheduled from 2026. The addition of new platforms will create ongoing requirements for servicing, parts, training and fleet support.

The Government has also contracted Weststar Aviation Services to lease 28 helicopters for 15 years for national security agencies, with Weststar responsible for MRO. Rising helicopter use for special operations, search and rescue and tactical transport should support rotary-wing maintenance demand over the contract period.

MERCURY SECURITIES SDN. BHD.

The key supply-side constraint is the shortage of licensed technicians, engineers and mechanics. Competition for experienced personnel has contributed to staff attrition and operational disruption among local carriers. Sustained industry growth will therefore require investment in technical education, certification, retention and productivity, alongside physical capacity.

Figure 4: Market Size & Growth Forecast of the MRO Industry in Malaysia (2023 – 2030)

Year	Market Size (RM billion)	Growth Rate (%)
2023	7.96	-
2024	10.92	37.2
2025^f	12.75	16.8
2026^f	13.84	8.5
2027^f	15.12	9.2
2028^f	16.66	10.2
2029^f	18.42	10.6
2030^f	20.40	10.7

CAGR (2026-2030) (base year of 2025): 9.9%
Note: ^{f} denotes forecast

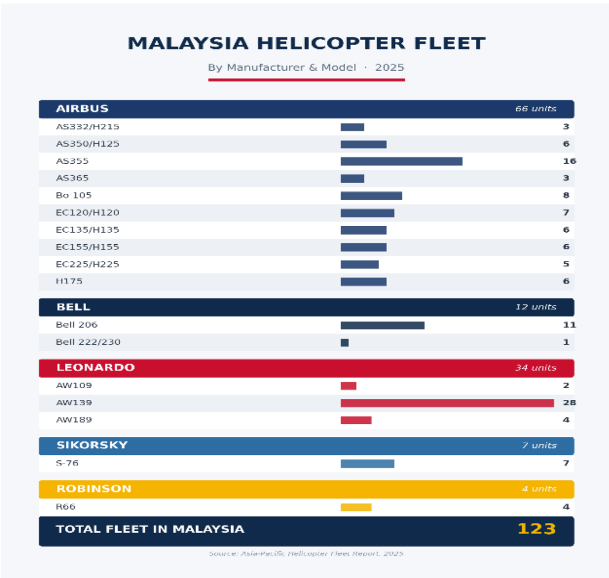
Source: IMR – Prospectus

Figure 5: Estimated Market Size (in terms of revenue) and Growth Forecast of the MRO Industry in Malaysia, 2023-2030

Year	Market Size (RM billion)	Growth Rate (%)
2023	7.96	-
2024	10.92	37.2
2025^f	12.75	16.8
2026^f	13.84	8.5
2027^f	15.12	9.2
2028^f	16.66	10.2
2029^f	18.42	10.6
2030^f	20.40	10.7

Source: Sky Asian Group, Mercury Securities

Figure 6: Helicopter Fleet Turbine Asian (2025)



Source: Prospectus, Protege

Historical Performance and Growth Forecast

Malaysia's MRO industry has expanded with the recovery in passenger travel, airline fleet utilisation and cargo activity. Tourist arrivals increased 24.2% to 25.0 million in 2024, of which 28.9% entered by air. The country's location, airport and logistics infrastructure, and the proliferation of regional low-cost carriers such as AirAsia, Lion Air, Cebu Pacific, VietJet and Scoot support demand for fast and cost-efficient maintenance. High aircraft utilisation creates more frequent service requirements, while the combination of ageing aircraft and newer-generation fleets broadens demand across airframe, engine, component and diagnostic work.

Growth is also supported by tax incentives, investment allowances, digitalisation and sustainability initiatives. Local providers are adopting predictive maintenance, AI-enabled diagnostics and more efficient inventory planning, while green MRO practices include component refurbishment, recycling and energy-efficient operations. Safran's carbon-brake facility in Sendayan illustrates Malaysia's potential to combine advanced component capability with circular-economy practices.

The Malaysian MRO market increased 37.2% to RM10.92 billion in 2024 from RM7.96 billion in 2023. It is forecast to reach RM12.75 billion in 2025 and expand at a 9.9% CAGR from the 2025 base to RM20.40 billion by 2030. The forecast assumes continued aviation growth, policy support, investment and successful expansion into higher-value maintenance capabilities.

MERCURY SECURITIES SDN. BHD.

Competitive Landscape

The Malaysian MRO industry is highly competitive and comprises more than 240 aerospace participants, of which an estimated 130 undertake MRO activities. The market ranges from large, full-service providers to specialised engine, component, helicopter and military operators, serving commercial customers, government agencies or both. Competition is segmented by aircraft platform, maintenance level and certification; an operator with a specific OEM authorization or installed-fleet relationship may hold a defensible niche despite a modest share of the overall market.

Barriers to entry remain high. Base maintenance requires hangars, lifting equipment, engine stands, specialised tooling and inventories, while line maintenance requires airport access, ground-support equipment and distributed technical coverage. Providers must also comply with stringent aviation regulations and obtain time-consuming local, international and OEM certifications. These approvals depend on robust quality systems and licensed personnel, whose supply is already constrained. Accordingly, access to capital, technical talent, OEM relationships, spare parts and the ability to deliver reliable turnaround times are the principal determinants of competitive strength.

Investment Merits

Recurring and Visible Revenue Base. GTA benefits from a growing base of recurring and contract-backed revenue, supported by long-term service-related contracts of up to five years and fixed-fee arrangements under its Availability Support Package (ASP) and In-Service Support (ISS) programmes. Unlike its Power-by-the-Hour (PBH) and variable ASP fees, fixed-fee revenue is recognised regardless of customers' flight hours, providing greater earnings visibility. In FY25, proactive maintenance services contributed RM85.9m, of which 48.2% comprised fixed fees, implying approximately RM41m of fixed-fee revenue. This recurring revenue base is further supported by long-standing customer relationships, with GTA's major customers having relationships of up to 15 years, underpinning customer stickiness and providing a stable foundation for future revenue growth.

Sole Authorised Safran and EPI Supplier in Malaysia. GTA holds a differentiated position within Malaysia's aviation MRO industry as a Safran Certified Maintenance Centre (CMC) and EPI Approved Maintenance Organisation (AMO), making the Group the sole authorised supplier of Safran- and EPI-branded aircraft engines, modules, parts and components in Malaysia. This position is underpinned by long-standing OEM relationships, with GTA having worked with Safran for approximately 15 years and EPI for approximately 10 years. Given that aviation MRO requires extensive regulatory certifications, OEM approvals and specialised technical expertise, GTA's established credentials create meaningful barriers to entry and strengthen its ability to capture aftermarket MRO and parts demand from the installed Safran and EPI engine base.

Multiple Growth Levers to Expand the Addressable Revenue Pool. GTA is expanding beyond its existing engine MRO activities into adjacent and regional opportunities, including landing gear, wheels and brakes MRO, helicopter MRO in Brunei and selected Middle Eastern markets. The landing gear initiative is particularly attractive as these systems are subject to recurring maintenance cycles, potentially adding another source of recurring revenue to the Group. Meanwhile, GTA has entered into an MOU with Safran Helicopter Engines to explore helicopter MRO opportunities in Brunei, with the qualification process targeted for completion by end-2026. Supported by RM71.75m of IPO proceeds, including RM25.0m for a new operating facility and RM5.9m for the expansion into landing gear, wheels and brakes MRO, these initiatives should broaden GTA's addressable market and provide additional avenues for medium-term revenue growth.

Direct Beneficiary of Malaysia's Expanding Aviation MRO Industry. GTA is well-positioned to benefit from Malaysia's structural aerospace and MRO growth, particularly as the country moves towards higher-value engine and component maintenance. Malaysia's aerospace industry generated RM32.5bn of revenue in 2025 and is targeting RM55bn by 2030, with engine and component MRO identified as key higher-value segments. GTA's established position in helicopter and fixed-wing engine MRO provides direct exposure to this growth, while its revenue has already increased from RM129.1m in FY22 to RM331.8m in FY25, equivalent to approximately 37% CAGR, demonstrating its ability to translate expanding MRO opportunities into revenue growth.

