

RedPlanet Berhad

Mapping the Next Track of Growth

Valuation / Recommendation

We have a **SUBSCRIBE** recommendation on RedPlanet Berhad with a **fair value of RM0.22**, based on a **19.0x target P/E** ascribed to **FY28E EPS of 1.14 sen**. The target multiple represents a **20% discount to the 3-year historical average PER of 23.2x for selected Malaysian utility-sector reference companies**, reflecting RedPlanet's concentrated utility client's exposure. The Group stands out for its proprietary rail technology, established geospatial capabilities and growing exposure to digital infrastructure solutions. We are positive on RedPlanet for its (i) Strong Order Book Provides Near-Term Revenue Visibility, (ii) Proprietary Rail Technology Underpins Competitive Positioning, (iii) AI Integration Opens New Growth Opportunities, (iv) High-Margin Core Solutions Support Earnings Quality, and (v) Deep Utility Expertise Supports Recurring Opportunities.

Investment Highlights

Strong Order Book Provides Near-Term Revenue Visibility. RedPlanet's RM51.74m secured order book extends through FY29E, with RM32.47m expected to be recognised in FY27E, equivalent to c.79.7% of FY26 revenue. A further RM132.05m across 11 submitted tenders provides potential for order book replenishment and additional growth.

Proprietary Rail Technology Underpins Competitive Positioning. RedPlanet's proprietary PIES® System is patent-protected across six countries and deployed across more than 88 Malaysian rail stations. Its expansion into CTS solutions, backed by two secured projects worth c.RM32.47m, further broadens its intelligent rail capabilities and addressable opportunities.

AI Integration Opens New Growth Opportunities. RedPlanet is developing an AI Asset Detection Tool for geospatial applications and an Automated Open Track AI Detection and Early Warning System for rail infrastructure. Successful commercialisation could enhance automation, deepen its technological capabilities and expand the Group into higher-value AI-enabled solutions.

High-Margin Core Solutions Support Earnings Quality. RedPlanet's geospatial and intelligent rail solutions recorded GP margins of 42.1% and 62.0% in FPE26, respectively, significantly above ICT trading at 7.2%. A sustained contribution from these higher-margin core businesses should support a favourable earnings mix over the longer term.

Deep Utility Expertise Supports Recurring Opportunities. RedPlanet has served Customer A, a major Malaysian electricity utility, since 2016, securing 239 contracts and purchase orders worth RM138.98m cumulatively. Its established utility-specific expertise, coupled with recurring geospatial maintenance and support services, supports customer stickiness and potential replication across other utilities.

Risk Factors for RedPlanet include: (i) revenue volatility and dependence on continuous project replenishment, (ii) dependence on key customers and large contracts, (iii) project execution and delivery risks, and (iv) reliance on third-party technology and ICT suppliers.

IPO Note – Non-Rated

Research Team Coverage / research@mersec.com.my

Thursday, October 8, 2026

ACE Market

Technology Sector

SUBSCRIBE

IPO Price: **RM0.190**

Fair Value: **RM0.220**

Business Overview

RedPlanet Berhad is an ICT solutions provider specialising in geospatial solutions, intelligent rail solutions and complementary ICT solutions and hardware. The Group provides end-to-end geospatial solutions that help infrastructure operators digitalise and manage physical assets, while its intelligent rail business offers proprietary PIES® railway safety systems and CTS solutions for rail infrastructure. RedPlanet is currently transferring its listing from the LEAP Market to the ACE Market.

Listing Details

Listing date	22 October 2026
New Shares (m)	70.0
Offer for sale (m)	10.0
Fund to be raised (RM m)	13.3

Post Listing

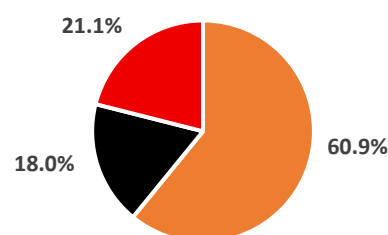
Ordinary shares (m)	410.7
Market cap (RM m)	78.0
Estimated free float (%)	19.5%
P/E(x) (Based on prospectus)	11.88x

Top Shareholder

	%
PVSB	21.3
NESB	19.4
FMSB	8.1

Utilization of Proceeds

	RM'm
Establishment of new SOC	8.1
Upgrade of our Group's OCC infrastructure	2.4
Business expansion to provide additional ICT services	2.8



FYE Mar (RM'm)	FY26A	FY27E	FY28E	FY29E
Revenue	40.7	55.0	57.9	63.0
EBITDA	7.9	6.7	10.1	11.1
EBIT	7.1	5.6	9.2	10.2
PBT	6.9	5.7	9.3	10.6
Core Net Profit	6.3	4.3	7.1	8.0
Core EPS (sen)*	1.02	1.04	1.14	1.30
Core EPS Growth (%)	22.1%	1.7%	10.2%	13.4%
Net DPS (sen)*	0.16	-	-	-
Net Div. Yield (%)*	0.9%	-	-	-
BVPS (sen)*	5.81	6.78	8.51	10.47
PER (Using IPO price)	18.6	18.3	16.6	14.6
PBV (x) (Using IPO price)	3.3	2.8	2.2	1.8
Net Gearing	Net	Net	Net	Net
	Cash	Cash	Cash	Cash

*Based on enlarged issued share capital of 410.7m

Company Overview

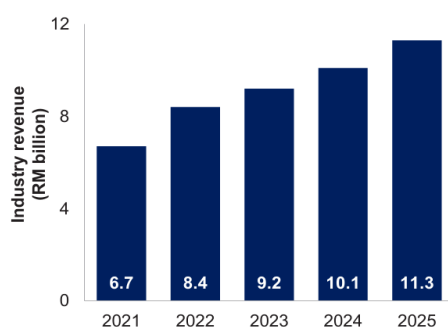
RedPlanet Berhad (“RedPlanet”, the “Company” or the “Group”) is a Malaysia-based enterprise Information and Communication Technology (“ICT”) solutions provider with over 10 years of operating track record, specialising in **geospatial solutions, intelligent rail solutions and complementary ICT solutions and hardware**. Its core geospatial business, operated mainly through RedPlanet Solutions (M) Sdn Bhd, helps infrastructure operators **digitalise and manage physical assets** by converting geographical data into digital maps and actionable information for asset management and operational planning. The Group provides end-to-end services from data collection, solution design and customisation to system integration, implementation, testing, commissioning and maintenance. RedPlanet subsequently expanded into **intelligent rail solutions** through AZTI Technology Sdn Bhd (“ATSB”), which owns the proprietary **Platform Intrusion Emergency Stop (“PIES®”) System**, a railway safety system that detects track intrusions and signals the train system to prevent trains from entering affected stations. PIES® has been deployed across **more than 88 stations in Malaysia**, while the Group has further expanded into **Central Transmission System (“CTS”) solutions**, which provide the communication backbone connecting railway control centres with critical rail subsystems. Its third segment, ICT trading, complements these core businesses through the supply of related software, hardware and components.

The Group serves **government and non-government bodies, local companies and multinational corporations** across the utilities, rail transportation, public sector, energy, infrastructure, ICT, engineering and environmental sectors, with a geographical reach spanning **Asia, Africa, Europe, Oceania, North America and South America**. Its business model is predominantly project-based, with geospatial and intelligent rail revenue recognised **over time** as projects progress, while ICT trading revenue is recognised **at a point in time**. The geospatial segment is also supported by recurring revenue from maintenance and support services. As at the LPD, RedPlanet has a **secured order book of approximately RM51.2m extending through FY29E**, alongside **11 submitted tenders worth RM132.05m** that provide potential future order book replenishment. RedPlanet was **listed on the LEAP Market of Bursa Malaysia in August 2020** and is now transferring to the **ACE Market**, marking its next phase of growth.

Industry Overview

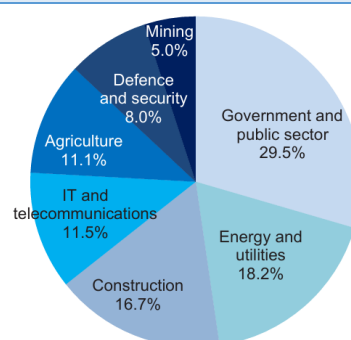
Geospatial Solutions Industry on a Strong Growth Trajectory. Malaysia’s geospatial solutions industry continues to expand, underpinned by accelerating digitalisation and the growing adoption of location-based data across both the public and private sectors. According to the IMR report, industry revenue increased from RM6.7bn in 2021 to RM11.3bn in 2025, representing a CAGR of 14.0%, driven by increasing applications across urban and infrastructure planning, smart-city development and utilities mapping. Government and public-sector applications represented the largest end-user segment at 29.5% in 2025, followed by energy and utilities at 18.2% and construction at 16.7%. Geospatial technologies are increasingly becoming an important digital transformation tool, enabling organisations to integrate location-based information into planning and decision-making, improve resource allocation and enhance the management of infrastructure and physical assets. Beyond infrastructure management, geospatial solutions also support disaster preparedness through early-warning systems, real-time mapping and identification of affected areas, allowing authorities to better coordinate emergency responses and allocate resources. Looking ahead, the industry is projected to reach RM15.1bn by 2028, implying a CAGR of 10.1% from 2025, supported by continued innovation, digitalisation and broader adoption of geospatial technologies across government, utilities and other industries.

