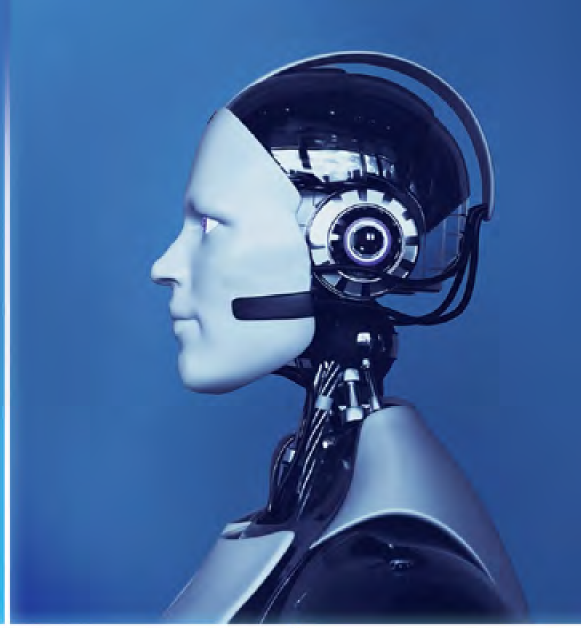
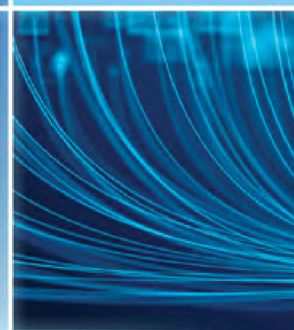
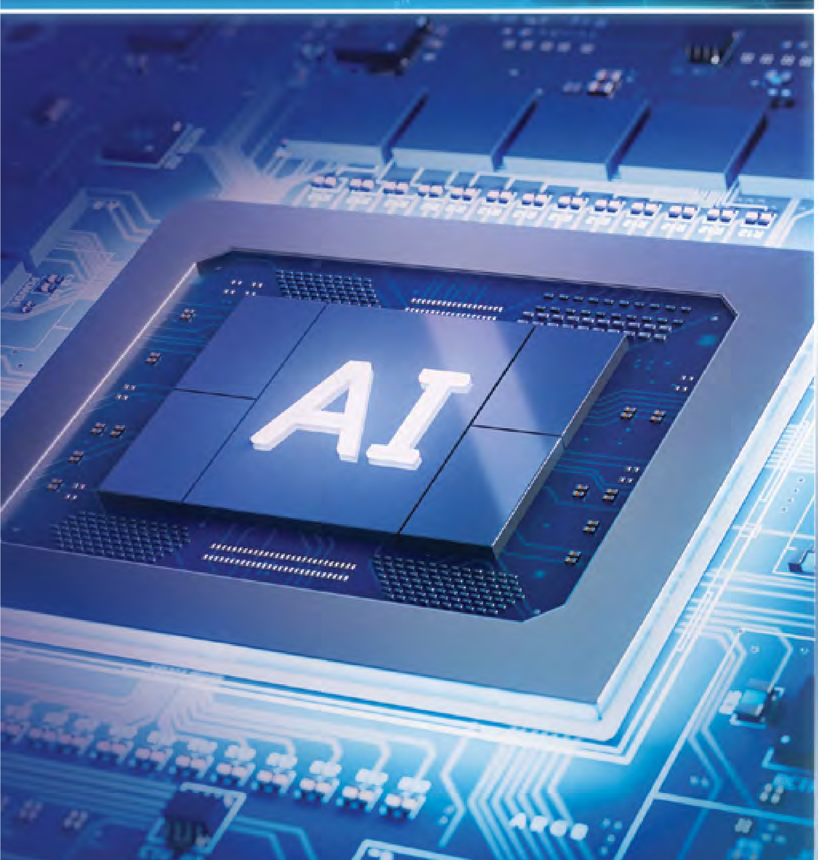
SKYECHIP

Accelerating Computing



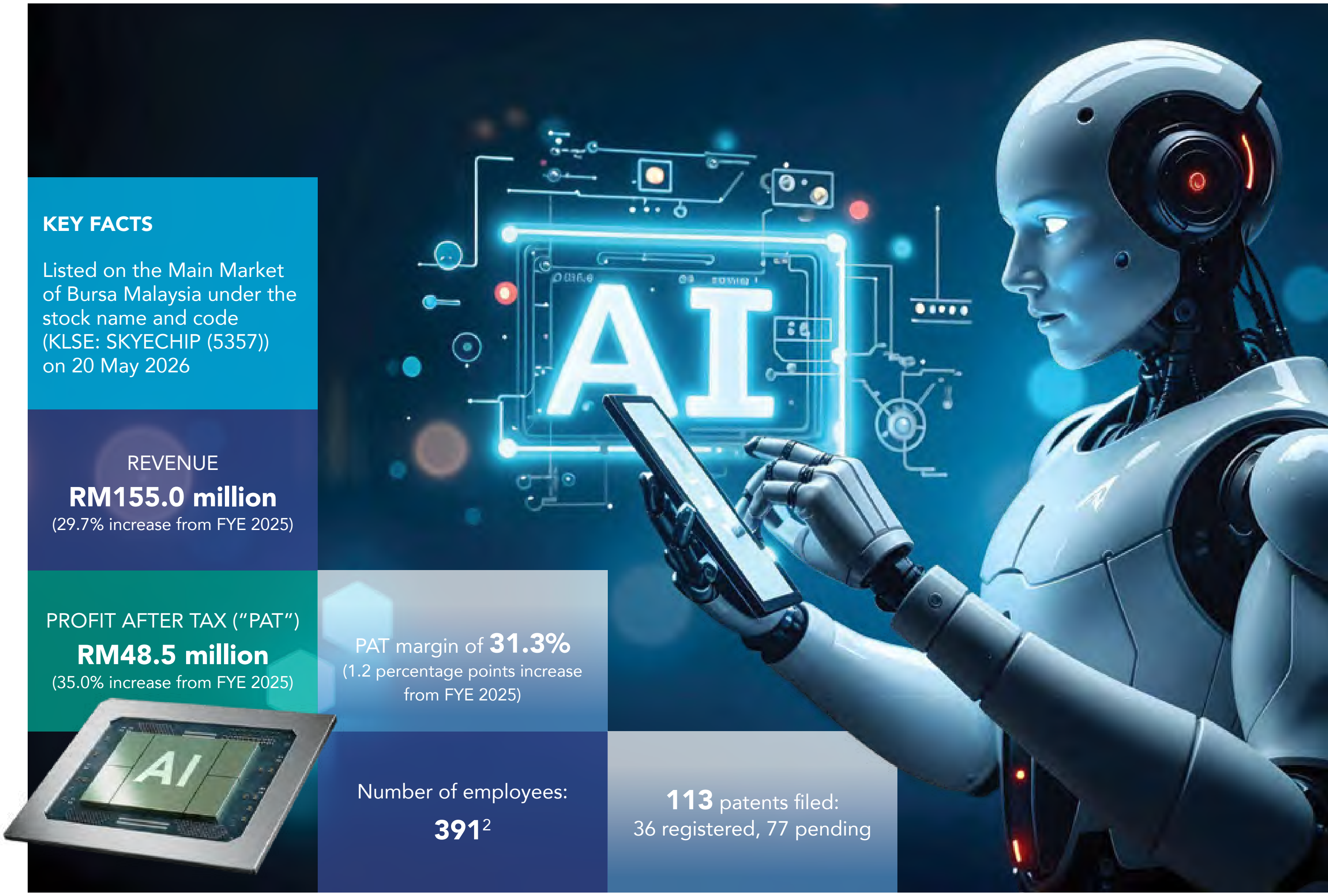




ANNUAL REPORT 2026

WHAT'S INSIDE THIS REPORT

OVERVIEW OF SKYECHIP BERHAD



KEY FACTS

Listed on the Main Market of Bursa Malaysia under the stock name and code (KLSE: SKYECHIP (5357)) on 20 May 2026

REVENUE
RM155.0 million
(29.7% increase from FYE 2025)

PROFIT AFTER TAX ("PAT")
RM48.5 million
(35.0% increase from FYE 2025)

PAT margin of **31.3%**
(1.2 percentage points increase from FYE 2025)

Number of employees:
391[2]

113 patents filed:
36 registered, 77 pending

WHO WE ARE

SkyeChip Berhad is a Malaysia based integrated circuit ("IC") design company specialising in the design and development of cutting-edge silicon intellectual property ("IP") and silicon products for artificial intelligence ("AI") and high-performance computing ("HPC") applications. The company commenced IC design operations in 2020, and has grown into a notable Malaysian IC design company. Its listing on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") in May 2026 marks a milestone that reflects the company's strong growth potential and robust market confidence in its business model.

Our team brings in-depth, end-to-end technical expertise across the full IC development lifecycle from architecture and micro-architecture through logic and circuit design, design for test ("DFT"), physical design, layout, package and silicon product engineering. Beyond our silicon design expertise, our team possesses experience in project management, new product introduction, and global supply chain management, enabling us to manage the entire product lifecycle from IC design and development through to volume production.

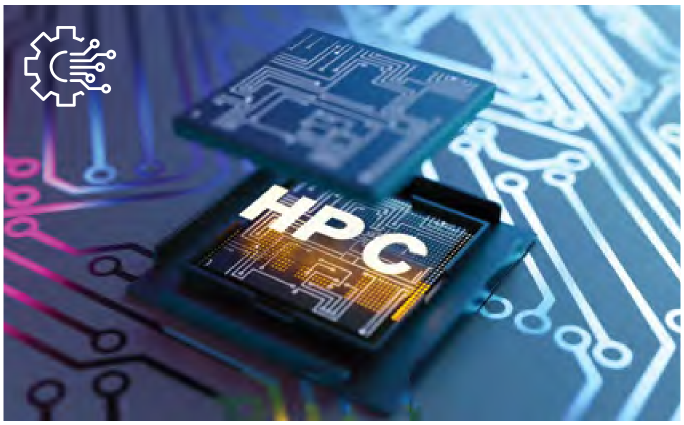
We are headquartered in Penang, Malaysia, and have offices in Selangor, Malaysia; Ho Chi Minh City and Da Nang, Vietnam; Shanghai, China, Singapore and the United States of America ("USA")[1]. Our principal markets are China, USA and Taiwan.

[1] SkyeChip Inc., a wholly owned subsidiary of SkyeChip Berhad was incorporated on 15 June 2026.
[2] as of 31 March 2026.

OVERVIEW OF SKYECHIP BERHAD

WHAT WE DO

Our core offerings span two segments: Silicon IP and Silicon Products.



SILICON IP DESIGN

- Standard Silicon IP
- Custom Silicon IP
- Others[1]

SILICON PRODUCTS DESIGN AND DEVELOPMENT

- Custom ASIC
- Other silicon products

Under Silicon IP, we currently develop and commercialise both standard and custom silicon IPs, including high-performance memory interface IPs, Network-on-Chip ("NOC") IPs, and Die-to-Die ("D2D") interface IPs. These IPs are pre-designed, pre-verified building blocks that customers integrate into their IC products.

Under Silicon Products, we currently design and develop custom Application-Specific Integrated Circuits ("ASICs") tailored to specific applications including AI inference, Internet-of-Things ("IoT") and HPC as well as other silicon products.

[1] Include design services, design of memory test systems as well as engineering services.

SKYECHIP'S BUSINESS GOAL & CORE VALUES

SkyeChip's Business Goal

Delivering cutting-edge Silicon IP and Custom ASIC solutions for deep learning and HPC.

SkyeChip's Core Values

T
Teamwork

O
Open communication

P
Partnership for success

R
Result orientation

E
Excellence through quality and innovation

V
Value of employees

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Seri Wong Siew Hai
Independent Non-Executive Chairman

Dato' Fong Swee Kiang
Executive Director and Chief Executive Officer

Teh Chee Hak
Executive Director and Chief Technology Officer

Dato' Seri Gooi Soon Chai
Independent Non-Executive Director

Datuk Alexandra Chin @ Fui Lin, J.P. (F)
Independent Non-Executive Director

Norinne Ira Dewal Binti Md Ali (F)
Independent Non-Executive Director

Note:
(F) denotes female

AUDIT AND RISK MANAGEMENT COMMITTEE

Datuk Alexandra Chin @ Fui Lin, J.P.
Chairman

Dato' Seri Gooi Soon Chai
Norinne Ira Dewal Binti Md Ali

NOMINATION COMMITTEE

Norinne Ira Dewal Binti Md Ali
Chairman

Dato' Seri Gooi Soon Chai
Datuk Alexandra Chin @ Fui Lin, J.P.

REMUNERATION COMMITTEE

Dato' Seri Gooi Soon Chai
Chairman

Datuk Alexandra Chin @ Fui Lin, J.P.
Norinne Ira Dewal Binti Md Ali

LONG-TERM INCENTIVE PLAN COMMITTEE

Norinne Ira Dewal Binti Md Ali
Chairman

Datuk Alexandra Chin @ Fui Lin, J.P.
Dato' Fong Swee Kiang
Teh Chee Hak

COMPANY SECRETARIES

Ong Tze-En
(MAICSA Membership No. 7026537)
(CCM Practising Certificate No. 202008003397)

Lau Yoke Leng
(MAICSA Membership No. 7034778)
(CCM Practising Certificate No. 202008003368)

REGISTERED OFFICE

170-09-01, Livingston Tower,
Jalan Argyll,
10050 George Town,
Pulau Pinang.
Tel No. : +604 229 4390
Email :
boardroom-kl@boardroomlimited.com

HEAD/MANAGEMENT OFFICE

1-18-12 Suntech @ Penang Cybercity,
Lintang Mayang Pasir 3,
11950 Bayan Baru, Pulau Pinang.
Tel No. : +604 638 3116
Email : corporate@skyechip.com
Website : www.skyechip.com

AUDITORS AND REPORTING ACCOUNTANTS

Grant Thornton Malaysia PLT
Registration No.: 201906003682
(LLP0022494-LCA) & AF 0737
Chartered Accountants
Level 5, Menara BHL
51, Jalan Sultan Ahmad Shah 10050
George Town Pulau Pinang.
Tel No. : +604 228 7828

PRINCIPAL BANKERS

CIMB Islamic Bank Berhad
Maybank Islamic Berhad
United Overseas Bank (Malaysia) Berhad

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Stock name : SKYECHIP
Listing : Main Market
Sector : Technology
Stock code : 5357

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13,
46200 Petaling Jaya, Selangor.
Tel No. : +603 7890 4700
Email :
BSR.helpdesk@boardroomlimited.com

HISTORY & KEY MILESTONES

From a Penang start-up to Malaysia's leading IC design company.

2019 - 2020

FOUNDED

Company incorporated & first contracts secured

SkyeChip Berhad commenced operations in Penang, Malaysia. Secured first contract for the design of custom silicon IP (including Double Data Rate ("DDR") 3 and DDR4). Initiated design and development of High Bandwidth Memory ("HBM") 3 memory interface IPs and filed the first patent application.

- Custom Silicon IP
- First patent filed

2021 - 2022

PORTFOLIO EXPANSION

First coherent NOC IP

Initiated design and development of the coherent NOC IP in 2021. In 2022, secured the first contract to license the NOC IP to a fabless semiconductor company. Also secured a contract for the design of a custom silicon IP covering DDR, Low Power Double Data Rate ("LPDDR"), Low-Voltage Differential Signalling ("LVDS"), and Mobile Industry Processor Interface ("MIPI") interface protocols.

- Coherent NOC IP

2023

CUSTOM ASIC ERA BEGINS

Expanded into custom ASIC design & development

Secured contracts for HBM3 memory interface IP licensing and development of a custom silicon IP (low-power, low-latency memory interface IP). Jointly developed two IoT ASICs with a technology partner, incorporating SkyeChip's silicon IPs, marking SkyeChip's first step into silicon products design.

- First IoT ASIC contract
- HBM3 IP licensing

2024

COMMERCIALISATION

First IoT ASIC commercialised & HBM3E launched

Launched HBM3E silicon IP and a new generation of NOC IPs. Commercialised the first IoT ASIC. Secured a contract for a custom AI inference ASIC. Granted Malaysia Digital Status for IC design solutions.

- IoT ASIC commercialisation
- HBM3E IP launched
- AI inference ASIC
- Malaysia Digital Status

2025

ECOSYSTEM GROWTH

D2D Interface IP and foundry alliance

Commercialised D2D Interface IP. Joined Intel Foundry Accelerator IP Alliance. Commercialised LPDDR5 and LPDDR5x memory interface IPs. Secured contracts for the development of RISC-V System-on-Chip ("SoC") and Field Programmable Gate Array ("FPGA") subsystems. Received conditional approval letter for access to ARM Holdings Plc ("ARM") Compute Subsystem ("CSS") token.

- D2D Interface IP
- Intel Foundry Alliance
- ARM CSS access

2026

LANDMARK YEAR

Listed on Main Market of Bursa Malaysia — 20 May 2026

Received conditional approval letter and signed the definitive agreement for access to the ARM Flexible Access ("AFA") token. HBM4/HBM3E combo PHY IP listed on Samsung Foundry CONNECT. Successfully entered the USA and Republic of Korea market. Main Market IPO raised RM352.0 million gross proceeds, backed by 22 cornerstone investors.

- ARM AFA access
- Listed on the Main Market of Bursa Malaysia
- USA & Republic of Korea market entry

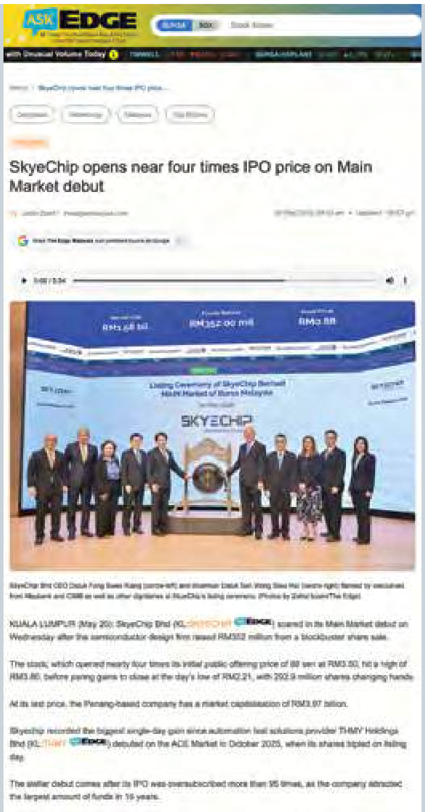
AWARDS AND RECOGNITIONS

Our commitment to engineering excellence, innovation and intellectual property development has earned us recognition from reputable institutions, reaffirming our standing as a notable IC design company in Malaysia.

Since the commencement of our business, SkyeChip has been honoured with the following awards and recognition, reflecting our technical credibility and contribution to Malaysia’s semiconductor ecosystem.

YEAR	AWARDING PARTY	AWARD / RECOGNITION
2023	Ministry of Investment, Trade and Industry, Malaysia	Certificate of acknowledgement as a Mission-based Project Champion – Create global IC design champions in Electric Vehicle (“EV”), Renewable Energy (“RE”) and AI under the New Industrial Master Plan 2030 (“NIMP 2030”)
	The Institution of Engineering and Technology (Malaysia Network)	Platinum Award for Industry Excellence Award 2023

IN THE NEWS


SkyeChip opens near four times IPO price on Main Market debut


SkyeChip extends gains into second trading day, becomes second-best IPO performer in 2026


SkyeChip signs underwriting deal for Bursa Malaysia Main Market IPO


IPO SkyeChip Terlebih Langganan 95.03 Kali Menjelang Penyenaraian


SkyeChip Bakal Disenaraikan Di Pasaran Utama Sasar Raih RM352 Juta Melalui IPO


赛凯智一鸣惊人 首日溢价151% 2.9亿股易手

EVENT HIGHLIGHTS

SIGNING CEREMONY FOR THE UNDERWRITING AGREEMENT

LAUNCH OF THE PROSPECTUS

COMMEMORATIVE IPO GONG CEREMONY

CORPORATE STRUCTURE

SKYECHIP
Accelerating Computing

SKYECHIP BERHAD
Registration No. 201901014484 (1323812-D)
(Incorporated in Malaysia)

MALAYSIA

- 100% SkyeChip Technology Sdn. Bhd. ("SCTSB")
- 100% SkyeChip Semi Sdn. Bhd. ("SCSSB")

SINGAPORE

- 100% SkyeChip Pte. Ltd. ("SCPL")

CHINA

- 100% SkyeChip Semiconductor (Shanghai) Co., Ltd. ("SCSCL")

USA

- 100% SkyeChip Inc. ("SCI")[1]

VIETNAM

- 100% SkyeChip Solutions Vietnam Company Limited ("SCSVCL")
- 100% SkyeChip Technology Vietnam Company Limited ("SCTVCL")

[1] SkyeChip Inc. was incorporated on 15 June 2026.

GLOBAL PRESENCE

DIRECTORS' PROFILE

from left to right

1 DATO' SERI GOOI SOON CHAI
Independent Non-Executive Director

2 DATO' FONG SWEE KIANG
Executive Director & Chief Executive Officer

3 DATO' SERI WONG SIEW HAI
Independent Non-Executive Chairman

4 TEH CHEE HAK
Executive Director & Chief Technology Officer

5 NORINNE IRA DEWAL BINTI MD ALI
Independent Non-Executive Director

6 DATUK ALEXANDRA CHIN @ FUI LIN, J.P.
Independent Non-Executive Director

DIRECTORS' PROFILE

DATO' SERI WONG SIEW HAI

Independent Non-Executive Chairman

Age: 75 **Nationality:** Malaysian **Gender:** Male
Date of Appointment: 24 February 2025

Academic/Professional Qualifications

- Bachelor of Science in Mechanical Engineering, University of Leeds, United Kingdom (UK) (1974)
- Master of Science in Management Science, Imperial College of Science and Technology, University of London, UK (1975)

Awards

- Darjah Panglima Pangkuan Negeri (D.P.P.N) from the Yang di-Pertua Negeri Pulau Pinang (2022)

Present Appointment(s)

- Independent Non-Executive Chairman, Nationgate Holdings Berhad

Working Experience/Past Directorships

1976-1996
Intel Technology Sdn Bhd ("Intel"): Joined as Quality Assurance Engineer, progressed to Quality Assurance Manager, and subsequently to General Manager of the 8-bit micro-controller business unit.

1996-1998
Dell Computer Corporation: Vice President / Managing Director, Asia Pacific Customer Centre.

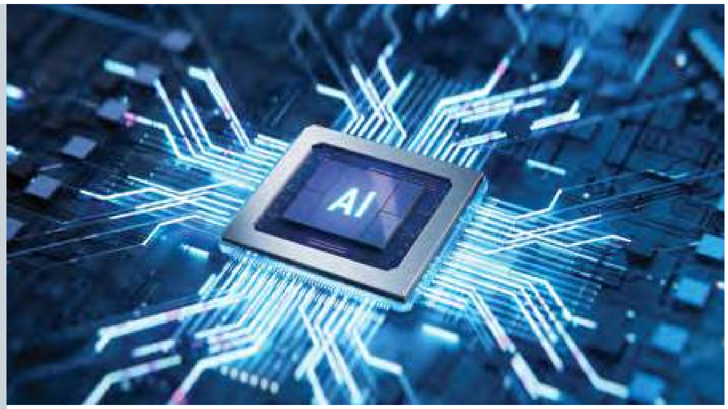
1998-2004
Intel: Rejoined as Managing Director of Assembly Test Manufacturing Malaysia, promoted to Vice President & Country Managing Director of Intel Malaysia, and subsequently to Vice President of Technology and Manufacturing Group & General Manager of Assembly Test Manufacturing.

2004-2008
Director, Invest-In-Penang Berhad.

2005-2017
Board member, Malaysia External Trade Development Corporation ("MATRADE").

2005-2021
Chairman, Malaysian American Electronics Industry.

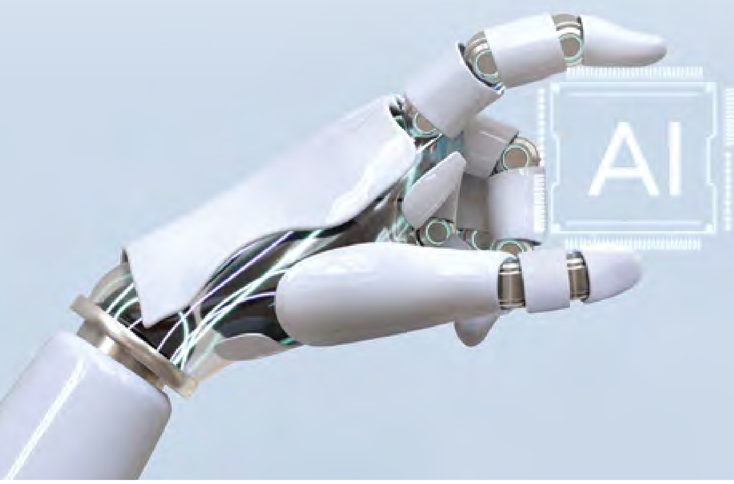
DIRECTORS' PROFILE



DATO' FONG SWEE KIANG

Executive Director
& Chief Executive Officer

Age: 63 **Nationality:** Malaysian **Gender:** Male
Date of Appointment: 17 September 2019



Academic/Professional Qualifications

- Bachelor of Electrical Engineering (First Class Honours), Universiti Teknologi Malaysia (1986)
- Master of Business Administration, Washington University in St. Louis, USA (2010)

Awards

- Darjah Setia Pangkuan Negeri (D.S.P.N) from the Yang di-Pertua Negeri Pulau Pinang (2025)

Present Appointment(s)

- Member of Long-Term Incentive Plan Committee, SkyeChip Berhad

Working Experience/Past Directorships

1986-2011
Intel: Joined as an engineer in 1986 with last held position of Director of Intel Penang Design Centre, responsible for overseeing the development of central processing units, chipsets and IPs.

2011-2016
Altera Corporation (M) Sdn Bhd ("Altera Malaysia") (an Intel Corporation related company): Joined as Vice President of Design Engineering with last held position of Vice President of Engineering, Intel Programmable Solutions Group, leading the company's R&D operations in Malaysia.

2016-2019
Avago Technologies (Malaysia) Sdn Bhd ("Avago Technologies") (a Broadcom Inc. related company): Joined as Director of Operations and later held the position of Senior Operations Director, responsible for managing global operations and overseeing new product introductions.

2019-present
SkyeChip Berhad: Chief Executive Officer, leading business strategy, overseeing operations, sales and marketing, financial health, governance and stakeholder management.

DIRECTORS' PROFILE

TEH CHEE HAK

Executive Director
& Chief Technology Officer

Age: 49 **Nationality:** Malaysian **Gender:** Male
Date of Appointment: 5 February 2023

Academic/Professional Qualifications

- Bachelor of Engineering (Honours) in Electrical and Electronic Engineering, Universiti Sains Malaysia (2000)

Present Appointment(s)

- Member of Long-Term Incentive Plan Committee, SkyeChip Berhad

Working Experience/Past Directorships

2000-2012
Intel Microelectronics (M) Sdn Bhd ("Intel Microelectronics"): Joined as an engineer in 2000 and last held the position of senior staff component design engineer, responsible for the architecture and microarchitecture of central processing units, memory, I/O and platform controller hubs, and IPs.

2012-2016
Altera Malaysia: Joined as principal engineer, progressed to architect, responsible for designing and implementing the memory interface architecture and microarchitecture of FPGA products and IPs.

2016-2020
Intel Microelectronics (re-joined, following Intel Corporation's acquisition of Altera Corporation): Principal engineer, focusing on the overall architecture and microarchitecture of FPGA products and IPs, and last held the position of chief architect.

2020-present
SkyeChip Berhad: Chief Technology Officer, overseeing technical strategy and leading the design and development of advanced IPs and ASICs for artificial intelligence and high-performance computing applications.

DIRECTORS' PROFILE

DATO' SERI GOOI SOON CHAI

Independent Non-Executive Director

Age: 65 **Nationality:** Malaysian **Gender:** Male
Date of Appointment: 12 February 2025

Academic/Professional Qualifications

- Bachelor of Science (Engineering) (First Class Honours), University College London, University of London, UK (1983)
- Master of Science in Computing Science, Imperial College of Science and Technology, University of London, UK (1984)

Awards

- Darjah Gemilang Pangkuan Negeri (D.G.P.N) from the Yang di-Pertua Negeri Pulau Pinang (2024)

Present Appointments

- Chairman of the Remuneration Committee & Member of the Audit and Risk Management Committee and Nomination Committee, SkyeChip Berhad
- Non-Independent Non-Executive Chairman, Frencken Group Limited
- Independent Non-Executive Director, Vitrox Corporation Berhad

Working Experience/Past Directorships

1985-1999
Hewlett Packard ("HP"): Rose through the ranks to last hold the position of Manufacturing Manager of the Wireless Semiconductor Division, prior to HP spinning off several business units to form Agilent Technologies Incorporated ("Agilent") in 1999.

1999-2014
Agilent: Held various leadership roles including Senior Vice President and President of Order Fulfilment and Supply Chain for the electronic measurement, life sciences and chemical analysis businesses.

2014-2025
Keysight Technologies ("Keysight", spun off from Agilent's electronic measurement segment in 2014): Held senior management positions including President of Order Fulfilment and Infrastructure, President of the Electronic Industrial Solutions Group, President of Order Fulfilment and Digital Software Solutions, and last held the position of Senior Vice President prior to retirement in 2025, overseeing design engineering and software test automation businesses, order fulfilment, global procurement and materials, and information technology functions.

DIRECTORS' PROFILE

DATUK ALEXANDRA CHIN @ FUI LIN, J.P.

Independent Non-Executive Director

Age: 65 **Nationality:** Malaysian **Gender:** Female
Date of Appointment: 12 February 2025

Academic/Professional Qualifications

- Fellow Member, Association of Chartered Certified Accountants (ACCA) (fellow since 1991, associate since 1986)
- Member, Malaysian Institute of Accountants (MIA) (since 1988)
- Fellow Member, Chartered Tax Institute of Malaysia (since 1995)
- Member, Institute of Corporate Directors Malaysia (ICDM) (since 2019)

Awards

- Justice of the Peace (J.P.), appointed by the Yang di-Pertua Negeri Sabah (2009)
- Panglima Gemilang Darjah Kinabalu (P.G.D.K), conferred by the Yang di-Pertua Negeri Sabah (2014)

Present Appointments

- Chairman of the Audit and Risk Management Committee & member of Nomination Committee, Remuneration Committee and Long-Term Incentive Plan Committee, SkyeChip Berhad
- Independent Non-Executive Director, Suria Capital Holdings Berhad
- Independent Director, Audience Analytics Limited

Working Experience/Past Directorships

1981-2005
Chin & Co., Chartered Accountants: Joined as Audit Assistant in 1981, progressed to Audit Manager and subsequently became a Partner in 1990.

2005-present
Alexandra FL Chin, Chartered Accountants: Founded own practice and currently in practice as a Chartered Accountant.

DIRECTORS' PROFILE

NORINNE IRA DEWAL BINTI MD ALI

Independent Non-Executive Director

Age: 48 **Nationality:** Malaysian **Gender:** Female
Date of Appointment: 12 February 2025

Academic/Professional Qualifications

- LLB (Honours), University of Bristol, UK (1999)
- MA in International Business and Management, University of Westminster, UK (2000)
- Called to the Bar of England and Wales; Member of Lincoln's Inn, UK (since 2001)
- Advocate and Solicitor of the High Court of Malaya; Member of the Malaysian Bar (since 2003)
- Member, Institute of Corporate Directors Malaysia (ICDM) (since 2023)

Present Appointments

- Chairman of the Nomination Committee and Long-Term Incentive Plan Committee & member of the Audit and Risk Management Committee and Remuneration Committee, SkyeChip Berhad
- Independent Non-Executive Director, Bintang Capital Partners Berhad

Working Experience/Past Directorships

2003-2021
Messrs. Kadir, Andri & Partners: Joined as a Legal Assistant in 2003, specialising in the areas of corporate and commercial law including mergers and acquisitions, capital markets and securities regulation. She has also advised on corporate governance and corporate advisory matters. She became a Partner in 2012 until her departure from the firm in 2021.

2022-2023
Messrs. Sreeesanthan & Co.: Rejoined the profession as a Partner following a career break.

2024-present
Wei Chien & Partners: Presently a Partner in the Corporate Department.

Notes:

Saved as disclosed above:

a) *None of the Directors have any family relationship with other Directors and/or major shareholders of the Company.*
b) *None of the Directors of the Company have any conflict of interest or potential conflict of interest with the Company and the Group, including any interests in businesses that compete with the Group, other than those disclosed in the Company's financial statements and the Statement on Risk Management and Internal Control contained in this Annual Report.*
c) *None of the Directors have been convicted of any offences other than traffic offences, if any, within the past five (5) years or been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2026.*
d) *Save and except for Dato' Seri Wong Siew Hai, Dato' Seri Gooi Soon Chai and Datuk Alexandra Chin @ Fui Lin, J.P., none of the other Directors has any other directorships in listed issuers.*

KEY SENIOR MANAGEMENT'S PROFILE

CHONG LAI HOCK

Chief Operating Officer

Age: 61
Nationality: Malaysian
Gender: Male

Academic/Professional Qualifications

- Bachelor of Engineering (Electrical) (First Class Honours), Universiti Malaya (1991)

Working Experience/Past Directorships

1991-1995
Intel: Joined as an Engineer, responsible for product development and failure analysis.

1995-2012
Intel Microelectronics: Joined as Project Leader, progressed through various engineering and leadership roles including Micro-Architect and Design Engineering Manager, and last held the position of Director of System-on-Chip Engineering, overseeing end-to-end development of central processing units, chipsets and SoC silicon while leading product development efforts.

2012-2016
Altera Malaysia: Senior Director of Design Engineering, responsible for directing FPGA silicon development and managing a team of engineers.

2016-2024
Intel Microelectronics (re-joined, following Intel Corporation's acquisition of Altera Corporation): Senior Director of Programmable Hardware Engineering (Penang), Programmable Solutions Group, managing a team of over 800 people overseeing R&D operations, and subsequently advanced to Senior Director of Custom FPGA Engineering, leading a team of over 300 engineers responsible for end-to-end FPGA silicon development.

2024-present
SkyeChip Berhad: Chief Operating Officer, responsible for engineering and global operations, overseeing IC and IP development and driving operational excellence and business growth.

CHIN ENG FOOK

Chief Information Officer

Age: 66
Nationality: Malaysian
Gender: Male

Academic/Professional Qualifications

- Bachelor of Applied Science in Electronics Science and Technology (First Class Honours), Universiti Sains Malaysia (1985)

Working Experience/Past Directorships

1985-1995
Intel: Joined as Product Engineer, responsible for testing product performance and yield for microprocessors and peripheral products, supporting product development and transfer of test development capabilities across locations.

1995-2011
Intel Microelectronics: Held several positions including Design Automation/Engineering Computing Manager and System Software Manager, overseeing design automation, engineering computing and system software engineering.

2012-2018
Altera Malaysia: Software Manager, responsible for software engineering and managing a software development team; retired in 2018.