This section is left blank intentionally

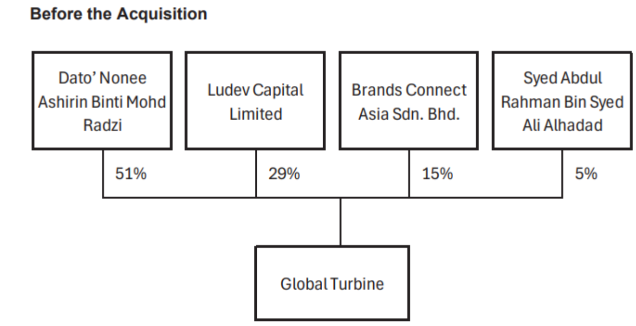
MERCURY SECURITIES SDN. BHD.

IPO Details

	Offer for Sale (m)	Public Issue (m)	Total (m)	(%)
Retail Offering				
Malaysian Public	-	32.28	32.28	2.50
Bumiputera Public Investors	-	32.28	32.28	2.50
Eligible Person		12.91	12.91	1.00
Private Placement				
Selected Investors	124.00	127.52	251.52	19.48
Total	**124.00**	**205.00**	**329.00**	**25.48**

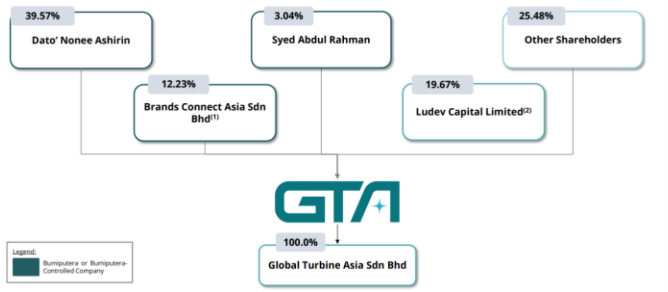
Source: GTA's IPO Prospectus, Mercury Securities

Figure 7: Pre-IPO Corporate Structure



Source: Company

Figure 8: Post-IPO Corporate Structure



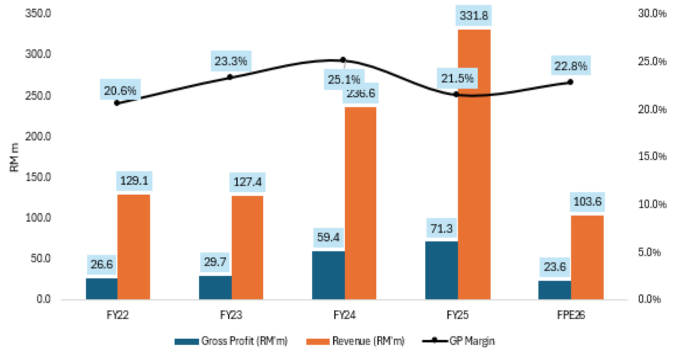
Source: Company

Financial Highlights

GTA's financial performance has been underpinned by strong growth in aviation equipment sales and fixed-wing related activities, with topline accelerating significantly from FY24 onwards. Revenue grew from RM129.1m in FY22 to RM331.8m in FY25 (3-year CAGR: 37.0%) (*refer to Figure 9*), after a marginal -1.3% YoY decline to RM127.4m in FY23 as lower corrective and proactive maintenance revenue more than offset higher aviation equipment sales. Revenue then surged +85.8% YoY to RM236.6m in FY24, driven by the commencement of milestone billing for Fixed-wing Engine 1, higher module sales and increased repair services, before growing a further +40.2% YoY to RM331.8m in FY25 on higher milestone billings of Fixed-wing Engine 1 and a higher average repair value. This resulted in aviation equipment becoming the largest revenue contributor, rising from 1.5% of revenue in FY22 to 51.9% in FY25, while fixed-wing revenue increased from 31.6% to 78.8% over the same period. For FPE26 (4-Months Period) against FPE25, revenue more than doubled to RM103.6m, primarily driven by the recognition of revenue from the supply of floating stocks for Fixed-wing Engine 1 following the achievement of contractual milestones and delivery of an engine, lifting aviation equipment's contribution to 62.5% and fixed-wing's contribution to 84.2% of revenue.

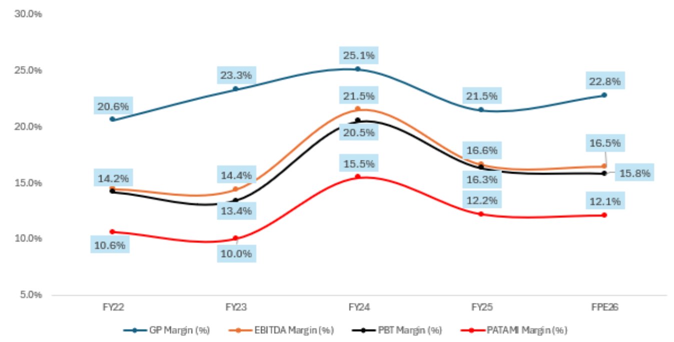
Profitability **expanded meaningfully over the period under review, supported by the higher contribution from aviation equipment and fixed-wing related activities**, although margins moderated from their FY24 peak in FY25. Gross profit grew from RM26.6m in FY22 to RM71.3m in FY25 (3-year CAGR: 38.9%), with GP margin expanding from 20.6% in FY22 to 23.3% in FY23 and 25.1% in FY24, before normalising to 21.5% in FY25 (*refer to Figure 10*). The FY23 improvement was supported by the higher-margin sale of new Fixed-wing Engine 1 modules, while FY24 benefited from stronger aviation equipment and corrective maintenance contributions. The FY25 margin contraction was mainly due to higher purchase prices for new engines under pre-agreed selling prices, higher repair and maintenance costs for Fixed-wing Engine 1, and higher OEM costs for spare availability services. Nevertheless, PBT increased from RM18.3m in FY22 to RM54.1m in FY25, with PBT margin improving from 14.2% to 16.3%, while PATAMI rose from RM13.7m to RM40.4m, with PATAMI margin increasing from 10.6% to 12.2%. For comparison between FPE26 with FPE25, Gross Profit grew +124.8% YoY to RM23.6m, lifting GP margin to 22.8%, while PBT and PATAMI margins improved to 15.8% and 12.1%, respectively, supported by the higher-margin aviation equipment contribution.

Figure 9: Revenue Trend (RM m) and YoY Growth (%)



Source: Company, Mercury Securities

Figure 10: Profitability Margins (%)

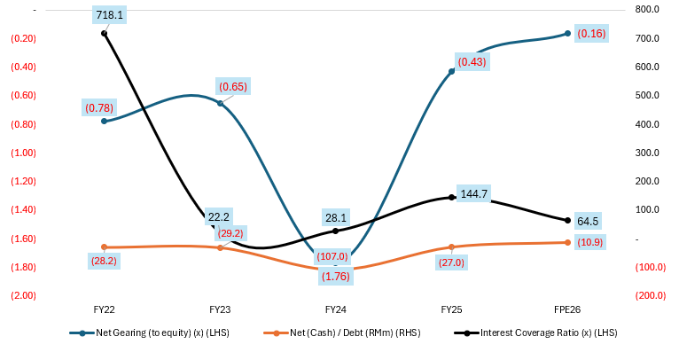


Source: Company, Mercury Securities

Strong Net Cash Position with Low Leverage. GTA maintains a strong balance sheet, supported by a **net cash position** (Total Cash and Cash Equivalents more than total debts) throughout the Period Under Review. Total equity increased from RM36.3m in FY22 to RM45.0m in FY23, RM60.7m in FY24, RM63.1m in FY25 and RM67.6m in FPE26, while total assets rose from RM115.0m in FY22 to RM145.1m in FY24 before declining to RM100.6m in FY25 and rebounding to RM158.1m in FPE26. As shown in *Figure 11*, the Group remained in a net cash position, with net gearing decreasing from -0.8x in FY22 to -1.8x in FY24, before rising to -0.4x in FY25 and -0.2x in FPE26, following the drawdown of a RM22.1m term loan to finance the acquisition of the Property, further deteriorating their net cash position by increasing their total debts. Despite the increase in borrowings, the Group remained in a net cash position of RM10.9m as at FPE26, while its interest coverage ratio remained strong at 64.5x, albeit lower than 144.7x in FY25, mainly due to higher finance costs following the drawdown of the term loan and bank overdraft. Overall, GTA enters its Listing with a low-leverage balance sheet and substantial financial headroom to support its expansion plans.