Figure 1: Geospatial solutions industry in Malaysia



Source: PROVIDENCE analysis

Figure 2: Geospatial solutions end-user segments, 2025



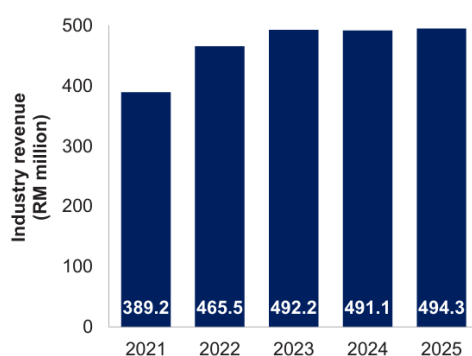
Source: PROVIDENCE analysis

Rising Global Adoption of Geospatial Solutions. The global geospatial solutions industry is expected to expand from USD626.1bn in 2024 to USD2.2tn by 2034, representing a CAGR of 13.2%, supported by increasing government investment in geospatial infrastructure and broader adoption across all sectors. North America remained the largest market in 2024, accounting for 46.0% of global industry revenue, followed by Europe at 25.0% and Asia Pacific at 19.0%. Industry growth is underpinned by continued advancements in GPS, remote sensing and GIS technologies, alongside rising demand for location-based intelligence across applications such as environmental monitoring, disaster management, smart-city development and infrastructure planning. This provides a meaningful growth opportunities for RedPlanet, which has already established a customer presence beyond Malaysia across Asia, Africa, Europe, Oceania, North America and South America. Its existing overseas project experience provides the Group with a foundation to pursue further opportunities as global adoption of geospatial solutions continues to broaden.

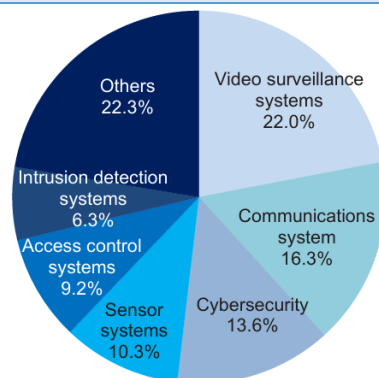
Digitalisation of Utilities Creates Structural Demand for Enterprise GIS. The ongoing digitalisation of utility infrastructure is driving greater adoption of enterprise GIS solutions as electricity, water and telecommunications operators seek to improve the visibility and management of increasingly complex asset networks. Unlike conventional mapping applications, enterprise GIS enables operators to integrate the location and condition of physical assets such as power lines, substations, cables, poles and meters into a centralised digital platform, supporting asset management, network planning, maintenance and field operations. The increasing use of technologies such as drones, LiDAR, remote sensing and real-time field data is further enhancing GIS capabilities by enabling more accurate asset mapping and monitoring. This trend is particularly relevant to RedPlanet, which has developed geospatial expertise in the power utilities sector through its longstanding relationship with Customer A since 2016. Its established use cases and sector-specific knowledge provide a foundation to pursue similar opportunities with other utility operators as infrastructure owners increasingly digitalise their physical networks.

Growing Adoption of Intelligent Rail Solutions. Malaysia's intelligent rail solutions industry expanded from RM389.2m in 2021 to RM494.3m in 2025, representing a CAGR of 6.2%, and is projected to reach RM557.2m by 2027, maintaining a CAGR of 6.2%. Video surveillance, communication, cybersecurity and sensor systems collectively accounted for 62.2% of industry revenue in 2025, reflecting the growing importance of safety, connectivity and real-time monitoring across rail networks. Demand is increasingly supported by rail operators' emphasis on passenger safety, digitalisation and data security, alongside technological advancements in data analytics, cloud connectivity and artificial intelligence. Longer term, industry growth is expected to be underpinned by the expansion of rail transportation beyond the Klang Valley, upgrades to existing rail infrastructure and continued investment arising from population growth and urbanisation.

Rail Expansion and Rising Ridership Support Further Demand. Malaysia continues to invest in both new rail networks and the modernisation of existing infrastructure, creating opportunities for intelligent rail systems throughout the lifecycle of rail assets. Major developments include the ECRL, Johor Bahru–Singapore RTS Link and Penang Mutiara LRT Line, alongside upgrades to existing Klang Valley rail infrastructure. At the same time, annual rail ridership increased significantly from 64.3m passengers in 2021 to 364.8m in 2025, representing a CAGR of 54.3%, reinforcing the need for reliable safety, monitoring and communication systems as network utilisation increases. We believe this provides a favourable backdrop for RedPlanet's intelligent rail business, particularly its PIES® platform intrusion safety system and CTS solutions, as upcoming rail developments provide opportunities for new installations while ageing and existing networks create demand for system upgrades and modernisation. The Group's expansion from PIES® into CTS also broadens its addressable opportunities across Malaysia's evolving rail infrastructure landscape.

Figure 3: Intelligent rail solutions industry in Malaysia


Source: PROVIDENCE analysis

Figure 4: Segments of intelligent rail solutions, 2025


Source: PROVIDENCE analysis

Investment Merits

Strong Order Book Provides Near-Term Revenue Visibility. As at 29 August 2026, RedPlanet had a **secured order book of RM51.74m**, comprising RM18.17m from geospatial solutions and RM33.58m from intelligent rail solutions, with projects extending through FY29E. More importantly, **RM32.47m is expected to be recognised in FY27E**, comprising RM15.25m from geospatial and RM17.22m from intelligent rail solutions. This represents approximately **79.7% of FY26 revenue of RM40.72m**, providing a strong base for FY27E revenue growth despite being only around two months into the financial year. Beyond secured contracts, RedPlanet has **submitted 11 tenders with a combined value of RM132.05m**, equivalent to more than 2.5x its existing order book. While these remain subject to successful awards, the sizeable tender pipeline provides potential for **order book replenishment and incremental upside**. Together with new project wins, recurring maintenance and support revenue from geospatial solutions and contributions from ICT trading, we expect RedPlanet to deliver stronger revenue in FY27E, with further upside should the Group successfully convert part of its tender pipeline into secured contracts.

Proprietary Rail Technology Underpins Competitive Positioning. RedPlanet differentiates itself through its proprietary **PIES® System**, with the technology protected by registered patents across six countries, Malaysia, Australia, Indonesia, Singapore, the Philippines and Thailand, while its safety integrity functions have been assessed as suitable for **SIL 2** under relevant international railway standards. Importantly, PIES® has an **established deployment track record across more than 88 stations in Malaysia**, including the Kelana Jaya Extension Line, Ampang LRT Line, Ampang Extension Line, LRT3 and the Kelana Jaya LRT Line upgrade, providing the

Group with established credentials in rail safety systems. Building on this foundation, RedPlanet is expanding into **Central Transmission System (“CTS”) solutions**, which provide the communication backbone connecting railway operations control centres with PIES® and other rail subsystems. The Group intends to provide end-to-end CTS services spanning design, system integration, implementation, maintenance and support, broadening its participation beyond platform intrusion detection. This strategy has already gained traction through **two CTS projects worth approximately RM32.47m**, providing an additional avenue for growth and increasing RedPlanet’s scope of participation in future rail infrastructure and modernisation projects.