2020-2024
ICWorks Sdn Bhd: Rejoined the workforce as Principal Engineer upon invitation by Dato' Fong Swee Kiang, focusing on engineering computing.

2024-present
SkyeChip Berhad: Chief Information Officer, overseeing servers, systems and network infrastructure, implementing data security strategies, and providing engineers with reliable IT resources.

KEY SENIOR MANAGEMENT'S PROFILE

GALVIN WONG

Finance Director

Age: 33
Nationality: Malaysian
Gender: Male

Academic/Professional Qualifications

- Member, Malaysian Institute of Accountants (MIA) (since 2023)
- Member, Association of Chartered Certified Accountants (ACCA) (since 2023)

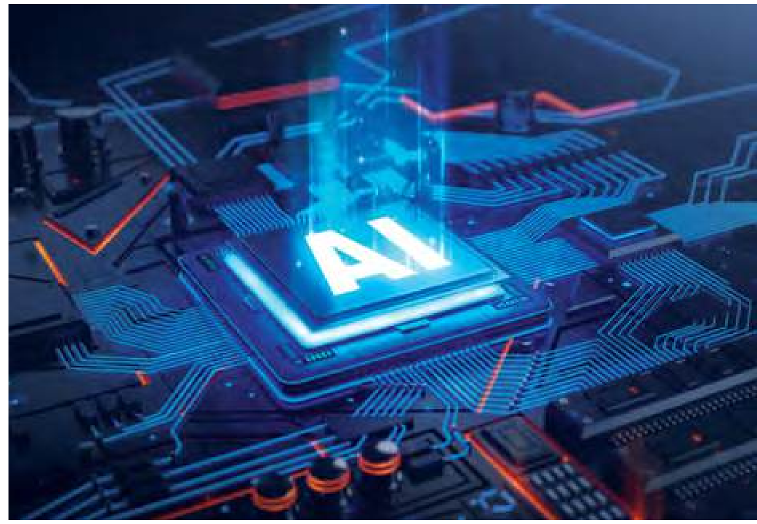
Working Experience/Past Directorships

2017-2018
AmFunds Management Bhd: Equities Executive, responsible for equities research.

2018-2023
abrdn Islamic Malaysia Sdn Bhd: Joined as Investment Analyst focusing on equities research, promoted to Investment Manager in 2022 with expanded responsibilities in fund management.

2023-2025
SkyeChip Berhad: Joined as Strategic Financial Controller, responsible for statutory reporting, financial management, corporate compliance and financial strategy development.

2025-present
SkyeChip Berhad: Finance Director, overseeing statutory reporting and financial management, financial planning, sustainability initiatives and corporate compliance, treasury operations including foreign exchange, hedging, cash and liquidity management, and liaison with external stakeholders including auditors, investors and bankers.



Notes:

Saved as disclosed above:

a) None of the Key Senior Management have any family relationship with any Directors and/or major shareholders of the Company.
b) None of the Key Senior Management of the Company have any conflict of interest or potential conflict of interest with the Company and the Group, including any interests in businesses that compete with the Group.
c) None of the Key Senior Management have been convicted of any offences other than traffic offences, if any, within the past five (5) years or been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 March 2026.
d) None of the Key Senior Management have any other directorship in public companies and listed issuers.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors of SkyeChip Berhad ("Board"), it is my honour and privilege to present to you the Annual Report and Financial Statements for the financial year ended 31 March 2026 ("FYE 2026"), our first as a public listed company on the Main Market of Bursa Malaysia.

Our listing on 20 May 2026 represents a defining milestone in SkyeChip's journey. What began in 2020 as an IC design startup in Penang has grown into a leading IC design house capable of designing and developing silicon IP and silicon products including custom ASICs, and now stands as a proud member of the country's capital market. This achievement is a testament to the vision, discipline, and relentless execution of our founding team, our engineers, and every individual who has contributed to the Group's growth.

"SkyeChip's successful listing serves as clear evidence that we have the capability to compete on the global stage of IC design, attract institutional capital, and establish ourselves as a credible and scalable business for investors."

AN EXCITING ERA FOR THE SEMICONDUCTOR INDUSTRY

We are living through one of the most exciting periods in the history of computing. AI and HPC are transforming global industries at a pace that few could have anticipated. At the heart of this transformation is the semiconductor, the fundamental building block that powers everything from data centres to edge devices.

Following exceptionally strong results earlier this year, the global semiconductor market is now projected to grow to USD 1.51 trillion by the end of 2026[1]. Semiconductor demand driven by AI and HPC continues to accelerate, fuelled by surging requirements for AI accelerators, high-bandwidth memory, and advanced compute platforms. For SkyeChip, this backdrop represents an opportunity that aligns precisely with our design capabilities and silicon IP and silicon product roadmap.

Malaysia, too, is positioning itself to capture a greater share of this global opportunity. Through the National Semiconductor Strategy and Malaysia Silicon Vision, a landmark 10-year partnership worth USD250 million with ARM, the Government of Malaysia is signalling its intent to move the nation up the semiconductor value chain, from back-end assembly and test toward front-end IC design. SkyeChip is proud to be at the forefront of this national endeavour, serving as a Mission-based Project Champion under the NIMP 2030 to create global IC design champions in the EV, RE, and AI sectors, while also receiving a letter of conditional approval for the ARM CSS token and signing the definitive agreement for the ARM AFA token.

[1] World Semiconductor Trade Statistics (WSTS), "Global Semiconductor Market Surges Beyond $1.5T 2026", Spring 2026 Semiconductor Market Forecast.

CHAIRMAN'S STATEMENT

FINANCIAL YEAR 2026: A YEAR OF STRONG EXECUTION

I am pleased to report that SkyeChip delivered another year of strong financial performance in FYE 2026, building on the profitable growth trajectory we have maintained since the Company's founding.

Key Financial Highlights

REVENUE RM155.0 million ▲ +29.7% YoY FYE 2025: RM119.5M	**PROFIT BEFORE TAX** RM50.0 million ▲ +35.3% YoY FYE 2025: RM37.0M
PROFIT AFTER TAX RM48.5 million ▲ +35.0% YoY FYE 2025: RM35.9M	**CASH & BANK BALANCES** RM82.6 million As at 31 March 2026

PAT MARGIN 31.3%	**GROSS PROFIT MARGIN** 44.4%	**BASIC EPS** 2.70 Sen Based on 1,796,000,000 shares

Revenue growth was principally driven by stronger contribution from our Silicon IP segment, which expanded 39.3% to RM119.4 million, underpinned by a broader customer base and a higher number of active projects. Our Custom ASICs segment also grew by 8.3% to RM34.6 million. Notably, we served 26 customers in FYE 2026, compared to 14 customers in FYE 2025, reflecting the growing acceptance of our products and services across a widening global client base.

A particularly encouraging development was our geographical diversification. Revenue contributions from new markets, the USA and Republic of Korea, accounted for approximately 24.1% of total revenue in FYE 2026, strengthening the resilience of our business model.

Our balance sheet remains healthy. As at 31 March 2026, total equity stood at RM195.7 million, with a gearing ratio of less than 0.05x. Our strong financial position provides us with the flexibility to invest in our ambitious growth plans.

STRATEGIC MILESTONES AND OPERATIONAL HIGHLIGHTS

FYE 2026 was marked by several important strategic developments that strengthened our foundation and extended our competitive positioning:

Silicon IP Portfolio Expansion

We continued to enrich our portfolio of high-performance memory interface IPs, with active development of next-generation LPDDR6 and HBM4 IPs, silicon IPs that will serve AI, HPC end applications. We also commercialised our new D2D Interface IP, further expanding our addressable market to chiplet-based and multi-die architectures.

Successful IPO and Capital Market Listing

Our Initial Public Offering ("IPO") raised gross proceeds of RM352.0 million, drawing overwhelming response from 22 cornerstone investors. The quality of our cornerstone investor base is a strong endorsement of SkyeChip's business model, management team, and long-term growth prospects.

The IPO proceeds are earmarked to mainly fund four strategic priorities: R&D of IC products and silicon IP (60.1%); expansion of operational facilities and resources as well as computing infrastructure and labs (16.2%); subscription of Electronic Design Automation ("EDA") and development tools (10.4%); and working capital (9.2%). The remaining portion was for listing expenses (4.1%). These investments will directly underpin the next phase of SkyeChip's growth.

Growing Team and Technical Capabilities

Our technical workforce grew to 365 employees by the end of FYE 2026, with expertise spanning architects, logic design engineers, analog circuit designers, physical design engineers, package design engineers, and software engineers. This talent base is our most critical competitive asset. We continue to invest in talent training, recruitment and retention, as well as engineering development programmes, including support for university students' final-year IC design projects, as part of our commitment to nurturing the next generation of Malaysian semiconductor engineers.

Industry Standards and Ecosystem Participation

SkyeChip's active memberships in JEDEC, UCIe, and PCI-SIG — governing memory interfaces, D2D interface, and high-speed serial data interconnects (PCIe) — remains a competitive differentiator. Our participation in defining and reviewing emerging standards gives us early visibility into the direction of technology evolution, enabling us to proactively align our design roadmaps and maintain market relevance.

CHAIRMAN'S STATEMENT

PROSPECTS AND THE ROAD AHEAD

The Board views SkyeChip's prospects with measured confidence. The secular tailwinds driving demand for advanced IC design, AI adoption, HPC growth, automotive electronics, and industrial automation are structural and durable. Our business, anchored in proprietary silicon IP with full ownership of design rights, is inherently scalable: *each IP block, once designed, can be licensed to multiple customers across multiple projects, generating recurring and compounding revenue stream.*

Looking ahead, the Group's 4 strategic pillars will guide our growth over the next three years:

Expanding our Silicon IP portfolio, including the development of LPDDR6, HBM4, and Automotive NOC IP targeting the ISO 26262 functional safety standard, with commercial launch targeted between 2026 and 2027;

Designing and developing new compute and AI silicon products such as high-performance Central Processing Unit ("CPU") and AI platforms;

Extending our capabilities into 2.5D/3D silicon products, including Compute-in-Memory ("CIM") silicon dies and I/O chiplets, to address opportunities in advanced semiconductor packaging; and

Establishing and expanding our facilities and resources, including new R&D and sales offices in Malaysia, Vietnam, Japan, and the USA, and upgrading our computing infrastructure and EDA tooling.

With a healthy balance sheet further strengthened by RM352.0 million in gross IPO proceeds, SkyeChip enters the post-listing phase with strong financial capacity and operational momentum. The Board is also pleased to announce that SkyeChip has been classified as Shariah-compliant security by the Securities Commission Malaysia.

CORPORATE GOVERNANCE AND SUSTAINABILITY

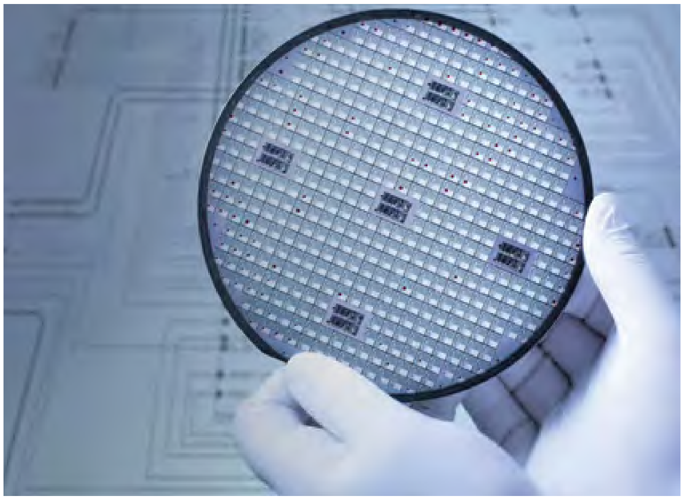
The Board is firmly committed to the highest standards of corporate governance. We have adopted a comprehensive suite of governance policies including Anti-Bribery and Corruption Policy, Code of Conduct and Ethics, Whistleblowing Policy, Data Loss Prevention Policy, and Related Party Transaction Policy, consistent with the Malaysian Code on Corporate Governance 2021 ("MCCG") and Bursa Malaysia's Main Market Listing Requirements.

On sustainability, SkyeChip acknowledges its responsibilities as a listed entity and an employer of choice. We have implemented energy efficiency practices across our operations, maintain an inclusive and merit-based workforce, and continue to invest in community initiatives, including educational sponsorships for university students pursuing IC design disciplines.

The Board composition reflects our commitment to diversity, with women directors comprising more than 30% of Board membership, in compliance with the MCCG recommendation. We will continue to strengthen our Environmental, Social & Governance ("ESG") framework as we scale our operations and deepen our engagement with the broader investment community.

For more information on our ESG efforts, please refer to our group's first Sustainability Statement.

CHAIRMAN'S STATEMENT



ACKNOWLEDGEMENTS

On behalf of the Board, I wish to express our deepest appreciation to Dato' Fong Swee Kiang, our Chief Executive Officer, and to Teh Chee Hak, our Chief Technology Officer, for their vision and unwavering dedication over the past seven years. Their technical brilliance and entrepreneurial drive are the foundation upon which SkyeChip has been built.

I extend my sincere gratitude to the management team and to every one of our employees whose passion for engineering excellence makes SkyeChip what it is today.

To our customers globally, thank you for your confidence in SkyeChip's capabilities. Your trust and partnership are the most powerful validation of our work.

To our investors and shareholders, your endorsement means a great deal to us and the Board and management are committed to rewarding your confidence with consistent performance, transparent communication, and sustainable long-term value creation. Finally, I thank my fellow Board members for their counsel and stewardship as we navigate this exciting new chapter as a public company.

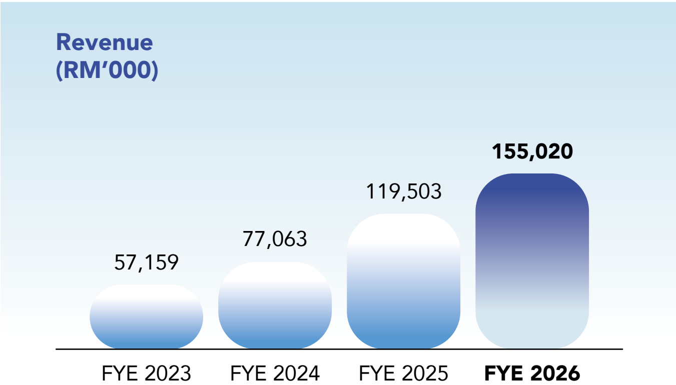
The best of SkyeChip is still ahead of us. Together, let us accelerate the future.

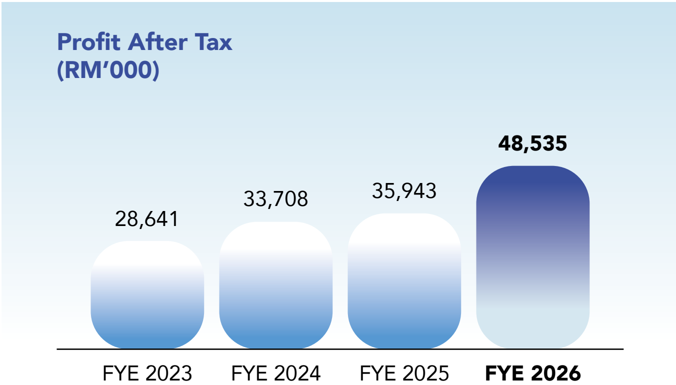
Dato' Seri Wong Siew Hai
Independent Non-Executive Chairman
SkyeChip Berhad
14 July 2026

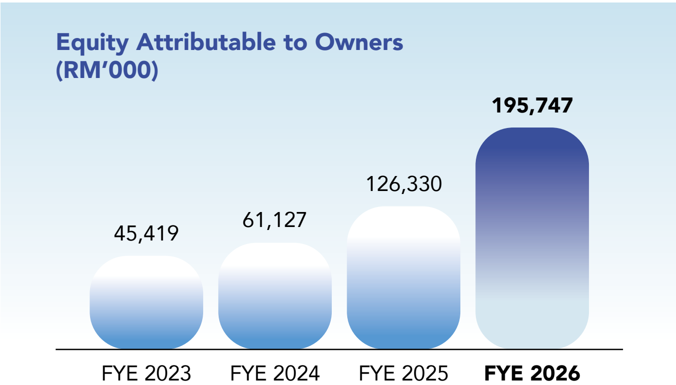
FINANCIAL HIGHLIGHTS

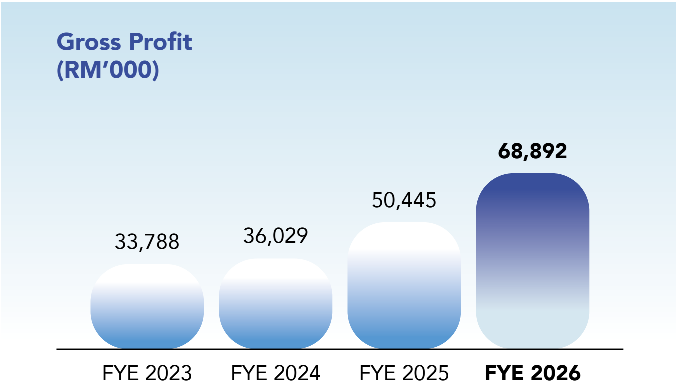
(RM'000)	FYE 2023	FYE 2024	FYE 2025	FYE 2026
Revenue	57,159	77,063	119,503	**155,020**
Gross Profit ("GP")	33,788	36,029	50,445	**68,892**
Profit Before Tax ("PBT")	28,399	34,564	36,998	**50,046**
Profit After Tax ("PAT")	28,641	33,708	35,943	**48,535**
Profit Attributable to Owners of the Company	28,641	33,708	35,943	**48,535**
Equity Attributable to Owners of the Company	45,419	61,127	126,330	**195,747**
Basic Earnings Per Share (sen)[1]	1.59	1.88	2.00	**2.70**
GP Margin (%)[2]	59.1	46.8	42.2	**44.4**
PAT Margin (%)[3]	50.1	43.7	30.1	**31.3**
Current Ratio (times)[4]	3.1	3.5	21.3	**5.5**
Gearing Ratio (times)[5]	0.1	0.1	-[6]	**-[6]**

[1] Computed based on PAT over our enlarged issued Shares of 1,796,000,000 upon our IPO.
[2] Computed based on GP over revenue.
[3] Computed based on PAT over revenue.
[4] Computed based on current assets over current liabilities.
[5] Computed based on lease liabilities over total equity.
[6] Less than 0.05 times.









MANAGEMENT DISCUSSION AND ANALYSIS

FYE 2026 was a landmark and transformative year for SkyeChip, defined by record revenue and profits, accelerating customer growth, and our IPO. Our successful listing on the Main Market of Bursa Malaysia on 20 May 2026 took place against a backdrop of rapid advancement in artificial intelligence infrastructure and the global race to build and secure semiconductor capabilities. In this environment, SkyeChip stood ready and delivered.

Revenue increased by 29.7% year-on-year from RM119.5 million to RM155.0 million as demand for our silicon intellectual property ("IP") and silicon products solutions accelerated in tandem with the global AI infrastructure build-out. Profit after tax ("PAT") outpaced top-line growth, surging 35.0% from RM35.9 million to RM48.5 million. This margin expansion highlights the top-line momentum and the operating leverage embedded in our asset-light, IP-first business model.

This performance is the product of our multi-year commitment to R&D and sustained investment in nurturing world-class engineering talent. The engineering depth we have built since our commencement of operations in 2020 especially in memory interface IPs, NOC IPs and D2D Interface IPs positions us where the semiconductor industry is heading.

The year also brought meaningful diversification. We expanded our customer base from 14 to 26 customers and entered two new major geographical markets, the USA and Republic of Korea which together contributed 24.1% of total revenue. This geographic broadening reflects a growing international recognition of SkyeChip's technical capabilities and the trust that global semiconductor companies are placing in us.

None of this progress came without challenges. Geopolitical complexities, evolving trade restrictions, and currency headwinds required shrewd navigation and operational agility. Despite this, our teams responded with focus, resilience, and an unwavering commitment to delivery.

Looking ahead, our listing marks a pivotal inflection point for the Group. Equipped with RM352.0 million in gross proceeds raised from our IPO exercise, having signed the definitive agreement for access to the ARM AFA token and received conditional approval to access the ARM CSS token, and with a pipeline of next-generation IP and silicon products including HBM4, LPDDR6 in active development, SkyeChip enters financial year ending 31 March 2027 ("FYE 2027") with greater capability, broader reach, and a deeper sense of purpose. We are building a world-class IC design company poised to actively compete on the global stage.

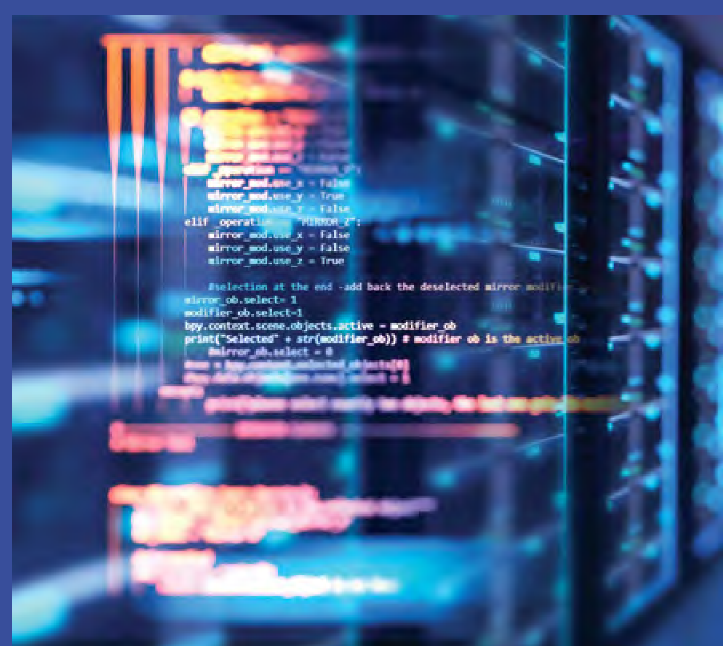
GROUP OPERATING PERFORMANCE

Headcount and Technical Capabilities

As at FYE 2026, SkyeChip's technical team comprised 365 employees across architecture, logic design, analog circuit design, physical design, package design and software. The Group maintains offices and/or operations in Malaysia (Penang and Selangor), Singapore, Vietnam (Da Nang and Ho Chi Minh City), Shanghai, China and California, USA. Between 2026 and 2029, the Group plans to establish new R&D and/or sales offices in Malaysia, Vietnam, Japan and the USA, using IPO proceeds to fund talent acquisition, operational build-out and market development in these jurisdictions.

Computing Infrastructure

SkyeChip's technical operations are underpinned by a growing computing infrastructure. Capital expenditure reduced from RM36.8 million in FYE 2025 to RM35.4 million in FYE 2026, primarily for engineering tools, prototype equipment, computers and software, renovation of our server room and acquisition of third-party IPs. Post-listing, the Group intends to deploy RM38.1 million from IPO proceeds towards the expansion of computing infrastructure and labs, including additional server and networking equipment.



MANAGEMENT DISCUSSION AND ANALYSIS

GROUP OPERATING PERFORMANCE (CONT'D)

Access to Advanced Technologies

The Group maintains privileged access to advanced process technologies through its relationships with leading global foundries and EDA tool providers, enabling IC design at process nodes down to 3nm. Key technology access pillars include:

Process Design Kits ("PDKs")	Provided by foundries, enabling compliance with fabrication parameters and design requirements.
Electronic Design Automation ("EDA") Tools	Comprehensive suite from Synopsys, Cadence, ICE[1], Ansys, and Siemens, covering different parts of the IC design flow including logic design, physical design, verification and simulation.
Verification IPs	Sourced from Synopsys (through ICE), and Siemens, used to validate compliance with IP standards.
Intel Foundry Accelerator IP Alliance	Provides access to Intel Foundry's advanced process technologies.
Samsung Foundry CONNECT	Access to Samsung Foundry's IP ecosystem platform.

[1] Intelligent Circuit Engineering Sdn. Bhd.

Another landmark development in FYE 2026 was the Group's receipt of letter of conditional approval for access to the ARM CSS token. The Group has also since signed the definitive agreement for the AFA token. This milestone aligns closely with the National Semiconductor Strategy ("NSS") and Malaysia government's 10-year, RM1.1 billion national partnership with ARM.

SALES AND MARKETING

Customer Base Expansion

FYE 2026 marked a pivotal year for customer base growth. The Group served 26 customers, up from 14 in FYE 2025.

Geographical Market Penetration

In FYE 2026, revenue contribution from China remained broadly stable at approximately 62.6% of total revenue while Taiwan contributed 11.2% of total revenue. New markets such as the USA contributed 23.1% and the Republic of Korea contributed 1.0%, reflecting the Group's successful expansion into new markets, which further validates SkyeChip's growing international reputation in high-performance silicon IP.

MANAGEMENT DISCUSSION AND ANALYSIS

STRATEGIES & PROSPECTS

Strategic Priorities

SkyeChip enters its post-IPO phase with four clearly defined strategic initiatives, each backed by targeted allocation of IPO proceeds and governed by a 3-year execution horizon:

1. **Expand Silicon IP Portfolio & Expand Field of Application**

   The Group is actively developing the next generation of memory interface IPs, LPDDR6 and HBM4 targeting substantially higher data rates and bandwidth efficiencies required by next-generation AI infrastructure. Alongside this, the Group is developing Automotive NOC IP, particularly ensuring its NOC IP is compliant with the ISO 26262 functional safety standard, targeting in-vehicle networks, vision systems and Advanced Driver Assistance Systems ("ADAS") applications with commercialisation targeted within the 2026–2027 timeframe.

2. **Design & Develop Compute and AI Silicon Products**

   Underpinned by access to the ARM AFA token and conditional approval for access to the ARM CSS token, SkyeChip aims to develop custom AI hardware accelerators and high-performance CPU/AI platforms designed to serve data centre and edge computing. The Group intends to form joint-development arrangements with technology partners to leverage complementary system architecture and software capabilities.

3. **Design & Develop 2.5D/3D and Other Silicon Products**

   The Group plans to extend its IC design capabilities to CIM silicon dies and I/O chiplets, targeting advanced semiconductor packaging markets. CIM silicon dies integrate computational logic directly within or proximate to memory, eliminating traditional data-movement bottlenecks and substantially improving throughput and power efficiency for AI and HPC workloads.

4. **Establish and Expand Facilities & Resources**

   The Group is actively scaling its technical infrastructure and expanding its global footprint. This includes expanding our computing infrastructure across servers and networking, alongside increasing our licences for EDA and validation tools licences. Strategically, the Group will establish new R&D and/or sales offices in Malaysia, Vietnam, Japan, and the USA. To ensure seamless, direct engagement with our global clientele, we intend to continue to hire dedicated sales and technical support personnel globally to support the Group's expansion plans.

Outlook

SkyeChip's growth trajectory remains robust and structurally well-supported. The Group operates at the intersection of several powerful secular trends including artificial intelligence, high-performance computing, advanced packaging and next-generation automotive systems, all of which drive increasing demand for memory interface IPs, NOC IPs, D2D interface IPs, and silicon product solutions.

The Group's Listing on Bursa Malaysia's Main Market on 20 May 2026, which raised gross proceeds of RM352.0 million, provides SkyeChip with the financial resources, corporate profile and stakeholder confidence to execute on its ambitious growth agenda. With a rapidly expanding customer base of 26 customers spanning key markets across Asia and North America, the Group is well-positioned to deliver sustained revenue and profit growth which will support long-term value creation.

MANAGEMENT DISCUSSION AND ANALYSIS

GROUP FINANCIAL REVIEW

Revenue

The Group recorded full year revenue of RM155.0 million for the FYE 2026, a 29.7% increase from RM119.5 million in the FYE 2025. This growth reflects the Group's accelerating momentum across both its Silicon IP and Custom ASIC business segments and expansion into new geographical markets.

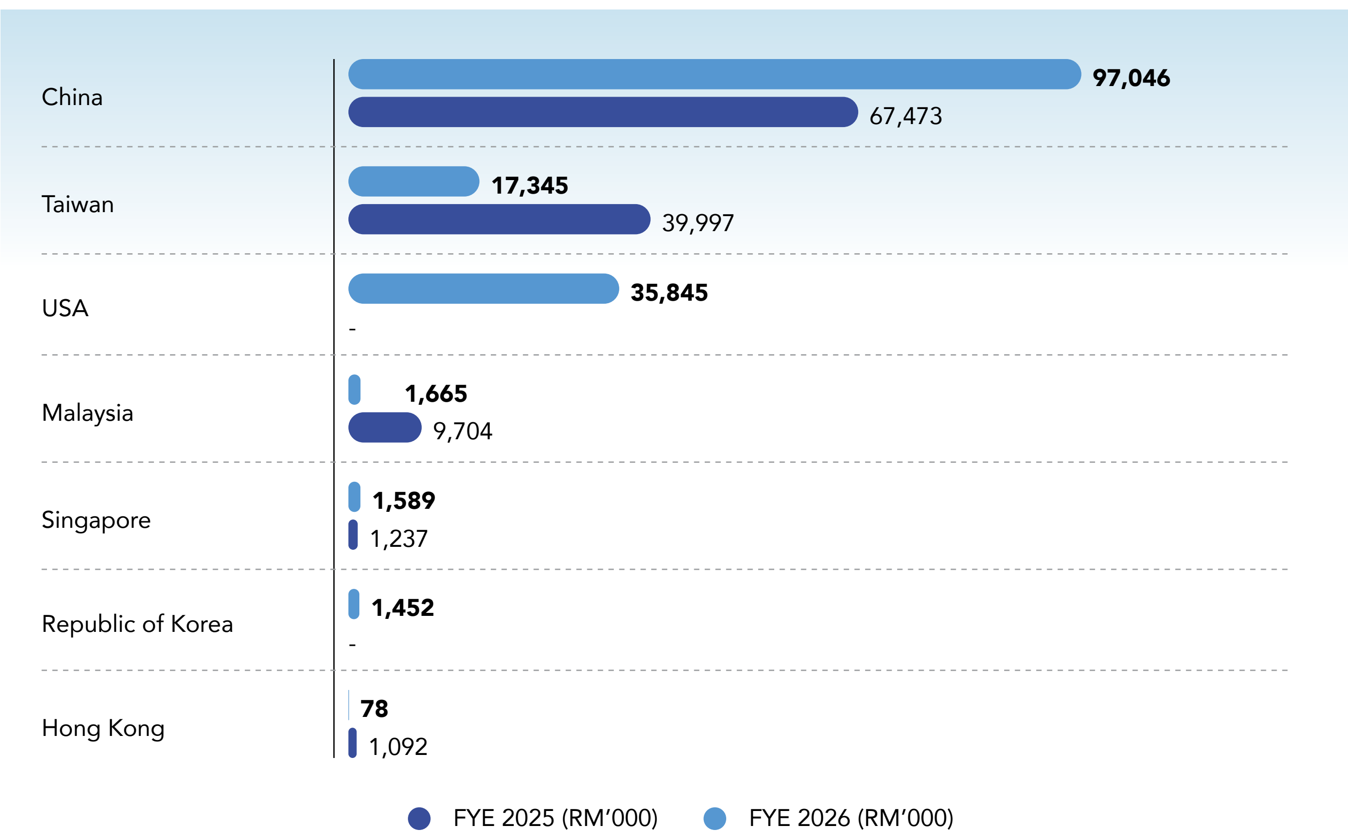
Revenue by Business Segment

Segment	FYE 2026 (RM'000)	FYE 2025 (RM'000)
Silicon IP	**119,421**	85,739
Custom ASIC	**34,597**	31,934
Others [1]	**1,002**	1,830
Total	**155,020**	**119,503**

[1] *Include design services based on requests from customers and design of memory test systems for the FYE 2025, as well as engineering services for our custom ASIC products for the FYE 2026.*

Revenue from the Silicon IP segment grew by 39.3% to RM119.4 million, driven by a higher number of projects and customers secured for memory interface IPs, and the commercialisation of new silicon IP in our D2D Interface IP. The Custom ASIC segment contributed RM34.6 million, an increase of 8.3% from the non-recurring engineering ("NRE") design work performed for our customers.

Revenue by Geographical Markets



MANAGEMENT DISCUSSION AND ANALYSIS

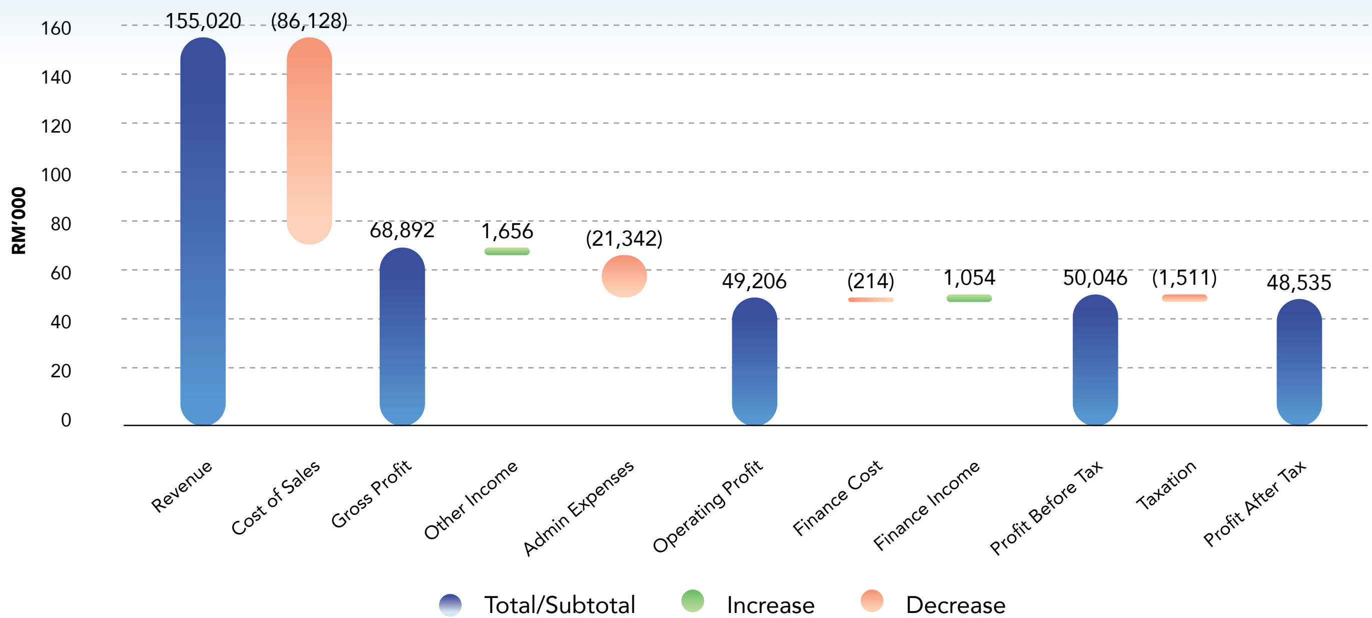
GROUP FINANCIAL REVIEW (CONT'D)

Revenue by Geographical Markets (Cont'd)

A significant development in FYE 2026 was the Group's successful penetration of two new geographical markets, the USA and Republic of Korea, which collectively contributed approximately 24.1% of total revenue. This geographical diversification mitigates the Group's concentration risk and positions SkyeChip for longer-term growth across global semiconductor ecosystems.