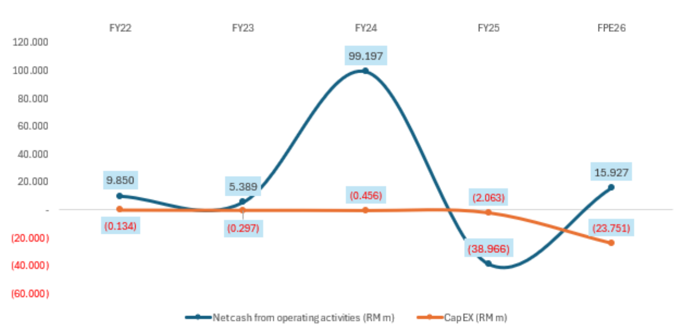
Cash Generation Remained Volatile, Reflecting Milestone and Collection Timing. GTA's net cash from operating activities stood at RM9.9m in FY22, RM5.4m in FY23, surged to RM99.2m in FY24, before turning negative at RM39.0m in FY25 and rebounding to RM15.9m in FPE26 (*refer to Figure 12*). The FY24 spike was supported by RM294.1m of customer collections, while the FY25 operating cash outflow was mainly due to the timing mismatch between milestone payments to an OEM and corresponding customer collections, together with overdue amounts from Mindef Service Branch 1. Cash generation rebounded in FPE26 as the Group collected RM87.9m from customers. Meanwhile, capital expenditure increased from RM0.1m in FY22 to RM0.3m in FY23, RM0.5m in FY24, RM2.1m in FY25 and RM23.8m in FPE26, with the sharp FPE26 increase mainly attributable to the acquisition of the Property and investment in tools and equipment. The RM22.1m term loan drawn during FPE26 helped fund the Property acquisition, partially offsetting the cash outflow from this investment. Overall, while operating cash conversion has been uneven due to the Group's milestone-based business model and timing of customer/OEM payments, the return to positive operating cash flow in FPE26 alongside its net cash position provides a reasonable liquidity base to support the Group's expansion plans.

Figure 11: Balance Sheet Strength and Leverage Profile



Source: Company, Mercury Securities

Figure 12: Capex vs. Net Operating Cash Flow

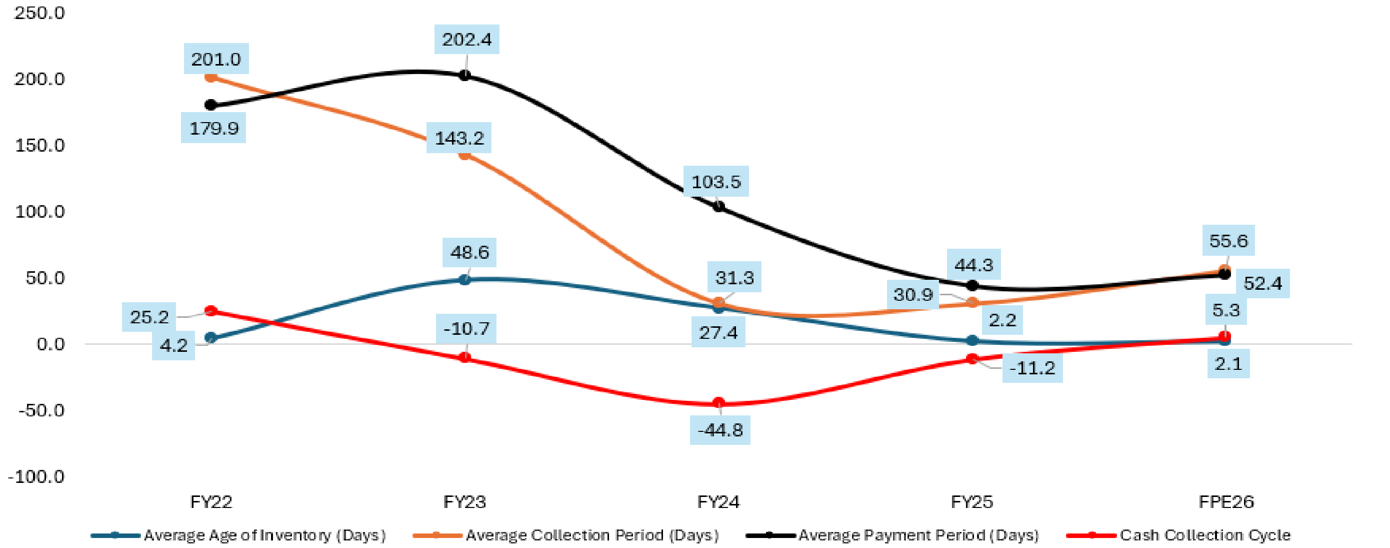


Source: Company, Mercury Securities

Working Capital Trend. GTA's working capital cycle has been volatile, primarily reflecting fluctuations in customer collection, inventory requirements and supplier payment timing. Average collection period fell sharply from 201 days in FY22 to 143 days in FY23 and 31 days in FY24, before declining further to 31 days in FY25 and rebounding to 55 days in FPE26, with the improvement through FY24–FY25 mainly reflecting more prompt collections from Mindef Service Branch 1, while the FPE26 increase was due to higher outstanding amounts from Mindef Service Branch 1 as at period-end. Inventory days increased from 4 days in FY22 to 49 days in FY23, mainly due to four Fixed-wing Engine 1 modules purchased but yet to be delivered, before easing to 27 days in FY24 and 2 days in FY25, before increasing 5 days in FPE26 as the Group generally procures inventory based on customer requirements.

Average payment period increased from 180 days in FY22 to 202 days in FY23, before declining to 104 days in FY24, 44 days in FY25 and 56 days in FPE26. The higher payment period in FY22–FY23 was mainly due to GTA extending its payment terms with EPI to better align payments to EPI with the timing of customer collections, given the differences between customer billing and OEM payment schedules. Payment days subsequently normalised from FY24 onwards as customer collections became more prompt. Consequently, the cash conversion cycle improved from 25 days in FY22 to negative 11 days in FY23 and negative 45 days in FY24, before narrowing to negative 11 days in FY25 and turning marginally positive at 5 days in FPE26 (*refer to Figure 13*). Overall, GTA's CCC has been volatile rather than structurally stretched, with the **negative CCC in FY23–FY25 indicating that supplier credit and faster customer collections helped fund the Group's working capital requirements**, while the return to a positive CCC in FPE26 warrants monitoring as collection days increased.

Figure 13: Working Capital Cycle (Days)



Source: Company, Mercury Securities

Revenue Forecasted to Rebound Strongly in FY28E. GTA's revenue is forecast to increase from **RM312.5m in FY26E to RM363.9m in FY28E, implying a 2-year CAGR of 8%**, despite a temporary decline to RM308.2m in FY27E. The FY27E decline is mainly attributable to lower revenue from the aviation equipment segment, following the completion of GTA's contract to supply five engines, of which only one engine is scheduled for delivery in FY27E. We expect revenue to rebound by +18% YoY to RM363.9m in FY28E, supported by three key drivers. First, higher corrective maintenance revenue, in line with its historical growth momentum and the estimated increasing age of aircraft under GTA's maintenance portfolio. Second, continued growth in MINDEF's development expenditure, which we estimate might grow at a 3-year CAGR of 8% (based on its historical trend), providing a supportive backdrop for GTA's defence-related business. Third, contributions from the expansion of its landing gear MRO business and potential expansion into the Middle East and Brunei, which we expect to start contributing from FY28E.

On profitability, GP margin is forecast to ease from 23% in FY26E to 22% in FY28E, mainly due to the lower contribution from the higher-margin aviation equipment sales segment. EBITDA margin is expected to decline from 17% in FY26E to 15% in FY27E, reflecting higher administrative expenses as GTA accelerates the expansion of its Landing Gear MRO business, before recovering to 16% in FY28E as the initial start-up costs, including training, certification and audit fees, begin to taper off. PBT margin is forecast to remain at c.14% throughout FY26E–FY28E, below the c.16% recorded during FY22–FY25, mainly due to higher depreciation expenses arising from (i) the new operating facility and (ii) equipment purchases to support the new Landing Gear MRO segment, partly mitigated by lower finance costs following the planned repayment of the term loan using part of the IPO proceeds. Consequently, Core Earnings margin is expected to compress from 12% in FY26E to 10% in FY28E, **translating into Core Earnings of RM37.4m in FY26E, RM27.9m in FY27E and RM37.4m in FY28E**, assuming a normalised statutory tax rate of 24% throughout.