Figure 5: Geospatial Solutions Across Utility Networks


Source: RedPlanet, Mercury Securities

Figure 6: Number of Stations with PIES® System Installed

Rail System	Country	Number of stations where PIES® System is installed	Year
Kelana Jaya Line LRT (Extension)	Malaysia	13	2016
Ampang Line LRT (Existing)	Malaysia	25	2021
Ampang Line LRT (Extension)	Malaysia	11	2021
LRT-3 Shah Alam Line	Malaysia	20	2026
Kelana Jaya Line LRT Upgrade (Existing)	Malaysia	19	2026
Total	-	88	-

Source: RedPlanet, Mercury Securities

AI Integration Opens New Growth Opportunities. Beyond its existing offerings, RedPlanet is incorporating AI and automation into both its geospatial and intelligent rail solutions, potentially expanding the Group into higher-value, technology-driven services. For its geospatial business, RedPlanet is developing an **AI Asset Detection Tool** that automates what would otherwise be a more manual process of identifying and digitalising physical assets from collected mapping data. The tool is designed to automatically detect different types of assets, generate their location information and support quality control, allowing large volumes of geospatial data to be processed more efficiently and with less manual intervention. Currently at the prototype stage, commercialisation is targeted by end-2026, subject to successful testing. Meanwhile, RedPlanet is developing an **Automated Open Track AI Detection and Early Warning System** for its intelligent rail business, which combines drones with AI to inspect railway tracks, identify potential obstacles and provide real-time alerts, with feedback obtained from two Malaysian rail operators during development. Successful commercialisation of these solutions could enhance the value proposition of RedPlanet’s existing offerings, broaden its capabilities beyond PIES® and CTS, and position the Group to capture growing demand for AI-enabled automation across infrastructure management.

High-Margin Core Solutions Support Earnings Quality. RedPlanet has maintained a healthy overall GP margin of **35.7%–49.8% over FY23–FY25**, supported by the higher-value technical and engineering content of its core geospatial and intelligent rail solutions. In FPE26, geospatial solutions recorded a **42.1% GP margin**, while intelligent rail solutions achieved **62.0%**, significantly above the **7.2% margin from ICT trading**. Notably, intelligent rail margins have remained above 50% since the segment began contributing in FY24, increasing from **53.0% in FY24 to 60.9% in FY25**, highlighting the attractive economics of RedPlanet’s specialised rail solutions. While margins may fluctuate according to project scope, execution stage and revenue mix, the significant margin differential between its core solution businesses and ICT trading highlights the importance of **revenue mix to overall earnings quality**. We believe a sustained contribution from higher-margin geospatial and intelligent rail projects should support a favourable earnings mix over the longer term.

Deep Utility Expertise Supports Recurring Opportunities. RedPlanet has developed specialised geospatial expertise within the power utilities sector through its longstanding relationship with **Customer A, a major Malaysian electricity utility, since 2016**. Its solutions support the customer’s broader asset-management processes, covering critical infrastructure such as transmission and distribution networks, substations, generators, feeder pillars, cables, poles and meters. The depth of this relationship is reflected in **239 short-term contracts and purchase orders with a cumulative value of RM138.98m** secured from Customer A since 2016 up to 29 August 2026. The repeated flow of contracts demonstrates RedPlanet’s ability to retain and continuously serve a major utility customer, while providing the Group with accumulated **power-utility-specific domain expertise and use cases** that could support its pursuit of opportunities with other utilities. Combined with recurring maintenance and support services within its geospatial business, we believe this established track record strengthens customer stickiness and provides a platform for RedPlanet to **replicate its geospatial capabilities across other utilities and infrastructure operators**.

Figure 7: AI Asset Detection Tool


Source: RedPlanet, Mercury Securities

Figure 8: Competitive Landscape

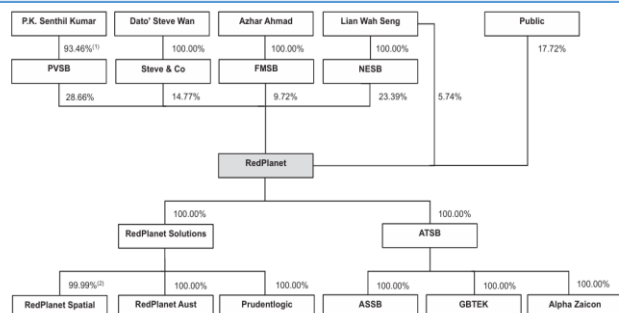
Industry player *	Latest available FYE	Segmental revenue (RM)	Revenue ^b (RM)	Gross profit (RM)	Gross profit margin (%)	Profit / Loss before tax (RM)	Profit / Loss after tax (RM)	Profit / Loss after tax margin (%)
Aerodyne Geospatial Sdn Bhd	31 December 2023		33,946,132	8,390,789	24.7	-13,433,315	-13,433,315	-39.6
Alami Technologies Sdn Bhd (formerly known as Alam Informasi Sdn Bhd)	30 June 2025		14,345,517	5,254,017	36.6	1,396,094	1,028,430	7.2
Alam Sekitar Malaysia Sdn Bhd	31 December 2025		19,748,480	Not available	Not available	194,959	-1,776,101	-9.0
Amitel Holdings Berhad *	30 November 2025	60,797,465	69,671,020	16,587,524	23.7	7,241,571	5,088,308	7.3
Antaragrafik Systems Sdn Bhd	31 December 2024		57,753,955	11,200,910	19.4	531,199	64,815	0.1
Bandwork GPS Solutions Sdn Bhd	30 June 2025		25,869,605	5,459,146	21.1	306,318	175,281	0.7
Dr. Nik & Associates Sdn Bhd	31 December 2024		21,830,841	5,516,478	25.3	731,953	615,425	2.8
Easi Malaysia Sdn Bhd	31 March 2025		67,919,437	42,119,927	62.0	21,889,973	16,463,334	24.2
Map2U Sdn Bhd	31 December 2023		43,297,070	9,771,445	22.6	407,498	315,704	0.7
RedPlanet Berhad *	30 June 2025	20,301,285 *	33,296,006	16,586,787	49.8	7,555,760	5,221,200	15.7
Noventiq Solutions International Sdn Bhd (formerly known as Softline Solutions International Sdn Bhd)	31 December 2024		282,395,122	21,032,092	7.4	4,815,433	4,741,127	1.7

Source: RedPlanet's IPO Prospectus

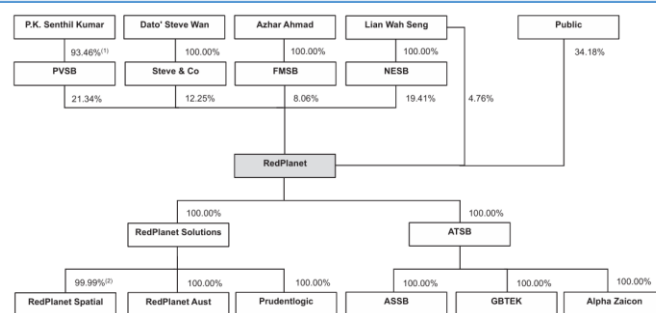
IPO Details

	Offer for Sale (m)	Public Issue (m)	Total (m)	(%)
Retail Offering				
Bumiputera Public Investors	-	10.27	10.27	2.50
Non-Bumiputera Public Investors	-	10.27	10.27	2.50
Eligible Persons	-	19.71	19.71	4.80
Private Placement				
Selected Investors	10.00	11.53	21.53	5.24
Selected Bumiputera Investors approved by MITI	-	18.22	18.22	4.44
Total	10.00	70.00	80.00	19.48

Source: RedPlanet's IPO Prospectus

Figure 9: Pre-IPO Corporate Structure


Source: RedPlanet's IPO Prospectus

Figure 10: Post-IPO Corporate Structure


Source: RedPlanet's IPO Prospectus

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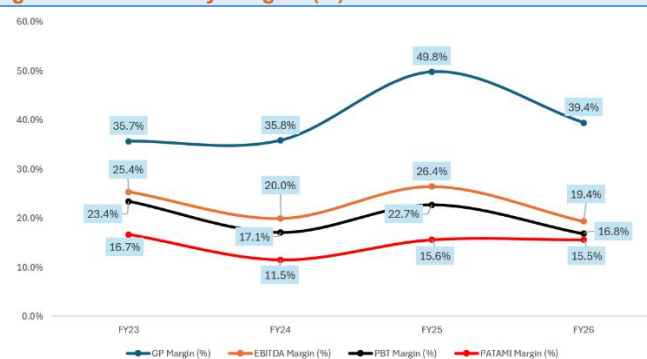
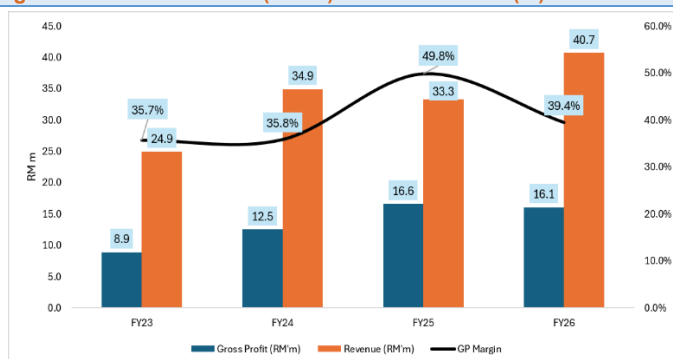
Financial Highlights