For FYE 2026, the Group served 26 customers in total, compared to 14 customers in FYE 2025. Two customers individually contributed 10% or more of total revenue, with combined revenue of approximately RM47.4 million.

Gross Profit and Profitability



Gross profit rose by 36.6% to RM68.9 million, with the GP margin improving to 44.4% from 42.2% in FYE 2025. The improvement reflects favourable operating leverage from memory interface IPs and the newly commercialised D2D Interface IP.

Profit before tax grew by 35.3% to RM50.0 million, supported by revenue growth and operating leverage. The effective tax rate was at 3.0%, attributable to the Group's approved tax exemption under Section 127(3A) of the Income Tax Act 1967 for the activities of design and development of IC, sales of silicon IP, software and ASIC (which expired in September 2025), and the 5-year corporate income tax exemption for SkyeChip Solutions Vietnam Co Ltd commencing May 2025.

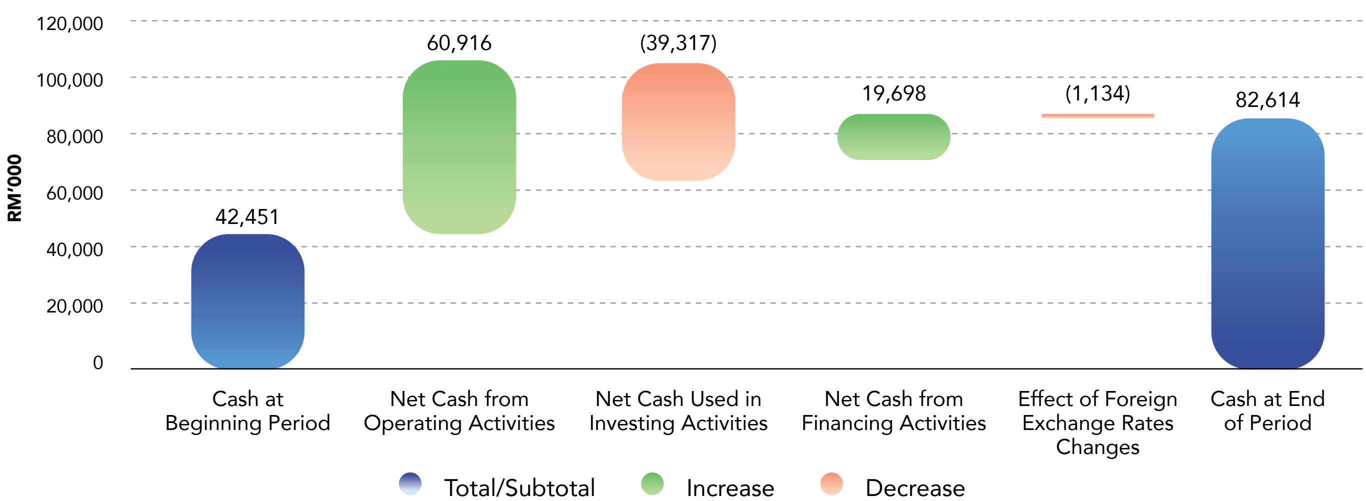
Earnings Per Share ("EPS")

Basic and diluted EPS for FYE 2026 were 2.70 sen, compared to 2.00 sen in FYE 2025, computed based on the Company's enlarged share capital of 1,796,000,000 ordinary shares upon IPO on Bursa Malaysia's Main Market on 20 May 2026. This represents a 35.0% year-on-year improvement in Earnings Per Share, reflecting robust bottom-line growth.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow



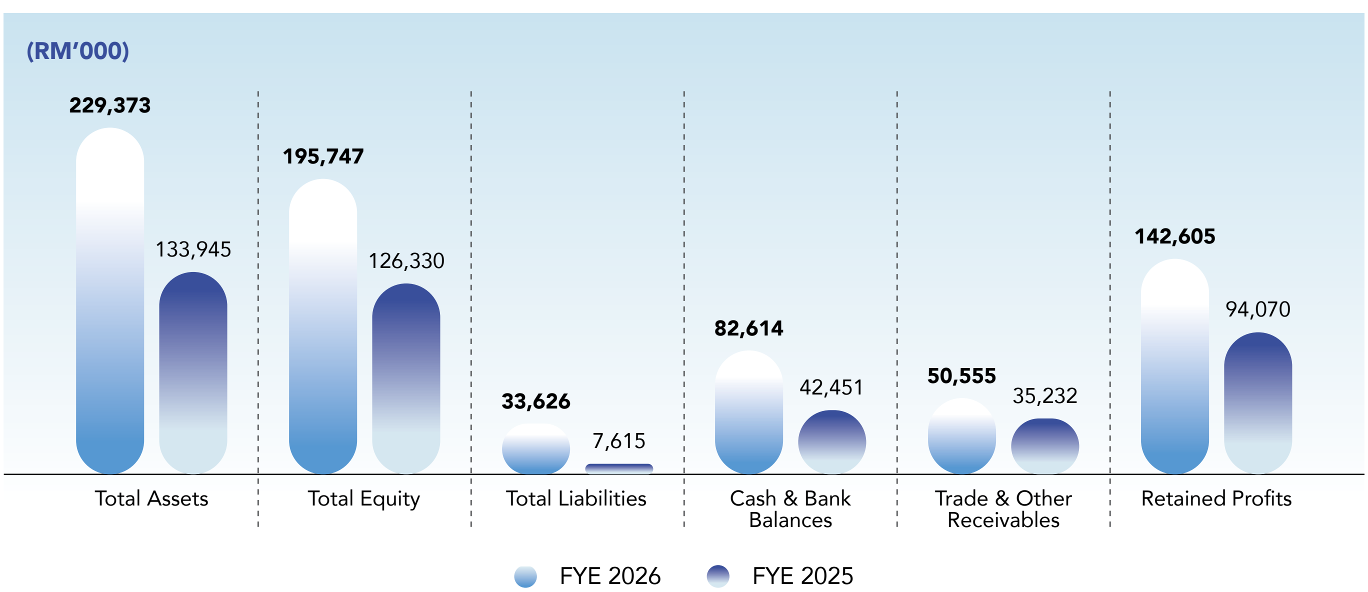
Operating cash flow improved significantly to RM60.9 million in FYE 2026, compared to RM23.7 million in FYE 2025, supported by higher operating profit and working capital movements associated with the Group's project execution.

Investing cash outflows of RM39.3 million principally comprised capital expenditure on intangible assets (RM17.6 million) mainly consisting of third-party IP acquisitions, as well as plant and equipment (RM17.8 million) including engineering tools and compute infrastructure. These investments underpin the Group's sustained R&D investments.

Financing activities generated net inflows of RM19.7 million, comprising RM12.1 million from the issuance of ordinary shares and RM9.2 million from the issuance of ICPS[1], partially offset by lease repayments of RM1.6 million.

[1] Irredeemable convertible preference shares in our Company.

Balance Sheet Strength



MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY AND CAPITAL RESOURCES (CONT'D)

Balance Sheet Strength (Cont'd)

The Group's total assets increased to RM229.4 million as at 31 March 2026, mainly supported by higher cash and bank balances, intangible assets and trade and other receivables.

The Group maintains a robust balance sheet with total equity of RM195.7 million and no bank borrowings. The net assets per share stood at RM0.11 as at 31 March 2026, computed on the enlarged share capital of 1,796,000,000 ordinary shares upon IPO.

The Group's total liabilities increased to RM33.6 million, primarily attributable to an increase in other payables to RM24.2 million as at 31 March 2026, reflecting working capital movements associated with the Group's project execution.

Capital Expenditure

Total capital expenditure for FYE 2026 amounted to RM35.4 million, comprising RM17.8 million for plant and equipment including engineering tools, prototypes and compute infrastructure and RM17.6 million for intangible assets including third-party IPs and patents.

Post-listing, the Group has allocated RM352.0 million in gross IPO proceeds, of which RM211.5 million (60.1%) is designated for R&D of new IC products and silicon IPs, including HBM4, LPDDR6, AI hardware accelerators, CIM silicon dies and I/O chiplets. For the detailed breakdown of the utilisation of proceeds, please refer to the table below:

Utilisation of proceeds	Estimated timeframe for utilisation	RM'million	%
R&D of IC products	within 36 months from IPO	155.1	44.1
R&D of silicon IP	within 36 months from IPO	56.4	16.0
Expansion of operational facilities and resources	within 36 months from IPO	19.0	5.4
Expansion of computing infrastructure and labs	within 36 months from IPO	38.1	10.8
Subscription, licensing and/or purchase of EDA and development tools	within 36 months from IPO	36.7	10.4
Working capital	within 36 months from IPO	32.4	9.2
Defraying fees and expenses in relation to the IPO and listing	within 3 months from IPO	14.3	4.1
Total		**352.0**	**100.0**

SUSTAINABILITY STATEMENT

Foundation for Sustainable Value

At SkyeChip Berhad and its subsidiaries ("SkyeChip" or "Group"), we believe sustainable value is built not only through technological excellence, but also through responsible governance, ethical business practices, innovation and the ability to respond to an evolving business landscape.

As a technology company operating in a dynamic and fast-changing industry, we recognise that long-term success depends on balancing business growth with accountability, resilience and responsible decision-making. Guided by this belief, we are integrating sustainability considerations into the way we govern our business, manage sustainability-related risks and opportunities, and support long-term value creation.

Through this Sustainability Statement ("Statement"), we set out the foundation of our sustainability approach as we continue to strengthen responsible business practices across the Group. By embedding sustainability into our corporate strategy and operational practices, we seek to create long-term sustainable value for our stakeholders while contributing positively to the economic, environmental and social well-being of the communities in which we operate.

I. Our Reporting Approach

Scope and Boundary

This Statement covers SkyeChip Berhad's business operations in Malaysia and Vietnam for the financial year from 1 April 2025 to 31 March 2026 ("FYE 2026"), unless otherwise stated. The reporting boundary encompasses entities under the Group's operational control that constitute the core of its operational and revenue-generating activities during the reporting period.

The Statement covers the following entities:

- **SkyeChip Berhad** – Bayan Baru, Pulau Pinang – Integrated circuit ("IC") design company specialising in silicon intellectual property ("IP") and silicon products, including custom application-specific integrated circuits ("ASIC").
- **SkyeChip Semi Sdn. Bhd.** – Puchong, Selangor – Provision of semiconductor IP, IC, software and application-specific IC design and development.
- **SkyeChip Solutions Vietnam Co. Ltd.** – Da Nang, Vietnam – Scientific research and technological development in the field of science, engineering and technology.

The reporting boundary has been determined based on the Group's active operations during FYE 2026. As the Group's sustainability governance and data management capabilities continue to mature, SkyeChip intends to progressively broaden the reporting boundary in future reporting periods to provide wider coverage across its operations. The information presented in this Statement is derived from internal records, management systems and operational monitoring processes across the Group's reporting entities. The disclosed information has undergone internal review to provide a reasonable level of accuracy and reliability. Where applicable, significant assumptions, limitations or exclusions are disclosed in the relevant sections of this Statement.

SUSTAINABILITY STATEMENT

Frameworks and Standards

Bursa Malaysia Sustainability Reporting Guide (3rd Edition)	Global Reporting Initiative ("GRI") Standards
International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards	United Nations Sustainable Development Goals ("UNSDGs")

This Statement has been prepared in accordance with the sustainability disclosure requirements prescribed under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), with reference to the Bursa Malaysia Sustainability Reporting Guide (3rd Edition) issued by Bursa Securities.

During FYE 2026, the Group commenced the adoption of the IFRS Sustainability Disclosure Standards, namely IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures, in line with Bursa Malaysia's prescribed transitional reliefs for listed issuers. The implementation provides the Group with a framework to enhance its sustainability governance, risk management, data collection processes and reporting capabilities towards future compliance.

Where appropriate, the Group has also considered relevant principles of the GRI Standards and aligned selected disclosures with the UNSDGs to support a more holistic sustainability reporting approach. SkyeChip will continue to strengthen the breadth, consistency and quality of its sustainability disclosures over time in line with evolving stakeholder and regulatory expectations.

Statement of Assurance

This Sustainability Statement has not been subjected to internal audit review or external independent assurance during the reporting period. The disclosures contained herein have been prepared by the Sustainability Working Group ("SWG") and subsequently reviewed internally by Key Senior Management ("KSM") based on information and data made available by the reporting entities.

The Group remains committed to continuously strengthening its sustainability governance, internal controls and reporting processes as its sustainability reporting practices continue to strengthen. SkyeChip will continue to assess the readiness and suitability of obtaining independent assurance for selected sustainability disclosures in future reporting periods.

Your Feedback Matters

SkyeChip values the views and perspectives of our stakeholders as an important part of strengthening our sustainability practices and reporting. We welcome feedback, comments and suggestions on this Statement as we continue to enhance the quality, transparency and relevance of our disclosures.

Should you wish to provide feedback or obtain further information regarding this Statement, please contact us at: sustainability@skyechip.com.

SUSTAINABILITY STATEMENT

II. Strengthening Sustainability Governance

IFRS S1 – Governance

Strong governance provides the foundation for sustainable business success. At SkyeChip, we recognise that effective oversight, clear accountability and responsible decision-making are essential to supporting long-term value creation, strengthening business resilience and guiding the Group's continued growth. To support this, the Group has established an integrated sustainability governance framework led by the Board of Directors and supported by Audit and Risk Management Committee ("ARMC"), KSM and the SWG. This governance framework provides oversight of sustainability-related matters and support the integration of sustainability considerations arising from stakeholder engagement, material sustainability matters, enterprise risk management ("ERM") processes and business operations into strategic decision-making.

Sustainability Governance Structure

SkyeChip has established an integrated sustainability governance structure with oversight by the Board of Directors through the ARMC, supported by KSM and the SWG. Together, these governance bodies oversee the Group's sustainability governance framework and support the effective implementation of sustainability initiatives across the organisation.

Board Oversight

The Board of Directors has overall accountability for sustainability-related matters and is responsible for overseeing the Group's strategy, governance and long-term direction. Supported by the ARMC, the Board of Directors reviews sustainability-related risks and opportunities, oversees the integrity of sustainability-related disclosures and considers sustainability-related matters as part of the Group's strategic planning and ERM processes. Through regular updates from KSM, the Board of Directors monitors emerging sustainability issues and provides strategic guidance to support informed decision-making and long-term business resilience.

SUSTAINABILITY STATEMENT

Sustainability in Strategic Decision-Making

Sustainability considerations are incorporated into the Group's strategic decision-making processes to support long-term business resilience and sustainable value creation. During FYE 2026, the Group continued to adopt an asset-light operating model by leasing its office premises while directing capital towards research and development ("R&D"), technological innovation and business expansion initiatives. The Group also continued to strengthen succession planning and talent development initiatives to support organisational continuity and the development of future leadership capabilities.

Management's Role

KSM executes the Group's sustainability initiatives and is responsible for integrating sustainability considerations into business operations and decision-making. Supported by the SWG, KSM implements sustainability priorities, monitors sustainability-related performance and reports significant matters to the ARMC and the Board of Directors. The SWG coordinates the implementation of sustainability initiatives, environmental, social and governance ("ESG") data collection and reporting across the Group's relevant functions.

Governance Function	Key Responsibilities
Chief Executive Officer ("CEO")	Provides overall leadership in implementing the Group's business strategy, including sustainability-related considerations.
Chief Technology Officer ("CTO")	Oversees technology strategy, R&D, and innovation initiatives.
Chief Operating Officer ("COO") & Chief Information Officer ("CIO")	Oversees operational management, information technology and cybersecurity-related matters.
Finance Director	Supports sustainability-related reporting, governance and internal reporting processes, including matters relating to financial oversight, data coordination and disclosure preparation.
Sustainability Working Group	Coordinates the implementation of sustainability initiatives, ESG data collection and reporting, monitors progress across business functions, and supports reporting to KSM and the ARMC.
Human Resources and Administration	Oversees environmental and employee-related initiatives, including energy saving initiatives, talent development, training, succession planning, diversity and relevant governance policy administration.
Health, Safety and Environment ("HSE") Committee	Oversees workplace health and safety, conducts quarterly safety reviews and coordinates annual emergency preparedness exercises.

Sustainability-related matters are communicated to the Board of Directors through regular reporting by KSM to the ARMC, supported by the Group's ERM, compliance and internal controls. This reporting framework enables timely oversight of sustainability-related risks and opportunities while supporting informed decision-making across the Group.

SUSTAINABILITY STATEMENT

Materiality Assessment

Building Value Through Stakeholder Engagement

At SkyeChip, stakeholder engagement is an integral part of our sustainability governance approach. We recognise that understanding the perspectives of our stakeholders provides valuable insights into the sustainability-related matters that may influence our business, strategy and long-term performance. These insights support informed decision-making and contribute to the continual enhancement of our sustainability practices and disclosures.

The Group engages with a broad range of internal and external stakeholders through regular business interactions and established communication channels as part of its normal business operations. These engagements enable Management to obtain feedback relevant to the Group's operations, governance and sustainability-related matters, while remaining responsive to evolving stakeholder expectations and the changing business environment.

Key Stakeholders	Topic of Interest / Concerns	Engagement Method
Board of Directors	• Group's business and financial performance • Corporate governance and compliance • Risk management • Business strategies and plans towards value creation • Sustainability direction and initiatives	• Board meetings • Committee oversight • Reporting review and approval • Training and awareness sessions
Shareholders	• Financial performance and profitability • Corporate governance • Business growth and market position • Sustainability performance and disclosure • Total shareholder return	• Annual general meetings • Circulars/ quarterly reports/ annual reports • Websites updates • Press releases announcements • Electronic voting or proxy mechanism
Employees	• Employee welfare and wellbeing • Occupational health and safety • Training and career development • Diversity, equity and inclusion • Workplace culture and engagement	• Townhall/ dialogues sessions • Survey/ feedback/ appraisal • Training and career development programmes • Code of Conduct • Internal communication (email, newsletter, etc.) • Remuneration, welfare and benefits
Investors/ Financiers	• Financial stability and performance • Risk exposure and management • Regulatory compliance • Governance practices • Long-term business resilience and sustainability	• Investors' briefings • Annual general meetings • Announcements/ reporting • Investor relations disclosures
Customers/ Clients	• Product and service quality • Customer satisfaction • Data privacy and security • Ethical business practices • Innovation and reliability	• Feedback channel • Technical engagement and product consultation
Suppliers/ Contractors	• Business continuity and collaboration • Payment practices • Compliance and ethical standards	• Contracts/ compliance • Effective pricing and prompt payments

SUSTAINABILITY STATEMENT

Key Stakeholders	Topic of Interest / Concerns	Engagement Method
Scientific/ Academic Communities	• Research, innovation and industry collaboration • Internship and academic partnerships	• University collaboration and partnership programmes • Internship placements
Government agencies/ Regulators	• Regulatory compliance • Corporate governance • Environmental and social compliance • Transparency and reporting practices	• Consultation or feedback sessions • Compliance submission • Dialogue sessions

The perspectives gathered through these engagements were considered alongside the Group's business strategy, operating environment and ERM processes in identifying the sustainability-related matters presented in this Statement. These outcomes provide an important basis for the Group's sustainability governance and reporting, and support the continual review of sustainability-related risks, opportunities and priorities.

Determining Material Sustainability Matters

The identification of material sustainability matters forms an important part of SkyeChip's sustainability governance and reporting approach. During FYE 2026, the Group established its inaugural process for identifying and prioritising material sustainability matters. This process considered stakeholder perspectives obtained through ongoing business engagements together with Management's assessment of the Group's business strategy, operating environment, ERM processes and sustainability-related risks and opportunities. The outcomes of the assessment provide the basis for the sustainability matters presented in this Statement and support the Group's ongoing sustainability governance and reporting.

Materiality Assessment Approach

The Group's materiality assessment was carried out through a structured three-stage process comprising the identification, assessment and validation of sustainability-related matters.

1. Identification

- **Reviewed the Group's business activities, operating environment and strategic priorities.**
- **Considered relevant sustainability reporting frameworks and Bursa Malaysia's reporting guidance.**
- **Obtained insights through ongoing stakeholder engagement.**
- **Identified a preliminary list of sustainability-related matters relevant to the Group.**

2. Assessment and Evaluation

Assessed each sustainability matter based on:

- **Significance to stakeholders;**
- **Relevance to the Group's business strategy;**
- **Potential economic, environmental and social impacts;**
- **Sustainability-related risks and opportunities; and**
- **ERM considerations.**

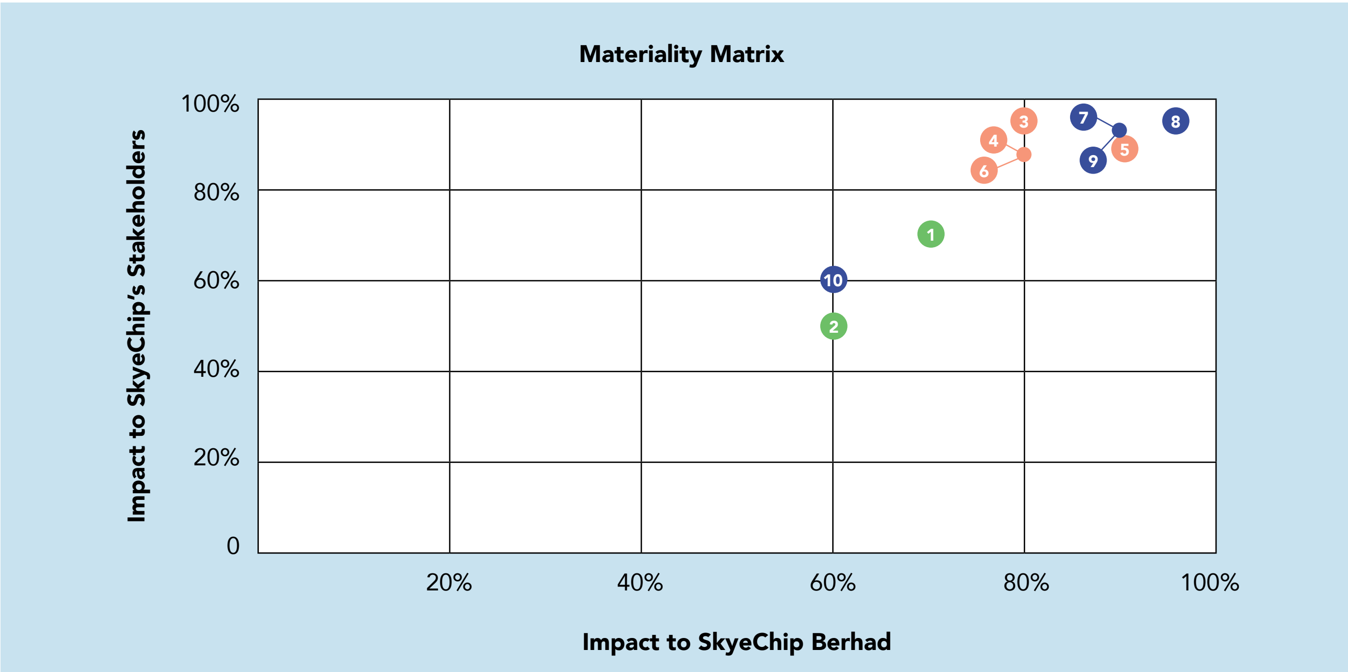
3. Review and Validation

- **Reviewed the assessment outcomes with KSM.**
- **Validated the material sustainability matters against the Group's business priorities and operating environment.**
- **Propose to the Board of Directors for review and oversight.**

The material sustainability matters identified through this assessment form the basis of the Group's sustainability disclosures and guide its sustainability priorities, governance and reporting approach. SkyeChip recognises that these matters may evolve over time and intends to periodically review its material sustainability matters to ensure they remain relevant to the Group's business strategy, operating environment and stakeholder expectations.

SUSTAINABILITY STATEMENT

SkyeChip's Materiality Matrix



Sustainability Priorities

Based on the assessment, the Group identified the following material sustainability matters as being the most relevant to its business and stakeholders. These priorities form the basis of the sustainability disclosures presented in this Statement and are aligned with the Group's Sustainability Policy under three sustainability pillars: Environmental Sustainability, Social Responsibility and Responsible Governance.

Environmental Sustainability

1. Energy and Emissions Management
2. Water Management

Social Responsibility

3. Talent Development and Retention
4. Diversity and Inclusion
5. Occupational Health and Safety
6. Talent Pipeline and Educational Partnerships

Responsible Governance

7. Economic Performance
8. Business Ethics and Anti-Corruption
9. Data Privacy and Cybersecurity
10. Supply Chain Management

The identified material sustainability matters represent the sustainability-related topics that are considered most relevant to the Group's business and stakeholders. These matters also provide an important basis for identifying sustainability-related risks and opportunities that may influence SkyeChip's strategy, business model and long-term value creation. Accordingly, these considerations are integrated into the Group's strategic planning and ERM processes, as discussed in the following section.

SUSTAINABILITY STATEMENT

III. Integrating Sustainability into Strategy

The material sustainability matters identified by the Group provide the foundation for understanding the sustainability-related risks and opportunities that may influence SkyeChip's long-term success. These considerations are integrated into the Group's strategic planning and ERM processes to support informed decision-making, strengthen business resilience and create sustainable value over the long term. As a fabless IC design company, the Group's sustainability-related considerations are closely linked to the resilience of its business model, the continuity of its technical capabilities, the retention of talent, the protection of its IP and the strength of its governance practices.

Accordingly, SkyeChip incorporates sustainability-related considerations into its strategic planning, ERM and operational decision-making processes. Through oversight of the Board of Directors, ERM and ongoing management review, the Group seeks to identify sustainability-related risks and opportunities that may affect its business while strengthening its ability to respond to changing market, regulatory and operational conditions.

IFRS S1 – Strategy

Sustainability Strategy and Business Integration

Sustainability-related considerations are integrated into SkyeChip's business planning and strategy development through the Board of Directors' strategic oversight responsibilities, the Group's ERM framework and its approach to capital allocation. These mechanisms enable the Group to consider sustainability-related matters in the context of long-term business resilience, operational continuity and responsible value creation.

During FYE 2026, sustainability-related considerations continued to influence several strategic and operational decisions. The Group maintained its asset-light operating model by continuing the tenancy of its office premises rather than pursuing property acquisition, thereby allowing financial resources to be directed towards core R&D activities, business expansion and technology advancement. The Group also allocated Initial Public Offering ("IPO") proceeds towards the R&D of IC products and silicon IP, reflecting its focus on innovation-driven growth and higher value-added activities. In addition, the Group continued implementing energy-saving house rules at its leased office premises, including automated air-conditioning scheduling, the use of Light Emitting Diode ("LED") lighting and other energy conservation measures.

Looking ahead, the Group intends to continue strengthening the integration of sustainability into its business strategy through employee development, operational efficiency improvements and governance enhancement initiatives. Planned priorities include the continued implementation of structured technical training and development programmes, academic sponsorships of final year projects for students to support the Group's talent pipeline, further exploration of practical energy efficiency measures and the ongoing enhancement of governance frameworks.

Financial Effects of Sustainability-related Matters

During FYE 2026, certain sustainability-related matters resulted in direct financial implications for the Group, primarily in the areas of talent development, community investment and governance strengthening. These included costs associated with SkyeChip's structured training programme for new engineers, which comprises 110 hours of training across 25 modules per engineer within their first year of employment, as well as talent pipeline investment amounting to approximately RM194,808 incurred over the period from 1 April 2025 to 31 March 2026. This mainly related to internship placements at SkyeChip and academic sponsorships of final year projects for students in local universities. In addition, the Group incurred governance-related costs associated with the establishment of its Board committees, namely the ARMC, Nomination Committee and Remuneration Committee, in conjunction with its listing exercise. During the reporting period, the Group did not identify any material cost savings, insurance cost changes or business interruptions directly attributable to environmental or social factors.

Looking ahead, sustainability-related matters are expected to continue influencing the Group's financial and operational priorities. Potential future implications may arise from regulatory and compliance developments, including trade restrictions across the Group's multi-jurisdiction operations, rising energy costs from the expansion of the Group's office premises, workforce and talent challenges in a competitive labour market for skilled IC design engineers, and the need for continued investment in R&D to keep pace with rapid technological advancement.

SUSTAINABILITY STATEMENT

Sustainability-related considerations also influenced selected areas of the Group's capital allocation and operating expenditure during the financial year, as summarised below.

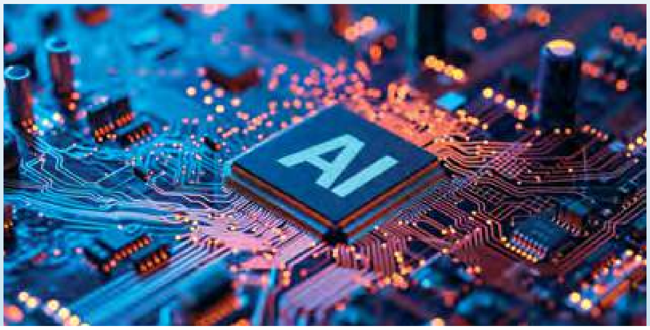
Area	Financial Effects / Sustainability-related Considerations
Capital expenditure / capital allocation	A portion of the Group's IPO proceeds was allocated towards long-term innovation and capability-building initiatives, including approximately RM155.1 million for the R&D of IC products, RM56.4 million for the R&D of silicon IP and RM38.1 million for the expansion of computing infrastructure labs. These investments support the Group's focus on the design and development of cutting-edge silicon IP and silicon products for artificial intelligence ("AI") and high-performance computing ("HPC") applications.
Operating expenditure	Sustainability-related operating expenditure during the year included costs associated with the Group's structured technical training programme for new engineers, talent pipeline investment amounting to approximately RM194,808 incurred over the period from 1 April 2025 to 31 March 2026, mainly for internship placements at SkyeChip and academic sponsorships of final year projects for students in local universities, as well as governance-related costs linked to the establishment of Board committees and governance policies following the Group's IPO.
Financing arrangements	The Group does not currently have sustainability-linked financing, green loans or other ESG-related financing arrangements.
Asset valuations	Sustainability-related considerations did not materially affect asset valuations during the reporting period. SkyeChip adopts an asset-light operating model and does not own property; its plant and equipment mainly comprise engineering tools, including mask sets and prototypes.
Procurement decisions	The Group does not currently apply formal sustainability-related supplier assessment criteria. Procurement decisions and supplier selection are based mainly on technical capability, reliability and cost considerations.

Sustainability-related Risks and Opportunities

As a technology-driven business operating across multiple jurisdictions, SkyeChip's sustainability-related risks and opportunities are primarily associated with regulatory developments, talent and workforce capability, data security, business continuity and the ability to respond to evolving market expectations. Given the Group's fabless, asset-light operating model, exposure to resource availability constraints and physical climate risks is currently limited relative to more asset-intensive industrial operations. Nevertheless, SkyeChip recognises that sustainability-related risks and opportunities can arise from both internal and external developments and therefore remain relevant to the Group's long-term resilience and value creation.

The Group has identified several sustainability-related risks that may affect its operations and performance. These include talent attraction and retention in a highly competitive labour market for skilled IC design engineering talent, regulatory and trade restriction risks arising from multi-jurisdiction operations, cybersecurity and data privacy risks associated with the Group's IP-intensive business model, and dependency on KSM for strategic and technological leadership. In addition, rising energy costs at the Group's leased office premises may also affect operating performance if not managed effectively.

At the same time, SkyeChip sees sustainability-related opportunities in the global transition towards higher value-added semiconductor solutions and the increasing demand for advanced computing technologies. The Group is well positioned to benefit from rising demand for energy efficient AI and HPC semiconductors, particularly through the planned development of custom compute and AI hardware accelerators, high-performance CPU and AI platforms, as well as 2.5D/3D and other silicon products. Additional opportunities may arise from innovation-linked incentives and grants, including those related to higher value-added activities, as well as through workforce capability development, which strengthens technical expertise and organisational resilience. Continued operational efficiency initiatives at the Group's office premises also support resource efficiency and cost optimisation over time.



SUSTAINABILITY STATEMENT

IFRS S1 – Risk Management

Risk Identification, Assessment and Monitoring

SkyeChip identifies and manages sustainability-related risks and opportunities through its ERM framework, which is overseen by the ARMC and supported by KSM across relevant functions. The ERM framework provides a structured process for identifying, assessing, mitigating and monitoring risks arising from the Group's business and operational activities, including sustainability-related matters that may affect long-term value creation.

Sustainability-related risks are identified through a combination of management discussions, internal audit reviews, operational oversight and risk monitoring processes carried out across the Group's functions. Relevant departments and functions involved in the identification and assessment of sustainability-related risks include the ARMC, KSM, and relevant functions such as Finance, Human Resources and Administration, and the HSE Committee.

The significance of a sustainability-related risk is assessed based on its potential financial, operational, regulatory and reputational impact, taking into account the likelihood of occurrence and the effectiveness of the Group's existing controls. Significant risks are mitigated and monitored through internal control procedures, periodic testing of control effectiveness, internal audit reviews, regular reporting to the Board of Directors, together with mitigation measures implemented by KSM. Emerging risks may also be identified through whistleblowing channels, incident reporting and investigation procedures, and direct escalation of significant matters to the Board of Directors where necessary.

Managing Sustainability-related Risks

SkyeChip manages sustainability-related risks through its ERM framework, which provides a structured process for identifying, assessing, mitigating, monitoring and escalating risks arising from the Group's business and operational activities. The process below summarises how sustainability-related risks are managed across the Group.

Identify

Sustainability-related risks and opportunities are identified through ERM processes, management discussions, internal audit reviews and operational monitoring across the Group.

Assess

Identified risks are assessed based on their potential financial, operational, regulatory and reputational impact, likelihood of occurrence, and the effectiveness of existing controls.

Mitigate

Mitigation measures are implemented through targeted action plans, including succession planning, workforce development, cybersecurity controls and the monitoring of regulatory developments.

Monitor

Key risks and mitigation measures are monitored through internal control procedures, management reporting, periodic testing of control effectiveness and oversight by the ARMC prior to reporting to the Board of Directors.

Escalate & Report

Significant matters are escalated to the ARMC and, where necessary, directly to the Board of Directors through established reporting, whistleblowing and incident management channels.

SUSTAINABILITY STATEMENT

Key Sustainability-related Risks and Mitigation Measures

The table below summarises the key sustainability-related risks currently identified by the Group, together with their potential impacts, time horizons and corresponding mitigation measures.