	FY22A	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue	129.1	127.4	236.6	331.8	312.5	308.2
Gross Profit	**26.6**	**29.7**	**59.4**	**71.3**	**71.9**	**67.8**
EBITDA	18.7	18.4	50.9	55.2	48.2	48.5
EBIT	18.3	17.9	50.3	54.5	43.1	37.3
PBT	18.3	17.1	48.5	54.1	42.5	36.7
Core Net Profit	**13.7**	**12.7**	**36.6**	**40.4**	**37.4**	**27.9**
Core EPS (sen)*	**1.06**	**0.99**	**2.83**	**3.13**	**2.89**	**2.16**
Core EPS Growth (%)	-	-7.0%	187.5%	10.5%	-7.6%	-25.4%
Net DPS (sen)*	0.74	0.31	1.63	2.94	0.82	0.71
Net Div. Yield (%) *	2.1%	0.9%	4.6%	8.4%	2.4%	2.0%
BVPS (sen)*	2.8	3.5	4.7	4.9	11.3	12.0
PER (*Using IPO price*)	33.0	35.5	12.3	11.2	12.1	16.2
PBV (x) (*Using IPO price*)	12.4	10.0	7.5	7.2	3.1	2.9
Net Gearing	(0.8)	(0.6)	(1.8)	(0.4)	(0.5)	(0.6)

**Based on enlarged issued share capital*

Valuation

We value GTA Holdings Berhad at RM0.355 per share, based on a 16.5x P/E multiple applied to our FY27E EPS of 2.2 sen, benchmarked against selected regional peers, namely SIA Engineering Co. Ltd. and Singapore Technologies Engineering Ltd. We believe these peers provide a reasonable valuation reference given their exposure to (i) the defence sector and military customers, (ii) aviation MRO services, and (iii) Safran-related businesses through subsidiaries, joint ventures or project relationships.

We apply a **30% discount to the peers' 10-year historical average P/E of 23.5x**, reflecting GTA's smaller scale and higher execution risk relative to the selected peers. Specifically, we factor in (i) GTA's significantly smaller market capitalisation and operating scale, (ii) its newly-listed status and shorter track record as a listed company, (iii) execution risk associated with the expansion into Landing Gear MRO, which remains at an early stage and requires additional training, certification and equipment investment, and (iv) its high customer concentration, with Government customers accounting for 78%–95% of revenue during FY22–FPE26.

10-Year Historical P/E Average of Regional Peers (x)

Company	Bloomberg Ticker	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Average P/E
SIA Engineering Co. Ltd	SIE SP EQUITY	12.5	19.3	17.1	9.9	#N/A	42.4	38.1	26.1	17.5	21.5	**22.7**
Singapore Technologies Engineering Ltd.	STE SP EQUITY	20.2	22.0	21.3	22.8	20.5	19.5	20.7	20.7	56.7	#N/A	**24.9**
Simple Avg.		**16.3**	**20.7**	**19.2**	**16.4**	**20.5**	**30.9**	**29.4**	**23.4**	**37.1**	**21.5**	**23.5**

Source: Bloomberg, Mercury Securities

Industry Comparison

As per the latest Financial Recorded Index	Bloomberg Ticker	Margin % GP	PBT	PAT	1-Year Forward P/E Multiple
Bursa Malaysia Industrial Production Index	KLPRO Index	12.4	8.9	7.0	18.5
GTA Holdings Bhd	**GTA MK**	**21.5**	**16.3**	**12.2**	**16.5**

Source: Bloomberg, Mercury Securities

MERCURY SECURITIES SDN. BHD.

SWOT Analysis

S STRENGTHS	W WEAKNESS
Specialised aviation MRO capabilities. GTA specializes in MRO services for helicopter and fixed-wing aircraft engines, parts and components, supported by proactive maintenance packages, corrective maintenance and aviation equipment sales. **Strong OEM relationships and authorizations.** GTA has established long-term relationships with Safran and EPI, while holding certifications and authorizations from Safran, EPI, CAAM, DGTA and EASA, creating technical and regulatory barriers to entry. **Established track record in the aviation industry.** The Group's history can be traced back to 2010, with Global Turbine becoming a Safran engine distributor in 2011 and subsequently expanding its MRO capabilities. **Diversified revenue streams across MRO and equipment sales.** GTA generates revenue from proactive maintenance service packages, corrective maintenance and sales of aviation equipment, providing multiple sources of revenue. In FPE 2025, equipment sales accounted for 56.68% of revenue, while proactive maintenance and corrective maintenance contributed 25.28% and 18.04%, respectively.	**High customer concentration.** Mindef Service Branch 1 accounted for 94.50% of Group revenue in FPE 2025, creating significant dependence on a single major customer and Government-related contracts**.** **High supplier concentration.** EPI and Safran Group accounted for 99.86% of total purchases in FPE 2025, exposing GTA to supplier availability, pricing and OEM-related risks. **Limited geographical diversification.** GTA's operations are currently concentrated in Malaysia, with its planned Middle East expansion still at a preliminary stage. **Limited current MRO scope**. GTA subcontracts certain MRO activities that are beyond its existing certification level to OEMs, which may limit the Group's ability to capture the full value chain until additional capabilities and certifications are developed.
T THREATS	**O OPPORTUNITIES**
Dependence on Government and defence spending. GTA's significant exposure to Mindef Service Branch 1 means any reduction, delay, non-renewal or change in Government procurement priorities could materially affect revenue and profitability. **OEM and supply-chain risk.** Heavy dependence on Safran and EPI means disruptions in engine parts, components, technical support or MRO services could affect GTA's ability to fulfil customer requirements and control costs. **Shortage of skilled aviation personnel.** GTA's MRO activities require specialised and certified technicians, while the Group may need to recruit and train additional certifying personnel as its operations expand, potentially increasing costs and constraining growth. **Highly regulated aviation MRO industry.** MRO operations require compliance with certifications and regulatory requirements from bodies including CAAM, EASA and DGTA. Failure to maintain the necessary approvals could restrict GTA's ability to conduct its core MRO activities. **Foreign exchange exposure.** GTA purchases a significant portion of aircraft engines, parts and components from overseas suppliers, exposing the Group to adverse movements in foreign currencies, particularly the **EUR** against the **RM**.	**Expansion into landing gear, wheels and brakes MRO.** The Group plans to expand its MRO portfolio into landing gear, wheels and brakes for fixed-wing aircraft, providing opportunities to generate additional recurring income. **M&A and strategic partnerships.** GTA is exploring acquisitions in Malaysia and Europe, including an airframe MRO provider and a Europe-based aircraft parts and components engineering/manufacturing company, which could diversify revenue, expand its customer base and strengthen its position in the MRO value chain. **New operating facility and Centre of Excellence.** The planned new facility is expected to expand GTA's operational capacity and provide additional space for MRO activities, training, R&D and its Centre of Excellence, supporting longer-term capability expansion. **Growing Malaysian aerospace MRO market.** GTA operates in a Malaysian aerospace MRO market supported by increasing aircraft utilisation, fleet expansion and demand for maintenance services, providing room for the Group to expand its MRO capabilities and customer base **Expansion into Middle East helicopter MRO.** GTA plans to expand its helicopter MRO activities beyond Malaysia into the **Middle East**, potentially diversifying its customer base and geographical exposure through joint ventures with suitable local partners.