RedPlanet's financial performance has been supported by **expanding revenue base, resilient profitability and an improving balance sheet, supported by stronger operating cash flow and manageable working capital**. Revenue increased from RM24.9m in FY2023 to RM40.7m in FY2026, representing a three-year CAGR of 17.76%. Revenue initially grew 40.1% YoY to RM34.9m in FY2024, largely supported by the introduction of intelligent rail solutions following the consolidation of ATSB, with revenue recognised from the LRT3 project for Customer C Consortium and the Kelana Jaya LRT Line project for Customer D. Growth was further supported by the commencement of two new ICT trading contracts involving the provision of hardware and software related to geospatial solutions. Revenue subsequently recorded a temporary decline to RM33.3m (-4.6%) in FY2025, mainly attributable to a RM5.53m reduction in ICT trading revenue, following lower software subscription licence orders from Customer A due to reduced usage requirements and the completion of a hardware and software contract for Clearwisdom in FY2024. This was partially cushioned by a RM3.84m (+45.1%) increase in intelligent rail revenue to RM12.35m, mainly driven by higher work progress for Customer D's Kelana Jaya LRT Line project. Revenue subsequently rebounded 22.3% YoY to RM40.7m in FY2026, supported by a strong recovery in ICT trading revenue to RM10.8m, alongside continued contributions from its geospatial and intelligent rail businesses.

Profitability remained resilient. Gross profit increased from RM8.9m in FY2023 to RM16.1m in FY2026, while gross profit margin improved from 35.7% in FY2023 to a peak of 49.8% in FY2025, before moderating to 39.4% in FY2026. The stronger margin in FY2025 was mainly supported by the intelligent rail solutions segment, where gross profit margin increased to 60.9% from 53.0% in FY2024, attributable to higher-margin works for the Kelana Jaya LRT Line, cost savings and adjustments for project costs overprovided in prior years for the ongoing LRT3 project. Project activities during FY2025 were also mainly concentrated on installation, testing, commissioning and technical services, which required lower material inputs compared with earlier project phases. Despite the improvement in gross profitability, administrative expenses increased from RM3.2m in FY2023 to RM7.6m in FY2026, partly reflecting higher staff costs following the consolidation of ATSB, while finance costs increased from RM3k in FY2023 to RM498k in FY2025 due to higher bank overdraft utilisation for working capital requirements relating to the LRT3 and Kelana Jaya LRT Line projects. Consequently, PBT increased from **RM5.84m in FY2023 to RM6.85m in FY2026**, although PBT margin moderated from **23.4% to 16.8%**. Meanwhile, PAT increased from **RM4.16m to RM6.33m**, with PAT margin remaining relatively resilient at **15.5% in FY2026 versus 16.7% in FY2023**.

Figure 11: Revenue Trend (RM m) and YoY Growth (%)

Figure 12: Profitability Margins (%)



Source: RedPlanet's IPO Prospectus, Mercury Securities

Source: RedPlanet's IPO Prospectus, Mercury Securities

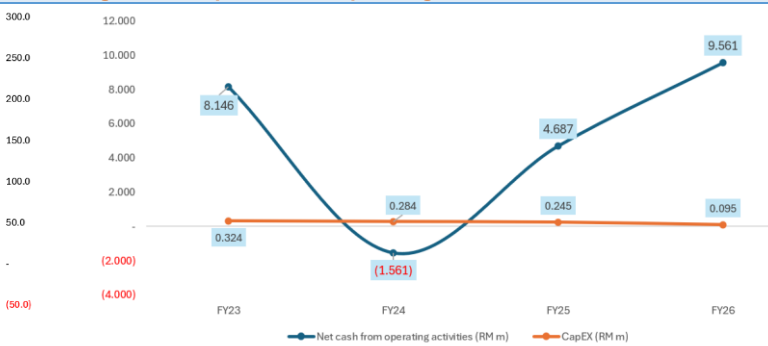
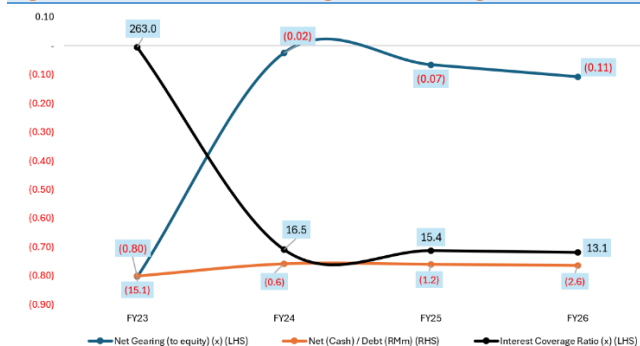
Healthy Balance Sheet with Low Gearing. RedPlanet maintains a relatively healthy balance sheet, with gearing improving from 0.36x in FY2024 to 0.35x in FY2025 and 0.22x in FY2026. The slight improvement in FY2025 was mainly attributable to RM2.87m of lower borrowings, following net repayments of trust receipts and bank overdrafts. Notably, finance costs had risen in FY2025 partly due to greater utilisation of bank overdrafts for working capital requirements relating to the LRT3 and Kelana Jaya LRT Line projects. As at FY2026, total borrowings stood at RM5.23m, comprising RM4.81m of long-term and RM0.42m of short-term borrowings, reflecting a further reduction in its debt position. Meanwhile, the IPO is expected to raise RM13.30m, of which RM8.13m (61.1%) is earmarked for business expansion and RM2.38m (17.9%) for working capital, with no proceeds allocated for debt repayment. The enlarged equity base from the Public Issue should further strengthen RedPlanet's capital position, providing additional financial flexibility to support its expansion plans.

Operating Cash Flow Recovers on Improved Working Capital. RedPlanet's operating cash flow has fluctuated with the timing of project billings and collections, recording RM8.15m in FY2023, before turning negative at RM1.56m in FY2024 and recovering to RM4.69m in FY2025 and RM9.56m in FY2026. The FY2024 outflow was mainly working-capital driven, as trade and other receivables increased by RM4.29m, while contract assets rose by RM1.84m, mainly from the LRT3 and Kelana Jaya LRT Line projects where revenue recognised exceeded amounts billed to customers. Cash flow subsequently recovered as collections improved, with trade and other receivables declining by RM1.54m in FY2025, alongside stronger operating profit before working-capital changes of RM9.90m. Overall, the fluctuations largely reflect the timing of project execution, milestone billings and customer collections, highlighting the working-capital requirements inherent in RedPlanet's project-based business model. The RM2.38m of IPO proceeds earmarked for working capital should provide additional liquidity to support ongoing project execution and manage these timing differences.