Sustainability-related Risk	Brief Description	Potential Impact on Business	Time Horizon	Mitigation/ Action Plan
Talent attraction and retention	Tight labour market for skilled IC design and VLSI engineers may affect the Group's ability to recruit and retain technical personnel.	Delays in executing R&D plans and fulfilling customer projects, as well as increased staff costs.	Short- to medium-term	Structured training programmes for new engineers, management succession planning and competitive remuneration practices.
Regulatory and trade restriction risk	Export controls, tariffs and trade sanctions across the Group's multi-jurisdiction operations may restrict the sale or licensing of certain technologies.	Lengthened sales cycles, restricted market access and reduced revenue opportunities.	Short- to medium-term	Ongoing monitoring of regulatory developments and diversification of the customer base across jurisdictions.
Cybersecurity and data privacy	Unauthorised access to or loss of sensitive IP and design data may affect the Group's operations and stakeholder trust.	Loss of intellectual property, reputational damage and potential financial loss.	Short- to long-term	Dual-site data centres with replicated systems, enterprise-grade firewalls, controlled access, network segregation and security monitoring.
Key person dependency	The Group is significantly reliant on KSM, particularly the CEO and CTO, for strategic and technological leadership.	Business disruption and loss of continuity if key personnel are unable to continue in their roles.	Short-term	Succession planning covering the CEO, CTO, COO and CIO roles.

Building Long-term Resilience and Future Priorities

SkyeChip's approach to long-term resilience is centred on maintaining strong governance, investing in talent and innovation, and strengthening the systems that support business continuity. The Group continues to leverage its ERM framework and ARMC oversight to monitor emerging risks, while management succession planning, structured technical training and dual-site data centre redundancy support operational continuity and organisational resilience.

At the same time, the Group remains focused on continuous investment in R&D to keep pace with technological advancement, and support development of IC designs using advanced process nodes. This includes the design and development of silicon IP and silicon products such as custom compute and AI hardware accelerators, high-performance CPU and AI platforms, as well as 2.5D/3D and other silicon products. Moving forward, SkyeChip will continue to strengthen its sustainability governance, reporting capabilities and operational practices in line with its growth trajectory, while supporting long-term responsible value creation.

IV. Advancing Climate Readiness

IFRS S2 – Governance

Climate Governance

SkyeChip recognises that climate-related considerations form part of the broader sustainability landscape in which the Group operates. Although the Group's direct climate exposure is currently limited by its fabless and asset-light operating model, SkyeChip acknowledges the importance of maintaining appropriate oversight of climate-related matters as part of responsible business governance and long-term value creation.

Climate-related governance follows the Group's broader sustainability governance structure described in Section II. Oversight resides with the Board of Directors, supported by the ARMC, KSM and the SWG, with climate-related matters communicated through the Group's established governance and reporting framework.

As SkyeChip continues to strengthen its sustainability reporting capabilities, the Group remains committed to enhancing its climate-related governance and internal reporting processes in a manner proportionate to the nature, scale and climate exposure of its operations.

IFRS S2 – Strategy

Climate-related Risks and Opportunities

As a fabless IC design company with an asset-light operating model, SkyeChip's direct exposure to climate-related risks is currently more limited than that of asset-intensive manufacturing businesses. The Group does not own manufacturing facilities and therefore has relatively limited direct exposure to physical climate risks such as flooding, extreme rainfall, heatwaves, water scarcity or storm damage. Nevertheless, SkyeChip remains mindful that evolving climate-related developments may still affect the broader business environment in which the Group operates.

At this stage, the Group's climate-related considerations are primarily associated with selected transition-related risks and operational opportunities. Key transition-related risks identified by SkyeChip include regulatory developments, rising energy costs and evolving sustainability and climate-related disclosure requirements. Regulatory considerations include trade restrictions affecting semiconductor technologies across the Group's multi-jurisdiction operations, while rising energy costs may increase operating expenses at the Group's leased office premises.

In terms of climate-related opportunities, the Group has identified energy efficiency and emission management practices as its primary climate-related opportunity at this stage. As a non-manufacturing company, SkyeChip's greenhouse gas ("GHG") emissions primarily stem from electricity consumption at its office premises. Accordingly, the Group's climate-related opportunities are currently centred on practical operational measures to improve electricity efficiency and manage emissions, including the use of LED lighting, automated air-conditioning scheduling and energy-saving house rules. SkyeChip also encourages sustainable commuting practices among employees, including carpooling, the use of public transportation and hybrid work arrangements, to help reduce travel-related emissions. Moving forward, SkyeChip will continue to monitor the evolving climate-related landscape and assess additional climate-related risks and opportunities that may become relevant as its business and reporting practices mature.

SUSTAINABILITY STATEMENT

Transition-related risks	Climate-related opportunity
• **Regulatory developments** – including trade restrictions affecting semiconductor technologies across the Group's multi-jurisdiction operations. • **Rising energy costs** – increasing electricity costs at leased office premises may affect operating expenditure. • **Emerging reporting requirements** – evolving sustainability and climate-related disclosure obligations may require the strengthening of internal governance, reporting and data management capabilities.	• **Energy efficiency initiatives** – practical measures such as LED lighting, automated air-conditioning scheduling and energy-saving house rules may support improved electricity efficiency and cost management across office operations.

The key climate-related risk and opportunity currently identified by the Group are summarised below.

Climate-related Risk / Opportunity	Potential Impact on Business	Time Horizon	Current Mitigation / Action
Rising energy costs	Increasing electricity costs at the Group's leased office premises may affect operating expenses.	Short- to Medium-term	LED lighting, automated air-conditioning scheduling and energy-saving house rules.
Energy efficiency initiatives	Continued reduction in energy consumption and operating costs through efficient lighting and equipment usage.	Short- to medium-term	Ongoing exploration of additional energy efficiency initiatives across operations.

Climate Resilience

SkyeChip's current approach to climate resilience is embedded within its broader operational resilience and business continuity practices. Although the Group does not currently maintain specific climate-related business continuity measures, it has established general resilience mechanisms to support the continuity of critical operations and minimise disruption in the event of local incidents or operational interruptions.

These measures include the maintenance of dual-site data centres with critical systems and design environments replicated across two separate physical locations to support recoverability, as well as annual fire drill exercises, emergency preparedness reviews conducted by the HSE Committee, and regular maintenance checks at the Group's office premises. Together, these practices support the resilience of the Group's operations and key digital infrastructure, which remain central to SkyeChip's business continuity as an IC design company.

During FYE 2026, climate-related considerations did not materially influence the Group's strategic planning or capital investment decisions. Existing energy-saving measures, such as LED lighting and automated air-conditioning scheduling, are currently implemented as practical operational house rules rather than as part of a distinct climate-driven investment strategy. Nevertheless, the Group remains committed to strengthening its climate-related understanding and reporting capabilities over time in a manner proportionate to the nature and scale of its operations.

SUSTAINABILITY STATEMENT

Climate Resilience in Practice	
• **Operational redundancy**	Dual-site data centres with critical systems and design environments replicated across two separate physical locations to support recoverability.
• **Emergency preparedness**	Annual fire drills and emergency preparedness reviews conducted by the HSE Committee.
• **Facilities maintenance**	Regular maintenance checks at office premises to support operational continuity and workplace readiness.

IFRS S2 – Risk Management

Climate Risk Identification and Management

SkyeChip currently identifies and manages climate-related risks through its broader ERM framework and ongoing regulatory monitoring, rather than through a dedicated standalone climate risk assessment process. In line with the Group's current operating profile as a fabless, asset-light IC design company, climate-related considerations are assessed in the context of the Group's overall business, operational and regulatory risk landscape.

Relevant climate-related considerations are reviewed as needed alongside the Group's general ERM processes, including monitoring of relevant legal, regulatory and policy developments such as Malaysia's national emissions reduction targets and emerging sustainability-related disclosure requirements. Climate-related risks are monitored and managed through the Group's internal control and ERM framework, which is overseen by the ARMC. SkyeChip also continues to apply practical operational measures that contribute to climate-related risk mitigation and resource efficiency across its asset-light operations.

Managing Climate-related Risks

SkyeChip manages climate-related risks through its broader enterprise risk management framework, supported by regulatory monitoring and practical operational controls across its asset-light operations. Given the Group's current operating profile, climate-related risks are managed as part of the broader enterprise risk management framework rather than through a standalone climate risk management process. The process below summarises the Group's current approach.

Identify

Climate-related considerations are identified through the Group's broader ERM framework and monitoring of relevant legal, regulatory and policy developments.

Assess

Relevant climate-related risks are considered alongside broader business, operational and regulatory risks based on the Group's operating profile and exposure.

Mitigate

Practical operational measures are implemented to improve energy efficiency and reduce operational exposure where relevant.

Monitor

Climate-related matters are monitored through internal controls, management oversight and reporting within the Group's broader ERM processes under the oversight of the ARMC.

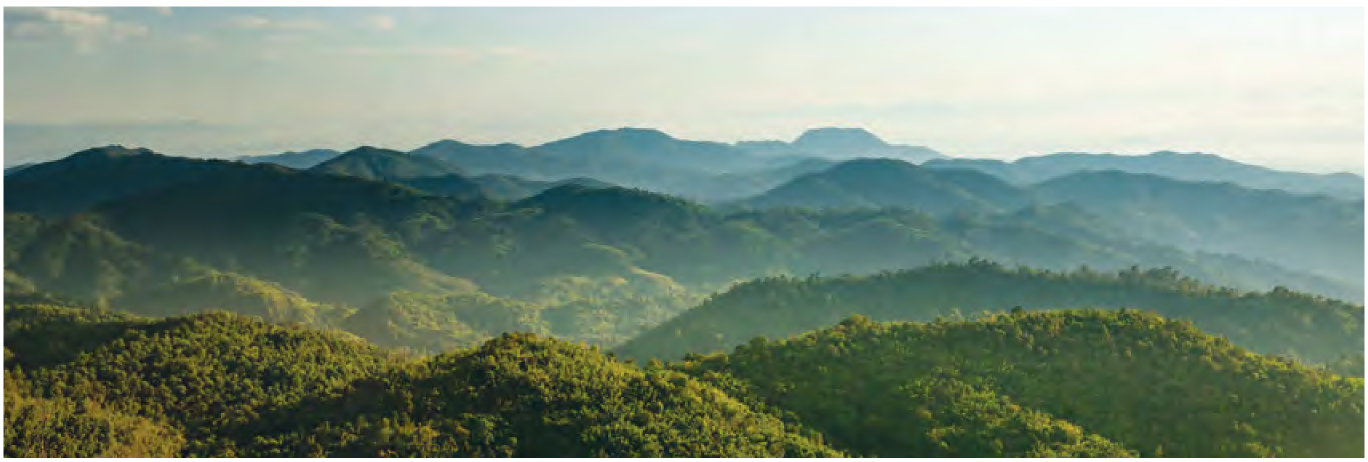
Escalate and Report

Relevant climate-related matters are communicated through broader sustainability, governance and risk management reporting to Management, the ARMC and the Board of Directors, as appropriate.

SUSTAINABILITY STATEMENT

Climate Risk Management in Practice

Energy efficiency measures	Continued use of LED lighting, automated air-conditioning scheduling and encouraging employees to switch off lights when not in use.
Travel-related emission reduction practices	Encouraging carpooling, the use of public transportation and hybrid work arrangements where appropriate.
Operational maintenance	Routine maintenance checks to identify and address water leakage at office premises.
Physical risk measures	No specific flood prevention measures were undertaken during the reporting period, as the Group has not identified physical climate risks as material to its current office-based operations.



IFRS S2 – Metrics and Targets

Climate Metrics and Performance

Given the nature of SkyeChip's operations as a fabless, asset-light IC design company, the Group's direct climate-related footprint is currently concentrated primarily in electricity consumption at its leased office premises and, where relevant, indirect emissions associated with asset-light operations. In FYE 2026, the Group continued to implement practical measures aimed at improving energy efficiency and supporting responsible resource use across its workplace environment, including LED lighting, automated air-conditioning scheduling and energy-saving house rules.

At this stage, SkyeChip has not yet established formal climate-related targets or dedicated GHG reduction plans and is continuing to strengthen its climate-related data collection and performance monitoring processes over time, in line with the ongoing development of its sustainability reporting practices and the scale of its operational footprint.

Current Climate-related Focus Areas

- Improving office-based energy efficiency through practical operational controls;
- Maintaining general operational resilience and business continuity arrangements;
- Strengthening climate-related governance and reporting capabilities over time; and
- Progressively enhancing internal data management and disclosure readiness in response to evolving reporting expectations.

Moving forward, the Group intends to continue building its climate-related reporting foundation by enhancing internal processes, improving visibility over relevant operational data and monitoring evolving climate-related reporting requirements that may affect the Group in future reporting periods.

SUSTAINABILITY STATEMENT

V. Anchoring Our Sustainability Priorities

Building on the governance framework, sustainability-related risks and opportunities, and climate-related considerations presented in the preceding sections, this section outlines SkyeChip's performance across the material sustainability matters identified during the reporting period. Guided by its Sustainability Policy, the Group continues to integrate ESG considerations into its business operations, decision-making and long-term value creation.

To provide a structured approach to implementation and reporting, SkyeChip's material sustainability matters are organised under three sustainability pillars, as outlined below. These pillars reflect the areas most relevant to the Group's business model, workforce, operating environment and strategic priorities, and provide the framework for the sustainability disclosures presented in this section.

Environmental Sustainability

SkyeChip seeks to minimise the environmental impact of its operations by promoting responsible resource use and environmentally conscious workplace practices. In line with the Group's fabless and asset-light operating model, its environmental focus is currently centred on areas such as energy efficiency, emission management and water management across its offices, data centres and operational environments.

Social Responsibility

SkyeChip is committed to fostering a safe, inclusive and supportive workplace where employees can develop and thrive. The Group's social priorities centre on employee well-being, professional development, fair employment practices, workplace health and safety, and the strengthening of community and educational partnerships that contribute to long-term workforce capability and positive social impact.

Responsible Governance

SkyeChip upholds strong governance practices by embedding integrity, transparency and accountability into the way it conducts business. This includes maintaining ethical business conduct, complying with applicable laws, regulations and industry standards, and integrating sustainability considerations into governance and decision-making processes to support long-term resilience, stakeholder confidence and responsible value creation.

The following section outlines SkyeChip's approach, key initiatives and selected performance indicators across each pillar during FYE 2026.

SUSTAINABILITY STATEMENT

SkyeChip's Sustainability Performance

Environmental Sustainability

SkyeChip seeks to minimise the environmental impact of its operations by promoting responsible resource use and environmentally conscious workplace practices. As a fabless IC design company with an asset-light operating model, the Group's environmental footprint is primarily associated with electricity consumption across its office premises and supporting operational environments, rather than large-scale industrial or manufacturing processes. In line with the scale and nature of its operations, SkyeChip's current environmental priorities focus on energy and emissions management and water management.

Energy and Emissions Management

SkyeChip's environmental footprint primarily arises from electricity consumption across its office premises, data centres and supporting operational facilities. Accordingly, the Group's current approach to energy and emissions management is focused on promoting efficient electricity use, reducing unnecessary consumption and progressively strengthening visibility over its operational energy profile and related indirect GHG emissions.

During FYE 2026, SkyeChip recorded total electricity consumption of 1,129,996 kWh, equivalent to 4,068 Gigajoules ("GJ") of energy consumption, while its Scope 2 indirect GHG emissions amounted to 874.62 tCO_2e. To manage electricity use, the Group continued to implement practical energy-saving measures across its offices, including the use of LED lighting, automated air-conditioning scheduling and employee house rules such as switching off lights and equipment when not in use.

As the Group continues to strengthen its sustainability reporting capabilities, SkyeChip will continue to enhance its monitoring of energy consumption and related emissions, while identifying opportunities to improve operational efficiency in a manner proportionate to the scale and nature of its operations.

Indicators	FYE 2026
Electricity consumption (kWh)	**1,129,996**
Energy consumption (Gigajoules)	**4,068**
Scope 1 – Direct GHG Emissions (tCO_2e)	**11.76**
Scope 2 – Indirect GHG Emissions (tCO_2e) (Location-based)	**874.62**

Note: The energy consumption, Scope 1 and Scope 2 GHG emissions disclosed above relate to the Group's Malaysia-based operations only. The Vietnam office, which mainly operated from a co-working space in FYE 2026, is excluded from these disclosures as electricity consumption data is not separately available.

Water Management

Water use within SkyeChip's operations is limited primarily to drinking water and sanitary facilities across its office premises. While the Group's overall water consumption is not significant relative to water-intensive industrial operations, SkyeChip recognises the importance of encouraging prudent water use as part of maintaining environmentally responsible workplace practices.

During FYE 2026, the Group recorded a total water consumption of 1,357 m^3 across its operations. To minimise unnecessary wastage, SkyeChip promotes water-saving habits among employees and carries out routine maintenance and leak checks where relevant as part of general facilities management. Moving forward, the Group will continue to monitor opportunities to strengthen responsible water use practices in a manner proportionate to the scale and nature of its operations.

Total water consumption (m^3) in FYE 2026 **1,357**

Note: The water consumption disclosed above relates to the Group's Malaysia-based operations only. The Vietnam office, which mainly operated from a co-working space in FYE 2026, is excluded from these disclosures as the relevant water consumption data is not separately available. The Group will continue to enhance its environmental data collection processes as its reporting practices evolve.

SUSTAINABILITY STATEMENT

Social Responsibility

People are central to SkyeChip's long-term success as a technology-driven business operating in a highly specialised and innovation-led industry. Accordingly, the Group's social priorities focus on developing and retaining talent, fostering a safe and inclusive workplace, upholding fair employment practices and contributing to the broader semiconductor ecosystem through education and talent pipeline initiatives.

Talent Development and Retention

As a fabless IC design company, SkyeChip's ability to innovate and deliver long-term value is closely tied to the strength of its technical workforce. The Group therefore places strong emphasis on attracting, developing and retaining talent, particularly in the highly specialised fields of integrated circuit IC design. SkyeChip also recognises that fair labour practices, workforce capability development and employee retention are important to sustaining business continuity and technical excellence in a competitive talent market.

To support this, the Group continues to invest in structured technical training and employee development. Each newly recruited engineer undergoes a structured training programme comprising 110 hours of training across 25 modules within the first year of employment, covering areas such as digital and analog very-large-scale integration ("VLSI") design, low-power systems, hardware modelling and scripting. These programmes are designed to strengthen technical capabilities, accelerate workforce readiness and support the Group's broader R&D and innovation priorities.

During FYE 2026, SkyeChip continued to invest in workforce capability-building through technical training and employee development initiatives, reflecting its ongoing commitment to strengthening employee competencies, supporting retention and building a resilient talent pipeline for long-term growth. Moving forward, the Group will continue to strengthen its people development and retention efforts to support workforce capability, leadership continuity and long-term business resilience.

Indicators	FYE 2026
Average annual turnover rate of technical personnel (%)	16.8
Structured training hours per newly recruited engineer (hours)	110
Number of training modules per newly recruited engineer (number)	25

Diversity and Inclusion

SkyeChip is committed to fostering a fair, respectful and inclusive workplace where employees are provided with equal opportunities to contribute and grow. The Group's human resource policies are aligned with applicable employment legislation, including the Employment Act 1955, and support merit-based recruitment, career progression and workplace conduct. The employee handbook also prohibits discrimination and harassment, reinforcing the Group's commitment to maintaining a respectful and professional working environment.

Diversity and inclusion remain important considerations across both SkyeChip's workforce and Board composition. As at FYE 2026, the Group's workforce comprised 73.9% male and 26.1% female employees, while local employees accounted for 98.7% of the workforce. At Board level, two out of six directors are women, representing 33% female Board representation, which is in line with the Malaysian Code on Corporate Governance's recommendation of at least 30% women directors. The Group also recorded zero cases of discrimination or harassment during FYE 2026, reflecting its continued commitment to maintaining a respectful and inclusive workplace environment. Moving forward, SkyeChip will continue to uphold fair employment practices and support workforce and Board diversity as part of its broader people and governance priorities.

SUSTAINABILITY STATEMENT

Board composition:

Below 30 years old (number)	30 – 50 years old (number)	Above 50 years old (number)
0	2	4

Percentage of female representation at Board level (%) 33%

Workforce composition:

Male employees (%)	Female employees (%)	Local employees (%)	Foreign employees (%)
73.9	26.1	98.7	1.3

Number of discrimination cases: Zero

Note: Local employees comprise employees who are nationals of the country in which the Group operates, while foreign employees comprise non-local employees employed within the Group's respective operations.

Occupational Health and Safety

SkyeChip is committed to providing a safe and healthy working environment for its employees, contractors and visitors. Although the Group's asset-light operating model presents a lower occupational health and safety risk profile than industrial manufacturing environments, SkyeChip recognises that workplace health and safety remain a fundamental aspect of employee well-being and responsible business conduct.

The Group's occupational health and safety practices are overseen by the HSE Committee, which convenes on a quarterly basis and supports the implementation of workplace safety measures across the Group. The HSE Committee is responsible for maintaining incident investigation guidelines, conducting regular safety assessments and coordinating annual fire drills and emergency preparedness exercises. During FYE 2026, SkyeChip recorded zero workplace fatalities, zero workplace injuries and zero regulatory fines for non-compliance with health and safety laws and regulations. The Group also continued to promote workplace safety awareness through HSE-related training and emergency preparedness initiatives, reflecting its ongoing commitment to maintaining a safe working environment and strengthening safety awareness across its operations.

Indicators	**FYE 2026**
Number of workplace fatalities (number)	**Zero**
Number of workplace injuries (number)	**Zero**
Number of HSE non-compliance fines (number)	**Zero**

Talent Pipeline and Educational Partnerships

SkyeChip recognises that supporting the development of future talent and contributing to the broader semiconductor ecosystem form an important part of its social responsibility. As a technology business operating in a highly specialised and innovation-driven industry, the Group believes that long-term industry growth depends not only on business performance, but also on the continued development of skilled engineering talent, academic collaboration and innovation at the tertiary education level.

In line with this, SkyeChip continues to support academic and educational initiatives that help nurture future IC design talent and strengthen industry readiness among students pursuing engineering and technology-related disciplines. SkyeChip has sponsored final-year projects for students at local universities. These initiatives are intended to encourage practical learning, innovation and deeper exposure to semiconductor design among students, while helping to strengthen the long-term talent pipeline for the industry.

SkyeChip also offers structured internship placements to undergraduates from universities, providing students with hands-on exposure to real-world IC design and development work under the mentorship of experienced engineers. Beyond skills development, the internship programme serves as a key channel for early talent identification, with suitable candidates considered for engineer roles upon completion of their studies — reinforcing the Group's long-term talent pipeline while contributing to the development of Malaysia's semiconductor design workforce.

Through these efforts, SkyeChip aims to contribute meaningfully to education, talent development and the advancement of future semiconductor professionals, while reinforcing its role in supporting the growth of the wider technology and innovation ecosystem.

Indicators	FYE 2026
Total amount invested in talent pipeline (RM)	**Approx. 194,808**
Number of beneficiaries supported – students (number)	**46**

Responsible Governance

SkyeChip believes that strong governance is fundamental to sustaining stakeholder trust, supporting responsible growth and reinforcing long-term business resilience. As a newly listed technology company operating across multiple jurisdictions, the Group recognises the importance of maintaining sound governance practices, ethical business conduct, effective oversight of information security and responsible management of its business relationships and economic performance. In line with these priorities, SkyeChip's key areas of focus under the Responsible Governance pillar are economic performance, business ethics and anti-corruption, data privacy and cybersecurity, and supply chain management.

Economic Performance

SkyeChip believes that creating sustainable economic value is fundamental to supporting long-term business resilience, innovation and stakeholder confidence. As a technology-driven business, the Group seeks to generate economic value through the delivery of high-value semiconductor design solutions, while ensuring that the value created is responsibly distributed to support employees, business operations, capital providers, government contributions and broader economic development.

During FYE 2026, the Group generated a total economic value of RM157.7 million, reflecting the financial value created through its business. This value was distributed primarily through operating costs, employee remuneration, payments to providers of capital and taxation, amounting to RM95.7 million. The resulting economic value retained reflects the Group's continued investment in strengthening its business capabilities and supporting its long-term growth strategy. By monitoring the creation, distribution and retention of economic value, SkyeChip seeks to maintain financial resilience while delivering sustainable value for its stakeholders.

SUSTAINABILITY STATEMENT

Indicators	FYE 2026
Economic Value Generated (RM'000)	**157,730**
Economic Value Distributed (RM'000)	**95,687**
Economic Value Retained (RM'000)	**62,043**

Business Ethics and Anti-Corruption

SkyeChip is committed to conducting its business with integrity, accountability and transparency. The Group's governance framework is supported by policies and procedures designed to promote ethical conduct, prevent bribery and corruption, and provide appropriate channels for employees and stakeholders to raise concerns regarding misconduct or improper practices.

The Group has adopted Anti-Bribery and Corruption (ABC) policy and procedures in compliance with the Malaysian Anti-Corruption Commission Act 2009, together with a Code of Conduct and Ethics and a Whistleblowing Policy aligned with the Whistleblower Protection Act 2010. These policies establish the standards of conduct expected across the organisation and reinforce SkyeChip's commitment to maintaining a culture of integrity and responsible decision-making across all levels of the business.

During FYE 2026, SkyeChip recorded zero confirmed corruption incidents and zero whistleblowing reports received, reflecting the Group's continued emphasis on ethical business conduct and the maintenance of appropriate reporting channels. The Group also seeks to strengthen its anti-corruption practices through ongoing governance oversight, internal controls and awareness-building efforts, while progressively enhancing its approach to corruption risk assessment and employee training in support of a strong culture of compliance and accountability.

Indicators	FYE 2026
Number of confirmed corruption incidents (number)	**Zero**
Number of whistleblowing reports received (number)	**Zero**

Data Privacy and Cybersecurity

As an IP-intensive technology business, SkyeChip places strong importance on safeguarding confidential information, proprietary design data and critical digital infrastructure. The Group's operations involve the handling of commercially sensitive information, silicon intellectual property and design environments, making data privacy and cybersecurity essential to business continuity, customer trust and long-term value creation.

To manage these risks, the Group has implemented a Data Loss Prevention Policy and a Data Disaster Recovery Policy, with practices aligned to the Personal Data Protection Act 2010 ("PDPA"). SkyeChip's information security and resilience measures include dual-site data centres with replicated critical systems, enterprise-grade firewalls, network segregation and ongoing security monitoring. Through these measures, the Group seeks to reduce the risk of disruption, unauthorised access, data loss and other cyber-related threats, while strengthening operational resilience across its digital environment.

During FYE 2026, SkyeChip recorded zero material cybersecurity incidents and zero data privacy breaches/incidents, reflecting the Group's continued focus on maintaining appropriate cybersecurity controls and protecting sensitive information assets. Moving forward, the Group will continue to strengthen its cybersecurity awareness, internal controls and digital resilience measures in line with evolving operational and technology risks.

Indicators	FYE 2026
Number of material cybersecurity incidents (number)	**Zero**
Number of data privacy breaches/ incidents reported (number)	**Zero**

Supply Chain Management

SkyeChip recognises that responsible supplier management forms an important part of its broader governance framework and operational resilience. The Group engages with suppliers that support key aspects of its business, including electronic design automation tools, third-party IP and other operational requirements, and seeks to maintain supplier relationships that are aligned with its standards of conduct, operational requirements and long-term business objectives.

By maintaining oversight of supplier relationships and supporting local supplier participation where relevant, the Group seeks to strengthen supply continuity, quality, accountability and broader economic contribution across its value chain.

VI. Advancing Our Sustainability Journey

As SkyeChip continues to grow as a listed technology company, the Group recognises that sustainability is an ongoing journey shaped by the evolution of its business, stakeholder expectations and the broader regulatory landscape. This inaugural Statement marks an important step in establishing the foundations for sustainable value by strengthening governance, improving visibility over sustainability-related matters and embedding greater accountability into the way the Group operates.

Building on these foundations, SkyeChip will continue to enhance its sustainability approach by strengthening internal data collection and performance monitoring, refining its sustainability-related disclosures and progressively formalising processes such as stakeholder engagement and materiality assessment over time. The Group will also continue to advance its governance, risk management and operational practices in a manner aligned with the scale, nature and growth trajectory of its business.

As the Group moves forward, SkyeChip remains committed to building on the progress made to date and to further integrating sustainability considerations into its strategy, operations and decision-making processes. Through this approach, the Group aims to reinforce long-term resilience, support responsible innovation and create sustainable value for its stakeholders in the years ahead.

SUSTAINABILITY STATEMENT

Prescribed Table

SKYECHIP BERHAD

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FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	Not Applicable	11.76	—	No assurance
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	Not Applicable	874.62	—	No assurance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTRODUCTION

The Board of Directors of SkyeChip Berhad ("**SkyeChip**" or "**Company**") ("**Board**") is committed to achieving and sustaining a high standard of corporate governance throughout the Company and its subsidiaries ("**Group**"). The Board recognises that good corporate governance is essential in enhancing business integrity, accountability, transparency, effective oversight of management, shareholders' confidence and long-term sustainable value creation, while considering the interests of other stakeholders.

This Corporate Governance Overview Statement ("**CG Overview Statement**") provides an overview of the Company's corporate governance practices during the financial year ended 31 March 2026 ("**FYE 2026**") with reference to the following three (3) key principles outlined in the Malaysian Code on Corporate Governance 2021 ("**MCCG**"):

PRINCIPLE A	PRINCIPLE B	PRINCIPLE C
Board Leadership and Effectiveness	Effective Audit and Risk Management	Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This statement is prepared in compliance with Paragraph 15.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**MMLR**") and should be read together with the Company's Corporate Governance Report ("**CG Report**"), which provides detailed explanations on the Company's application of the practices set out in the MCCG during FYE 2026.

The CG Report is made available on the Company's website at www.skyechip.com and via an announcement on the website of Bursa Malaysia Securities Berhad.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Part 1: Board Responsibilities

1. Roles and Responsibilities

The Board is accountable to shareholders and is responsible for the stewardship, strategic direction and oversight of the business and affairs of the Group. The Board seeks to ensure that the Group's business objectives are aligned with shareholders' expectations, with the aim of enhancing long-term shareholders' value while considering the interests of other stakeholders.

The Board is also responsible for ensuring that the Group's operations are effectively managed in a manner that is aligned with the Group's business objectives, complies with regulatory and ethical standards, and upholds high standards of transparency, accountability and governance.

The Board delegates the day-to-day management of the business of the Group to the Executive Directors and Key Senior Management. The management is aware of their duties to act in good faith, exercise reasonable care, skill and diligence, and act in the best interests of the Company and the Group. In discharging its duties and responsibilities effectively, the Board is guided by the Board Charter, which sets out the roles, responsibilities, structure and processes of the Board and Board Committees.

The roles and responsibilities of the Board are set out in the Board Charter, which is available on the Company's website at www.skyechip.com.

The Board has delegated certain responsibilities to the Board Committees, namely the Audit & Risk Management Committee ("**ARMC**"), Nomination Committee ("**NC**"), Remuneration Committee ("**RC**") and Long-Term Incentive Plan ("**LTIP**") Committee, each of which operates within its respective written Terms of Reference ("**TOR**"). The delegation to Board Committees does not absolve the Board of its overall responsibility for the affairs of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part 1: Board Responsibilities (Cont'd)

2. Separation of Positions of the Chairman and Chief Executive Officer

There is a clear separation of responsibilities between the Chairman and the Executive Director & Chief Executive Officer ("**CEO**") to ensure a balance of power and authority and to promote accountability in decision-making.

The Board is led by Dato' Seri Wong Siew Hai, the Independent Non-Executive Chairman. The Chairman is responsible for ensuring the effective functioning of the Board, promoting constructive deliberations among Directors, and facilitating the Board's oversight of Management.

The CEO, Dato' Fong Swee Kiang, is responsible for the day-to-day management and operations of the Group. He leads the implementation of the Group's strategies, policies and decisions approved by the Board, and monitors the Group's operating and financial performance against approved plans and budgets.

The separation of the roles of the Chairman and CEO ensures an appropriate balance of power and authority and prevents any undue concentration of decision-making authority in a single individual.

The Chairman of the Board does not serve as a member of, nor attends, the meetings of the ARMC, NC, LTIP Committee or RC. This ensures objectivity and reinforces effective checks and balances within the Board and Board Committees.

3. Supply of and Access to Information

Directors have full and unrestricted access to information relating to the Group, whether as a full Board or in their individual capacity, to enable them to discharge their duties and responsibilities effectively.

Meeting agendas, board papers and relevant supporting documents are circulated to the Directors in a timely manner prior to meetings of the Board and Board Committees to allow sufficient time for review and consideration. Where necessary, Key Senior Management, external advisers, internal auditors or external auditors may be invited to attend meetings to provide presentations, clarification and additional information on relevant matters.

The Board also has access to the advice and services of the Company Secretaries. The Board, whether collectively or individually, may obtain independent professional advice at the Company's expense, where necessary, in the discharge of their duties and responsibilities, subject to established approval procedures.

4. Sustainability Management

The Board recognises that sustainability is an integral part of the Group's corporate governance framework and long-term value creation. The Board is responsible for overseeing the Group's sustainability governance, including sustainability strategies, priorities, targets and performance relating to economic, environmental, governance and social considerations.

The Management is responsible for implementing sustainability initiatives and reporting key sustainability matters to the Board, where applicable.

Further information on the Group's sustainability approach and performance is set out in the Sustainability Statement of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part 1: Board Responsibilities (Cont'd)

5. Company Secretaries

The Board is supported by two (2) qualified and competent Company Secretaries, namely Ong Tze-En and Lau Yoke Leng, both of whom are qualified to act as company secretaries pursuant to the Companies Act 2016.

The Company Secretaries play an important role in supporting the effective functioning of the Board and Board Committees. Their responsibilities include, among others:

(a) preparing meeting agendas and coordinating the preparation of meeting papers for the Board and Board Committees;
(b) ensuring that procedures and applicable rules are observed;
(c) maintaining records of the Board, Board Committees and statutory records of the Group;
(d) attending Board and Board Committees meetings and preparing comprehensive minutes to accurately document proceedings and decisions;
(e) disseminating information relevant to the Board's roles and functions and keeping them updated on new or evolving regulatory requirements;
(f) advising the Board on its roles and responsibilities;
(g) advising the Board on corporate disclosures and compliance with company and securities regulations and the MMLR;
(h) managing processes relating to general meetings of the Company;
(i) facilitating the orientation of new Directors and assisting in their training and development;
(j) monitoring corporate governance developments and assisting the Board in applying governance practices to meet the Board's needs and stakeholders' expectations.

The Board has unrestricted access to the advice and services of the Company Secretaries.

6. Board Charter

The Board Charter serves as a primary reference document for the Board and Management. It sets out the roles, responsibilities, structure, processes and operating practices of the Board and Board Committees, as well as the requirements in fulfilling their stewardship role.

The Board Charter is established to promote high standards of corporate governance and to provide guidance and clarity to the Board and Management. It is aligned with the concepts of good governance as set out in the MCCG and the MMLR.

The Board Charter also sets out the Group's business goals and core values. SkyeChip's business goal is to deliver cutting-edge silicon intellectual property ("**IP**") and custom application-specific integrated circuits ("**ASICs**") product solutions for artificial intelligence and high-performance computing. The Group's core values, encapsulated in the acronym "TOPREV" are Teamwork, Open communication, Partnership for success, Results orientation, Excellence through quality and innovation, and Value of employees, which guide the conduct of its business and interactions with stakeholders.