Company Background

GTA Holdings Berhad is a Malaysia-based specialised aviation engineering company focusing on the provision of maintenance, repair and overhaul ("MRO") services for helicopter and fixed-wing aircraft engines, their parts and components, as well as the sale of aviation equipment including new engines, engine modules and parts. Established through its wholly-owned subsidiary, Global Turbine Asia Sdn Bhd ("Global Turbine"), the Group has built its aviation MRO capabilities since 2010, becoming a local distributor of Safran in 2011, obtaining its CAAM Approved Maintenance Organisation ("AMO") license and subsequently achieving certifications from Safran, EPI, CAAM, EASA and DGTA. The Group specializes in proactive maintenance service packages and corrective maintenance, while also supplying engines, modules, parts and components for both helicopter and fixed-wing applications. GTA's main customer is Mindef Service Branch 1, which contributed 94.50% of Group revenue in FPE 2025, reflecting its strong and long-standing relationship with Malaysia's Ministry of Defence; Mindef Service Branch 2 contributed less than 0.05%. On the supply side, Safran Group and EPI are GTA's two principal OEM suppliers, collectively accounting for 99.86% of total purchases in FPE 2025, with EPI contributing 81.34% and Safran Group 18.52%. The Group has maintained relationships with Safran for approximately 15 years and EPI for approximately 10 years, with these OEM relationships supporting the supply of engines, engine parts and components, proactive maintenance and in-service support. Supported by its established OEM relationships, regulatory certifications, technical capabilities and long-standing Government contracts, GTA Holdings is positioned to strengthen its presence in Malaysia's aviation MRO industry while expanding its service capabilities and customer base.

The GTA Group, **specialised in Safran branded helicopter engi**nes and EPI branded fixed-wing engines. GTA Group is also the sole authorised supplier of and MRO service provider for Safran and EPI branded aircraft engines, modules, parts and components in Malaysia. It is certified to provide up to Level 3 MRO services. Level 3 MRO services provided are only for Safran branded twin-shaft turboshaft engines designed for light twin-engine helicopters. For engines requiring Level 4 MRO services, the Group will liaise with Safran group and Europrop International GmbH as the OEMs to provide the Level 4 MRO services required. GTA Group is also the sole authorised supplier of and MRO service provider for Safran and EPI branded aircraft engines, modules, parts and components in Malaysia. It is certified to provide up to Level 3 MRO services. Level 3 MRO services provided are only for Safran branded twin-shaft turboshaft engines designed for light twin-engine helicopters. For engines requiring Level 4 MRO services, the Group will liaise with Safran group and Europrop International GmbH as the OEMs to provide the Level 4 MRO services required.

Figure 14: Main Types of MRO Services

Segment	Description
Line Maintenance	• Mainly involves routine checks and quick fixes during aircraft layovers between flights. Scope of maintenance primarily focuses on resolving immediate issues that could affect flight schedules, safety or efficiency, and ensures that aircraft meet all necessary standards for operations. • Maintenance is performed directly on the ramp or at the gate in the airport or at the flight line in a military airbase, often under tight schedules to minimise disruptions to flight operations. • Examples of line maintenance include routine servicing (such as changing worn-out parts and refilling fluids) and minor repairs, pre-flight checks, transit checks, overnight checks, as well as troubleshooting and minor avionics and systems repairs. • Line maintenances are performed by certified line maintenance technicians, which are equipped with specialised tools and equipment to carry out their task efficiently.
Base Maintenance	• Mainly involves more detailed aircraft upkeep. Scope of maintenance primarily focuses on addressing issues that extend beyond the scope of routine maintenance, and involves the removal of an aircraft from service for a period of more than one day. • Maintenance is performed within a hangar at an aviation base. • Examples of base maintenance include structural work, corrosion prevention, interior refurbishment and the replacement or examination of major components or systems. • Base maintenances are performed by highly qualified and specialised workers, including certified aircraft mechanics, engineers, and technicians. They follow detailed maintenance procedures and utilise advanced tools and equipment to complete inspections and repairs.

Source: Prospectus

Figure 15: MRO Level Comparison

MRO Level	Descriptions
Level 1	• Involves basic, routine tasks focused on keeping the aircraft in working condition and to identify potential issues early. • Scope of work includes: - visual inspections and operational checks; - cleaning, lubrication, and minor adjustments; and - replacing consumables such as filters and belts. • Tasks are mainly performed by technicians with proper training without components being required to be removed from the aircraft. • Tasks are performed on daily or weekly basis, or as when required.
Level 2	• Involves more complex preventive and corrective maintenance tasks that require intermediate technical expertise. • Scope of work includes: - minor repairs and replacements (such as bearings or some components); - preventive maintenance tasks based on equipment or component schedules; and - calibration of equipment, components or systems. • Tasks are mainly performed at workshops by trained technicians or maintenance specialists. Components are often required to be removed from the aircraft to perform the maintenance. • Tasks are performed on scheduled basis or as when required.
Level 3	• Involves more specialised tasks, including repairing or replacing major components and addressing non-routine issues. • Scope of work includes: - diagnosing and fixing complex failures; - replacing or overhauling critical components such as motors and compressors; and - Disassembly and reassembly of systems and/or components. • Tasks are mainly performed at workshops by senior technicians or engineers with advanced training. Components are required to be removed from the aircraft to perform the maintenance. • Tasks are performed on demand or are scheduled.
Level 4	• Involves in-depth or highly specialised maintenance that often require the complete restoration of components or systems. • Scope of work includes: - equipment or component overhauls or rebuilds; - structural repairs or upgrades to extend component lifespan; and - modifications to improve performance. • Tasks are mainly performed by engineers with advanced training, specialists or OEM technicians at specialised workshops. • Tasks are performed at long intervals, or as part of a strategic overhaul plan.

Source: Prospectus

Figure 16: Key Milestones

	Key achievements and milestones
2010	• Incorporated Heli Partner Engines Sdn Bhd (2 February 2010)
2011	• Became local distributor of Safran • Obtained CAAM AMO license • Provided MRO with Safran HE for a commercial helicopter
2012	• Assumed our current name Global Turbine • Safran acquired 30.00% equity in Global Turbine through Turbomeca SAS. (now known as Safran HE SAS)
2013	• Global Turbine obtained its certification as a Safran CMC
2014	• Successfully secured our first ASP contract with the Mindef Service Branch 1
2015	• Became a distributor of Safran APUs
2016	• Achieved AMO certification from the DGTA
2017	• Safran HE SAS sold 9.00% equity in Global Turbine to Safran AE
2018	• Achieved Part145 certification from the EASA for Fixed-wing Engine 1
2019	• Performed our first PGB replacement job contracted by EPI • Became an EPI AMO to act as a local liaison between EPI and the Mindef Service Branch 1

Source: Company

Figure 17: Key Milestones

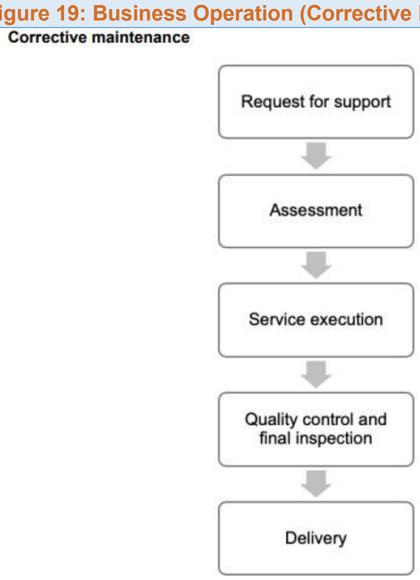
2020	• Renewed the Mindef Service Branch 1 ASP contract covering Heavy Helicopter Engine 1 support for 3 years
2022	• Safran ceased its ownership in Global Turbine • Global Turbine received a letter of acceptance from the Mindef Service Branch 1 to provide ISS for Fixed-wing Engine 1
2023	• Obtained a 5-year extension from the Mindef Service Branch 1 ASP for Heavy Helicopter Engine 1 support
2024	• Secured the Mindef Service Branch 1 letter of acceptance for the procurement of additional units of Fixed-wing Engine 1 as well as certain engine modules and components for said engine
2025	• Secured a contract extension with EPI for the supply and MRO of the Fixed-wing Engine 1 as well as extension of the service contract with Mindef Service Branch 1 • Signed an MOU with Airbus Helicopter to advance Malaysia's defence ecosystem and accelerate industrial growth, through facilitating cooperation between its suppliers and Global Turbine • Entered into the Property Purchase SPA for the purchase of the Property

Source: Company

Figure 18: Business Model

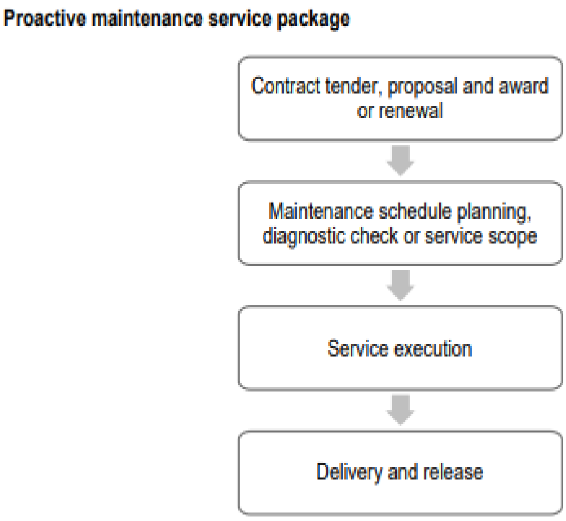
Source: Company

Figure 19: Business Operation (Corrective Maintenance)



Source: Company

Figure 20: Business Operation (Proactive Maintenance)



Source: Company

MERCURY SECURITIES SDN. BHD.