Figure 13: Balance Sheet Strength and Leverage Profile

Figure 14: Capex vs. Net Operating Cash Flow

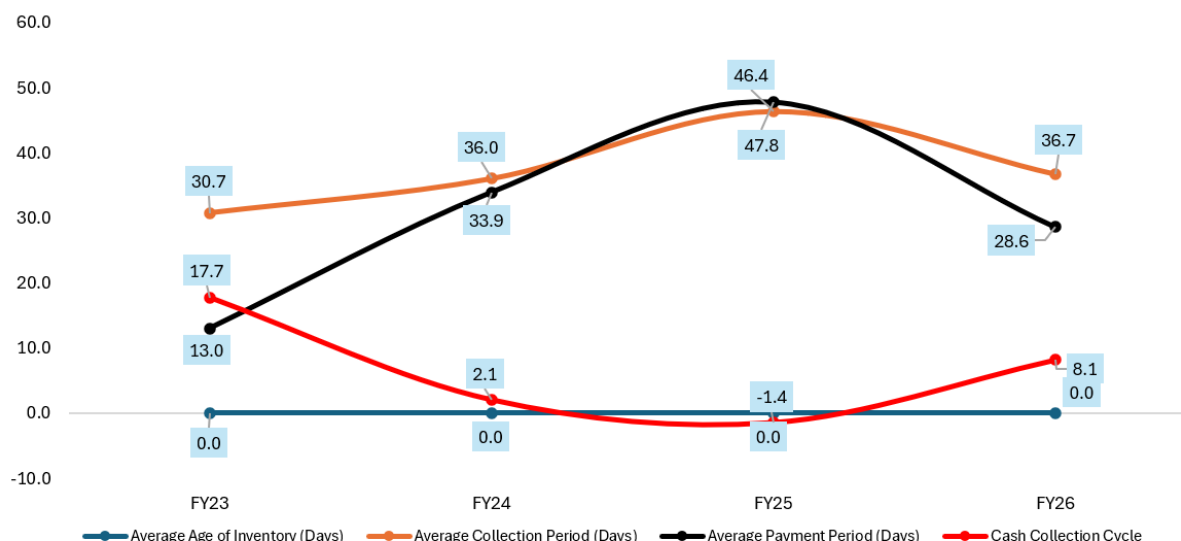


Source: RedPlanet's IPO Prospectus, Mercury Securities

Source: RedPlanet's IPO Prospectus, Mercury Securities

Working Capital Trend. RedPlanet's average collection period remained manageable at 32 days in FY2023 and 29 days in FY2024, before increasing to 42 days in FY2025, within its normal customer credit terms of 30–120 days. Receivables quality remained healthy, with 99.8% of the RM5.84m outstanding trade receivables as at March 2026 subsequently collected by the LPD, while no bad debts were written off during the financial years/period under review. Meanwhile, the average payment period increased from 24 days in FY2023 to 29 days in FY2024 and 76 days in FY2025, as the Group optimised supplier credit terms by aligning payments with customer collections for the LRT3 project. The payment cycle subsequently normalised to 29 days in FPE2026, mainly due to lower subcontractor utilisation and a shift towards suppliers with shorter payment terms. Notably, 100% of the RM1.45m trade payables outstanding as at March 2026 had been settled by the LPD. While the current ratio moderated from 3.78x in FY2023 to 1.55x in FY2025 and 1.44x in FPE2026, it remained above 1.0x throughout the period, indicating sufficient current assets to meet the Group's immediate obligations.

Figure 15: Working Capital Cycle (Days)



Source: RedPlanet's IPO Prospectus, Mercury Securities

Revenue Growth Underpinned by Order Book Conversion and New Wins. We forecast RedPlanet's revenue to increase from RM40.7m in FY26 to RM55.0m in FY27E (+35.1% YoY), before reaching RM78.0m by FY29E, implying a 3-year forecast CAGR of 19.11% over FY27E–FY29E. FY27E growth is expected to be primarily supported by the conversion of its RM51.2m secured order book as at 29 August 2026, with RM32.5m scheduled for recognition in FY27E, comprising RM15.25m from geospatial and RM17.22m from intelligent rail solutions. Beyond the secured order book, RedPlanet has submitted 11 tenders, comprising 10 geospatial tenders worth RM101.55m and one intelligent rail tender worth RM30.50m. Given that these remain unsecured, we assume a 50% win rate for geospatial tenders, while assuming the single intelligent rail tender is secured, with revenue recognised progressively at 2%/20%/30% for geospatial and 2%/20%/40% for intelligent rail over FY27E–FY29E, reflecting the multi-year execution of these projects. To account for future tender replenishment beyond the existing RM101.55m geospatial tender pipeline, we further assume an additional RM100.0m worth of geospatial tenders to be submitted in subsequent periods, applying the same 50% win rate, equivalent to RM50.0m in potential contract awards, with revenue recognition commencing in FY29E. We also incorporate new/unannounced contracts to capture potential projects or purchase orders secured outside the Group's existing tender pipeline, including additional awards from existing or new customers, assuming 5%/15%/25% of the preceding year's geospatial revenue in FY27E/FY28E/FY29E. For intelligent rail, we adopt a more conservative 0%/10%/20% assumption given the longer procurement and project award cycle. Meanwhile, for the more transactional ICT trading segment, we assume revenue growth of 2%/5%/10% in FY27E/FY28E/FY29E, respectively.



Margins to Normalise Before Recovering with Scale. We estimate RedPlanet's **GP margin to remain at around 40.0% throughout FY27E–FY29E**, broadly within its historical range of **35.7%–49.8% in FY23–FY26**. The Group's higher-margin intelligent rail solutions should continue to support the overall margin profile, although we adopt a more conservative assumption to account for **project mix and potential cost inflation**. At the operating level, **EBITDA margin is expected to decline from 19.4% in FY26 to 12.3% in FY27E**, primarily reflecting the estimated **RM2.8m of one-off listing expenses** associated with the ACE Market transfer, alongside higher administrative expenses as the Group scales its operations. We subsequently expect EBITDA margin to recover to **17.4%/17.5% in FY28E/FY29E** as listing-related expenses fall away and the larger revenue base provides better operating leverage. We also factor in higher funding costs in FY27E–FY28E before normalising in FY29E. Accordingly, **PBT margin is projected at 10.3%/16.1%/16.8% for FY27E–FY29E**. Assuming a **24% statutory tax rate**, core net profit is forecast at **RM4.3m/RM7.1m/RM10.0m**, respectively, with net margin declining from **15.5% in FY26 to 7.8% in FY27E**, before recovering to **12.8% in FY29E** as the temporary cost pressures subside and earnings scale with revenue growth.

Figure 16: RedPlanet's Historical and Forecasted Financials

	FY23A	FY24A	FY25A	FY26A	FY27E	FY28E	FY29E
Revenue	24.9	34.9	33.3	40.7	55.0	57.9	78.0
Gross Profit	8.9	12.5	16.6	16.1	22.0	23.1	31.2
EBITDA	6.3	7.0	8.8	7.9	6.7	10.1	13.7
EBIT	5.8	6.0	7.8	7.1	5.6	9.2	12.8
PBT	5.8	6.0	7.6	6.9	5.7	9.3	13.1
Core Net Profit	4.2	5.2	5.2	6.3	4.3	7.1	10.0
Core EPS (sen)*	0.67	0.65	0.84	1.02	1.04	1.14	1.61
Core EPS Growth (%)	-	-	29.6%	22.1%	1.7%	10.2%	40.4%
Net DPS (sen)*	0.31	0.19	0.21	0.16	-	-	-
Net Div. Yield (%) *	0.02	0.01	0.01	0.01	-	-	-
BVPS (sen)*	4.59	6.26	4.46	5.81	6.78	8.51	10.94
PER (Using IPO price)	28.3	29.4	22.7	18.6	18.3	16.6	11.8
PBV (x) (Using IPO price)	-	3.0	4.3	3.3	2.8	2.2	1.7
Net Gearing	(0.8)	(0.0)	(0.1)	(0.1)	(0.1)	(0.5)	(0.4)

*Based on enlarged issued share capital.

Figure 17: Mercury Securities' Key Assumptions for RedPlanet

Mercury Assumptions	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
	Geospatial Solutions			Intelligent Rail Solutions		
Secured Order Book (RM m)	15.25	2.82	0.09	17.22	13.00	3.37
Tender Submitted Value (RM m)	101.55			100.00*		
Estimated Tender Win Rate*	50%			100%		
Revenue Recognition Rate*	2%	20%	30%	2%	20%	40%
New/Unannounced Contracts* (% of Prior-Year Revenue)	5%	15%	25%	0%	10%	20%

Source: RedPlanet, Mercury Securities

*Based on Mercury Securities Estimate

Valuation

We value RedPlanet at **RM0.220 per share**, based on a **19.0x PER** applied to our projected **FY28E EPS of 1.14 sen**. Given the limited availability of listed companies with directly comparable business models encompassing RedPlanet's geospatial and intelligent rail solutions, we adopt selected **Malaysian utilities-sector companies as a reference benchmark rather than direct comparables**. We believe this approach is relevant given the Group's established exposure to the utilities sector through its geospatial solutions business, with utilities contributing **84.4%/53.6%/49.4% of Group revenue in FY23/FY24/FY25**, respectively. The Group has also established a longstanding relationship with Customer A, a major Malaysian electricity utility, securing **239 contracts and purchase orders worth RM138.98m cumulatively** since 2016 up to the LPD.

Our target multiple represents a **20% discount to the selected Malaysian utilities-sector companies' 3-year historical average PER of 23.2x**. The discount reflects RedPlanet's project-driven revenue profile, and its **concentrated utility exposure**, which remains anchored by Customer A rather than a broad portfolio of Malaysian clients (i.e transportation, ICT, telecommunications etc). Nevertheless, we see potential for the valuation gap to narrow should RedPlanet successfully **replicate its established geospatial capabilities across other operators in the utilities, transportation, ICT and telecommunication**, leveraging its accumulated expertise in mapping and managing critical utility infrastructure. Meanwhile, the Group's growing intelligent rail solutions business provides an additional earnings avenue beyond utilities and could gradually diversify its end-market exposure.