The Board Charter will be reviewed and updated from time to time to ensure that it remains relevant and consistent with the Board's objectives, applicable laws, regulations and corporate governance practices.

The Board Charter is available on the Company's website at www.skyechip.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part 1: Board Responsibilities (Cont'd)

7. Code of Conduct & Ethics

The Company has adopted a Code of Conduct & Ethics which sets out the standards of conduct expected of Directors, Management and employees of the Group.

The Code of Conduct & Ethics promotes ethical business conduct, integrity, accountability, transparency, professionalism and compliance with applicable laws and regulations. It covers areas including work environment, company assets and information, conflict of interest, bribery and corruption, whistleblowing, gifts, compliance with laws, insider trading, money laundering and sustainable business practices.

The Board is committed to ensuring that the Group's business is conducted in an ethical, responsible and transparent manner. The Code of Conduct & Ethics is available on the Company's website at www.skyechip.com.

8. Whistleblowing Policy

The Company has adopted a Whistleblowing Policy to provide a channel for Directors, officers, employees and stakeholders to report suspected misconduct, unlawful conduct, breach of policies, fraud, corruption, abuse of authority, conflict of interest, unethical conduct or other improprieties.

The Whistleblowing Policy is intended to encourage reporting in good faith and to provide protection, to the extent possible, against reprisal, victimisation, harassment or discrimination.

The Board views whistleblowing as an important mechanism in supporting transparency, accountability, integrity and effective governance within the Group. The Company's Whistleblowing Policy can be viewed in detail at the Company's website at www.skyechip.com.

9. Anti-Bribery & Corruption Policy

The Company has adopted an Anti-Bribery & Corruption Policy to reinforce the Group's commitment to conducting business in an ethical, responsible, transparent and corruption-free manner.

The policy aims to promote ethical, responsible and transparent conduct across the Group and to ensure that all Directors, management, employees and relevant stakeholders uphold high standards of integrity and comply with applicable anti-bribery and anti-corruption requirements. It also seeks to foster a culture of integrity and enhance the trust and confidence of the Group's stakeholders.

The policy provides guidance on recognising bribery and corruption risks and sets out procedures for raising concerns on breaches of the policy without fear of reprisal. The Board does not tolerate bribery, corruption or improper conduct in any form.

The Company's Anti-Bribery & Corruption Policy can be viewed in detail at the Company's website at www.skyechip.com.

10. Fit & Proper Policy

The Company has adopted a Fit & Proper Policy to guide the appointment and re-election of Directors of the Company and its subsidiaries.

The policy ensures compliance with Paragraph 15.01A of the MMLR, which requires a listed issuer to have a fit and proper policy for the appointment and re-election of Directors. The policy is intended to ensure that Directors possess the necessary character, integrity, experience, competence, time commitment and independence to effectively discharge their responsibilities.

The NC is responsible for overseeing the application of the Fit & Proper Policy in relation to the appointment and re-election of Directors. The said policy is available on the Company's website, www.skyechip.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part 1: Board Responsibilities (Cont'd)

11. Remuneration Policy and Procedures

The Company has adopted a Remuneration Policy and Procedures to guide the Board and RC in administering the remuneration of Directors and Key Senior Management.

The policy is designed to attract and retain experienced, qualified and high-calibre members of the Board and the right calibre of employees to drive the business strategy, objectives, values and long-term interests of the Company and the Group.

The remuneration framework takes into account the skills and experience required, the complexity of the Group's business and operations, the responsibilities of the individual, market competitiveness and the performance of the Group.

The said policy is available on the Company's website, www.skyechip.com.

12. Other Governance-Related Policies

In addition to the above policies, the Group has implemented other governance-related policies, including the Data Loss Prevention Policy, Data Disaster Recovery Policy and Related Party Transaction Policy, to support data security, business continuity and proper oversight of related party transactions.

Part 2: Board Composition

1. Board Size, Composition and Diversity

The current Board comprises six (6) Directors: two (2) Executive Directors and four (4) Independent Non-Executive Directors as follows:

Name	Designation and Directorate	Gender
Dato' Seri Wong Siew Hai	Independent Non-Executive Chairman	Male
Dato' Fong Swee Kiang	Non-Independent Executive Director & Chief Executive Officer	Male
Teh Chee Hak	Non-Independent Executive Director & Chief Technology Officer	Male
Dato' Seri Gooi Soon Chai	Independent Non-Executive Director	Male
Datuk Alexandra Chin @ Fui Lin, J.P.	Independent Non-Executive Director	Female
Norinne Ira Dewal Binti Md Ali	Independent Non-Executive Director	Female

The Board's composition exceeds the requirement under Paragraph 15.02(1) of the MMLR, which requires that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be independent. SkyeChip's Board comprises four (4) Independent Non-Executive Directors out of a total six (6) Directors, representing approximately 66.7% of the Board and substantially exceeding the minimum requirement.

The Board complies with Paragraph 15.02(1)(b) of the MMLR, which requires at least one woman director on the Board. The Board also exceeds the recommendation under Practice 5.9 of the MCCG which recommends that women comprise at least 30% of the Board. SkyeChip has two (2) female Directors, namely Datuk Alexandra Chin @ Fui Lin, J.P. and Norinne Ira Dewal Binti Md Ali, representing approximately 33.3% of the Board and thereby surpassing the recommended threshold.

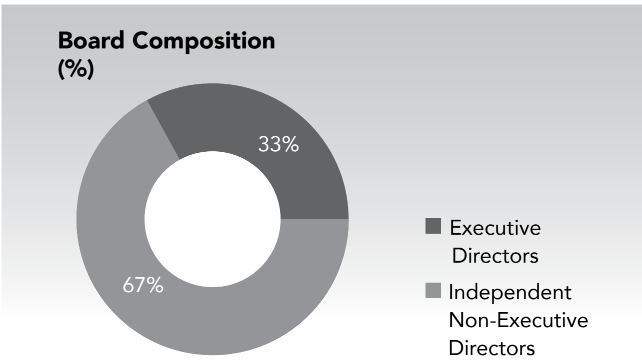
CORPORATE GOVERNANCE OVERVIEW STATEMENT

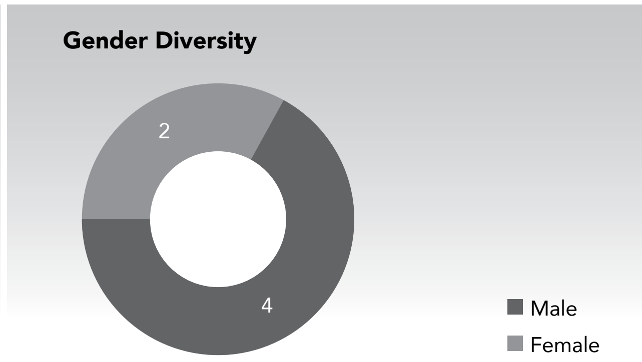
PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

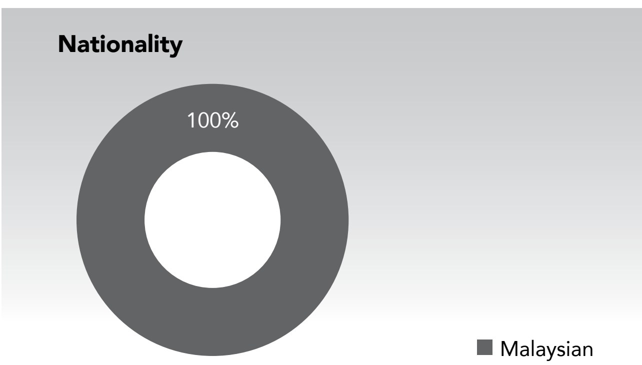
Part 2: Board Composition (Cont'd)

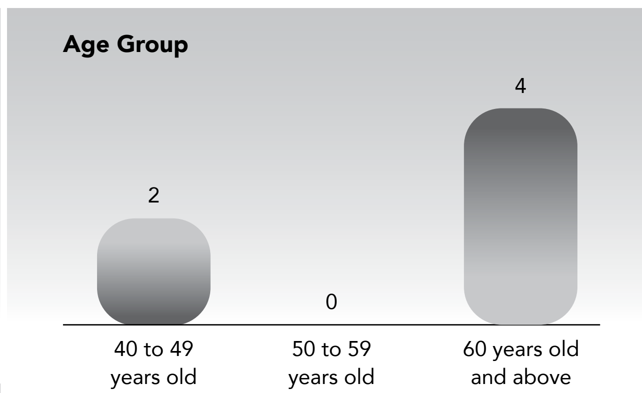
1. Board Size, Composition and Diversity (Cont'd)

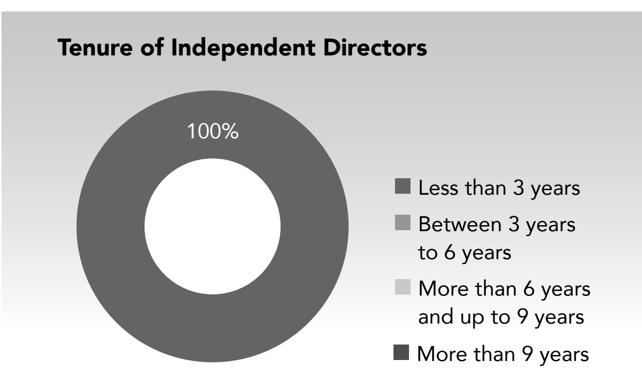
The summary of the Board composition is set out below:











The Board recognises the importance of diversity in supporting effective decision-making, robust governance and constructive Board deliberations. Through the NC, the Board considers diversity in skills, experience, age, gender, cultural background, independence, knowledge, qualifications and professional expertise when reviewing Board composition and recommending new appointments.

The Board is satisfied that its current composition reflects an appropriate balance of Executive Directors and Independent Non-Executive Directors, with a broad mix of industry, technology, financial, legal, corporate governance, business and strategic expertise to support the Group's long-term direction and growth. The Board exceeds both independence and gender diversity benchmarks, supporting balanced perspectives and effective governance.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part 2: Board Composition (Cont'd)

2. Independent Non-Executive Directors

The Board recognises the importance of maintaining independence and objectivity in its decision-making processes. The Independent Non-Executive Directors are independent of Management and are free from any business or other relationships that could interfere with or compromise the exercise of independent judgement. They play an important role in providing effective checks and balances and contribute independent judgement in the best interests of the Company and its stakeholders.

The Board Charter and NC TOR provide that the tenure of an Independent Non-Executive Director shall not exceed a cumulative or consecutive term of nine (9) years. As at the date of this statement, none of the Independent Non-Executive Directors has served the Board for more than nine (9) years.

3. Directors' Commitment

Directors are expected to devote sufficient time and effort to effectively discharge their responsibilities. Prior to accepting any new directorship, Directors are required to notify the Chairman in writing (including via email), provide an indication of the expected time commitment, and confirm that the appointment will not result in any actual or potential conflict of interest or affect their ability to devote sufficient time to the affairs of the Company. A Director shall not hold more than five (5) directorships in public listed companies.

The Board is to meet at least quarterly, with additional meetings convened as and when required to deliberate on urgent and important matters requiring the Board's attention and approval. Board meetings are scheduled in advance to facilitate Directors' planning and attendance.

During the financial year under review, the Board met three (3) times. The attendance of the Directors at Board meetings is set out below:

Director	Designation	Attendance	Percentage
Dato' Seri Wong Siew Hai	Independent Non-Executive Chairman	3/3	100%
Dato' Fong Swee Kiang	Executive Director & CEO	3/3	100%
Teh Chee Hak	Executive Director & Chief Technology Officer	3/3	100%
Dato' Seri Gooi Soon Chai	Independent Non-Executive Director	3/3	100%
Datuk Alexandra Chin @ Fui Lin, J.P.	Independent Non-Executive Director	3/3	100%
Norinne Ira Dewal Binti Md Ali	Independent Non-Executive Director	3/3	100%

Aside from Board meetings, urgent matters may be decided by way of Directors' written resolutions, where appropriate.

The Board practises active and open discussions during meetings to ensure that all Directors have opportunities to participate and contribute to the decision-making process. The Board is satisfied that each Director has allocated sufficient time to discharge his or her duties and responsibilities effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part 2: Board Composition (Cont'd)

4. Board Committees

To assist in the discharge of its duties and responsibilities, the Board has established the following Board Committees:

(a) Audit & Risk Management Committee
(b) Nomination Committee
(c) Remuneration Committee
(d) Long-Term Incentive Plan Committee

Each Board Committee operates within its respective written Terms of Reference, which sets out its composition, authority, duties and responsibilities. The Board Committees report to the Board on matters deliberated and recommendations made.

The Chairman of the Board does not serve as a member of any Board Committee. This supports the objective of preserving independence, objectivity and checks and balances in the Board's review of matters and recommendations from the Board Committees.

The Board is kept informed of the activities of the Board Committees through reports by the respective Chairmen of the Board Committees on key matters discussed and recommendations made at Board Committee meetings. Notwithstanding the delegation to Board Committees, the Board retains ultimate responsibility for the affairs of the Group.

5. Audit & Risk Management Committee

The ARMC was established by the Board on 14 April 2025. The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors.

The composition of the ARMC is as follows:

Name	Designation	Directorship
Datuk Alexandra Chin @ Fui Lin, J.P.	Chairman	Independent Non-Executive Director
Dato' Seri Gooi Soon Chai	Member	Independent Non-Executive Director
Norinne Ira Dewal Binti Md Ali	Member	Independent Non-Executive Director

The ARMC assists the Board in the effective discharge of its responsibilities in relation to accounting and financial reporting practices, internal control, internal audit, external audit, risk management and compliance.

The authorities, functions and responsibilities of the ARMC are set out in its TOR, which is available on the Company's website at www.skyechip.com.

During the financial year under review, the ARMC met once. The attendance of the ARMC members is set out below:

Name	Attendance	Percentage
Datuk Alexandra Chin @ Fui Lin, J.P.	1/1	100%
Dato' Seri Gooi Soon Chai	1/1	100%
Norinne Ira Dewal Binti Md Ali	1/1	100%

Further details of the ARMC's activities are set out in the Audit & Risk Management Committee Report of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part 2: Board Composition (Cont'd)

6. Nomination Committee

The NC was established by the Board on 14 April 2025 and comprises three (3) members, all of whom are Independent Non-Executive Directors. The composition of the NC is as follows:

Name	Designation	Directorship
Norinne Ira Dewal Binti Md Ali	Chairman	Independent Non-Executive Director
Dato' Seri Gooi Soon Chai	Member	Independent Non-Executive Director
Datuk Alexandra Chin @ Fui Lin, J.P.	Member	Independent Non-Executive Director

The NC assists the Board in ensuring that the Board and Board Committees have an effective and balanced composition, with an appropriate mix of skills, independence, knowledge, qualifications, experience, age, cultural background and gender.

The authorities, functions and responsibilities of the NC are set out in its TOR, which is available on the Company's website at www.skyechip.com.

Having considered the absence of any matters requiring the NC's formal deliberation or recommendation, the NC did not convene any meeting during FYE 2026. The NC will undertake its roles and responsibilities in accordance with its TOR as and when matters requiring its consideration arise.

Further details of the NC's activities are set out in the Nomination Committee Report of this Annual Report.

7. Remuneration Committee

The RC was established by the Board on 14 April 2025. The RC comprises three (3) members, all of whom are Independent Non-Executive Directors, as set out below:

Name	Designation	Directorship
Dato' Seri Gooi Soon Chai	Chairman	Independent Non-Executive Director
Datuk Alexandra Chin @ Fui Lin, J.P.	Member	Independent Non-Executive Director
Norinne Ira Dewal Binti Md Ali	Member	Independent Non-Executive Director

The RC assists the Board in reviewing and recommending the remuneration framework and policies for Directors and Key Senior Management.

The authorities, functions and responsibilities of the RC are set out in its TOR, which is available on the Company's website at www.skyechip.com.

During FYE 2026, the remuneration of the Directors remained unchanged from that approved at the time of their appointment pursuant to the Company's initial public offering ("**IPO**") preparation exercise. As there were no proposed revisions to the remuneration framework or individual remuneration arrangements during the financial year, no RC meeting was convened. No Director was involved in deciding his or her own remuneration. The RC will undertake its roles and responsibilities in accordance with its Terms of Reference as and when matters requiring its consideration arise.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part 2: Board Composition (Cont'd)

7. Remuneration Committee (Cont'd)

Remuneration of Directors and Key Senior Management

Directors' Remuneration Disclosure

Details of the Directors' remuneration for FYE 2026 are set out below:

			Company ('000)							Group ('000)						
No	Name	Directorate	Fee	Allowance	Salary	Bonus	Benefit-In-Kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefit-In-Kind	Other emoluments	Total
1	Dato' Seri Wong Siew Hai	Independent Non-Executive Chairman	48	3	-	-	-	-	51	48	3	-	-	-	-	51
2	Dato' Fong Swee Kiang	Executive Director and CEO	-	4	817	-	-	157	978	-	4	817	-	-	157	978
3	Teh Chee Hak	Executive Director and Chief Technology Officer	-	4	843	-	-	260	1,107	-	4	843	-	-	260	1,107
4	Dato' Seri Gooi Soon Chai	Independent Non-Executive Director	30	3	-	-	-	-	33	30	3	-	-	-	-	33
5	Datuk Alexandra Chin @ Fui Lin, J.P.	Independent Non-Executive Director	30	3	-	-	-	-	33	30	3	-	-	-	-	33
6	Norinne Ira Dewal Binti Md Ali	Independent Non-Executive Director	30	3	-	-	-	-	33	30	3	-	-	-	-	33

Key Senior Management Remuneration

The remuneration of Key Senior Management is reviewed to ensure that it is competitive and commensurate with their roles, responsibilities, performance and contribution to the Group.

Further details of the RC's activities are set out in the Remuneration Committee Report of this Annual Report.

8. Continuing Education and Development

The Board recognises the importance of continuous professional development to enable Directors to discharge their duties effectively.

The NC oversees the training and development of Directors, while Directors are responsible for assessing their own training needs, taking into consideration the business environment, regulatory developments, the Group's operations and their respective roles and contribution to the Board and Board Committees.

Directors are encouraged to attend appropriate training programmes, seminars, conferences and briefings to keep abreast of developments in the economy, industry, technology, corporate governance, sustainability, risk management, financial reporting, legal and regulatory requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

Part 2: Board Composition (Cont'd)

8. Continuing Education and Development (Cont'd)

During the financial year under review, the Directors attended the following training and development programmes:

Director	Training / Seminar Attended
Dato' Seri Wong Siew Hai	• Silicon Malaysia Conference - Transform Silicon Malaysia by 2030 • SEMICON Southeast Asia 2025 • Innovate and Lead- - ASEAN Semiconductor Summit 2025 – Shaping the future of the ASEAN's Semiconductor Industry • SMU Asia Summit 2025 - Redefining Asia's Trade Playbook: Navigating the New World Order
Dato' Fong Swee Kiang	• Mandatory Accreditation Program I
Teh Chee Hak	• Mandatory Accreditation Program I
Dato' Seri Gooi Soon Chai	• Mandatory Accreditation Program I • Mandatory Accreditation Program II: Leading for Impact (LIP)
Datuk Alexandra Chin @ Fui Lin, J.P.	• National Tax Conference 2025 • Materiality In Financial Reporting • Seminar Percukaian Kebangsaan 2025 • Essential ISA Requirements: A Detailed Study with Practical Examples (Part 1) • Post Budget 2026 • Third edition of the IFRS for SME's Accounting Standard • Preparation for the Transition from MPERS (2014) to the Revised MPERS (2025) – Incorporating the Proposals in Exposure Draft 80, Based on the Third Edition of the IFRS for SMEs • Budget Seminar • Leading on Innovation: Fostering Team Trust and Bold Thinking
Norinne Ira Dewal Binti Md Ali	• Mandatory Accreditation Program I • AML/CFT/CPF & TFS: Driving Compliance Through Innovation & Integration Program • S.17A of the MACC Act 2009. Deep Dive into Anti-Bribery & Corruption Measures: A Reasonable and Proportionate Approach

The Company Secretaries also provide updates to the Board on relevant statutory and regulatory developments, corporate governance practices and changes to the MMLR, MCCG and other applicable requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Part 1: Audit & Risk Management Committee

The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors. The ARMC is chaired by Datuk Alexandra Chin @ Fui Lin, J.P..

All ARMC members are financially literate and understand matters within the purview of the ARMC, including the financial reporting process. The ARMC members also collectively possess sufficient understanding and knowledge of the Group's business and industry, as well as the ability to understand key business and financial risks and related controls.

The Chairman of the ARMC is not the Chairman of the Board, which ensures that the objectivity of the Board's review of the ARMC's findings and recommendations is maintained.

The ARMC's TOR require a former partner of the external audit firm and/or affiliate firm to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC. Presently, there are no former partners of the external audit firm and/or its affiliate firms serving as members of the ARMC.

1. Financial Reporting

The ARMC assists the Board in reviewing the quarterly and annual financial statements of the Company and the Group before recommending them to the Board for approval.

In reviewing the financial statements, the ARMC focuses on, among others:

(a) changes in or implementation of major accounting policies and practices;
(b) significant financial reporting issues and judgements made by management;
(c) significant and unusual events or transactions;
(d) significant adjustments arising from the audit;
(e) litigation or actions that could materially affect the financial position or performance of the Group;
(f) the going concern assumption;
(g) the integrity of the financial statements; and
(h) compliance with accounting standards and legal requirements.

The Board is committed to ensuring that the financial statements present a clear, balanced and meaningful assessment of the Group's financial position and performance.

2. External Audit

The ARMC maintains a formal and transparent relationship with the external auditors. The ARMC reviews the audit scope, nature and plan with the external auditors and discusses audit findings, management letters, if any and key audit matters.

The ARMC also reviews the suitability, objectivity and independence of the external auditors and makes recommendations to the Board on the nomination or re-appointment of external auditors and their audit fees.

The ARMC reviews written confirmation from the external auditors confirming their independence throughout the audit engagement in accordance with applicable professional and regulatory requirements.

The external auditors of the Company are Grant Thornton Malaysia PLT.

3. Assurance Related and Non-Audit Services

The ARMC reviews the nature and extent of assurance related and non-audit services provided by the external auditors and/or their network firms to ensure that the provision of such services does not impair the auditors' objectivity and independence.

The ARMC's TOR provide that certain services should not be provided by external auditors, including management consulting, strategic decision-making, internal audit, and policy and standard operating procedure documentation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

Part 1: Audit & Risk Management Committee (Cont'd)

4. Internal Audit

The ARMC is responsible for ensuring that the internal audit function is independent of the activities it audits and has the necessary authority, scope, competency, budget and resources to carry out its work.

The Group's internal audit function, which would be outsourced to Axcelasia Sdn. Bhd. for financial year ending 31 March 2027 ("**FYE 2027**"), reports functionally to the ARMC and administratively to the Finance Director, where applicable.

The internal audit function is responsible for reviewing and appraising the effectiveness of the Group's risk management, internal control and governance processes.

The ARMC would review the internal audit plan, internal audit findings, management's responses and corrective actions taken to address any deficiencies in controls or procedures.

Further details of the internal audit function and activities are set out in the Audit & Risk Management Committee Report of this Annual Report.

Part 2: Risk Management and Internal Control Framework

The Board recognises the importance of maintaining a sound system of risk management and internal control to safeguard shareholders' investment and the Group's assets.

The Board is responsible for the Group's risk management and internal control systems and for reviewing their adequacy and effectiveness. The Board acknowledges that such systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against material misstatement, fraud or loss.

The ARMC assists the Board in overseeing the Group's risk management framework and internal control system. The ARMC reviews and recommends the Group's risk management policies and strategies to the Board for approval.

The ARMC's risk management responsibilities include, among others:

(a) identifying principal risks and implementing appropriate systems and risk assessment processes to manage the Group's overall risk exposure;
(b) reviewing the Group's risk management policies and strategies;
(c) reviewing major investment and business proposals and management's assessment of key associated risks;
(d) monitoring the Group's risk tolerance and risk exposure to ensure alignment with risk strategies and objectives;
(e) reviewing the effectiveness and efficiency of key internal control procedures and processes;
(f) overseeing periodic testing of the effectiveness of internal control procedures and processes;
(g) reviewing significant risks and exposures with management, internal auditors and external auditors;
(h) promoting a healthy Group-wide risk culture;
(i) reviewing business continuity management, emergency plans and crisis readiness; and
(j) reviewing and recommending the Statement on Risk Management and Internal Control.

The Group has in place an Enterprise Risk Management Framework. Management is responsible for identifying, evaluating, monitoring and managing risks faced by the Group and reporting key risks and mitigating actions to the ARMC and the Board.

Further information on the Group's risk management and internal control framework is set out in the Statement on Risk Management and Internal Control of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Part 1: Communication with Stakeholders

The Board recognises the importance of maintaining effective communication with shareholders, investors and other stakeholders. The Company aims to provide timely, accurate, clear and relevant information to enable shareholders and stakeholders to make informed decisions.

The Company communicates with shareholders and stakeholders through, among others:

(a) annual reports;
(b) quarterly financial results;
(c) announcements to Bursa Securities;
(d) the Company's website;
(e) general meetings;
(f) press releases and media engagements, where appropriate; and
(g) investor relations and corporate communication channels.

The Company's website at www.skyechip.com serves as a key source of information for shareholders, investors and stakeholders. The website provides access to corporate information, announcements, financial results, Annual Reports, corporate governance documents and other relevant information.

The Board is committed to maintaining a meaningful relationship with shareholders and stakeholders based on transparency, accountability and timely communication.

Part 2: Conduct of General Meetings

The Annual General Meeting ("**AGM**") serves as the primary forum for shareholders to engage directly with the Board and Key Senior Management of the Company. It provides shareholders with the opportunity to seek clarification and raise questions on the Group's business operations, financial performance, corporate governance, utilisation of proceeds, strategic direction and other matters following their review of the Company's Annual Report.

The forthcoming AGM of the Company will be held physically on 17 August 2026 at Amari SPICE Hotel, Jadeite, Level 4, 2, Persiaran Mahsuri, 11900 Bayan Lepas, Pulau Pinang, providing an effective platform for communication and engagement with shareholders. The notice of AGM will be issued to shareholders at least twenty-eight (28) days before the AGM. The notice of AGM will also be made available on the Company's website and announced via Bursa Securities. Where required, the notice will also be advertised in a nationally circulated newspaper.

The notice of AGM will include the relevant administrative details, including the date, time and venue of the meeting, shareholders' right to attend, participate and vote, the right to appoint a proxy, and information on the procedures for submitting questions. Shareholders who are unable to attend the AGM may appoint proxies to attend, participate and vote on their behalf.

The Board, Finance Director, Company Secretaries and External Auditors will be present at the AGM, where appropriate, to respond to questions raised by shareholders.

All resolutions tabled at the AGM will be voted by poll in accordance with the MMLR. An Independent Scrutineer will be appointed to validate the votes cast at the AGM. The outcome of the AGM will be announced to Bursa Securities on the same day after the conclusion of the meeting.

The minutes of the AGM, together with key matters discussed and responses to questions raised by shareholders, will be made available on the Company's website at www.skyechip.com within the prescribed timeframe.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

STATEMENT BY THE BOARD ON CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board remains committed to enhancing the Company's corporate governance standards and fostering a culture of ethical conduct, transparency, accountability and sustainable value creation.

For the financial year under review, the Board is of the view that the Company has, in all material aspects, applied the principles and practices set out in the MCCG, where applicable and appropriate, having regard to the Group's size, business nature, complexity and stage of development. Any departures from the MCCG practices are explained in the Company's CG Report.

The Board will continue to review and strengthen the Company's corporate governance framework, policies and practices to ensure that they remain relevant, effective and aligned with applicable laws, regulations, the MMLR, the MCCG and stakeholders' expectations.

This Corporate Governance Overview Statement was approved by the Board on 14 July 2026.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**MMLR**").

1. Utilisation of Proceeds

There was no utilisation of proceeds raised from our initial public offering ("**IPO**") as at financial year ended 31 March 2026 ("**FYE 2026**") as the IPO exercise of SkyeChip Berhad ("**SkyeChip**" or "**Company**") was concluded with its listing on the Main Market of Bursa Securities only on 20 May 2026. In conjunction with its IPO exercise, the Company raised gross proceeds of RM352.0 million which is expected to be utilised in the following manner:

Details of utilisation of proceeds	Estimated time frame for utilisation from the date of Listing	Initial proposed utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000
R&D of Integrated Circuit (IC) products	Within 36 months	155,103	NA	NA
R&D of silicon Intellectual Property (IP)	Within 36 months	56,427	NA	NA
Expansion of operational facilities and resources	Within 36 months	19,000	NA	NA
Expansion of computing infrastructure and labs	Within 36 months	38,076	NA	NA
Subscription, licensing and/or purchase of Electronic Design Automation (EDA) and development tools	Within 36 months	36,707	NA	NA
Working capital	Within 36 months	32,410	NA	NA
Defraying fees and expenses in relation to the IPO and Listing	Within 3 months	14,277	NA	NA
Total		**352,000**	**NA**	**NA**

The utilisation of proceeds as disclosed above should be read in conjunction with the Company's Prospectus dated 29 April 2026.

2. Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the MMLR, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

ADDITIONAL COMPLIANCE INFORMATION

2. Disclosure of Financial Data for Shariah Screening (Cont'd)

(a) Group Total Income and Total Assets

	Remarks	2026 RM'000
Revenue		**155,020**
Other income		**1,656**
Interest income		**1,054**
Total Income		**157,730**
Total Assets		**229,373**

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	2026 RM'000
Interest income		**256**
Gain from investment in conventional instruments	Fair value gain / Gain on disposal on other investment	**250**
Total		**506**

(c) Component of Financial Position

i. Cash Component

Islamic Account/Instruments	2026 RM'000
Cash at bank (exclude cash in hand)	**40,719**
Deposits with licensed bank	**-**
Short-term funds	**3,037**
	43,756

Conventional Account/Instruments	2026 RM'000
Cash at bank (exclude cash in hand)	**41,895**
Deposits with licensed bank	**-**
Short-term funds	**9,589**
	51,484

ADDITIONAL COMPLIANCE INFORMATION

3. Audit, Assurance Related and Non-Audit Fees

The amount of audit, assurance related and non-audit fees paid/payable to the external auditors by the Company and its subsidiaries ("**Group**") for the FYE 2026 are as follows:

	Group (RM'000)	Company (RM'000)
Statutory audit	93	85
Assurance related and non-audit fees	526	426
Total	**619**	**511**

The external auditors of the Company are Grant Thornton Malaysia PLT.

The assurance related and non-audit services were mainly services rendered by the external auditors, its affiliate and member firm in relation to the Company's IPO exercise and review of the Statement on Risk Management and Internal Control.

4. Material Contracts Involving Directors' and Major Shareholders' Interests

There were no material contracts, not being contracts entered into in the ordinary course of business, entered into by the Company and/or its subsidiaries involving the interests of Directors and major shareholders during the FYE 2026.

5. Contracts Relating to Loans

There were no contracts relating to loans entered into by the Company and/or its subsidiaries involving the interests of Directors or major shareholders during the FYE 2026.

6. Long-Term Incentive Plan

The Company has established a long-term incentive plan ("**LTIP**") in the form of an employees' share option scheme ("**ESOS**") and an employees' share issuance scheme ("**ESIS**") on 19 May 2026, which shall be administered in accordance with the By-Laws governing the LTIP. The aggregate number of the shares of the Company made available under the ESIS and ESOS shall be a maximum of 15.0% of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time during the duration of the LTIP. The LTIP was approved by shareholders at an Extraordinary General Meeting of the Company held on 10 April 2026. It was implemented on 19 May 2026 and has a duration of five (5) years, expiring on 18 May 2031.

7. Material Litigation

There were no material litigations by or against the Group as at 31 March 2026.

8. Sanctions and/or Penalties

There were no material sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or Management by the relevant regulatory bodies during the FYE 2026.

9. Profit Estimate, Forecast or Projection

The Group did not issue any profit forecast or profit guarantee during the FYE 2026.

10. Contingent Liabilities or Contingent Assets

The Group had no contingent liabilities or contingent assets as at the date of the interim financial report for the fourth quarter ended 31 March 2026.

ADDITIONAL COMPLIANCE INFORMATION

11. Corporate Proposals

The following corporate proposals were undertaken after the FYE 2026:

(a) On 1 April 2026, the entire irredeemable convertible preference shares ("**ICPS**") has been converted into ordinary shares of the Company on the basis of 1 ordinary share for every 1 ICPS held.

(b) On 8 April 2026, the Company has undertaken the subdivision of 319,679,051 ordinary shares into 1,396,000,000 ordinary shares.

(c) On 19 May 2026, the Company has offered a total of 61,755,000 Employee Share Option Scheme ("**ESOS**") Options to the eligible employees of the Group. The vesting period of the ESOS Options offered is up to 5 years from 19 May 2026 with an exercise price of RM0.88 per ESOS Options.

(d) On 20 May 2026, the Company was successfully admitted to the official list of Bursa Securities and the Company's entire enlarged issued and paid-up share capital comprising 1,796,000,000 shares were listed and quoted on the Main Market of Bursa Securities.

(e) On 3 June 2026, the Company has increased its registered capital in SkyeChip Semiconductor (Shanghai) Co., Ltd. at RM299,300 for cash. No changes in the equity interest subsequent to the additional subscription.

(f) On 15 June 2026, the Company has incorporated a United States of America based wholly-owned subsidiary named SkyeChip Inc. for a cash consideration of RM609,750.

Save as disclosed above, there were no other corporate proposals pending completion as at 31 March 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**MMLR**") and guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies 2025 ("**SORMIC Guide 2025**"), the Board of Directors of SkyeChip Berhad ("**SkyeChip**" or "**Company**") ("**Board**") is pleased to present this Statement on Risk Management and Internal Control ("**Statement**").

This Statement outlines the nature and scope of the risk management and internal control systems of the Company and its subsidiaries ("**Group**") for the financial year ended 31 March 2026 ("**FYE 2026**").

Board Responsibility

The Board acknowledges its overall responsibility for establishing and maintaining the Group's risk management and internal control systems, and for reviewing their adequacy and effectiveness.

The Board is responsible for ensuring that management has established and implemented appropriate policies, procedures, processes and controls to identify, assess, monitor, manage and report significant risks faced by the Group in achieving its business objectives and strategies.

The Board is assisted by the Audit & Risk Management Committee ("**ARMC**") in discharging its oversight responsibilities in relation to the Group's risk management, internal control, internal audit, external audit, financial reporting, compliance, related party transactions, conflict of interest, anti-bribery and anti-corruption, and whistleblowing matters.

The Group's risk management and internal control systems cover financial, operational, strategic, compliance, governance, technology, sustainability and other relevant risk areas. These systems are designed to manage, rather than eliminate, the risks that may impede the achievement of the Group's business objectives. Accordingly, the systems can only provide reasonable, but not absolute, assurance against material misstatement, loss, fraud, irregularities or the occurrence of unforeseeable circumstances.

The Board will continue to review and enhance the Group's risk management and internal control systems to ensure that they remain relevant and effective in supporting the Group's business needs, regulatory requirements and stakeholders' expectations.