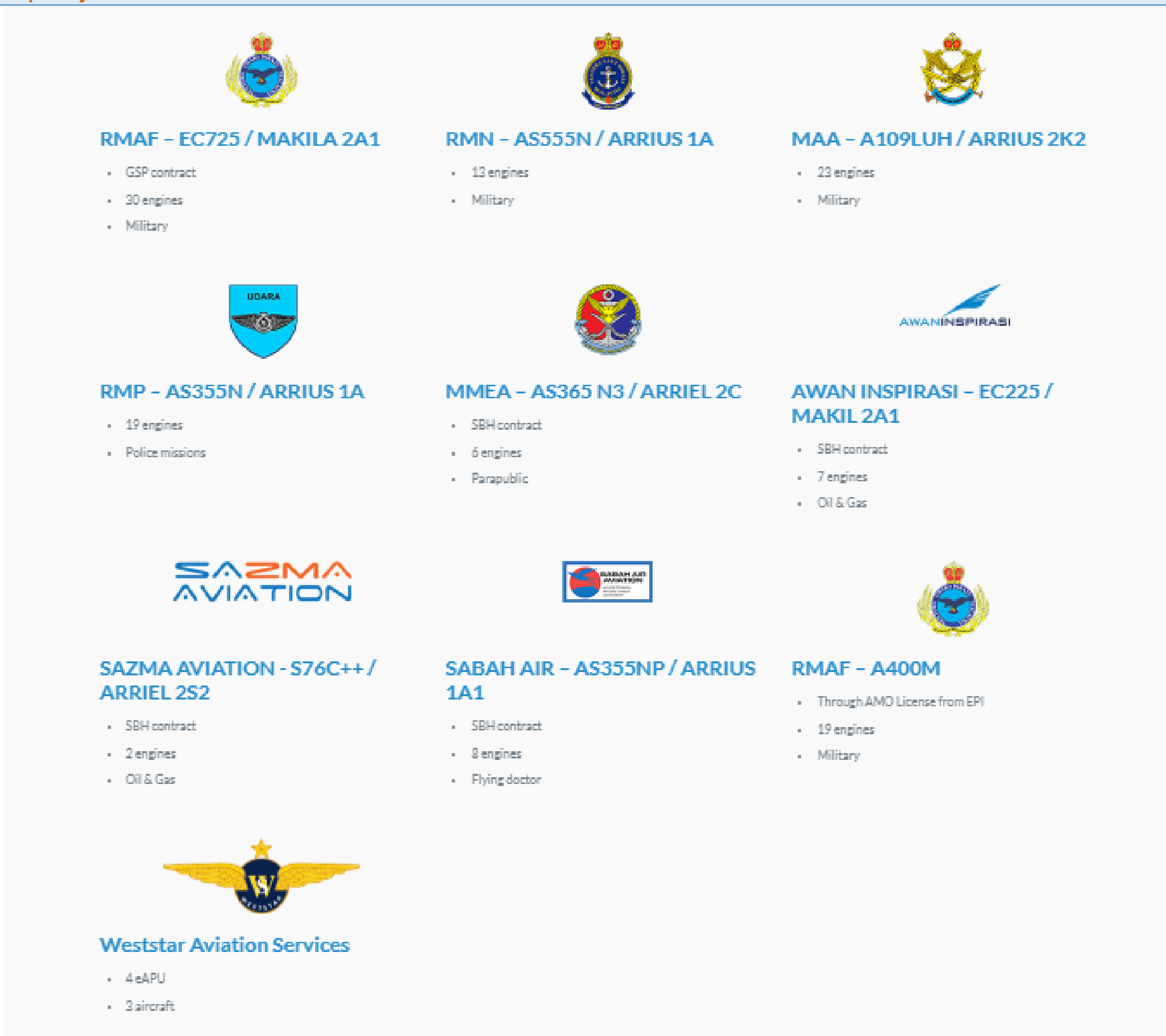
Figure 21: Vision and Mission

Source: Company

Figure 22: Certificates

Source: Company

Figure 23: Top Projects



Source: Company

MERCURY SECURITIES SDN. BHD.

Figure 24: Key Management Team

Name and Designation	Age	Profile
Dato' Nonee **Managing Director/Chief Executive Officer**	55	• Appointed Managing Director and Chief Executive Officer, bringing extensive experience in aerospace, defense, corporate management, and international trade. • Serves as a key driving force behind the Group's strategic direction, corporate growth, and market expansion. • Holds direct and indirect shareholdings in the company, maintaining controlling ownership via direct equity and Brands Connect Asia Sdn Bhd.
Datuk Dr. Yatimah binti Sarjiman Independent Non-Executive Chairperson	61	• Appointed Independent Non-Executive Chairperson in November 2025, bringing extensive experience in government policy, economic planning and public administration. • Served in senior positions within the Prime Minister's Department, including Deputy Secretary General (Sectoral) of the Economic Planning Unit. • Retired from public service in January 2025 and currently serves as an Independent Non-Executive Director of PETRONAS Gas Berhad.
Pauline Teh @ Pauline Teh Abdullah Independent Non-Executive Director	56	• Appointed Independent Non-Executive Director in November 2025, with extensive experience in corporate finance, restructuring and financial advisory. • Previously served as Executive Director of Crowe Advisory Sdn Bhd for nearly 13 years, advising public-listed companies and SMEs. • Currently serves as an Independent Non-Executive Director of Boustead Holdings Berhad, GS Holdings Limited and Omesti Berhad.
Serge Maillé Independent Non-Executive Director	69	• Appointed Independent Non-Executive Director in November 2025, with extensive experience in the helicopter engine and aviation industry. • Spent most of his career with Safran Helicopter Engines, progressing to Executive Vice-President, Strategy and Development. • Retired from Safran in 2020 and currently provides strategic industry input through SM Conseil and the advisory board of Optima Aero.
Dato' Azmi bin Mohd Ali Independent Non-Executive Director	66	• Appointed Independent Non-Executive Director in November 2025, bringing extensive experience in legal, corporate and commercial matters. • Began his career at PETRONAS and subsequently established Azmi & Associates, where he currently serves as Senior Partner. • Has extensive expertise in M&A, joint ventures, project finance, energy, oil & gas and foreign investments, and has held directorships in several public-listed companies.
Azhar bin Abdul Halim Chief Operating Officer	52	• Appointed as Chief Operating Officer in 2025, responsible for managing and overseeing the Group's operational functions. • Holds a Diploma in Quantity Surveying from Universiti Teknologi MARA (1995) and a Bachelor of Quantity Surveying from Leeds Metropolitan University, UK (1997). • Began his career as a Quantity Surveyor at Almatab Sdn Bhd in 1997, focusing on cost estimation, tender preparation and budget management. • Founded Azzafar Bina Sdn Bhd in 2001, overseeing its day-to-day operations until the company ceased operations following the impact of COVID-19. • Served as Chief Operating Officer of Ratusan Paksi Security Sdn Bhd from 2014 and subsequently as Chief Executive Officer from 2018 to 2022. • Co-founded KRE Resources Sdn Bhd in 2014, serving as Managing Director before becoming a non-executive director in 2022. • Joined GTA's subsidiary as a Director in 2022, overseeing business development functions, before being redesignated as Chief Operating Officer in 2025.
Koh Teng Ngiab Chief Financial Officer	52	• Serves as Chief Financial Officer, responsible for the financial management of the Group. • Holds a Bachelor of Accountancy and Information Systems from Curtin University of Technology, Australia (1997); became a Certified Practising Accountant in 2000 and a member of the Malaysian Institute of Accountants in 2001. • Began his career at Arthur Anderson & Co in 1997 as an audit assistant and progressed to audit senior, gaining experience in audit, accounting and corporate taxation. • Joined Merge Master (M) Sdn Bhd in 2000 as an accountant, followed by finance roles at United Malacca Berhad, Hong Poh Metal Sdn Bhd and Pacific Food Products Sdn Bhd. • Joined Mamee Double Decker (M) Berhad in 2006, progressing to Vice President of Corporate Finance in 2007, overseeing financial reporting and the Group's financial operations. • Joined Falck Nutec Malaysia Sdn Bhd in 2008 and became Finance Director in 2014, overseeing regional finance operations across Southeast Asia. • Joined GTA's subsidiary as Chief Financial Officer in 2018, a position he holds to date.