**3-Year Historical P/E Average of Selected Utilities-Sector Companies (x)**

Company	Bloomberg Ticker	2023	2024	2025	Average P/E
Tenaga Nasional Bhd	TNB MK	20.9	21.8	16.8	19.8
Malakoff Corp Bhd	MLK MK	12.5	n/a	19.0	6.4
YTL Power International Bhd	YTLP MK	3.8	5.2	11.5	9
Petronas Gas Bhd	PTG MK	20.6	18.9	19.1	19.6
Simple Avg.		15.0	17.8	36.7	23.2

Source: Bloomberg, Mercury Securities

Profitability Margin and Return Ratios Comparison

Company	Bloomberg Ticker	Share price	Mkt Cap	Margin (%)				%		
		(RM)	(RM m)	GP	EBITDA	PBT	PAT	ROE	ROA	ROC
Tenaga Nasional Bhd	TNB MK	12.900	75,195.93	25.3	30.0	9.1	7.0	8.1	2.2	5.1
Malakoff Corp Bhd	MLK MK	3.300	4,276.63	27.4	37.1	13.4	7.9	8.1	1.8	N/A
YTL Power International Bhd	YTLP MK	0.800	3,909.57	9.7	21.5	2.4	1.3	1.0	0.3	1.6
Tenaga Nasional Bhd	PTG MK	17.26	34,152.91	33.7	52.3	36.8	27.1	12.0	8.8	11.2
Simple Avg.				22.6	32.0	14.8	10.8	7.2	3.4	5.7
RedPlanet Berhad		0.190	78.02	39.4	19.4	16.8	15.5	30.0	13.8	22.6

Source: Bloomberg, Mercury Securities

Industry Comparison

As per the latest Financial Recorded Index	Bloomberg Ticker	GP	Margin %		1-Year Forward P/E Multiple
			PBT	PAT	
Bursa Malaysia Technology Index	KLTEC Index	17.5	7.3	6.7	23.2
RedPlanet Berhad	RPLANET MK	39.4	16.8	15.5	18.3

Source: Bloomberg, Mercury Securities

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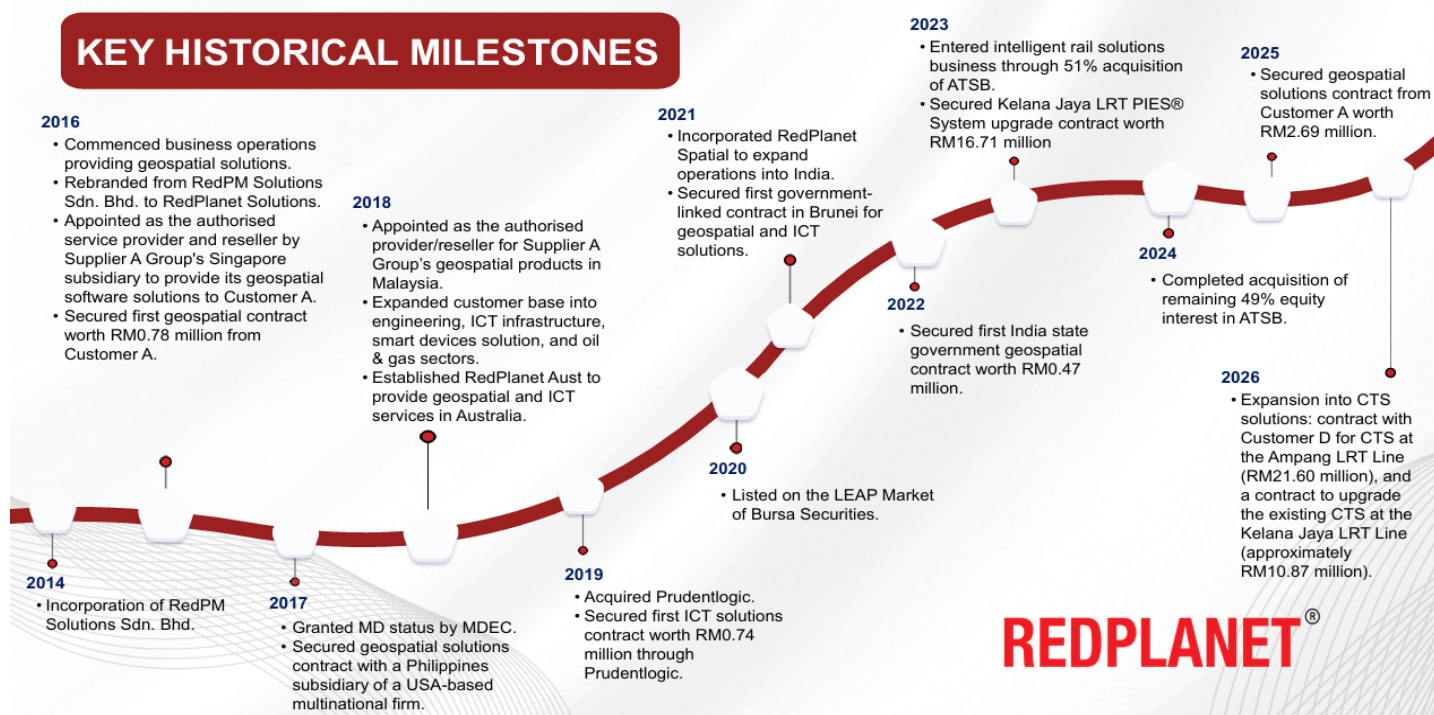
SWOT Analysis

S STRENGTHS	W WEAKNESS
Established Track Record in Enterprise Geospatial Solutions. RedPlanet has operated in the enterprise ICT space for over a decade, with core expertise spanning GIS, spatial data management, remote sensing and data analytics. Its end-to-end capabilities cover data collection, analytics, processing, system integration and ongoing support, enabling the Group to deliver customised solutions for operational planning and asset management. Proprietary Rail Technology with Proven Deployment. The Group owns the proprietary PIES® railway safety system, providing a technological differentiator beyond conventional ICT system integration. PIES® has been deployed across more than 88 stations in Malaysia, with the system having operated for more than 28 years without major issues, demonstrating an established track record in mission-critical rail infrastructure. Diversified Solutions Across Multiple End-Markets. RedPlanet serves customers across the public sector, utilities, energy, infrastructure, ICT, engineering and environmental sectors, alongside rail transportation providers. Its geographical footprint also extends beyond Malaysia into markets including India, Brunei, the Philippines, Australia, Saudi Arabia and the US, providing avenues to participate in projects across different industries and markets.	Project-Based Revenue Creates Earnings Volatility. RedPlanet's revenue is dependent on the timing, progress and completion of individual projects, resulting in fluctuations across its business segments. For instance, ICT trading revenue declined sharply in FYE2025 following lower software licence supply and the completion of a hardware and software contract, while intelligent rail revenue increased on higher project progress, highlighting the uneven nature of project recognition. Geospatial Revenue Growth Has Remained Relatively Modest. Despite being RedPlanet's core business, geospatial solutions revenue remained broadly stable at RM19.17m, RM18.64m and RM18.70m between FYE2023 and FYE2025. This suggests that historical growth in its largest core segment has been limited, making the successful conversion of new contracts and tenders important for accelerating future growth. Intelligent Rail Operations Remain Concentrated in Malaysia. While RedPlanet's geospatial and ICT businesses have exposure to several international markets, its intelligent rail solutions currently principally serve the Malaysian market. This leaves the segment relatively dependent on domestic rail infrastructure spending and the availability and timing of rail upgrade and expansion projects.
T THREATS	O OPPORTUNITIES
Dependence on Project Awards and Tender Conversion. Future growth remains dependent on RedPlanet's ability to continuously secure new contracts and convert tender opportunities into actual projects. Delays in project awards, lower tender success rates or postponements in public infrastructure spending could result in weaker-than-expected order replenishment and create gaps in revenue recognition. Rapid Technological Change Requires Continuous Investment. The geospatial, AI and enterprise ICT landscape continues to evolve rapidly, requiring RedPlanet to continuously invest in R&D and maintain its technical capabilities. Failure to keep pace with developments in GeoAI, remote sensing, automation and competing enterprise platforms could weaken its technological positioning and competitiveness over time. The Group itself identifies continued investment in research and innovation as necessary to address evolving customer needs. Competition from Larger ICT and Geospatial Solution Providers. RedPlanet operates across enterprise ICT, geospatial and infrastructure technology markets where it may compete with larger domestic and international solution providers with greater financial resources, broader product portfolios and established relationships. Competitive pressure could affect tender success, project pricing and margins, particularly as RedPlanet expands into larger and higher-value projects.	Utility Digitisation Provides a Structural Growth Opportunity. Ageing infrastructure, rising electricity demand from data centres and EVs, and increasingly complex power networks are accelerating the need for utilities to digitise their assets and operations. RedPlanet's enterprise GIS, LiDAR, drone-based reality capture and spatial analytics capabilities position the Group to support utilities in building digital asset records, monitoring infrastructure and improving network planning. Expansion into Higher-Value Geospatial and AI-Driven Solutions. RedPlanet intends to strengthen its market position by pursuing higher-value ICT projects and investing further in R&D and AI capabilities. The integration of GeoAI, predictive analytics and digital-twin applications could allow the Group to move beyond conventional mapping towards higher-value recurring applications such as predictive maintenance, risk detection and asset optimisation. Broader Intelligent Rail Solutions Could Expand Addressable Market. The Group plans to broaden its intelligent rail offering beyond the proprietary PIES® System towards more comprehensive integrated solutions. Its recent expansion into Central Transmission System (CTS) projects provides an additional avenue to capture rail modernisation spending and increase its scope of work per project.