MANAGEMENT RESPONSIBILITY

Management is responsible for implementing the Board's policies and procedures on risk management and internal control. This includes identifying, evaluating, measuring, monitoring and reporting risks, as well as ensuring that appropriate remedial actions are taken in a timely manner to address control deficiencies, non-compliance issues or emerging risks.

The Executive Director & Chief Executive Officer ("**CEO**") and Finance Director play key roles in assisting the Board and the ARMC by providing updates on the Group's operational performance, financial performance, risk exposure and internal control matters.

Management is also responsible for embedding a risk-aware culture across the Group and ensuring that employees understand their roles in managing risks and complying with the Group's policies and procedures.

RISK MANAGEMENT FRAMEWORK

The Group has in place an Enterprise Risk Management Framework to guide the identification, assessment, monitoring and reporting of risks within the Group. The framework is intended to provide a structured approach for Management to identify and manage key risks in alignment with the Group's strategic direction, business objectives, risk appetite and operating environment.

The Enterprise Risk Management Framework is reviewed by the ARMC, which is responsible for ensuring that the Group has in place a risk management policy that addresses strategic, operational, financial and compliance risks. The ARMC may recommend changes, from time to time, to the Board where necessary to ensure that the framework remains relevant and effective.

The framework is an ongoing process that enables the Group to identify, assess, manage, monitor and report principal risks and uncertainties faced by the Group. It is also intended to facilitate decision-making, strengthen accountability and support the achievement of the Group's strategic objectives.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT FRAMEWORK (CONT'D)

The Group's risk management framework is supported by the following key features:

Key Feature	Description
Risk strategy and objectives	Aligns risk management with the Group's business goal, objectives and strategic priorities.
Risk governance	Defines the oversight responsibilities of the Board and ARMC, and the implementation responsibilities of Management.
Risk culture	Promotes accountability, ethical conduct, timely escalation of risks and awareness of risk management responsibilities across the Group.
Risk identification and assessment	Identifies key risks that may affect the Group's business objectives and assesses the likelihood and potential impact of such risks.
Risk response and mitigation	Determines appropriate actions, controls and mitigation plans to manage risks within acceptable levels.
Risk monitoring and reporting	Monitors risk exposure, risk mitigation progress and changes in the risk profile, and reports key matters to the ARMC and Board.
Review and continuous improvement	Reviews the effectiveness of the framework and updates the risk management approach in response to changes in the business environment, regulatory landscape and stakeholder expectations.

RISK MANAGEMENT OVERSIGHT

The Group's risk management oversight structure is established to ensure that risk management responsibilities are clearly defined and communicated.

The Board retains overall responsibility for the Group's risk management and internal control systems. The ARMC assists the Board by reviewing the Enterprise Risk Management Framework, monitoring the Group's key risks and risk exposure, and assessing the adequacy and effectiveness of risk management processes.

Management is responsible for identifying and managing risks within their respective areas of responsibility. Risk owners are responsible for monitoring the risks assigned to them, implementing mitigation action plans and reporting the status of such action plans to management.

Where significant risks or issues are identified, they are escalated to the ARMC and the Board for review, deliberation and decision-making.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT OVERSIGHT (CONT'D)

The Group's risk management oversight structure may be illustrated as follows:

Board of Directors

Overall responsibility for risk management and internal control

↓

Audit & Risk Management Committee

Oversight of risk management framework, internal control, internal audit, external audit, financial reporting and compliance

↓

CEO / Key Senior Management

Implementation of risk management processes and internal controls

↓

Risk Owners / Heads of Departments / Business Units

Identification, assessment, monitoring and mitigation of risks within their respective areas

↓

Employees

Day-to-day compliance with policies, procedures and internal controls

The internal audit function provides independent assurance to the ARMC and the Board on the adequacy and effectiveness of the Group's governance, risk management and internal control processes.

RISK MANAGEMENT PROCESS

The Group's risk management process establishes the context of risks in relation to the Group's business and sets out the process for risk identification, assessment, mitigation, monitoring and reporting.

The process generally includes the following:

- Establishing the internal and external context in which risks are managed;
- Identifying key risks that may affect the group's ability to achieve its objectives;
- Assessing the likelihood and potential impact of identified risks;
- Evaluating the effectiveness of existing controls;
- Determining appropriate risk responses and mitigation action plans;
- Monitoring the implementation and effectiveness of risk mitigation measures;
- Updating the risk register to reflect changes in the business environment, regulatory landscape and stakeholder expectations;
- Reporting key risks and mitigation measures to the ARMC and the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT PROCESS (CONT'D)

The Group's risk management approach would be reviewed from time to time to ensure that it remains relevant to the Group's business, size, complexity, industry environment and strategic direction.

The risk register serves as a tool to document the Group's key risks, risk ratings, existing controls, mitigation actions, risk owners and reporting status. The risk register would be reviewed and updated periodically, or as and when there are significant changes in the Group's business operations, external environment or regulatory requirements.

The key risks identified by management are reported to the ARMC and the Board at appropriate intervals. The ARMC reviews the reasonableness of the risk assessment, the adequacy of mitigation measures and the status of management's action plans.

RISK APPETITE AND RISK TOLERANCE

The Board recognises the importance of risk appetite and risk parameters in guiding management's decision-making and ensuring that risks are managed within acceptable limits.

The Group's risk appetite and risk parameters are intended to provide a basis for assessing, prioritising and responding to risks. These parameters may include financial impact, operational impact, regulatory impact, reputational impact, likelihood of occurrence and effectiveness of existing controls.

The ARMC monitors the Group's level of risk tolerance and risk exposure and reviews whether these remain aligned with the Group's risk strategy, business objectives and operating environment.

Where risks exceed the Group's acceptable risk level, management is required to develop and implement appropriate action plans to reduce, transfer, avoid or otherwise manage such risks.

INTERNAL AUDIT FUNCTION

The Group's internal audit function, which would be outsourced to Axcelasia Sdn. Bhd. for financial year ending 31 March 2027 ("**FYE 2027**"), reports functionally to the ARMC and administratively to the Finance Director, where applicable.

Following the Company's listing on the Main Market of Bursa Securities on 20 May 2026, the Board approved the establishment of an internal audit function as part of its ongoing commitment to strengthening corporate governance. As the internal audit function was established towards the start of FYE 2027, no internal audit activities were undertaken prior to 31 March 2026.

The internal audit function is independent of the activities it audits. It provides independent and objective assurance to the ARMC and the Board by reviewing and appraising the adequacy and effectiveness of the Group's governance, risk management and internal control processes.

The ARMC reviews and approves the internal audit plan and reviews the adequacy of the scope, functions, competency, budget, resources and authority of the internal audit function. The ARMC also reviews internal audit findings, recommendations and Management's corrective actions.

INTERNAL CONTROL FRAMEWORK

The Board recognises that a sound system of internal control reduces, but does not eliminate, the possibility of poor judgement in decision-making, human error, deliberate circumvention of controls, Management override of controls or the occurrence of unforeseeable circumstances.

The Group's internal control system is designed to support effective and efficient operations, reliable financial reporting, compliance with applicable laws and regulations, and the safeguarding of the Group's assets.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL FRAMEWORK (CONT'D)

The key elements of the Group's internal control system include the following:

(a) clearly defined Terms of Reference, authority and responsibilities of the Board Committees, including the ARMC, Nomination Committee, Long-Term Incentive Plan Committee and Remuneration Committee;
(b) a Board Charter which sets out the roles, responsibilities and operating practices of the Board and Board Committees;
(c) an organisational structure with clear lines of authority, accountability and reporting;
(d) regular reporting of operational and financial performance to the ARMC and the Board, where applicable;
(e) review of financial results by management and the ARMC before recommendation to the Board for approval;
(f) policies and procedures to guide ethical conduct, compliance, internal control, anti-bribery and anti-corruption, whistleblowing, conflict of interest and corporate governance matters;
(g) a Code of Conduct & Ethics which sets out the standards of behaviour expected of Directors, employees and associates of the Group;
(h) a Whistleblowing Policy which provides a channel for employees, associates, third parties and members of the public to report suspected wrongdoing or improper conduct in good faith;
(i) an Anti-Bribery & Corruption Policy which sets out the Group's commitment to conducting business ethically, responsibly, transparently and free from corruption;
(j) procedures for the declaration and management of conflict-of-interest involving Directors, management, employees and relevant parties;
(k) review of related party transactions and conflict of interest situations by the ARMC to ensure that such transactions are carried out at arm's length terms, on normal commercial terms and are not detrimental to the Group;
(l) internal audit conducted based on the internal audit plan approved by the ARMC;
(m) follow-up by the ARMC on internal audit findings and management's corrective actions;
(n) monitoring of compliance with applicable laws, regulations, the MMLR and other relevant reporting requirements;
(o) support from Company Secretaries in advising the Board on corporate governance, statutory and regulatory requirements;
(p) review of risk management reports and risk mitigation action plans by management and the ARMC;
(q) human capital practices to support recruitment, training, performance management, succession planning and retention of talent;
(r) information technology and cybersecurity controls to safeguard the Group's systems, information and confidential data;
(s) sustainability governance and reporting processes to support the identification and management of material sustainability matters; and
(t) business continuity and crisis readiness considerations to support the Group's ability to respond to disruptions, where applicable.

The Group will continue to foster risk awareness and internal control awareness in its decision-making processes and manage its risks in a proactive and effective manner. This is to enable the Group to respond to changes in the business environment, technology landscape, regulatory requirements and stakeholders' expectations.

ASSURANCE

The Board receives and reviews reports on the adequacy and effectiveness of the Group's risk management and internal control systems through the ARMC, management, internal auditors and external auditors, where applicable.

The Board has received assurance from the CEO and Finance Director that the Group's risk management and internal control systems are operating adequately and effectively, in all material respects, for the financial year under review and up to the date of this Statement.

Taking into consideration the assurance from the CEO and Finance Director and feedback from the external auditors on any control matters identified during the statutory audit, the ARMC and the Board are of the view that the Group's risk management and internal control systems are adequate and operating effectively to safeguard shareholders' interests and the Group's assets.

The Board is not aware of any material internal control failures or weaknesses that have resulted in material losses, contingencies or uncertainties requiring separate disclosure in this Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

REVIEW OF THIS STATEMENT BY THE EXTERNAL AUDITORS

As required under Paragraph 15.23 of the MMLR of Bursa Securities, the external auditors, Grant Thornton Malaysia PLT have reviewed this Statement for inclusion in the Annual Report.

The review of this Statement by the external auditors was performed in accordance with the scope set out in Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants.

The external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the Group's risk management and internal control systems, has not been prepared in accordance with the disclosures required by the SORMIC Guide 2025, or is factually inaccurate.

CONCLUSION

The Board is of the view that the Group's risk management and internal control systems are sound and adequate to safeguard shareholders' interests and the Group's assets for the financial year under review and up to the date of approval of this Statement.

The Board is also mindful that the Group's risk management and internal control systems must continue to evolve in response to changes in the business environment, technology landscape, regulatory requirements and stakeholder expectations. Where necessary, the Board will put in place appropriate action plans to further enhance the Group's risk management and internal control systems.

This Statement on Risk Management and Internal Control is made in accordance with a resolution of the Board of Directors dated 14 July 2026.

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of SkyeChip Berhad ("**SkyeChip**" or "**Company**") ("**Board**") is pleased to present the Audit & Risk Management Committee ("**ARMC**" or "**Committee**") Report, which provides an overview of the ARMC's functions and activities in assisting the Board in discharging its oversight responsibilities for the Company and its subsidiaries ("**Group**") for the financial year ended 31 March 2026 ("**FYE 2026**").

Introduction

The ARMC was established by the Board of the Company on 14 April 2025. Its primary role is to assist the Board in discharging its statutory duties and responsibilities relating to the accounting and financial reporting practices of the Group.

The ARMC also assists the Board in monitoring the Group's risk management framework and system of internal control, overseeing the external and internal audit processes, ensuring compliance with applicable legal and regulatory requirements, reviewing related party transactions and conflict of interest ("**COI**") situations, and addressing other matters delegated to the ARMC by the Board.

The ARMC operates under its Terms of Reference ("**TOR**"), which sets out its authority, duties and functions. The TOR would be periodically assessed, reviewed and updated to ensure that it remains relevant and aligned with applicable laws, regulations, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**MMLR**"), the Malaysian Code on Corporate Governance 2021 ("**MCCG**"), and the Company's governance requirements. Any proposed amendments to the TOR are subject to the Board's approval.

The TOR of the ARMC is accessible on the Company's website at www.skyechip.com.

Composition

As at the date of this report, the ARMC comprises three (3) members of the Board, all of whom are Independent Non-Executive Directors, as follows:

Name	Designation in ARMC	Directorship
Datuk Alexandra Chin @ Fui Lin, J.P.	Chairman	Independent Non-Executive Director
Dato' Seri Gooi Soon Chai	Member	Independent Non-Executive Director
Norinne Ira Dewal Binti Md Ali	Member	Independent Non-Executive Director

The composition of the ARMC complies with Paragraph 15.09(1) of the MMLR, which requires the Committee to comprise at least three (3) members, all of whom are Non-Executive Directors, with a majority being Independent Directors.

The ARMC exceeds this requirement, as it comprises solely Independent Non-Executive Directors. This is consistent with the recommendations of the MCCG and supports the Committee's ability to exercise objective and independent judgement in discharging its responsibilities.

The Chairman of the ARMC, Datuk Alexandra Chin @ Fui Lin, J.P., is not the Chairman of the Board, which supports objectivity in the Board's review of the ARMC's findings and recommendations.

Datuk Alexandra Chin @ Fui Lin, J.P. is a member of the Malaysian Institute of Accountants ("**MIA**"). Accordingly, the composition of the ARMC meets the requirement of Paragraph 15.09(1)(c)(i) of the MMLR, which requires at least one (1) member of the Committee to be a member of the MIA.

All ARMC members are financially literate and can understand matters under the purview of the ARMC, including the financial reporting process. The ARMC members collectively possess sufficient understanding and knowledge of the Group's business and industry, and are able to understand key business and financial risks and related controls and control processes.

Meetings and Attendance

The ARMC is required to meet at least four (4) times during the financial year, on a quarterly basis, or more frequently as the need arises.

Meetings and Attendance (Cont'd)

During FYE 2026, the ARMC held one (1) meeting with attendance record of the ARMC members as set out below:

Designation	Director	Attendance
Chairman	Datuk Alexandra Chin @ Fui Lin, J.P.	1/1
Member	Dato' Seri Gooi Soon Chai	1/1
Member	Norinne Ira Dewal Binti Md Ali	1/1

The Company was listed on the Main Market of Bursa Securities on 20 May 2026, subsequent to FYE 2026. Accordingly, the Company was not subject to the corporate governance requirements relating to ARMC meeting frequency applicable to listed issuers during the financial year under review. Following its listing, the ARMC will meet at least four (4) times annually, or more frequently as circumstances require, in accordance with its TOR and applicable regulatory requirements.

The ARMC meetings would be structured by using agendas and relevant meeting papers, which were circulated to members of the ARMC in advance of scheduled meetings to allow sufficient time for review and consideration.

The meetings were conducted in an open and constructive manner to allow the ARMC members to deliberate on matters tabled, raise questions and seek clarification from Management, external auditors and other relevant parties, where necessary.

The Finance Director usually attends the ARMC meetings. The external auditors and internal auditors may also be invited to attend ARMC meetings, where required. The ARMC may invite other Board members, Key Senior Management, employees, advisers or consultants to attend meetings on specific matters within their areas of responsibility.

The ARMC Chairman reports and highlights key matters deliberated at ARMC meetings to the Board for the Board's consideration, approval or notation, where applicable. Minutes of each ARMC meeting are tabled to the Board to ensure transparency and accountability in the governance process.

Roles and Responsibilities

The ARMC has been entrusted by the Board with oversight responsibilities in relation to financial reporting, external audit, internal audit, internal control, risk management, related party transactions, COI, anti-bribery and anti-corruption, whistleblowing and compliance matters.

The ARMC reviews and deliberates on reports from management, internal auditors and external auditors, covering financial, operational, governance, risk management, internal control and compliance matters. The ARMC would also monitor the status of preventive and corrective actions arising from audit findings and other matters requiring follow-up.

The ARMC assists the Board in ensuring that the Group maintains a sound system of internal control and risk management. Such systems are designed to manage, rather than eliminate, the risks that may affect the achievement of the Group's business objectives. Accordingly, the systems can only provide reasonable, and not absolute, assurance against material misstatement, loss, fraud or irregularities.

Summary of Activities

In line with its responsibilities under the TOR, the ARMC discharged its functions and duties during FYE 2026 through the following activities:

I. Financial Performance and Reporting

For the financial year under review, the ARMC:

(a) reviewed the unaudited quarterly financial results and the annual audited financial statements of the Group before recommending the same to the Board for consideration and approval;

(b) reviewed the financial statements with management and, where applicable, the external auditors, focusing on changes in accounting policies and practices, significant financial reporting matters, significant judgements made by management, significant and unusual events or transactions, significant audit adjustments, the going concern assumption, and compliance with applicable financial reporting standards and legal requirements;

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

Summary of Activities (Cont'd)

In line with its responsibilities under the TOR, the ARMC discharged its functions and duties during FYE 2026 through the following activities: (Cont'd)

I. Financial Performance and Reporting (Cont'd)

For the financial year under review, the ARMC: (Cont'd)

(c) reviewed the integrity of the financial statements to determine whether the financial statements presented a true and fair view of the Group's financial position and performance;
(d) discussed with management critical accounting principles, accounting estimates, financial reporting matters and tax-related matters that may have an impact on the Group's financial results;
(e) reviewed and recommended the quarterly financial results and annual audited financial statements to the Board after being satisfied with the clarifications and justifications provided by management; and
(f) reported significant financial reporting matters and recommendations to the Board for consideration.

II. Oversight of External Auditors

During the financial year under review, the ARMC:

(a) reviewed the audit scope, nature and plan with the external auditors, including the audit approach, key audit areas, materiality, audit timeline and audit fees;
(b) reviewed the external auditors' audit reports, management letters, audit findings and Management's responses;
(c) discussed with the external auditors any significant audit issues, key audit matters, accounting matters, internal control observations and other matters arising from the audit;
(d) reviewed the assistance and cooperation provided by the Group's officers to the external auditors, including whether there were any restrictions on the scope of audit activities or access to required information;
(e) reviewed the suitability, objectivity and independence of the external auditors, taking into consideration the external auditors' competence, resource capacity, audit quality, independence and reasonableness of audit fees;
(f) reviewed the written statement from the external auditors confirming their independence throughout the conduct of the audit engagement in accordance with relevant professional and regulatory requirements;
(g) reviewed the nature and extent of assurance related and non-audit services provided by the external auditors and/or their network firms, including the fees of such services and safeguards to eliminate or reduce threats to objectivity and independence;
(h) discussed with the external auditors without the presence of Executive Directors and Management on one (1) occasion; and
(i) recommended to the Board the re-appointment of the external auditors for shareholders' approval at the forthcoming Annual General Meeting, where applicable.

The external auditors of the Company are Grant Thornton Malaysia PLT.

III. Oversight of Internal Audit

The ARMC recognises that an independent internal audit function is an integral component of the Group's governance framework. An outsourced internal audit service provider, Axcelasia Sdn. Bhd. has been appointed to undertake internal audit of the Group for financial year ending 31 March 2027 ("**FYE 2027**").

The ARMC reviewed and approved the risk-based internal audit plan for FYE 2027 and ensured that the plan is aligned with the Group's key risks, business objectives and operating environment.

IV. Related Party Transactions

During the financial year under review, the ARMC reviewed related party transactions and recurrent related party transactions, where applicable, to ensure that such transactions were carried out at arm's length, on normal commercial terms, not more favourable to the related parties than those generally available to the public, and not detrimental to the interests of the Company and its minority shareholders.

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

Summary of Activities (Cont'd)

In line with its responsibilities under the TOR, the ARMC discharged its functions and duties during FYE 2026 through the following activities: (Cont'd)

V. Oversight of Internal Control and Corporate Governance Matters

For the financial year under review, the ARMC:

(a) reviewed and confirmed the accuracy of ARMC meeting minutes before the minutes were presented to the Board;
(b) reviewed the impact of regulatory changes and monitored the Group's compliance with applicable laws, regulations, the MMLR and other relevant requirements; and
(c) reviewed and recommended the ARMC Report and the Statement on Risk Management and Internal Control to the Board for approval and inclusion in the Annual Report.

VI. Risk Management and Internal Control

For the financial year under review, the ARMC:

(a) reviewed the adequacy and effectiveness of the Group's risk management and internal control systems;
(b) reviewed the Group's Enterprise Risk Management Framework and risk management processes;
(c) reviewed the infrastructure, resources and systems in place for risk management;
(d) reviewed the identification, measurement, analysis, reporting and mitigation of risks within the Group;
(e) identified and communicated to the Board the key risks, changes in key risks and Management's action plans to manage such risks;
(f) monitored the Group's level of risk tolerance and risk exposure to ensure alignment with the Group's risk strategy and objectives;
(g) reviewed the effectiveness and efficiency of key internal control procedures and processes in managing risks;
(h) reviewed significant risks and exposures with Management, internal auditors and external auditors, where applicable;
(i) promoted a healthy Group-wide risk culture; and
(j) reviewed business continuity management, emergency plans and crisis readiness, where applicable.

VII. Review of Conflict-of-Interest Situations

During the financial year under review, the ARMC reviewed COI and potential COI situations, where applicable, involving Directors, Key Senior Management and/or other relevant parties.

The ARMC reviewed COI declarations and confirmations received, as well as the measures taken to resolve, eliminate or mitigate such conflicts. Where appropriate, the ARMC made recommendations to the Board for approval.

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

Summary of Activities (Cont'd)

In line with its responsibilities under the TOR, the ARMC discharged its functions and duties during FYE 2026 through the following activities: (Cont'd)

VII. Review of Conflict-of-Interest Situations (Cont'd)

Details of COI situations reviewed during the financial year under review are set out below:

Interested party	Nature of COI / potential COI	Measures taken to resolve, eliminate or mitigate the COI	ARMC's conclusion
Dato' Seri Gooi Soon Chai	Interest in certain Keysight group entities, which were suppliers of the Group during FYE 2026.	The relevant purchases were conducted on an arm's length basis and on normal commercial terms, and were not material to the Group. Dato' Seri Gooi Soon Chai was not involved in the Group's daily operations or purchasing decisions, and had ceased his relevant roles within the Keysight group.	The ARMC noted that the potential COI had been resolved, eliminated or mitigated, and was not detrimental to the Group.

During FYE 2026, the ARMC was adequately resourced to fulfil its responsibilities effectively. The ARMC had access to all necessary information required to carry out its duties and had the authority to seek independent advice where necessary. The ARMC also had the authority to investigate any matter falling within its purview.

Evaluation of the ARMC

The composition of the Committee had been established as part of the Company's initial public offering ("**IPO**") preparation process. The formation of the Committee was undertaken following a comprehensive due diligence and evaluation exercise conducted with the involvement of the Company's principal adviser and legal advisers as part of the overall IPO due diligence process. In view of the recent establishment of the Committee and the thorough assessment undertaken as part of the appointment process, the Board did not consider it necessary to conduct a separate evaluation of the ARMC and its members for FYE 2026.

Internal Audit Function

Axcelasia Sdn. Bhd., an outsourced internal audit service provider, was appointed to assist the ARMC in fulfilling its duties and responsibilities for the FYE 2027. The role of the internal auditors is to provide independent and objective assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control processes.

The first risk-based internal audit plan has been approved for implementation in FYE 2027.

The internal audit function reports functionally to the ARMC and is independent of the activities it audits. The internal auditors do not have direct operational responsibility or authority over any of the activities reviewed.

This ARMC Report is made in accordance with a resolution of the Board of Directors dated 14 July 2026.

NOMINATION COMMITTEE REPORT

The Board of Directors of SkyeChip Berhad ("**SkyeChip**" or "**Company**") ("**Board**") is pleased to present the Nomination Committee ("**NC**" or "**Committee**") Report, which provides an overview of the Committee's composition, functions, roles and responsibilities in assisting the Board in discharging its responsibilities for the Company and its subsidiaries ("**Group**") for the financial year ended 31 March 2026 ("**FYE 2026**").

Introduction

The NC was established by the Board of the Company on 14 April 2025. Its primary role is to assist the Board in ensuring that the Board and Board Committees comprise individuals with an appropriate balance of skills, experience, expertise, independence, academic qualifications and diversity to discharge their responsibilities effectively and in the best interests of the Group and of the Company. The Board Committees referred, collectively, to the NC, Audit & Risk Management Committee, Remuneration Committee and Long-Term Incentive Plan Committee.

The NC is entrusted with responsibilities relating to Board composition, appointment and re-election of Directors, succession planning, annual assessment of the effectiveness of the Board, Board Committees and individual Directors, assessment of Independent Directors, Directors' training and development, Board diversity, and the application of the Company's Fit and Proper Policy.

The NC operates pursuant to its Terms of Reference ("**TOR**"), which sets out its authority, duties and responsibilities. The TOR is subject to periodic review to ensure its continued relevance and alignment with applicable laws, regulations, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Malaysian Code on Corporate Governance 2021, and the Company's governance requirements. Any proposed amendments to the TOR are subject to the Board's approval.

The TOR of the NC is available on the Company's website at www.skyechip.com.

Composition

As at the date of this report, the NC comprises three (3) members of the Board, all of whom are Independent Non-Executive Directors, as follows:

Name	Designation in NC	Directorship
Norinne Ira Dewal Binti Md Ali	Chairman	Independent Non-Executive Director
Dato' Seri Gooi Soon Chai	Member	Independent Non-Executive Director
Datuk Alexandra Chin @ Fui Lin, J.P.	Member	Independent Non-Executive Director

The composition of the NC is in compliance with its TOR, which requires the Committee to comprise not less than three (3) members, all of whom shall be Independent Non-Executive Directors.

The Chairman of the NC, Norinne Ira Dewal Binti Md Ali is not the Chairman of the Board. Neither an alternate director nor the Chairman of the Board may be appointed as a member of the NC.

The Board is satisfied that the NC collectively possess the necessary experience, independence, expertise and judgement to discharge the Committee's responsibilities effectively.

Meetings

The NC is required to meet at least once during each financial year, or more frequently as and when the circumstances require.

No NC meeting was held during the FYE 2026. During the financial year, the Company converted to a public limited liability company in preparation for its initial public offering ("**IPO**"). In view of the foregoing and having considered the absence of any matters requiring the NC's formal deliberation or recommendation, the Committee did not convene any meeting during FYE 2026.

NOMINATION COMMITTEE REPORT

Roles and Responsibilities

The NC assists the Board in discharging its responsibilities relating to:

- reviewing the size, structure, composition and balance of the Board and Board Committees;
- identifying, evaluating and recommending suitable candidates for appointment to the Board, Board Committees and Key Senior Management;
- assessing the effectiveness of the Board, Board Committees and individual Directors;
- assessing the independence of Independent Directors;
- reviewing Directors standing for re-election;
- overseeing succession planning for the Board and Key Senior Management;
- reviewing Directors' training and development requirements;
- promoting diversity in the composition of the Board and Key Senior Management; and
- overseeing the application of the Company's Fit and Proper Policy.

The NC is guided by its TOR in carrying out the above responsibilities and making recommendations to the Board where appropriate.

Summary of Activities

The composition of the Board had been established as part of the Company's IPO preparation process. The appointment of Directors was undertaken following a comprehensive due diligence and evaluation exercise conducted with the involvement of the Company's principal adviser and legal advisers as part of the overall IPO due diligence process. Consequent to the due diligence exercise, the Board is satisfied that the Directors possessed the requisite integrity, competence, experience, commitment and independence necessary to discharge their duties and responsibilities effectively.

There were also no new appointments to the Board, no resignations of Directors, no Board Committee restructuring, and no succession planning matters requiring the NC's consideration during FYE 2026.

The Board is also satisfied that the current Board composition provides an appropriate balance of executive leadership, independence, skills and experience. As at the date of this report, the Board comprises six (6) Directors, consisting of two (2) Executive Directors and four (4) Independent Non-Executive Directors.

Collectively, the Directors possess extensive experience and expertise in semiconductor and technology-related industries, business management, finance, legal and corporate governance matters. The Board believes that the current composition provides the diversity of perspectives and competencies necessary to support the Group's strategic objectives and sustainable growth.

In view of the foregoing, no matters arose during FYE 2026 which required the NC to convene a meeting or make any formal recommendation to the Board.

Evaluation of the NC

In view of the recent establishment of the NC and the thorough assessment undertaken as part of the appointment process, the Board did not consider it necessary to conduct a separate evaluation of the NC and its members for FYE 2026.

Notwithstanding the above, the Board is satisfied that the Committee remains appropriately constituted in accordance with its TOR and comprises members with the requisite experience, independence and judgement to effectively discharge the Committee's responsibilities when required.

Conclusion

The Board remains committed to ensuring that the composition of the Board and Board Committees continues to support effective governance, sound decision-making and long-term value creation.

The NC will continue to assist the Board in matters relating to Board composition, succession planning, Directors' development, performance assessment and other nomination-related responsibilities as and when such matters arise.

This NC Report is made in accordance with a resolution of the Board of Directors dated 14 July 2026.

REMUNERATION COMMITTEE REPORT

The Board of Directors of SkyeChip Berhad ("**SkyeChip**" or "**Company**") ("**Board**") is pleased to present the Remuneration Committee ("**RC**" or "**Committee**") Report, which provides an overview of the RC's functions and activities in assisting the Board in matters relating to the remuneration of Directors and Key Senior Management of the Company and its subsidiaries ("**Group**") for the financial year ended 31 March 2026 ("**FYE 2026**").

Introduction

The RC was established by the Board of the Company on 14 April 2025. Its primary role is to assist the Board in ensuring that the Group has in place a remuneration policy and framework that is consistent with the Group's business strategy and long-term objectives.

The Committee also assists the Board in reviewing and recommending the remuneration of Executive Directors, Key Senior Management and Independent Non-Executive Directors, with the aim of attracting and retaining individuals with the appropriate calibre, skills, experience and quality required to drive and achieve the Group's long-term objectives.

The RC operates under its Terms of Reference ("**TOR**"), which sets out its authority, duties and functions. The TOR is periodically assessed, reviewed and updated to ensure that it remains relevant and aligned with applicable laws, regulations, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Malaysian Code on Corporate Governance 2021, and the Company's governance requirements. Any proposed amendments to the TOR are subject to the Board's approval.

The TOR of the RC and the Remuneration Policy & Procedures are accessible on the Company's website at www.skyechip.com.

Composition

As at the date of this report, the RC comprises three (3) members of the Board, all of whom are Independent Non-Executive Directors, as follows:

Name	Designation in RC	Directorship
Dato' Seri Gooi Soon Chai	Chairman	Independent Non-Executive Director
Norinne Ira Dewal Binti Md Ali	Member	Independent Non-Executive Director
Datuk Alexandra Chin @ Fui Lin, J.P.	Member	Independent Non-Executive Director

The composition of the RC is in line with its TOR, which requires the Committee to comprise only Non-Executive Directors, with a majority being Independent Non-Executive Directors.

The Chairman of the RC, Dato' Seri Gooi Soon Chai, is an Independent Non-Executive Director and is not the Chairman of the Board. Neither an alternate director nor the Chairman of the Board may be appointed as a member of the RC.

The Board is satisfied that the Committee comprises members with the appropriate independence, experience and judgement to assist the Board in reviewing and recommending remuneration matters in a fair and transparent manner.

Meetings

The RC is required to meet at least once during each financial year, or more frequently as circumstances require.

The RC was established on 14 April 2025 as part of the Company's corporate governance framework in preparation for its initial public offering ("**IPO**"). The remuneration arrangements for the Directors were determined and agreed at the time of their appointments following due consideration of their respective roles, responsibilities, experience, expertise and expected time commitment.

As there were no proposed changes to the remuneration structure for Directors or Key Senior Management during FYE 2026, and no remuneration-related matters requiring the RC's review or recommendation, the Committee did not consider it necessary to convene a meeting during the financial year.

REMUNERATION COMMITTEE REPORT

Roles and Responsibilities

The RC has been entrusted by the Board with oversight responsibilities in relation to the remuneration policy and framework of the Group.

The RC assists the Board in ensuring that the remuneration structure is competitive and aligned with the Group's business strategy, corporate and individual performance, market conditions, risk outcomes and long-term objectives.

The RC also reviews and recommends the remuneration of all Directors and Key Senior Management. No Director is involved in deciding his or her own remuneration. Any Director who has an interest in his or her own remuneration shall abstain from deliberation and voting on the relevant matter.

Remuneration Policy and Procedures

The Company has adopted a Remuneration Policy & Procedures to provide remuneration principles and guidelines to the Board and RC in administering the remuneration of Directors and Key Senior Management.

The policy is designed to attract and retain experienced, qualified and high-calibre members of the Board and the right calibre of employees to drive the business strategy, objectives, values and long-term interests of the Group.

The remuneration framework takes into consideration the skills and experience required, responsibilities of the role, business complexity, performance of the Group, individual performance and market competitiveness.

The remuneration structure generally comprises the following:

Category	Typical remuneration components
Executive Directors	Salary, bonus, benefits, other emoluments and participation in share-based incentive schemes, where applicable
Key Senior Management	Salary, bonus, benefits, other emoluments and participation in share-based incentive schemes, where applicable
Non-Executive Directors	Directors' fees, meeting allowance and benefits, where applicable

The remuneration of Executive Directors and Key Senior Management would be reviewed with reference to performance against key performance indicators ("**KPIs**"), including sustainability-related KPIs where applicable.

The remuneration of Independent Non-Executive Directors is structured to reflect their responsibilities, time commitment and contribution to the Board and Board Committees. Directors' fees and benefits payable to Independent Non-Executive Directors are subject to shareholders' approval at the Annual General Meeting, where applicable.

Summary of Activities

The RC is entrusted with assisting the Board in matters relating to the remuneration packages for Directors and Key Senior Management, as well as ensuring that remuneration practices support the attraction, retention and motivation of qualified and high-calibre individuals.

During FYE 2026, the Board noted that the remuneration framework for Directors had been established as part of the Company's IPO preparation exercise. The remuneration arrangements were determined after taking into consideration the Directors' respective roles and responsibilities, market practices, industry experience and the need to attract and retain individuals with the appropriate calibre and expertise.

The Board further noted that there were no changes to the composition of the Board, no revisions to the remuneration structure for Directors or Key Senior Management, and no remuneration-related matters requiring formal consideration by the RC during FYE 2026.

REMUNERATION COMMITTEE REPORT

Evaluation of the RC

No formal evaluation of the RC and its members was undertaken for FYE 2026.

The RC was established on 14 April 2025 and its members were appointed following a comprehensive due diligence and assessment process conducted as part of the Company's IPO preparation exercise, with the involvement of the Company's principal adviser and legal advisers.

In view of the recent establishment of the RC and the thorough review undertaken during the appointment process, the Board did not consider it necessary to conduct a separate evaluation of the RC and its members for FYE 2026.