Mahathir bin Azmi Head of Business Innovation and Facilities Management	50	• Serves as Head of Business Innovation and Facilities Management, responsible for developing and managing the new COE, Group facilities and maintenance, and HSE matters. • Holds a Bachelor of Mechanical Engineering (Aeronautics) from Universiti Teknologi Malaysia (1999) and an MBA from Universiti Tun Abdul Razak (2007). • Began his career as an engineer at GOAZ Development Sdn Bhd in 2000, focusing on R&D and production activities. • Joined Metronic Engineering Sdn Bhd in 2001 as Project Engineer, overseeing installation, testing, commissioning and maintenance of fire alarm systems. • Subsequently joined Eagle Aircraft (M) Sdn Bhd, now DEFTECH Aviation, as an aeronautical engineer and was promoted to Senior Maintenance Engineer in 2004, leading the Eagle UAV programme in Labuan supporting Mindef's UAV fleet. • Joined Malaysia Airlines Berhad in 2005 as Technical Services Engineer, supporting Boeing B777 and B747 maintenance activities. • Joined Sepang Aircraft Engineering Sdn Bhd in 2007, progressing to Senior Manager overseeing the Engineering and Workshop departments. • Subsequently held CEO positions at Innopeak Sdn Bhd and Mind Algorithm Sdn Bhd before joining GTA's subsidiary in 2020; he was redesignated to his current role in 2025.
Siti Aisyah binti Mohamad Sabar Quality and Safety Manager	39	• Serves as Quality and Safety Manager, responsible for overseeing the Group's quality assurance and compliance with regulatory and industry standards. • Holds a Bachelor of Engineering (Manufacturing Engineering with Management) from Universiti Sains Malaysia (2010). • Began her career as Quality Engineer at Epson Toyocom Malaysian Sdn Bhd in 2011, overseeing the company's quality management system. • Joined Strand Aerospace Malaysia Sdn Bhd in 2014 as Quality Executive and subsequently served as Export Control Officer, managing export permit applications and export-control compliance. • Joined GTA's subsidiary in 2017 as Quality Executive, supporting quality, safety and regulatory compliance. • Subsequently served as Quality Assurance Manager at Flight Dynamic Resources Sdn Bhd and Quality Assurance and Safety Manager at Far Frontier Aeronautic Sdn Bhd, gaining further experience in aviation quality and safety systems. • Rejoined GTA's subsidiary as Quality and Safety Manager in 2023, a position she holds to date..
Olivier Toffoli Head of Customer Support	45	• Serves as Head of Customer Support, responsible for overseeing the Group's customer support and marketing functions. • Holds a Diploma in Technological Studies from Institut Universitaire de Technologie de Vélizy-Rambouillet, France (2002), a Bachelor of Business Administration from Heriot-Watt University, UK (2003) and an MBA from INSEEC Chambéry, France (2007). • Began his career with Telecom Technology Consultant International in Vietnam in 2008 as Sales and Marketing Manager, handling sales activities, tenders and bids. • Joined Europ Continents Viet Nam Co. Ltd in 2011 as Hanoi office director, overseeing projects, contract negotiations and stakeholder relationships. • Joined Heli Partner Sdn Bhd in 2016 as Regional Sales Director, focusing on helicopter leasing services and aircraft ground support equipment. • Joined GTA's subsidiary as Customer Support Manager in 2017 and was promoted to his current position in 2023
Khairul bin Ayop Head of Technical and Logistics	49	• Serves as Head of Technical and Logistics, responsible for managing and overseeing the Group's technical and logistical operations. • Holds a Bachelor of Engineering (Mechanical) from Universiti Teknologi Malaysia (2000), a Postgraduate Diploma in Strategic and Defence Studies from National Defence University Malaysia (2018) and a Master of Law from National Defense University, Republic of China, Taiwan (2024). • Began his career with Mindef Service Branch 1 in 2000 as an engineer, focusing on aircraft airworthiness and maintenance. • Became Project Engineer in 2002, responsible for aircraft weapon and store certification, and subsequently Head of Department for Early Failure Detection and Aircraft Structure Repair in 2006. • Led the Airbus A400M programme from 2008, overseeing in-service support, contract and risk management, logistics planning and quality assurance for the Malaysian Government. • Returned to Mindef Service Branch 1 as Head of Engineering Fleet in 2019, later serving as Head of Engineering at Subang Air Base and Head of Air Force Maintenance, Airworthiness and Contract Enforcement in 2022. • Became Head of Engineering at Gong Kedak Air Base in 2024 before leaving Mindef Service Branch 1 and joining GTA's subsidiary as Head of Technical and Logistics in 2025.

Major Customers

Customer	Main Services Provided	Length of Relationship as at FY25 (Years)	Revenue (RM '000)	% of Group's Total Revenue
Mindef Service Branch 1	Supply of helicopter engines & fixed wing engine, engine modules, accessories, spare parts and related ASP and ISS services under the OEM's maintenance programmes	13	305,291	92.02
Customer B	Supply of helicopter engine, engine modules, spare parts and accessories, and provision of related MRO services under the OEM's maintenance programmes	15	6,133	1.85
Galaxy Aerospace (M) Sdn Bhd	Supply of helicopter engines, engine modules, spare parts and accessories, and provision of related MRO services under the OEM's maintenance programmes	7	5,041	1.52
Gading Kasturi Sdn Bhd	Provision of PBH services under the OEM's maintenance programme for helicopter engines	11	4,190	1.26
Customer D	Supply of helicopter engine, engine modules, spare parts and accessories, and provision of related MRO services under the OEM's maintenance programmes	15	3,605	1.09
		Subtotal	324,260	97.74
		Group's Total Revenue	331,783	100.0

Source: GTA's IPO Prospectus

Major Suppliers

Supplier	Products/Services Procured	Length of Relationship as at FY25 (Years)	Purchases (RM '000)	% of Group's Total Purchases
EPI	Engines, engine parts and components, ISS package, as well as MRO services for Fixed-wing Engine 1	10	217,126	77.88
Safran group	Engines, engine parts and components, ASP and PBH packages as well as MRO services for Safran helicopter engines, field representatives for Heavy Helicopter Engine 1 and Fixed-wing Engine 1 support as well as PBH and MRO services for APUs	15	61,241	21.96
CEVA Malaysia (Air & Ocean) Sdn Bhd	Freight and forwarding for import & export of engines, engine parts and components	15	253	0.09
DHL Express (MY) Sdn Bhd	Freight and forwarding for import & export of engines, engine parts and components	15	179	0.06
Rhenus Logistics Sdn Bhd	Freight and forwarding for import & export of engines, engine parts and components	5	13	0.01
		Subtotal	278,812	100.0
		Total Purchases	278,812	100.0

Source: GTA's IPO Prospectus

Future Plans and Business Strategies

Establishing a New Operating Facility. GTA Holdings plans to establish a new operating facility to support its expected business expansion and strengthen its MRO capabilities. The Group has entered into a sale and purchase agreement to acquire a property with approximately 142,073 sq ft of land area and 29,034 sq ft of built-up area, which will serve as its new main MRO facility. The facility is intended to include a warehouse and workshop, office space, additional training rooms and a new Centre of Excellence ("COE"), allowing the Group to expand its service offerings, undertake R&D activities, provide training programmes and accommodate additional headcount. The total estimated cost of establishing the facility is RM37.50 million, comprising RM31.50 million for the property and RM6.00 million for renovation and related works.