Company Background

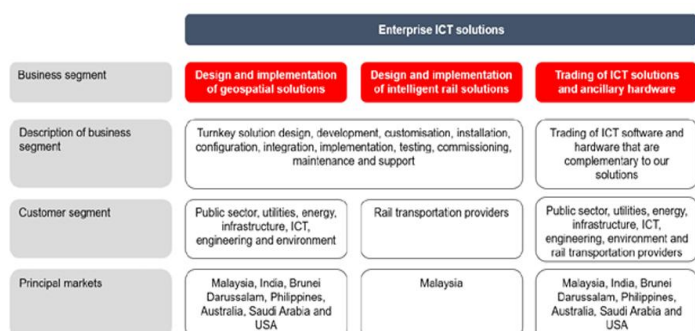
RedPlanet Berhad (“RedPlanet” or the “Group”) is a Malaysia-based enterprise ICT solutions provider specialising in geospatial solutions, intelligent rail solutions and complementary ICT solutions and hardware. The Group provides end-to-end geospatial solutions that enable infrastructure operators to digitalise, map and manage physical assets, with established expertise in the utilities sector. Its intelligent rail business is anchored by the proprietary PIES® railway safety system, which detects track intrusions and has been deployed across more than 88 stations in Malaysia, complemented by CTS solutions that provide the communications backbone connecting railway control centres with critical rail subsystems. The Group also supplies complementary ICT software, hardware and components supporting its core solutions. RedPlanet serves government and non-government bodies, local companies and multinational corporations across various infrastructure-related sectors, with a geographical reach extending beyond Malaysia to international markets. Its predominantly project-based business is further supported by recurring maintenance and support revenue from the geospatial segment. RedPlanet was listed on the LEAP Market in August 2020 and is currently transferring its listing to the ACE Market as it enters its next phase of expansion.

Figure 18: Key Milestones



Source: RedPlanet

Figure 19: Business Model

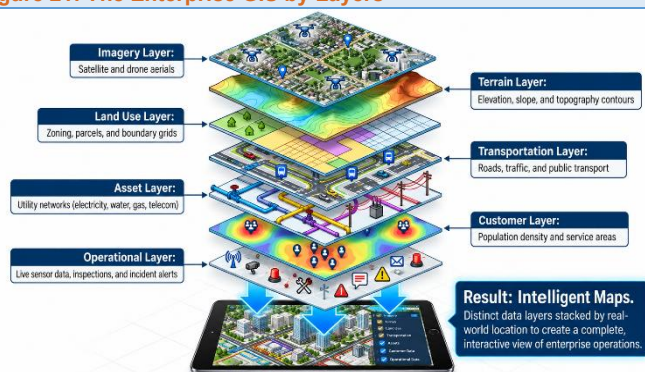


Source: RedPlanet's IPO Prospectus

Figure 20: B2C Navigation Versus B2B Intelligence



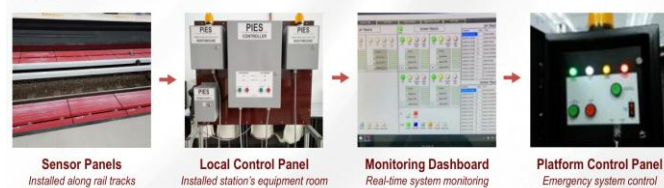
Source: RedPlanet, Mercury Securities

Figure 21: The Enterprise GIS by Layers


Source: RedPlanet, Mercury Securities

Figure 22: The PIES® System
The PIES® System

Our proprietary PIES® System integrates proprietary hardware and software to enhance railway platform safety through real-time intrusion detection and emergency response.



Source: RedPlanet

Figure 23: Key Management Team

Name and Designation	Age	Profile
Shahril Khuzairi Bin Abdullah, Independent Non-Executive Chairman	62	- Appointed as Independent Non-Executive Chairman on 16 January 2026. - Over 35 years of experience in ICT, telecommunications and rail systems, including with the Malaysian Ministry of Defence and Putra LRT. Holds a BSc in Computer and Mathematical Sciences and a Master's in Computer Science. - Former director of ATSB (2017–2021) prior to its acquisition by RedPlanet. Sole outside involvement is Skarail Comm Sdn Bhd, which was struck off on 30 March 2026.
Phong Hon Wai, Independent Non-Executive Director	63	- Appointed to the Board on 27 May 2019; Chairperson of the Audit and Risk Management Committee and a member of the Remuneration and Nomination Committees. - Over 40 years of audit, accounting and taxation experience. Chartered Accountant (MIA) and CPA Australia member; founded H.W. Phong & Associates in 1999. - Currently Senior Independent Non-Executive Director and Chairman of the Audit and Nominating Committees of CSC Steel Holdings Berhad (Main Market), and a partner of audit firms including M.W. Phong, MW and Phong & Lim PLT.
Lim Li Shiang, Independent Non-Executive Director	49	- Appointed to the Board on 16 January 2026; Chairperson of the Nomination Committee and a member of the Audit and Risk Management and Remuneration Committees. - Chartered Accountant (Chartered Accountants Australia and New Zealand and MIA) and CFA charterholder. Began her career at PricewaterhouseCoopers, Sydney, and was a Senior Equities Analyst at Kenanga Investment Bank Berhad in 2006. - Manager at LS Image Corporate Services Sdn Bhd since January 2007, covering annual report preparation and Listing Requirements compliance; previously Joint Company Secretary of Techfast Holdings Berhad (2008–2020).
Teoh Joo Shin, Independent Non-Executive Director	53	- Appointed to the Board on 16 January 2026; Chairperson of the Remuneration Committee and member of the Audit and Risk Management and Nomination Committees. - Holds a Bachelor of Commerce in Accounting and Information Systems and began her career at Andersen Consulting (now Accenture), advising financial institutions. - Previously worked at EASY Consulting on sustainability reporting and corporate strategy, and at MIS Academy in business development.
Lian Wah Seng, Executive Director / Managing Director	54	- Appointed to the Board on 22 November 2019; currently Executive Director / Managing Director, overseeing the Group's operations, strategic planning and business direction. - Holds a Bachelor of Commerce in Accounting and Computer Information Systems and is a Chartered Accountant with the MIA. - Has 33 years of experience in technology and business management, with prior roles at Arthur Andersen, OSK Securities, OCBC Securities Research and DDSB before founding GBTEK in 2016.
P.K. Senthil Kumar, Executive Director / Chief Executive Officer, GIS Group	48	- Appointed to the Board on 22 November 2019; currently Executive Director / CEO, GIS Group, overseeing the Group's GIS sales and operations. - Holds a Bachelor of Engineering in Geo-informatics and a Master of Science in Civil Engineering. - Has 26 years of experience in GIS, including custom GIS application development and business management, and joined RedPlanet Solutions as a Director in 2016.



Azhar Ahmad, Head of Data Services	54	- Serves as Head of Data Services, managing the Group's GIS operations and overseeing the completion of GIS contracts. - Holds an NCC International Diploma in Computer Studies and has 34 years of experience in GIS, business development and project management. - Founded RedPlanet Solutions in 2014 and served as RedPlanet's Executive Director until January 2026, before continuing in his current role.
Chow Pooi Onn, Chief Financial Officer	46	- Serves as Group Chief Financial Officer, overseeing the Group's finance, human resources and administrative functions. - Holds a Bachelor of Business in Accounting and Finance, and is a CPA Australia and MIA member. - Has 24 years of experience across audit and finance, including roles at Ernst & Young, Sunway Group, Newfields Capital and ATSB; appointed Group CFO in May 2024.
Catherine Lee Mei Chin, Senior Project Director / Head of Software Solutions	48	- Serves as Senior Project Director / Head of Software Solutions, overseeing GIS solutions for utility and government clients. - Holds a Bachelor of Computer Science with Business Information Processing, and is a SAP Certified Development Associate and Certified Scrum Master. - Has 30 years of experience in GIS and project management, including roles at Intergraph Systems, Antaragrafik Systems, DDSB and Align Systems; joined RedPlanet Solutions in 2018.
Lim Ming Guan, Engineering Director	49	- Serves as Engineering Director, overseeing engineering solutions, project execution and technical operations of ATSB and ASSB. - Holds a Bachelor's Degree in Electronics and Electrical Engineering from University College London. - Has 27 years of experience across engineering, telecommunications and technical sales, including roles at Omron, Siemens, Digi, Advanced Submarine Networks and Comintel; joined ASSB in 2014.