Notwithstanding the above, the Board is satisfied that the RC remains appropriately constituted in accordance with its TOR and comprises members with the requisite experience, independence and judgement to effectively discharge the Committee's responsibilities when required.

This RC Report is made in accordance with a resolution of the Board of Directors dated 14 July 2026.

LONG-TERM INCENTIVE PLAN COMMITTEE REPORT

The Board of Directors of SkyeChip Berhad ("**SkyeChip**" or "**Company**") ("**Board**") is pleased to present the Long-Term Incentive Plan Committee ("**LTIP Committee**" or "**Committee**") Report, which provides an overview of the LTIP Committee's functions and activities for the financial year ended 31 March 2026 ("**FYE 2026**").

Introduction

The Committee was established by the Board of the Company on 10 April 2026. Its primary role is to assist the Board in administering the Long-Term Incentive Plan ("**LTIP**") Scheme comprising an employees' share option scheme ("**ESOS**") and an employees' share issuance scheme ("**ESIS**") in accordance with the by-laws of the LTIP.

The LTIP Committee operates under its Terms of Reference ("**TOR**"), which sets out its authority, duties and functions. The TOR is periodically assessed, reviewed and updated to ensure that it remains relevant and aligned with applicable laws, regulations, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Malaysian Code on Corporate Governance 2021, and the Company's governance requirements. Any proposed amendments to the TOR are subject to the Board's approval.

The LTIP serves as a long-term incentive and retention mechanism that supports the Company and its subsidiaries' ("**Group**") ability to attract, motivate and retain key talent. It aligns the interests of eligible Directors and employees with those of shareholders by linking rewards to performance and long-term value creation, while fostering greater commitment and ownership within the Group.

Composition

As at the date of this report, the LTIP Committee comprises four (4) members of the Board, half of whom are Independent Non-Executive Directors, as follows:

Name	Designation in LTIP Committee	Directorship
Norinne Ira Dewal Binti Md Ali	Chairman	Independent Non-Executive Director
Datuk Alexandra Chin @ Fui Lin, J.P.	Member	Independent Non-Executive Director
Dato' Fong Swee Kiang	Member	Executive Director & Chief Executive Officer
Teh Chee Hak	Member	Executive Director & Chief Technology Officer

The composition of the Committee is in line with its TOR.

The Chairman of the LTIP Committee, Norinne Ira Dewal Binti Md Ali, is an Independent Non-Executive Director and is not the Chairman of the Board. An alternate Director shall not be appointed as a member of the Committee.

The Board is satisfied that the Committee comprises members with the appropriate independence, experience and judgement to assist the Board in reviewing and recommending LTIP matters in a fair and transparent manner.

Meetings

The LTIP Committee is required to meet at least once during each financial year, or more frequently as circumstances require.

The LTIP Committee was established on 10 April 2026 as part of the Company's corporate governance framework in preparation for its initial public offering ("**IPO**") on 20 May 2026. As the Committee was established subsequent to FYE 2026, no LTIP Committee meeting was held during the financial year under review.

The initial LTIP allocations were determined and finalised as part of the IPO exercise after taking into consideration factors such as seniority, job grade, performance, length of service, contribution to the Group and other relevant considerations.

LONG-TERM INCENTIVE PLAN COMMITTEE REPORT

Roles and Responsibilities

The LTIP Committee is entrusted by the Board with oversight responsibilities in relation to the administration and implementation of the Group's LTIP.

The Committee assists in ensuring that the LTIP is administered in accordance with the applicable By-Laws and is aligned with the Group's business objectives, performance expectations, talent retention strategies and long-term value creation goals.

The LTIP Committee is responsible for reviewing and recommending matters relating to the allocation, vesting and implementation of awards under the LTIP for eligible Directors and employees. In making its recommendations, the LTIP Committee may take into consideration factors such as seniority, job grade, performance, length of service, contribution to the Group and other relevant considerations. Any Director who has an interest in his or her own LTIP allocation shall abstain from deliberation and voting on the relevant matter.

Summary of Activities

The LTIP Committee was established on 10 April 2026, subsequent to FYE 2026, in preparation for the Company's IPO. As the LTIP Committee was not in existence during FYE 2026, it did not undertake any activities or make any recommendations to the Board during the financial year under review. Matters relating to the initial LTIP allocations were considered and finalised subsequent to FYE 2026 as part of the IPO process.

Evaluation of the LTIP Committee

The LTIP Committee was established on 10 April 2026, subsequent to FYE 2026, in preparation for the Company's IPO. As such, there was no formal evaluation of the Committee and its members for FYE 2026.

Notwithstanding the above, the Board is satisfied that the LTIP Committee remains appropriately constituted in accordance with its TOR and comprises members with the requisite experience, independence and judgement to effectively discharge the Committee's responsibilities when required.

This LTIP Committee Report is made in accordance with a resolution of the Board of Directors dated 14 July 2026.

STATEMENT OF DIRECTORS' RESPONSIBILITY

IN RELATION TO THE FINANCIAL STATEMENTS

The Board of Directors of SkyeChip Berhad ("**SkyeChip**" or "**Company**") ("**Board**") is responsible for ensuring that the financial statements of the Company and its subsidiaries ("**Group**") are properly prepared in accordance with the applicable approved Malaysian Financial Reporting Standards ("**MFRSs**"), IFRS Accounting Standards ("**IFRSs**"), the provisions of the Companies Act 2016 in Malaysia ("**CA 2016**") and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

The Board is also responsible for ensuring that the financial statements of the Group and of the Company are prepared with reasonable accuracy from the accounting records of the Group and of the Company so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2026, and of the results of their operations and cash flows for the financial year then ended.

The annual audited financial statements of the Group and of the Company for the financial year ended 31 March 2026 ("**FYE 2026**") have been prepared in accordance with the applicable approved accounting standards and the CA 2016. The Directors' Statement pursuant to Section 251(2) of the CA 2016 is set out in the section titled "Directors' Statement" of the Directors' Report enclosed with the annual audited financial statements of the Group and of the Company for FYE 2026.

In preparing the annual audited financial statements of the Group and of the Company for FYE 2026, the Board has ensured that

(a) all applicable approved accounting standards, such as MFRSs and IFRSs, have been followed;
(b) appropriate accounting policies have been adopted and consistently applied;
(c) reasonable and prudent judgments and estimates have been made; and
(d) the financial statements have been prepared on a going concern basis as the Board has a reasonable expectation, having made appropriate enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Board has ensured that the Group and the Company maintain proper accounting records which disclose with reasonable accuracy the financial position of the Group and of the Company, and which enable them to ensure that the financial statements comply with regulatory requirements and applicable approved accounting standards.

The Board has also ensured that the quarterly reports and annual audited financial statements of the Group are submitted to Bursa Securities in a timely manner to keep the investing public informed of the Group's latest performance and developments.

The Board has taken appropriate measures reasonably available to them to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities.

This Statement of Directors' Responsibility in relation to the Financial Statements is issued in accordance with a resolution of the Board of Directors dated 14 July 2026.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended **31 March 2026**.

CONVERSION TO PUBLIC LIMITED LIABILITY COMPANY

The Company was converted from a public limited liability company to a private limited liability company on 4 August 2025. Subsequently, the Company was converted back to a public limited liability company on 17 October 2025 and assumed its present name.

PRINCIPAL ACTIVITIES

The principal activities of the Company in the course of the financial year remain unchanged and consist of provision of semiconductor intellectual property, integrated circuit manufacturing, software design and development and engineering consultation.

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	GROUP RM	COMPANY RM
Profit for the financial year	**48,535,012**	**34,088,811**

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended **31 March 2026** have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

The directors do not recommend any final dividend payment for the financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the notes to the financial statements.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

SHARE CAPITAL AND DEBENTURE

During the financial year, the Company has increased its issued and fully paid-up ordinary share capital from RM3,000,001 to RM15,092,045 by way of issuance of 4,085,150 new ordinary shares at an issue price of RM2.96 per ordinary share for a total cash consideration of RM12,092,044.

The new ordinary shares issued rank *pari passu* in all respects with the existing ordinary shares of the Company.

IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

During the financial year, the Company has increased its issued and fully paid-up ICPS from RM29,250,000 to RM38,407,944 by way of issuance of 3,093,900 new ICPS at an issue price of RM2.96 per ICPS for a total cash consideration of RM9,157,944.

The salient terms of the ICPS are disclosed in Note 13 to the financial statements. As at the end of the reporting period, the number of ICPS in issue is 15,593,900 shares.

DIRECTORS

The directors of the Company in office since the beginning of the financial year to the date of this report are:

Directors of the Company:

Dato' Seri Wong Siew Hai
* **Dato' Fong Swee Kiang**
* **Teh Chee Hak**
Dato' Seri Gooi Soon Chai
Datuk Alexandra Chin @ Fui Lin, J.P.
Norinne Ira Dewal Binti Md Ali

Director of a subsidiary:

Teresa Ee Huei Ping

* The directors are also directors of the Company's certain subsidiaries.

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year are as follows:

	Number of ordinary shares			
	Balance at 1.4.2025	Bought	Sold	Balance at 31.3.2026
The Company:				
Direct Interest:				
Dato' Fong Swee Kiang	107,227,201	-	(8,614,400)	98,612,801
Teh Chee Hak	107,227,200	-	(8,614,400)	98,612,800
Deemed Interest:				
[1] Dato' Fong Swee Kiang	25,878,600	-	-	25,878,600
[1] Teh Chee Hak	25,878,600	-	-	25,878,600

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

[1] Deemed interest pursuant to Section 8 and Section 59(11)(c) of the Companies Act 2016 by virtue of shares held through SKC Team Sdn. Bhd., SKC Team 1 Sdn. Bhd. and SKC Team 3 Sdn. Bhd.

By virtue of their shareholdings in the Company, **Messrs. Dato' Fong Swee Kiang** and **Teh Chee Hak** are also deemed interested in the shares of all the subsidiaries of the Company, to the extent that the Company has interests.

Other than the above, none of the other directors holding office at the end of the financial year has any interests in shares in the Company and its related corporations during the financial year.

DIRECTORS' REMUNERATION AND BENEFITS

During the financial year, the fees and other benefits received and receivable by the directors of the Company are as follows:

	GROUP AND COMPANY RM
Directors' fees	138,000
Salaries, allowances and incentive	1,761,911
Defined contribution plan	332,523
Social security contribution	2,143
Employment insurance scheme	143
	2,234,720

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors as shown above) by reason of a contract made by the Company or a related corporation with a director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest, other than those related party transactions disclosed in the notes to the financial statements.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

No indemnity has been given to or insurance effected for any of the directors and officers of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no bad debts to be written off and no provision for doubtful debts was required; and

(ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

At the date of this report, the directors are not aware of any circumstances:

(i) which would render it necessary to write off any bad debts or to make any provision for doubtful debts in the financial statements of the Group and of the Company; or

(ii) which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading; or

(iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

At the date of this report, there does not exist:

(i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other persons; or

(ii) any contingent liability in respect of the Group and of the Company which has arisen since the end of the financial year.

In the opinion of the directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due; and

(ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the current financial year in which this report is made.

SIGNIFICANT EVENTS AND EVENTS AFTER THE REPORTING PERIOD

The details of the significant events and events after the reporting period are disclosed in Note 34 to the financial statements.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

AUDITORS

The auditors, **Grant Thornton Malaysia PLT**, have expressed their willingness to continue in office.

The total amount of fees paid to or receivable by the auditors, its affiliate and member firm as remuneration for their services to the Group and the Company for the financial year ended 31 March 2026 are as follows:

	GROUP RM	COMPANY RM
Statutory audit	93,000	85,000
Assurance related and non-audit services	526,249	425,500
Total	619,249	510,500

The Company has agreed to indemnify the auditors to the extent permissible under the provisions of the Companies Act 2016 in Malaysia. However, no payment has been made under this indemnity for the financial year.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors:

……………………………………………………… ………………………………………………………

Dato' Fong Swee Kiang **Teh Chee Hak**

Penang,

Date: 14 July 2026

DIRECTORS' STATEMENT

In the opinion of the directors, the financial statements set out on pages 105 to 146 are properly drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at **31 March 2026** and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board of Directors:

…………………………………………………	…………………………………………………
Dato' Fong Swee Kiang	**Teh Chee Hak**

Date: 14 July 2026

STATUTORY DECLARATION

I, **Dato' Fong Swee Kiang**, the director primarily responsible for the financial management of **SkyeChip Berhad**, do solemnly and sincerely declare that the financial statements set out on pages 105 to 146 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed in Penang, this **14th**)
day of **July 2026**.)

…………………………………………………
Dato' Fong Swee Kiang

Before me,

…………………………………………………
Goh Suan Bee (P125)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SKYECHIP BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SkyeChip Berhad**, which comprise the statements of financial position as at **31 March 2026** of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 105 to 146.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at **31 March 2026** and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SKYECHIP BERHAD

Key Audit Matters	How Our Audit Addressed the Key Audit Matters
Impairment of trade receivables *(Note 8 to the financial statements)* The Group and the Company have significant trade receivables as at 31 March 2026 which include certain amounts that are long outstanding and these are subject to credit risk exposure. We focus on this area as the assessment of recoverability of trade receivables involved management judgement and estimation uncertainty in determining the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.	Our audit procedures in relation to the impairment of trade receivables included, amongst others, the following: • Obtained an understanding of: - the Group's and the Company's control over the customers' collection process; - the process of identifying and assessing impairment of trade receivables; and - the basis of how the Group and the Company make the accounting estimates for impairment of trade receivables; • Evaluated techniques and methodology in the expected credit loss approach against the requirement of *MFRS 9 Financial Instruments*; • Reviewed the ageing analysis of trade receivables and tested the reliability thereof; • Reviewed subsequent collections for major customers and overdue amounts; • Made inquiries of management regarding the action plans to recover overdue balances; and • Examined other evidence including customer correspondences.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SKYECHIP BERHAD

Key Audit Matters	How Our Audit Addressed the Key Audit Matters
Revenue recognition *(Note 19 to the financial statements)* The Group's and the Company's revenue are mainly derived from the silicon intellectual properties and custom application-specific integrated circuits. We focus on revenue recognition as a key audit matter due to there is a higher risk of material misstatements in respect of the timing and amount of revenue recognised. Revenue may not be recognised correctly given that different contractual arrangements with the customers will result in different timing in which revenue can be recognised. Furthermore, the revenue derived from silicon intellectual properties and custom application-specific integrated circuits are recognised over time based on the stage of completion by reference of engineer hours spent on the work performed to date. Significant management judgements and estimates are required in determining the stage of completion, the extent of the engineer hours estimated to be spent on the work to be performed and the estimated total project hours.	Our audit procedures in relation to the revenue recognition included, amongst others, the following: • Reviewed the agreements entered into with the customers and obtained an understanding of the specific terms and conditions; • Assessed the timing of revenue recognition based on the understanding of the specific terms and conditions; • Assessed the reasonableness of the estimated total project hours by interviewing the Project Manager and Chief Technology Officer, as well as performing reasonableness testing on the staff rates applied; • Examined the actual hours incurred to date to the supporting evidences such as timesheets and work logs of the respective employees involved in the projects; • Checked the mathematical accuracy of percentage of completion which will be applied to the revenue recognition based on actual hours incurred to date over the estimated total project hours; and • Performed test of details on revenue to the signed agreements, progress billings issued to the customers and customer acknowledgements for the delivered milestones to date.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SKYECHIP BERHAD

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SKYECHIP BERHAD

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SKYECHIP BERHAD

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Grant Thornton Malaysia PLT
AF: 0737
201906003682 (LLP0022494-LCA)
Chartered Accountants

Loo Wei Teng
No. 03487/03/2028 J
Chartered Accountant

Penang

Date: 14 July 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

		GROUP		COMPANY	
	NOTE	**2026 RM**	2025 RM	**2026 RM**	2025 RM
ASSETS					
Non-current assets					
Plant and equipment	**4**	**48,182,563**	38,958,627	**47,752,260**	38,958,627
Intangible assets	**5**	**22,218,336**	6,406,637	**2,026,165**	1,737,098
Right-of-use assets	**6**	**5,074,698**	3,032,413	**5,074,698**	3,032,413
Investment in subsidiaries	**7**	**-**	-	**485,540**	407,917
Trade and other receivables	**8**	**1,032,000**	-	**1,032,000**	-
		76,507,597	48,397,677	**56,370,663**	44,136,055
Current assets					
Trade and other receivables	**8**	**50,555,211**	35,231,932	**71,828,096**	40,288,996
Contract assets	**9**	**7,069,344**	525,076	**7,069,344**	525,076
Other investments	**10**	**12,626,415**	7,339,448	**12,626,415**	7,339,448
Cash and bank balances	**11**	**82,614,047**	42,450,627	**66,421,497**	42,097,042
		152,865,017	85,547,083	**157,945,352**	90,250,562
TOTAL ASSETS		**229,372,614**	133,944,760	**214,316,015**	134,386,617
EQUITY AND LIABILITIES					
Share capital	**12**	**15,092,045**	3,000,001	**15,092,045**	3,000,001
Irredeemable convertible preference shares	**13**	**38,407,944**	29,250,000	**38,407,944**	29,250,000
Foreign currency translation reserve	**14**	**(357,962)**	9,966	**-**	-
Retained profits	**15**	**142,604,801**	94,069,789	**128,727,031**	94,638,220
Total equity		**195,746,828**	126,329,756	**182,227,020**	126,888,221
Non-current liabilities					
Lease liabilities	**6**	**3,763,627**	1,992,598	**3,763,627**	1,992,598
Deferred income	**16**	**404,054**	432,803	**404,054**	432,803
Deferred tax liabilities	**17**	**1,771,000**	1,176,000	**1,771,000**	1,176,000
		5,938,681	3,601,401	**5,938,681**	3,601,401
Current liabilities					
Other payables	**18**	**24,183,800**	2,702,559	**24,061,615**	2,585,951
Lease liabilities	**6**	**1,431,200**	1,203,708	**1,431,200**	1,203,708
Contract liability	**9**	**1,414,606**	-	**-**	-
Deferred income	**16**	**28,749**	28,749	**28,749**	28,749
Current tax liabilities		**628,750**	78,587	**628,750**	78,587
		27,687,105	4,013,603	**26,150,314**	3,896,995
Total liabilities		**33,625,786**	7,615,004	**32,088,995**	7,498,396
TOTAL EQUITY AND LIABILITIES		**229,372,614**	133,944,760	**214,316,015**	134,386,617

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		GROUP		COMPANY	
	NOTE	**2026 RM**	2025 RM	**2026 RM**	2025 RM
Revenue	**19**	**155,019,841**	119,503,000	**137,586,937**	119,503,000
Cost of sales	**20**	**(86,127,445)**	(69,057,890)	**(85,069,919)**	(69,054,619)
Gross profit		**68,892,396**	50,445,110	**52,517,018**	50,448,381
Other income	**21**	**1,655,749**	1,568,662	**1,655,398**	1,565,391
Administrative expenses		**(21,342,494)**	(15,488,643)	**(19,408,363)**	(14,927,883)
Operating profit		**49,205,651**	36,525,129	**34,764,053**	37,085,889
Finance cost	**22**	**(213,651)**	(200,056)	**(213,651)**	(200,056)
Finance income	**23**	**1,054,116**	673,580	**1,049,446**	673,305
Profit before tax	**24**	**50,046,116**	36,998,653	**35,599,848**	37,559,138
Taxation	**26**	**(1,511,104)**	(1,055,442)	**(1,511,037)**	(1,055,442)
Profit for the financial year		**48,535,012**	35,943,211	**34,088,811**	36,503,696
Other comprehensive (loss)/ income, net of tax:					
Item that will be reclassified subsequently to profit or loss:					
Foreign currency translation differences for foreign operations		**(367,928)**	10,027	**-**	-
Total comprehensive income for the financial year		**48,167,084**	35,953,238	**34,088,811**	36,503,696
Earnings per share attributable to owners of the Company (sen)	**27**				
- Basic		**16.05**	11.98		
- Diluted		**15.26**	11.50		

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		I--------- Attributable to Owners of the Company --------I				
				Non-distributable	Distributable	
	NOTE	**Share Capital RM**	**Irredeemable Convertible Preference Shares RM**	**Foreign Currency Translation Reserve RM**	**Retained Profits RM**	**Total Equity RM**
2026						
Balance at beginning		**3,000,001**	**29,250,000**	**9,966**	**94,069,789**	**126,329,756**
Total comprehensive income for the financial year		**-**	**-**	**(367,928)**	**48,535,012**	**48,167,084**
Transactions with owners of the Company:						
Issuance of ordinary shares	**12**	**12,092,044**	**-**	**-**	**-**	**12,092,044**
Issuance of irredeemable convertible preferences shares	**13**	**-**	**9,157,944**	**-**	**-**	**9,157,944**
Total transactions with owners		**12,092,044**	**9,157,944**	**-**	**-**	**21,249,988**
Balance at end		**15,092,045**	**38,407,944**	**(357,962)**	**142,604,801**	**195,746,828**
2025						
Balance at beginning		3,000,001	-	(61)	58,126,578	61,126,518
Total comprehensive income for the financial year		-	-	10,027	35,943,211	35,953,238
Transaction with owners of the Company:						
Issuance of irredeemable convertible preferences shares	**13**	-	29,250,000	-	-	29,250,000
Balance at end		3,000,001	29,250,000	9,966	94,069,789	126,329,756

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		I-- Attributable to Owners of the Company --I			
				Distributable	
	NOTE	Share Capital RM	Irredeemable Convertible Preference Shares RM	Retained Profits RM	Total Equity RM
2026					
Balance at beginning		**3,000,001**	**29,250,000**	**94,638,220**	**126,888,221**
Total comprehensive income for the financial year		**-**	**-**	**34,088,811**	**34,088,811**
Transactions with owners of the Company:					
Issuance of ordinary shares	**12**	**12,092,044**	**-**	**-**	**12,092,044**
Issuance of irredeemable convertible preferences shares	**13**	**-**	**9,157,944**	**-**	**9,157,944**
Total transactions with owners		**12,092,044**	**9,157,944**	**-**	**21,249,988**
Balance at end		**15,092,045**	**38,407,944**	**128,727,031**	**182,227,020**
2025					
Balance at beginning		3,000,001	-	58,134,524	61,134,525
Total comprehensive income for the financial year		-	-	36,503,696	36,503,696
Transaction with owners of the Company:					
Issuance of irredeemable convertible preferences shares	13	-	29,250,000	-	29,250,000
Balance at end		3,000,001	29,250,000	94,638,220	126,888,221

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	**50,046,116**	36,998,653	**35,599,848**	37,559,138
Adjustments for:				
Accretion of interest on lease liabilities	**213,651**	200,056	**213,651**	200,056
Amortisation of government grants	**(28,749)**	(103,567)	**(28,749)**	(103,567)
Amortisation of intangible assets	**1,136,469**	609,793	**133,276**	218,103
Depreciation of:				
- plant and equipment	**8,544,141**	5,145,295	**8,503,390**	5,145,295
- right-of-use assets	**1,409,403**	1,184,381	**1,409,403**	1,184,381
Fair value gain on other investments	**(205,728)**	(151,521)	**(205,728)**	(151,521)
Gain on derecognition of right-of-use assets and lease liabilities	**(78,441)**	-	**(78,441)**	-
Gain on disposal of other investments	**(81,683)**	(126,546)	**(81,683)**	(126,546)
Intangible assets written off	**-**	9,114	**-**	9,114
Interest income	**(1,054,116)**	(673,580)	**(1,049,446)**	(673,305)
Rent concession	**(36,262)**	-	**(36,262)**	-
Unrealised loss on foreign exchange	**1,822,796**	1,170,660	**1,650,043**	1,282,147
Operating profit before working capital changes	**61,687,597**	44,262,738	**46,029,302**	44,543,295
Changes in:				
Receivables	**(16,752,185)**	(17,358,124)	**(303,933)**	(18,679,605)
Payables	**21,476,786**	(2,252,665)	**21,475,664**	(2,369,273)
Contract assets	**(6,544,268)**	(525,076)	**(6,544,268)**	(525,076)
Contract liabilities	**1,414,606**	-	**-**	-
A subsidiary's balance	**-**	-	**(6,285,024)**	-
Cash generated from operations	**61,282,536**	24,126,873	**54,371,741**	22,969,341
Income tax paid	**(365,941)**	(392,519)	**(365,874)**	(392,519)
Net cash from operating activities	**60,916,595**	23,734,354	**54,005,867**	22,576,822
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	**1,054,116**	673,580	**1,049,446**	673,305
Additions of plant and equipment	**(17,769,052)**	(31,177,505)	**(17,297,023)**	(31,177,505)
Additions of intangible assets	**(17,602,426)**	(5,591,974)	**(422,343)**	(463,529)
Additions of investment in subsidiaries	**-**	-	**(77,623)**	(404,352)
Additions of other investments	**(10,000,000)**	-	**(10,000,000)**	-
Proceeds from disposal of other investments	**5,000,444**	15,488,194	**5,000,444**	15,488,194
Net cash used in investing activities	**(39,316,918)**	(20,607,705)	**(21,747,099)**	(15,883,887)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		GROUP		COMPANY	
	NOTE	**2026 RM**	2025 RM	**2026 RM**	2025 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		**-**	(12,362,728)	**-**	(12,362,728)
Net change in subsidiaries' balances		**-**	-	**(26,291,726)**	(4,037,437)
Repayment of lease liabilities	**A**	**(1,552,115)**	(1,339,506)	**(1,552,115)**	(1,339,506)
Proceeds from issuance of:					
- irredeemable convertible preferences shares		**9,157,944**	29,250,000	**9,157,944**	29,250,000
- ordinary shares		**12,092,044**	-	**12,092,044**	-
Net cash from/(used in) financing activities		**19,697,873**	15,547,766	**(6,593,853)**	11,510,329
NET INCREASE IN CASH AND BANK BALANCES		**41,297,550**	18,674,415	**25,664,915**	18,203,264
Effects of foreign exchange rates changes		**(1,134,130)**	(1,093,417)	**(1,340,460)**	(972,214)
CASH AND BANK BALANCES AT BEGINNING		**42,450,627**	24,869,629	**42,097,042**	24,865,992
CASH AND BANK BALANCES AT END		**82,614,047**	42,450,627	**66,421,497**	42,097,042

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

A. Liabilities arising from financing activities

Reconciliation between the opening and closing balances in the statements of financial position for liabilities arising from financing activities is as follows:

	Balance at beginning RM	**Net cash flows RM**	**Others [1] RM**	**Balance at end RM**
GROUP AND COMPANY				
2026				
Lease liabilities, representing total liabilities arising from financing activities	**3,196,306**	**(1,552,115)**	**3,550,636**	**5,194,827**
2025				
Lease liabilities, representing total liabilities arising from financing activities	4,313,076	(1,339,506)	222,736	3,196,306

[1] Others consist of non-cash movements as follows:

	GROUP AND COMPANY 2026 RM	2025 RM
Accretion of interest on lease liabilities	**213,651**	200,056
Additions of lease liabilities	**4,635,520**	-
Derecognition	**(1,262,273)**	-
Lease modification	**-**	22,680
Rent concession	**(36,262)**	-
	3,550,636	222,736

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

1. CORPORATE INFORMATION

General

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The Company was converted from a public limited liability company to a private limited liability company on 4 August 2025. Subsequently, the Company was converted back to a public limited liability company on 17 October 2025 and assumed its present name.

The registered office of the Company is located at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang.

The principal place of business of the Company is located at 1-18-12, Suntech @ Penang Cybercity, Lintang Mayang Pasir 3, 11950 Bayan Baru, Pulau Pinang.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 14 July 2026.

Principal Activities

The principal activities of the Company in the course of the financial year remain unchanged and consist of provision of semiconductor intellectual property, integrated circuit manufacturing, software design and development and engineering consultation.

The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The financial statements of the Group and of the Company have been prepared in accordance with applicable Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, except for other investments that are measured at fair values.

2.3 Functional and Presentation Currency

Ringgit Malaysia ("RM") is the presentation currency of the Group and of the Company.

RM is also the functional currency of the Company. The functional currency is the currency of the primary economic environment in which the Company operates. The Group's foreign operations have different functional currencies.

2.4 Adoption of Amendments to MFRSs

The accounting policies adopted by the Group and by the Company are consistent with those of the previous financial years except for the adoption of the following amendments to MFRSs that are mandatory for the current financial year:

Effective for annual period beginning on or after 1 January 2025
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

Initial application of the above amendments to MFRSs did not have any material impact to the financial statements of the Group and of the Company upon adoption.

2.5 Standards/Amendments to MFRSs Issued But Not Yet Effective

The following are accounting standards/amendments to MFRSs that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group and for the Company:

Effective for annual period beginning on or after 1 January 2026
Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments
Annual Improvements to MFRS Accounting Standards - Volume 11
Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity

Effective for annual period beginning on or after 1 January 2027
MFRS 18 Presentation and Disclosure in Financial Statements
MFRS 19 Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 19 Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency

Effective date yet to be confirmed
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standards/amendments to MFRSs is not expected to have any material impact to the financial statements of the Group and of the Company upon adoption, except for *MFRS 18 Presentation and Disclosure in Financial Statements*.

MFRS 18 introduces new requirements on presentation within the statements of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to *MFRS 107 Statement of Cash Flows* and *MFRS 134 Interim Financial Reporting*.

The amendments will have an impact on the Group's and the Company's presentation of statements of comprehensive income, statements of cash flows and additional disclosures in the notes to the financial statements but not on the measurement or recognition of any items in the Group's and the Company's financial statements.

The Group and the Company are currently assessing the impact of *MFRS 18* and plan to adopt the new standard on the required effective date.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3.1 Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options – Group and Company as lessee

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercised.

The Group and the Company have several lease contracts that include extension and termination options. The Group and the Company apply judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group and the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group and the Company have included the extension options period as part of the lease term for leases of offices as it is reasonably certain that the extension options will be exercised. The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Revenue recognition – Percentage of completion

Revenue from silicon intellectual properties and custom application-specific integrated circuits are recognised over time. The amount of revenue recognised at the reporting date depends on the extent to which the performance obligation has been satisfied. This is done by determining the stage of completion. The stage of completion is measured based on the engineer hours spent on the work performed to date as a percentage of the estimated total project hours.

Significant judgement is required in determining the stage of completion, the extent of the engineer hours estimated to be spent on the work to be performed and the estimated total project hours.

(ii) **Provision for expected credit losses ("ECL") of receivables**

The Group and the Company use a provision matrix to calculate ECL for receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's and the Company's historical observed default rates. The Group and the Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the technology sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group's and the Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the ECL on the Group's and the Company's trade receivables is disclosed in Note 31.3.1 to the financial statements.

(iii) **Leases – Estimating the incremental borrowing rate ("IBR")**

The Group and the Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Group and the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment. The IBR therefore reflects what the Group and the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group and the Company estimate the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

4. PLANT AND EQUIPMENT

	Computer and software RM	Prototype equipment RM	Engineering tools RM	Furniture, fittings and office equipment RM	Renovation RM	Total RM
GROUP						
2026						
At cost						
Balance at beginning	**6,592,233**	**9,474,072**	**29,763,770**	**699,565**	**732,384**	**47,262,024**
Additions	**4,036,961**	**2,077,088**	**11,099,189**	**452,097**	**103,717**	**17,769,052**
Foreign currency translation	**(1,144)**	**-**	**-**	**(20)**	**-**	**(1,164)**
Balance at end	**10,628,050**	**11,551,160**	**40,862,959**	**1,151,642**	**836,101**	**65,029,912**
Accumulated depreciation						
Balance at beginning	**3,128,520**	**2,492,023**	**2,323,444**	**139,320**	**220,090**	**8,303,397**
Current charge	**2,532,353**	**2,212,979**	**3,575,648**	**87,135**	**136,026**	**8,544,141**
Foreign currency translation	**(187)**	**-**	**-**	**(2)**	**-**	**(189)**
Balance at end	**5,660,686**	**4,705,002**	**5,899,092**	**226,453**	**356,116**	**16,847,349**
Carrying amount	**4,967,364**	**6,846,158**	**34,963,867**	**925,189**	**479,985**	**48,182,563**
2025						
At cost						
Balance at beginning	3,320,195	3,263,243	8,389,606	613,296	498,179	16,084,519
Additions	3,272,038	6,210,829	21,374,164	86,269	234,205	31,177,505
Balance at end	6,592,233	9,474,072	29,763,770	699,565	732,384	47,262,024
Accumulated depreciation						
Balance at beginning	1,932,898	815,922	214,033	74,592	120,657	3,158,102
Current charge	1,195,622	1,676,101	2,109,411	64,728	99,433	5,145,295
Balance at end	3,128,520	2,492,023	2,323,444	139,320	220,090	8,303,397
Carrying amount	3,463,713	6,982,049	27,440,326	560,245	512,294	38,958,627

4. **PLANT AND EQUIPMENT**

	Computer and software RM	Prototype equipment RM	Engineering tools RM	Furniture, fittings and office equipment RM	Renovation RM	Total RM
COMPANY						
2026						
At cost						
Balance at beginning	**6,592,233**	**9,474,072**	**29,763,770**	**699,565**	**732,384**	**47,262,024**
Additions	**3,877,641**	**2,077,088**	**11,099,189**	**185,388**	**57,717**	**17,297,023**
Balance at end	**10,469,874**	**11,551,160**	**40,862,959**	**884,953**	**790,101**	**64,559,047**
Accumulated depreciation						
Balance at beginning	**3,128,520**	**2,492,023**	**2,323,444**	**139,320**	**220,090**	**8,303,397**
Current charge	**2,509,137**	**2,212,979**	**3,575,648**	**75,989**	**129,637**	**8,503,390**
Balance at end	**5,637,657**	**4,705,002**	**5,899,092**	**215,309**	**349,727**	**16,806,787**
Carrying amount	**4,832,217**	**6,846,158**	**34,963,867**	**669,644**	**440,374**	**47,752,260**
2025						
At cost						
Balance at beginning	3,320,195	3,263,243	8,389,606	613,296	498,179	16,084,519
Additions	3,272,038	6,210,829	21,374,164	86,269	234,205	31,177,505
Balance at end	6,592,233	9,474,072	29,763,770	699,565	732,384	47,262,024
Accumulated depreciation						
Balance at beginning	1,932,898	815,922	214,033	74,592	120,657	3,158,102
Current charge	1,195,622	1,676,101	2,109,411	64,728	99,433	5,145,295
Balance at end	3,128,520	2,492,023	2,323,444	139,320	220,090	8,303,397
Carrying amount	3,463,713	6,982,049	27,440,326	560,245	512,294	38,958,627

NOTES TO THE FINANCIAL STATEMENTS

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Material accounting policy information

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Plant and equipment are depreciated on the straight-line method to write off the cost of each asset to its residual value over its estimated useful life, at the following annual rates:

Computer and software	33% - 100%
Prototype equipment	20%
Engineering tools	10%
Furniture, fittings and office equipment	10%
Renovation	17% - 33%

5. INTANGIBLE ASSETS

	Patents RM	Intellectual properties RM	Total RM
GROUP			
2026			
At cost			
Balance at beginning	**1,973,945**	**5,055,670**	**7,029,615**
Additions	**422,343**	**17,180,083**	**17,602,426**
Foreign currency translation	**-**	**(699,781)**	**(699,781)**
Balance at end	**2,396,288**	**21,535,972**	**23,932,260**
Accumulated amortisation			
Balance at beginning	**236,847**	**386,131**	**622,978**
Current charge	**133,276**	**1,003,193**	**1,136,469**
Foreign currency translation	**-**	**(45,523)**	**(45,523)**
Balance at end	**370,123**	**1,343,801**	**1,713,924**
Carrying amount	**2,026,165**	**20,192,171**	**22,218,336**
2025			
At cost			
Balance at beginning	1,519,530	-	1,519,530
Additions	463,529	5,128,445	5,591,974
Written offs	(9,114)	-	(9,114)
Foreign currency translation	-	(72,775)	(72,775)
Balance at end	1,973,945	5,055,670	7,029,615
Accumulated amortisation			
Balance at beginning	18,744	-	18,744
Current charge	218,103	391,690	609,793
Foreign currency translation	-	(5,559)	(5,559)
Balance at end	236,847	386,131	622,978
Carrying amount	1,737,098	4,669,539	6,406,637

	Patents	
	2026	2025
	RM	RM
COMPANY		
At cost		
Balance at beginning	**1,973,945**	1,519,530
Additions	**422,343**	463,529
Written offs	**-**	(9,114)
Balance at end	**2,396,288**	1,973,945
Accumulated amortisation		
Balance at beginning	**236,847**	18,744
Current charge	**133,276**	218,103
Balance at end	**370,123**	236,847
Carrying amount	**2,026,165**	1,737,098

Material accounting policy information

Intangible assets, which are acquired separately that have finite useful lives, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Intangible assets are amortised on the straight-line method to write off the cost to their residual values over their estimated useful lives, at the following annual rates:

Patents	20 years
Intellectual properties	8 - 12 years

6. **RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

As a lessee

The Group and the Company have lease contracts for offices used in their operations that have lease terms between 2 to 3 years, with an option to extend the lease for another 2 to 3 years. The lease contracts restrict the Group and the Company from assigning and subleasing the leased assets.