Expansion of Helicopter MRO Activities into the Middle East. GTA Holdings intends to expand its helicopter MRO activities beyond Malaysia to diversify its customer base and strengthen its regional presence. The Group plans to pursue selected opportunities in the Middle East through joint ventures with suitable local partners, subject to market conditions and regulatory requirements. These partnerships are expected to facilitate market access and support regulatory, compliance and certification requirements, while GTA intends to leverage its capability to perform up to Level 2 MRO for selected Safran helicopter engine variants and potentially offer ASP and PBH packages to customers in the region. As at the LPD, the Group had identified potential partners but had not entered into commercial discussions.

Expansion into Landing Gear, Wheels and Brakes MRO. GTA Holdings plans to broaden its MRO service offerings by expanding into the MRO of aircraft landing gear, wheels and brakes for Fixed-Wing Aircraft 1. The initiative is expected to provide an additional source of recurring income as these components are subject to recurring maintenance cycles. The Group has been requested by Mindef Service Branch 1 to provide a proposal for the 12-year milestone maintenance of the landing gear systems for four Fixed-Wing Aircraft 1, while discussions have also commenced with OEM-related companies in Europe and Malaysia to support the planned MRO activities. The Group intends to develop the required technical capabilities through training and the acquisition of specialised tools and equipment, although no formal agreement had been secured with the OEM-related company as at the LPD.

Pursuing Mergers, Acquisitions and Strategic Partnerships. GTA Holdings intends to pursue mergers and/or acquisitions ("M&A") and joint ventures to expand its operations and diversify its revenue base. The Group is evaluating potential targets within the aviation supply chain in Malaysia and overseas, particularly in Europe given the proximity to its principal OEMs, Safran and EPI. The Group has identified potential targets for the acquisition of an airframe MRO service provider in Malaysia, which could diversify its services and create cross-selling opportunities, as well as a Europe-based company specialising in the engineering, design and precision manufacturing of aircraft parts and components, which could strengthen its position further upstream in the MRO value chain. As at the LPD, the Group had yet to enter into commercial discussions with these potential targets.

Key Risks

Dependence on Government Contracts and Customer Concentration. GTA Holdings' financial performance remains highly dependent on a limited number of Government contracts, particularly those with Mindef Service Branch 1 and Mindef Service Branch 2, which collectively accounted for 78.28%, 79.84%, 83.74% and 94.55% of Group revenue during FYE 2022, FYE 2023, FYE 2024 and FPE 2025, respectively. Any delay in Government tender or contract renewal processes, termination, non-renewal, reduction in scope or changes in defence budgets and procurement priorities could materially affect revenue and profitability. The risk is further heightened if the Government eventually shifts towards aircraft that do not use the Group's OEM engines, which could reduce demand for GTA's existing MRO services as those engines reach the end of their lifecycle.

Dependence on Safran and EPI. GTA Holdings is highly dependent on Safran Group and EPI, its two principal OEM suppliers, for critical engine components, spare parts, MRO services, technical support and in-service support. Together, the two suppliers accounted for 99.86% of the Group's total purchases in FPE 2025, with EPI alone accounting for 81.34%. Any disruption to the supply of components or services, changes in supplier strategy, non-renewal or termination of agreements, or unfavourable changes in pricing and supply terms could increase GTA's costs or disrupt its ability to fulfil customer requirements.

Dependence on Securing and Renewing MRO Contracts. GTA's revenue and financial performance depend on its ability to consistently secure and renew MRO contracts from existing and new customers. The value and duration of contracts can fluctuate depending on customers' operational requirements, aircraft utilisation, budgets and procurement policies. In addition, the Group faces competition during tender exercises, where pricing, technical capabilities and compliance with tender specifications influence its ability to secure contracts. Failure to secure new contracts or renew existing contracts at comparable values and margins could result in a declining order book and adversely affect future revenue and profitability.

Skilled Personnel and Technical Certification Risk. GTA's MRO operations depend on qualified certifying technicians and technical personnel who must maintain specialised certifications from OEMs and regulatory authorities. The Group had four certified technicians as at the LPD, and acknowledges that additional certifying technicians may be required as operations expand. The loss of key management personnel or certifying technicians without suitable and timely replacements could disrupt operations and adversely affect future growth.

Operational and Occupational Hazards. GTA's MRO activities involve the use of lifting machinery, hoist cranes, engine-handling equipment and hazardous chemicals such as degreasers, solvents and grease. Improper handling or accidents could disrupt operations, cause employee injuries, result in litigation or compensation claims and damage the Group's reputation. Such incidents could therefore adversely affect GTA's operations, financial performance and future growth.

Foreign Exchange Risk. GTA is exposed to foreign exchange movements, particularly between the EUR and RM, as a substantial portion of its purchases of aircraft parts, components, engines and equipment are denominated in foreign currencies. Foreign-currency purchases represented 84.99% of total purchases in FPE 2025, meaning an adverse movement in the EUR against the RM could increase procurement costs and pressure profitability. Although the Group maintains EUR-denominated accounts and uses a foreign exchange contract to provide some hedging, its EUR-denominated payments generally exceed EUR receipts, leaving the Group exposed to prolonged adverse currency movements.

MERCURY SECURITIES SDN. BHD.

Sustainability Review

Environmental (E)

1. Climate Action and Energy Efficiency

- The Group is commited to climate action and energy efficiency, with plans to reduce greenhouse gas emissions through renewable energy initiatives.
- The new facility is intended to include a solar photovoltaic ('PV") system and battery storage to improve renewable energy utilization.

2. Waste Management and Resources Circularity

- The Group plans to reduce disposable waste through its HSE policies on waste management and recycling initiatives
- Separate waste bins will be provided to encourage the separation of general and recycleable waste, while limiting the use of plastics and paper.

Social (S)

1. Employee Health, Safety and Wellbeing

- Employee health, safety and wellbeing are identified as a foremost concern, supported by a robust HSE policy and regular audits.
- The Group promotes physical and mental wellness through organized activities and positive interventions.

2. Training Development and Inclusion

- Regular first-aid training, demonstrations and fire and safety drills are conducted to strengthen workplace preparedness.
- The Group intends to review its HR policies on diversity, equity and inclusion and implement gender and inclusivity

3. Community Engagement

- The Group plans to support marginalized communities through socio-economic interventions.
- Community initiatives focus on areas including living standards, wellness and children's education.

Governance (G)

1. Corporate Governance and Board Oversight

- The Board acknowledges the Malaysian Code on Corporate Governance ("MCCG') and regards corporate governance as an integral part of its business operations and culture.
- The Board is responsible for overseeing risk, performance and sustainability as well as legal, compliance and internal control matters.

2. Risk Management and Internal Control

- The Audit and Risk Management Committee assists the Board in Overseeing financial reporting, risk management and internal control
- The Committee Assesses the effectiveness of the Group's Risk management framework and compliance with applicable laws, rules, regulations and internal policies.

3. Board Independence and Diversity

- At least half of the Board comprises Independent Non-Executive Directors, in line with the Group's adopted MCCG recommendations.
- The Chairman does not participate in the Audit and Risk Management Committee or Nomination and Remuneration Committee.
- As at the LPD, three of the seven Board members were female, representing 42.9% female participation, exceeding the 30% recommendation under the MCCG.

Overall ESG Outlook. The Group's ESG approach focuses on climate action, energy efficiency, waste management, employee wellbeing, inclusion and community engagement, while its governance framework emphasises MCCG-aligned oversight, risk management, internal controls and Board independence. The planned renewable energy and recycling initiatives strengthen the Group's environmental commitments, while employee safety, development and community programmes support its social responsibilities. Collectively, these initiatives provide a framework for responsible operations and sustainable business development.

MERCURY SECURITIES SDN. BHD.

Disclaimer & Disclosure of Conflict of Interest

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