Major Customers

Customer	Country of incorporation	Main services provided	Length of Relationship as at FPE26 (Years)	Revenue (RM '000)	% of Group's Total Revenue
Fiscal Digest Sdn Bhd	Malaysia	Geospatial solutions and trading of ICT solutions	1	12,154	36.7
Customer A	Malaysia	Geospatial solutions	10	7,392	22.3
Customer D	Malaysia	Intelligent rail solutions	3	6,904	20.8
Customer B Group	USA	Geospatial solutions	9	1,762	5.3
Customer C Consortium	Malaysia/Germany	Intelligent rail solutions	3	1,072	3.2
Subtotal				29,284	88.3
Group's Total Revenue				33,166	100.0

Source: RedPlanet's IPO Prospectus

Major Suppliers

Supplier	Country of incorporation	Materials/services procured	Length of Relationship as at FPE26 (Years)	Purchases (RM '000)	% of Group's Total Purchases
Supplier C	Malaysia	Geospatial software	2	9,550	56.2
Supplier A Group	USA	Geospatial software	11	2,896	17.1
Simple Advantage Sdn Bhd	Malaysia	Labour services	9	1,367	8.1
Hexamap Solutions Pvt Ltd	India	Labour services	11	849	5.0
Keen Component Industries Sdn Bhd	Malaysia	Steel components	3	348	2.1
Subtotal				15,010	88.4
Group's Total Revenue				16,985	100.0

Source: RedPlanet's IPO Prospectus

Future Plans and Business Strategies

Strengthen Market Position in Higher-Value ICT Projects. RedPlanet plans to strengthen its market position by pursuing higher-value ICT projects, particularly within its core geospatial and intelligent rail solutions businesses. The Group intends to leverage its established technical expertise and project track record while scaling its execution capacity using proceeds from the IPO to undertake larger and more complex projects. As part of this strategy, RedPlanet had submitted 11 tenders with a combined tender value of RM132.05m, representing potential opportunities to expand its future project pipeline. The Group also intends to build on its existing customer relationships and technical capabilities to secure new projects and broaden its customer base, supporting the continued expansion of its geospatial and intelligent rail businesses.

Expand Intelligent Rail Solutions Beyond PIES®. RedPlanet intends to broaden its intelligent rail offerings beyond its proprietary PIES® System to provide customers with more comprehensive and integrated rail solutions. A key area of expansion is the Central Transmission System ("CTS"), which supports railway connectivity, signal transmission and system integration, thereby expanding the Group's capabilities beyond platform intrusion detection. RedPlanet has already made progress in this area by securing a RM21.60m CTS contract for the Ampang LRT Line and an approximately RM10.87m contract to upgrade the existing CTS for the Kelana Jaya LRT Line. By combining its established PIES® technology with CTS and broader system integration capabilities, the Group aims to increase its scope of participation in rail infrastructure projects and capture a larger share of future rail modernisation opportunities.

Enhance R&D and AI Capabilities. RedPlanet plans to continue investing in research and innovation to enhance its technological capabilities and address evolving customer requirements. Its development initiatives include an AI Asset Detection Tool and an Automated Open Track AI Detection and Early Warning System, which are intended to automate data processing and enhance the capabilities of its existing geospatial solutions. These initiatives would allow the Group to incorporate greater automation and AI-driven functionality into its solutions while complementing its existing geospatial and intelligent rail expertise. Over the longer term, continued investment in R&D and AI is expected to support the development of higher-value ICT solutions, strengthen RedPlanet's technological proposition and create new business opportunities across its existing and potential customer base.

Key Risks

Revenue Volatility and Dependence on Continuous Project Replenishment. RedPlanet operates largely on a project-driven model, where revenue recognition is influenced by the timing, progress and completion of individual contracts. This is reflected in fluctuations across its segments, particularly ICT trading, which fell sharply in FYE2025 following lower software licence supply and the completion of a contract, while intelligent rail revenue increased on higher project progress. As such, maintaining earnings growth depends on continuously securing and executing new projects, while delays in awards or weaker tender conversion could result in uneven revenue recognition.

Dependence on Key Customers and Large Contracts. A meaningful portion of RedPlanet's operating track record is tied to major customers, particularly Customer A in geospatial solutions and Customer D in intelligent rail solutions. The Group has provided geospatial solutions to Customer A since 2016, while recent intelligent rail revenue has been supported by projects involving Customer D. Any reduction in project awards, non-renewal of contracts or lower spending by these major customers could adversely affect revenue and earnings, particularly if replacement projects are not secured in a timely manner.

Project Execution and Delivery Risks. RedPlanet provides end-to-end solutions encompassing design, development, customisation, installation, integration, testing, commissioning, maintenance and support, exposing the Group to execution risks throughout the project lifecycle. Delays in implementation, technical complications or difficulties integrating new solutions with customers' existing systems could postpone project completion and revenue recognition, while additional costs incurred to resolve execution issues could also pressure project margins and profitability.

Reliance on Third-Party Technology and ICT Suppliers. While The Group owns proprietary technologies such as PIES® and BLUCOR®, part of its business involves trading third-party ICT software and hardware that complement its geospatial and intelligent rail solutions. RedPlanet has also historically operated as an authorised provider/reseller of Supplier A Group's geospatial products. Any disruption to these supplier relationships, changes in commercial terms, software availability or higher hardware costs could affect the Group's ability to deliver integrated solutions competitively and may place pressure on margins.

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Sustainability Review

Environmental (E)

1. Digitalisation and Efficient Asset Management

- RedPlanet's geospatial solutions support customers' digitalisation and automation by capturing, analysing and presenting spatial data through digital maps, charts and dashboards for better operational decision-making.
- The Group uses LiDAR sensors, high-resolution cameras and GNSS receivers for large-scale data collection, enabling digital mapping, 3D modelling and monitoring of physical assets.

2. Environmental Disclosure

- RedPlanet operates primarily as technology- and service-oriented rather than manufacturing-intensive, with its principal activities centred on geospatial solutions, intelligent rail solutions and ICT solutions.
- The prospectus does not disclose specific environmental initiatives or quantitative indicators for emissions, energy, water or waste, leaving room for more comprehensive environmental reporting post-listing.

Social (S)

1. Occupational Safety and Health

- RedPlanet complies with the relevant provisions of the Occupational Safety and Health Act 1994 and the Occupational Safety and Health (Amendment) Act 2022.
- Data collectors receive in-house equipment training and safety briefings before fieldwork, with customer representatives or site supervisors typically present during data collection activities.

2. Cybersecurity and Data Privacy

- The Group conducts mandatory cybersecurity and data privacy awareness programmes for employees, supported by an IT employee and outsourced IT provider responsible for maintaining its cybersecurity systems.
- Customer data is protected through non-disclosure agreements and/or personal data protection clauses, supplemented by internal briefings and routine compliance checks throughout projects.

Governance (G)

1. Corporate Governance and Board Independence

- RedPlanet had implemented 30 out of 48 recommended MCCG practices as at the LPD, with plans to assess the remaining practices following its listing.
- At least half of the Board comprises independent directors, while the Chairman and Managing Director roles are held by separate individuals.

2. Risk Management and Internal Controls

- The Audit and Risk Management Committee, comprising Independent Non-Executive Directors, oversees internal and external audit, financial reporting, internal controls and risk management.
- The Committee also reviews the adequacy and effectiveness of the Group's risk management framework and monitors corrective actions for identified weaknesses.

3. Board Diversity and Effectiveness

- At least 30% of RedPlanet's Board comprises women directors, while the Nomination Committee considers diversity in gender, ethnicity and age alongside skills and professional experience.
- The Committee also assesses directors' independence, performance and contribution to support effective Board oversight and decision-making.

Overall ESG Outlook. RedPlanet's ESG practices are currently more established within the social and governance pillars, particularly occupational safety, cybersecurity, data privacy, Board independence and risk oversight. Environmental disclosure remains relatively limited, with no quantitative targets or indicators disclosed for emissions, energy, water or waste. Post-listing, more comprehensive sustainability reporting and measurable ESG targets would provide greater visibility into the Group's sustainability performance.

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