The Group and the Company also have certain leases of lab equipment and offices with lease terms of 12 months or less and leases of office equipment with low value. The Group and the Company apply the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.

NOTES TO THE FINANCIAL STATEMENTS

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Right-of-use assets

Set out below are the carrying amounts of right-of-use assets and the movements during the financial year:

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Offices		
Balance at beginning	**3,032,413**	4,194,114
Additions	**4,635,520**	-
Depreciation	**(1,409,403)**	(1,184,381)
Derecognition	**(1,183,832)**	-
Lease modification	**-**	22,680
Balance at end	**5,074,698**	3,032,413

Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the financial year:

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Offices		
Balance at beginning	**3,196,306**	4,313,076
Additions	**4,635,520**	-
Accretion of interest	**213,651**	200,056
Derecognition	**(1,262,273)**	-
Lease modification	**-**	22,680
Rent concession	**(36,262)**	-
Payments	**(1,552,115)**	(1,339,506)
Balance at end	**5,194,827**	3,196,306
Represented by:		
Non-current liabilities	**3,763,627**	1,992,598
Current liabilities	**1,431,200**	1,203,708
	5,194,827	3,196,306

The maturity analysis of lease liabilities is disclosed in Note 31.4 to the financial statements.

The following are the amounts recognised in profit or loss:

	GROUP		COMPANY	
	2026 RM	2025 RM	**2026 RM**	2025 RM
Accretion of interest on lease liabilities	**213,651**	200,056	**213,651**	200,056
Depreciation of right-of-use assets	**1,409,403**	1,184,381	**1,409,403**	1,184,381
Expense relating to leases of low-value assets	**11,161**	14,502	**11,161**	14,502
Expense relating to short-term leases	**255,596**	82,181	**220,647**	75,957
Gain on derecognition of right-of-use assets and lease liabilities	**(78,441)**	-	**(78,441)**	-
Rent concession	**(36,262)**	-	**(36,262)**	-
Total amount recognised in profit or loss	**1,775,108**	1,481,120	**1,740,159**	1,474,896
Total cash outflows for leases	**1,818,872**	1,436,189	**1,783,923**	1,429,965

Material accounting policy information

Right-of-use assets

The Group and the Company apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

Right-of-use assets are depreciated on a straight-line basis over their lease terms of 4 to 6 years.

7. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2026 RM	2025 RM
Unquoted shares, at cost	**485,540**	407,917

The details of the subsidiaries are as follows:

Name of entities	Principal place of business	Effective equity interest **2026** %	2025 %	Principal activities
SkyeChip Semi Sdn. Bhd. ("SCSSB")	Malaysia	**100**	100	Provision of semiconductor intellectual property, integrated circuit, software and application specific integrated circuit design and development.

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	Name of entities	Principal place of business	Effective equity interest 2026 %	2025 %	Principal activities
	SkyeChip Technology Sdn. Bhd. ("SCTSB")	Malaysia	**100**	100	Dormant. The intended activities are provision of semiconductor intellectual property and integrated circuit and software design and development, integrated circuit manufacturing and engineering consultation, training and services.
*	SkyeChip Semiconductor (Shanghai) Co., Ltd. ("SCSCL")	People's Republic of China	**100**	100	Sales and customer support.
*	SkyeChip Pte. Ltd.	Singapore	**100**	100	Provision of semiconductor intellectual property, integrated circuit manufacturing and software design.
**	SkyeChip Solutions Vietnam Company Limited ("SCSVCL")	Vietnam	**100**	100	Scientific research and technological development in the field of science, engineering and technology.
**	SkyeChip Technology Vietnam Company Limited ("SCTVCL")	Vietnam	**100**	100	Dormant. The intended activities are scientific research and technological development in the field of science, engineering and technology.

* *Not audited by Grant Thornton Malaysia PLT ("GTM PLT").*
** *Audited by member firm of Grant Thornton International Limited ("GTIL").*

Subscription of ordinary shares in subsidiaries

2026

On 11 July 2025, the Company has increased its registered capital in SCSCL at RM77,623 for cash. No changes in the equity interest subsequent to the additional subscription.

2025

(i) On 18 November 2024, the Company had incorporated a new wholly-owned subsidiary named SCSSB and subscribed 100,000 ordinary shares in SCSSB for a cash consideration of RM1,000.

(ii) On 16 January 2025, the Company had incorporated a new wholly-owned subsidiary named SCSVCL for a cash consideration of RM132,600.

(iii) On 22 January 2025, the Company had incorporated a new wholly-owned subsidiary named SCTSB and subscribed 2 ordinary shares in SCTSB for a cash consideration of RM2.

(iv) On 5 February 2025, the Company had incorporated a new wholly-owned subsidiary named SCTVCL for a cash consideration of RM44,200.

(v) On 19 February 2025, the Company had increased its registered capital in SCSCL at RM226,550 for cash. No changes in the equity interest subsequent to the additional subscription.

NOTES TO THE FINANCIAL STATEMENTS

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Material accounting policy information

Investment in subsidiaries are measured at cost less any impairment losses in the Company's separate financial statements.

8. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2026 RM	2025 RM	**2026 RM**	2025 RM
Non-current				
Other receivable				
Prepayments	**1,032,000**	-	**1,032,000**	-
Current				
Trade receivables				
Third parties	**36,506,655**	26,610,225	**27,661,603**	26,610,225
Amount due from a subsidiary	**-**	-	**6,285,024**	-
	36,506,655	26,610,225	**33,946,627**	26,610,225
Other receivables				
Amount due from subsidiaries	**-**	-	**32,143,388**	5,851,662
Refundable deposits	**795,809**	431,925	**729,009**	431,925
Non-refundable deposits	**19,553**	821,535	**19,553**	821,535
Prepayments	**13,221,367**	7,368,247	**4,989,519**	6,573,649
Value added tax ("VAT") receivable	**11,827**	-	**-**	-
	14,048,556	8,621,707	**37,881,469**	13,678,771
Total current trade and other receivables	**50,555,211**	35,231,932	**71,828,096**	40,288,996
Total trade and other receivables	**51,587,211**	35,231,932	**72,860,096**	40,288,996

The normal credit terms granted to trade receivables range from **7 to 60 days** (2025: 7 to 30 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The non-trade related amount due from subsidiaries are unsecured, non-interest bearing and classified based on the expected timing of realisation.

Included in the prepayments of the Group is an amount of **RM5,604,938** (2025: RM Nil) paid to the vendor for the acquisition of intellectual properties.

The currency profile of trade and other receivables of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
United States Dollar	**45,745,492**	31,963,857	**35,059,551**	31,169,259
Ringgit Malaysia	**5,515,596**	3,257,631	**6,304,689**	3,262,629
Singapore Dollar	**109,211**	-	**31,388,767**	5,834,545
Vietnam Dong	**188,216**	10,444	**66,274**	10,444
Renminbi	**28,696**	-	**40,815**	12,119
	51,587,211	35,231,932	**72,860,096**	40,288,996

9. **CONTRACT ASSETS/(LIABILITY)**

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
Contract assets				
- Accrued billings in respect of contracts from silicon intellectual properties and custom application-specific integrated circuits	**7,069,344**	525,076	**7,069,344**	525,076
Contract liability				
- Deposit received from a customer	**1,414,606**	-	**-**	-

9.1 **Contract assets - accrued billings in respect of contracts from silicon intellectual properties and custom application-specific integrated circuits**

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Balance at beginning	**525,076**	-
Increase as a result of revenue recognised during the financial year	**31,572,399**	18,185,186
Decrease as a result of progress billings during the financial year	**(25,028,131)**	(17,660,110)
Balance at end	**7,069,344**	525,076

Contract assets primarily relate to the Group's and the Company's rights to consideration for work completed but not yet billed at the end of the reporting period. The contract assets as at 31.3.2026 are mainly due to recognition of silicon intellectual properties and custom application-specific integrated circuits revenue based on the percentage of completion in which the progress billings have yet to be issued to the customers during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

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9.2 Contract liability - deposit received from a customer

	GROUP	
	2026	2025
	RM	RM
Deposit received during the financial year/Balance at end	**1,414,606**	-

Contract liability primary relates to the Group's obligation to transfer goods or services to a customer for which the Group has received deposit from a customer for sales of silicon intellectual property. Contract liability is recognised as revenue when the Group performs under the contract.

10. OTHER INVESTMENTS

	GROUP AND COMPANY	
	2026	2025
	RM	RM
At fair value through profit or loss ("FVTPL"):		
Short term investments	**12,626,415**	7,339,448

The short term investments represent investments in money market instruments with different maturity periods and can be redeemed at any time upon notice given to the established asset management firm.

11. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
Short term money market deposits	**32,882,454**	5,853,063	**32,882,454**	5,853,063
Cash in hand and at banks	**49,731,593**	36,597,564	**33,539,043**	36,243,979
	82,614,047	42,450,627	**66,421,497**	42,097,042

The effective interest rates per annum and maturity of the short term money market deposits of the Group and of the Company as at the end of the reporting period are **1.38% to 4.26%** (2025: 1.48% to 3.50%) per annum and **1 day** (2025: 1 day) respectively.

The currency profile of cash and bank balances of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
Ringgit Malaysia	**41,910,405**	28,204,240	**41,463,038**	28,198,240
United States Dollar	**40,621,206**	14,104,843	**24,958,459**	13,898,802
Vietnam Dong	**57,883**	-	**-**	-
Renminbi	**19,825**	91,337	**-**	-
Singapore Dollar	**4,728**	50,207	**-**	-
	82,614,047	42,450,627	**66,421,497**	42,097,042

NOTES TO THE FINANCIAL STATEMENTS

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12. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2026	2025	**2026**	2025
			RM	RM
Issued and fully paid:				
Balance at beginning	**300,000,001**	300,000,001	**3,000,001**	3,000,001
Issuance of ordinary shares	**4,085,150**	-	**12,092,044**	-
Balance at end	**304,085,151**	300,000,001	**15,092,045**	3,000,001

During the financial year, the Company has increased its issued and fully paid-up ordinary share capital from RM3,000,001 to RM15,092,045 by way of issuance of 4,085,150 new ordinary shares at an issue price of RM2.96 per ordinary share for a total cash consideration of RM12,092,044.

The new ordinary shares issued rank *pari passu* in all respects with the existing ordinary shares of the Company.

13. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

	Number of ICPS		Amount	
	2026	2025	**2026**	2025
			RM	RM
Issued and fully paid:				
Balance at beginning	**12,500,000**	-	**29,250,000**	-
Issuance of ICPS	**3,093,900**	12,500,000	**9,157,944**	29,250,000
Balance at end	**15,593,900**	12,500,000	**38,407,944**	29,250,000

During the financial year, the Company has increased its issued and fully paid-up ICPS from RM29,250,000 to RM38,407,944 by way of issuance of 3,093,900 new ICPS at an issue price of RM2.96 per ICPS for a total cash consideration of RM9,157,944.

The salient terms of the ICPS are as follows:

(i) The ICPS shall be convertible into ordinary shares of the Company on the basis of 1 ordinary share for every 1 ICPS held;

(ii) The rights to dividends of the holders of the ICPS shall be the same as that of the other ordinary shareholders;

(iii) The ICPS shall rank *pari passu* among themselves. The Company may issue any other class of shares, including those which rank equally with or in priority to the ICPS without approval of the holders of the ICPS;

(iv) The rights attached to the ICPS shall not be modified, varied, changed, abrogated or deleted in any manner whatsoever without the prior written consent of not less than 75% of the holders of the ICPS by voting rights attached to each ICPS;

(v) Any ordinary shares to be issued upon the conversion of the ICPS shall upon allotment and issue rank equal in all respects with the then existing ordinary shares of the Company;

(vi) The ICPS shall rank in priority to the ordinary shares and such other class of shares (if applicable) but junior to the claims of all other present and future creditors of the Company in the event of any winding up of the Company; and

(vii) In the event the Company is wound up, undergoes a merger or consolidation resulting in a change of control in respect of the shareholding, Board of Directors and/or management, or there is a sale of its substantial or all of its assets, the holders of the ICPS shall be entitled to receive the greater of:

(a) the nominal amount on the outstanding ICPS equivalent to the aggregate conversion price for the outstanding number of ICPS held at that time; or

(b) an amount in proportion to the ICPS held (on a fully converted and fully diluted basis) of such distribution,

in priority to the ordinary shareholders.

14. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve represents foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

15. RETAINED PROFITS

COMPANY

The franking of dividends of the Company is under the single tier system and therefore, there is no restrictions on the Company to distribute dividends subject to the availability of retained profits.

16. DEFERRED INCOME

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Government grants		
Balance at beginning	**461,552**	565,119
Recognised in profit or loss	**(28,749)**	(103,567)
Balance at end	**432,803**	461,552
Represented by:		
Non-current liabilities	**404,054**	432,803
Current liabilities	**28,749**	28,749
	432,803	461,552

Government grants have been received for the purchase of plant and equipment, patents registration and qualified operating expenses. There are no unfulfilled conditions or contingencies attached to this grant.

Material accounting policy information

The Group and the Company have elected to present government grants related to assets as deferred income and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

17. DEFERRED TAX LIABILITIES

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Balance at beginning	**1,176,000**	430,000
Recognised in profit or loss	**132,000**	747,000
	1,308,000	1,177,000
Under/(Over) provision in prior year	**463,000**	(1,000)
Balance at end	**1,771,000**	1,176,000

The deferred tax liabilities at the end of the reporting period are made up of the temporary differences arising from:

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Plant and equipment	**2,325,000**	2,023,000
Right-of-use assets	**1,218,000**	728,000
Lease liabilities	**(1,247,000)**	(767,000)
Unabsorbed capital allowances	**(1,080,000)**	-
Other taxable/(deductible) temporary differences	**555,000**	(808,000)
	1,771,000	1,176,000

The gross amount and future availability of unabsorbed capital allowances which are available to be carried forward for set-off against future taxable income are estimated at **RM4,499,415** (2025: RM Nil).

Unabsorbed capital allowances can be carried forward indefinitely.

18. OTHER PAYABLES

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
Sundry payables	**22,163,740**	649,889	**22,130,579**	573,935
Accruals	**2,020,060**	2,052,670	**1,931,036**	2,012,016
	24,183,800	2,702,559	**24,061,615**	2,585,951

NOTES TO THE FINANCIAL STATEMENTS

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The currency profile of other payables of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
Ringgit Malaysia	**24,053,156**	2,604,725	**23,954,272**	2,585,951
United States Dollar	**107,343**	-	**107,343**	-
Vietnam Dong	**12,720**	-	**-**	-
Singapore Dollar	**9,409**	47,669	**-**	-
Renminbi	**1,172**	50,165	**-**	-
	24,183,800	2,702,559	**24,061,615**	2,585,951

19. REVENUE

19.1 Disaggregated revenue information

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
Revenue by type				
Silicon intellectual properties ("IP")	**119,420,439**	85,739,178	**95,702,511**	85,739,178
Custom application-specific integrated circuits ("ASIC")	**34,597,250**	31,933,687	**34,597,250**	31,933,687
Others	**1,002,152**	1,830,135	**7,287,176**	1,830,135
Total revenue from contracts with customers	**155,019,841**	119,503,000	**137,586,937**	119,503,000
Geographical markets				
People's Republic of China	**97,046,249**	67,473,042	**74,780,435**	67,473,042
United States of America	**35,844,764**	-	**35,844,764**	-
Taiwan	**17,345,175**	39,997,154	**17,345,175**	39,997,154
Vietnam	**-**	-	**6,285,024**	-
Malaysia	**1,665,000**	9,704,339	**1,665,000**	9,704,339
Singapore	**1,588,883**	1,236,600	**1,588,883**	1,236,600
Republic of Korea	**1,452,114**	-	**-**	-
Hong Kong	**77,656**	1,091,865	**77,656**	1,091,865
Total revenue from contracts with customers	**155,019,841**	119,503,000	**137,586,937**	119,503,000
Timing of revenue recognition				
At a point in time	**1,567,553**	6,200,785	**7,852,577**	6,200,785
Over time	**153,452,288**	113,302,215	**129,734,360**	113,302,215
Total revenue from contracts with customers	**155,019,841**	119,503,000	**137,586,937**	119,503,000

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

19.2 **Contract balances**

	GROUP		COMPANY	
	2026 RM	2025 RM	**2026 RM**	2025 RM
Trade receivables (Note 8)	**36,506,655**	26,610,225	**33,946,627**	26,610,225
Contract assets (Note 9)	**7,069,344**	525,076	**7,069,344**	525,076
Contract liability (Note 9)	**(1,414,606)**	-	**-**	-

19.3 **Performance obligations**

The performance obligations of the respective revenue are as follows:

(i) **Silicon IP**

The Group and the Company have entered into agreements with the customers where under the terms of the contracts, the control of the silicon IP is transferred over time as the customer simultaneously receives and consumes the benefits provided by the Group and by the Company. Depending on the type of the silicon IP, the silicon IP can be delivered in multiple stages due to the complexity of the silicon IP being delivered, and the need for the customers to integrate the silicon IP with other IP building blocks in their chip designs.

Revenue from silicon IP is therefore recognised over time by reference to the stage of completion of the project, measured based on the engineer hours spent on the work performed to date as a percentage of the estimated total project hours.

Certain revenue from silicon IP are recognised at a point in time upon granting the right to use the silicon IP, as stated in the agreements with the customers.

Variable consideration

In certain contracts, the Group and the Company are entitled to additional revenue if the silicon IP meets certain performance targets specified in the contract.

If the consideration in a contract includes a variable amount, the Group and the Company estimate the amount of variable consideration to which it will be entitled to exchange for meeting the performance targets. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(ii) **Custom ASIC**

The Group and the Company have entered into agreements with the customers where under the terms of the contracts, the control of the custom ASIC design is transferred over time as the customer simultaneously receives and consumes the benefits provided by the Group and by the Company. Depending on the type of the custom ASIC design, the custom ASIC design can be delivered in multiple stages due to the complexity of the custom ASIC design being delivered.

Revenue from custom ASIC design is therefore recognised over time by reference to the stage of completion of the project, measured based on the engineer hours spent on the work performed to date as a percentage of the estimated total project hours.

The physical integrated circuits (“ICs”) fabricated from the custom ASIC design will be recognised at a point in time when the control of the physical ICs are transferred to the customers, generally on delivery of the physical ICs.

(iii) **Others**

Others refer to the revenue arising from the design support services and design of memory test system which are recognised at a point in time when the services are rendered and completed.

Unsatisfied performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) of the Group and of the Company under revenue from silicon IP and custom ASIC to be fulfilled as follows:

	GROUP		COMPANY	
	2026 RM	2025 RM	**2026 RM**	2025 RM
Within one year	**107,664,593**	29,495,988	**90,557,926**	29,495,988
More than one year and less than five years	**132,112,418**	3,900,728	**111,785,673**	3,900,728

20. COST OF SALES

GROUP AND COMPANY

Included in the cost of sales of the Group and of the Company is employee benefits expenses paid to engineers amounting to **RM69,236,210** (2025: RM54,924,187) and **RM64,842,950** (2025: RM54,924,187) respectively as disclosed in Note 25 to the financial statements.

21. OTHER INCOME

	GROUP		COMPANY	
	2026 RM	2025 RM	**2026 RM**	2025 RM
Amortisation of government grants	**28,749**	103,567	**28,749**	103,567
Fair value gain on other investments	**205,728**	151,521	**205,728**	151,521
Gain on derecognition of right-of-use assets and lease liabilities	**78,441**	-	**78,441**	-
Gain on disposal of other investments	**81,683**	126,546	**81,683**	126,546
Miscellaneous income	**1,224,886**	1,102,727	**1,224,535**	1,102,727
Realised gain on foreign exchange	**-**	84,301	**-**	81,030
Rent concession	**36,262**	-	**36,262**	-
	1,655,749	1,568,662	**1,655,398**	1,565,391

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22. FINANCE COST

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Accretion of interest on lease liabilities	**213,651**	200,056

23. FINANCE INCOME

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
Interest income from:				
- current accounts	**1,054,116**	621,517	**1,049,446**	621,242
- other investments	**-**	52,063	**-**	52,063
	1,054,116	673,580	**1,049,446**	673,305

24. PROFIT BEFORE TAX

This is arrived at:

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
After charging:				
Amortisation of intangible assets	**1,136,469**	609,793	**133,276**	218,103
Auditors' remuneration:				
- statutory audit				
- current year				
- GTM PLT	**93,000**	48,000	**85,000**	45,000
- Other auditors	**9,656**	8,383	**-**	-
- under provision in prior year				
- GTM PLT	**-**	21,000	**-**	21,000
- Other auditors	**9,656**	-	**-**	-
- assurance related services				
- GTM PLT	**32,000**	123,342	**32,000**	123,342
- non-audit services				
- GTM PLT	**12,500**	8,000	**12,500**	8,000
- affiliate of GTM PLT	**16,000**	-	**16,000**	-
- member firm of GTIL	**54,397**	-	**-**	-
Depreciation of:				
- plant and equipment	**8,544,141**	5,145,295	**8,503,390**	5,145,295
- right-of-use assets	**1,409,403**	1,184,381	**1,409,403**	1,184,381

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	GROUP		COMPANY	
	2026 RM	2025 RM	**2026 RM**	2025 RM
Directors' fees	**138,000**	17,375	**138,000**	17,375
Employee benefits expenses (Note 25)	**73,097,110**	60,116,815	**68,352,157**	59,943,908
Expense relating to leases of low-value assets	**11,161**	14,502	**11,161**	14,502
Expense relating to short-term leases	**255,596**	82,181	**220,647**	75,957
Intangible assets written off	**-**	9,114	**-**	9,114
License fees	**6,981,788**	4,775,863	**2,150,391**	3,235,046
Loss on foreign exchange:				
- realised	**3,160,095**	5,925	**2,767,229**	-
- unrealised	**1,822,796**	1,170,660	**1,650,043**	1,282,147
Management fee	**-**	-	**4,792,042**	1,537,546

25. EMPLOYEE BENEFITS EXPENSES

	GROUP		COMPANY	
	2026 RM	2025 RM	**2026 RM**	2025 RM
Salaries, bonus, allowances and incentive	**65,084,589**	53,393,912	**60,760,132**	53,251,883
Defined contribution plan ("EPF")	**7,210,354**	6,319,374	**7,147,329**	6,319,374
Social security contribution ("SOCSO")	**756,705**	366,171	**400,056**	335,293
Employment insurance scheme ("EIS")	**45,462**	37,358	**44,640**	37,358
	73,097,110	60,116,815	**68,352,157**	59,943,908
Less: Charge to cost of sales (Note 20)	**(69,236,210)**	(54,924,187)	**(64,842,950)**	(54,924,187)
	3,860,900	5,192,628	**3,509,207**	5,019,721

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Included in the employee benefits expenses is directors' emoluments as shown below:

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Executive directors		
Salaries, allowances and incentive	**1,750,036**	2,769,679
EPF	**332,523**	526,142
SOCSO	**2,143**	1,963
EIS	**143**	131
	2,084,845	3,297,915
Non-executive directors		
Allowances	**11,875**	8,750
	2,096,720	3,306,665

26. TAXATION

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
Based on results for the financial year				
- Current tax	**(820,000)**	(250,000)	**(820,000)**	(250,000)
- Deferred tax relating to the origination and reversal of temporary differences	**(132,000)**	(747,000)	**(132,000)**	(747,000)
	(952,000)	(997,000)	**(952,000)**	(997,000)
Under provision in prior year				
- Current tax	**(96,104)**	(59,442)	**(96,037)**	(59,442)
- Deferred tax	**(463,000)**	1,000	**(463,000)**	1,000
	(559,104)	(58,442)	**(559,037)**	(58,442)
	(1,511,104)	(1,055,442)	**(1,511,037)**	(1,055,442)

The reconciliation of taxation of the Group and of the Company is as follows:

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
Profit before tax	**50,046,116**	36,998,653	**35,599,848**	37,559,138
Income tax at Malaysian statutory tax rate of 24%	**(12,011,068)**	(8,879,677)	**(8,543,964)**	(9,014,193)
Effect of tax rates in foreign jurisdiction	**541,934**	-	**-**	-
Income not subject to tax	**103,407**	91,592	**103,407**	91,592
Expenses not deductible for tax purposes	**(2,063,051)**	(312,862)	**(1,829,518)**	(178,346)
Pioneer income not subject to tax	**9,318,075**	8,103,947	**9,318,075**	8,103,947
Foreign income not subject to tax	**3,158,703**	-	**-**	-
	(952,000)	(997,000)	**(952,000)**	(997,000)
Under provision in prior year	**(559,104)**	(58,442)	**(559,037)**	(58,442)
	(1,511,104)	(1,055,442)	**(1,511,037)**	(1,055,442)

The Group and the Company have been granted pioneer status of tax exemption on 100% of statutory income for five years from 10 September 2020 to 9 September 2025 under Section 127(3A) of the Income Tax Act 1967, for the activities of design and development of IC, sales of silicon IP, software and ASIC.

The Company has, on 9 June 2025, submitted an application to Malaysian Investment Development Authority ("MIDA") for income tax exemption incentive under promoted activities for IC design.

A Vietnam subsidiary, SCSVCL, has obtained confirmation from the Department of Science and Technology of Da Nang City on 30 September 2025 that it is an enterprise operating in the semiconductor sector, and is therefore entitled to the 5-year corporate income tax exemption expiring on 31 March 2030.

27. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share of the Group is calculated by dividing the profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year:

	GROUP	
	2026	2025
Profit attributable to owners of the Company (RM)	**48,535,012**	35,943,211
Weighted average number of ordinary shares in issue	**302,410,255**	300,000,001
Basic earnings per share (sen)	**16.05**	11.98

Diluted earnings per share

Diluted earnings per share of the Group is calculated by dividing the profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year after adjusting for the dilutive effects of all potential ordinary shares:

	GROUP	
	2026	2025
Profit attributable to owners of the Company (RM)	**48,535,012**	35,943,211
Weighted average number of ordinary shares in issue	**302,410,255**	300,000,001
Adjustment for conversion of ICPS	**15,593,900**	12,500,000
	318,004,155	312,500,001
Diluted earnings per share (sen)	**15.26**	11.50

28. SEGMENTAL INFORMATION

By business segments

The management determines the business segments based on the reports reviewed and used by the directors for strategic decisions making and resources allocation.

The Group has only one reportable business segment which relates principally to the provision of semiconductor intellectual property, integrated circuit manufacturing, software design and development and engineering consultation. Accordingly, no business segmental information is presented.

By geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers as disclosed in Note 19.1 to the financial statements. Segment assets are based on the geographical location of assets.

	Non-current assets	
	2026	2025
	RM	RM
Malaysia	**56,278,602**	43,728,138
Singapore	**20,192,171**	4,669,539
Vietnam	**36,824**	-
	76,507,597	48,397,677

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Information about major customers

The following are major customers which individually contributed to more than 10% of the Group's total revenue:

	Group	
	2026	2025
	RM	RM
Customer A	*	12,066,410
Customer B	*	32,228,682
Customer C	*	27,930,744
Customer D	**23,569,624**	-
Customer E	**23,829,699**	*
	47,399,323	72,225,836

* Not applicable as the contribution is less than 10% of the Group's total revenue.

29. **RELATED PARTY DISCLOSURES**

(i) **Identity of related parties**

The Company has related party relationships with its subsidiaries and key management personnel.

(ii) **Significant related party transactions**

Significant related party transactions have been entered into at terms agreed between the parties during the financial year.

	COMPANY	
	2026	2025
	RM	RM
Advances to subsidiaries	**31,363,627**	5,568,683
Payment on behalf of subsidiaries	**428,141**	6,300
Design support service fees receivable from a subsidiary	**6,285,024**	-
Design support service fees paid to subsidiaries	**4,378,282**	-
Management fees paid to a subsidiary	**4,792,042**	1,537,546

(iii) **Compensation of key management personnel**

Key management personnel are defined as those persons including directors having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

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The remuneration of the directors and other members of key management personnel during the financial year is as follows:

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Fees	**138,000**	17,375
Salaries, bonus, allowances and incentive	**3,148,271**	4,361,321
EPF	**489,796**	715,594
SOCSO	**5,476**	5,400
EIS	**428**	430
	3,781,971	5,100,120
Analysed as:		
- Directors	**2,234,720**	3,324,040
- Other key management personnel	**1,547,251**	1,776,080
	3,781,971	5,100,120

30. CAPITAL COMMITMENTS

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
Contracted but not provided for:				
- Plant and equipment	**427,796**	509,603	**422,471**	509,603

31. FINANCIAL INSTRUMENTS

31.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost (“AC”) and FVTPL.

	Carrying amount RM	AC RM	FVTPL RM
GROUP			
2026			
Financial assets			
Trade and other receivables (excluding non-refundable deposits, prepayments and VAT receivable)	**37,302,464**	**37,302,464**	**-**
Other investments	**12,626,415**	**-**	**12,626,415**
Cash and bank balances	**82,614,047**	**82,614,047**	**-**
	132,542,926	**119,916,511**	**12,626,415**
Financial liability			
Other payables	**24,183,800**	**24,183,800**	**-**

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	Carrying amount RM	AC RM	FVTPL RM
2025			
Financial assets			
Trade and other receivables (excluding non-refundable deposits and prepayments)	27,042,150	27,042,150	-
Other investments	7,339,448	-	7,339,448
Cash and bank balances	42,450,627	42,450,627	-
	76,832,225	69,492,777	7,339,448
Financial liability			
Other payables	2,702,559	2,702,559	-
COMPANY			
2026			
Financial assets			
Trade and other receivables (excluding non-refundable deposits and prepayments)	**66,819,024**	**66,819,024**	**-**
Other investments	**12,626,415**	**-**	**12,626,415**
Cash and bank balances	**66,421,497**	**66,421,497**	**-**
	145,866,936	**133,240,521**	**12,626,415**
Financial liability			
Other payables	**24,061,615**	**24,061,615**	**-**
2025			
Financial assets			
Trade and other receivables (excluding non-refundable deposits and prepayments)	32,893,812	32,893,812	-
Other investments	7,339,448	-	7,339,448
Cash and bank balances	42,097,042	42,097,042	-
	82,330,302	74,990,854	7,339,448
Financial liability			
Other payables	2,585,951	2,585,951	-

31.2 **Financial risk management**

The Group and the Company are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board of Directors and the Group's policy is not to engage in speculative activities.

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31.3 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group's exposure to credit risk arises principally from its trade receivables whilst the Company's exposure to credit risk arises principally from its trade receivables and advances to subsidiaries.

31.3.1 Trade receivables

The Group and the Company extend credit terms to customers that range between **7 to 60 days** (2025: 7 to 30 days). In deciding whether credit shall be extended, the Group and the Company will take into consideration factors such as relationship with the customer, its payment history and credit worthiness. The Group and the Company subject new customers to credit verification procedures. In addition, receivables balances are monitored on an on-going basis with the result that the Group's and the Company's exposure to bad debts is not significant.

The maximum exposure to credit risk arising from trade receivables is represented by the carrying amount as disclosed in Note 8 to the financial statements.

The ageing analysis of trade receivables of the Group and of the Company as at the end of the reporting period is as follows:

	GROUP		COMPANY	
	2026 RM	2025 RM	**2026 RM**	2025 RM
Not past due	**14,611,811**	5,674,880	**14,966,584**	5,674,880
1 to 60 days past due	**6,918,690**	20,789,535	**8,288,612**	20,789,535
61 to 120 days past due	**5,025,598**	-	**740,875**	-
More than 120 days past due	**9,950,556**	145,810	**9,950,556**	145,810
	21,894,844	20,935,345	**18,980,043**	20,935,345
Total	**36,506,655**	26,610,225	**33,946,627**	26,610,225

Trade receivables that are neither past due nor impaired are creditworthy customers with good payment record with the Group and the Company. None of the Group's and of the Company's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

The Group and the Company have trade receivables amounting to **RM21,894,844** (2025: RM20,935,345) and **RM18,980,043** (2025: RM20,935,345) respectively that are past due but not impaired as at the end of the reporting period as the management is of the view that these debts will be collected in due course.

The Group and the Company have significant concentration of credit risk in the form of outstanding balance due from **3 customers** (2025: 4 customers) and **2 customers** (2025: 4 customers) representing **60%** (2025: 95%) and **65%** (2025: 95%) respectively of the total trade receivables.

Maximum exposure to credit risk

The Group and the Company regard the entire trade receivables to be low risk.

In managing the credit risk of the trade receivables and contract assets, the Group and the Company manage their debtors and take appropriate actions (including but not limited to legal actions) to recover long overdue balances. The Group and the Company measure the allowance for ECL of trade receivables and contract assets at an amount equal to lifetime ECL using a simplified approach. The ECL on trade receivables and contract assets is estimated based on past default experience and an analysis of the trade receivables' and contract assets' current financial position, adjusted for factors that are specific to the trade receivables and contract assets such as liquidation and bankruptcy. Forward looking information such as gross domestic products rate has been incorporated in determining the ECL.

Customers of the Group and of the Company will require ongoing technical support from the Group and the Company throughout the design and development cycle of their projects. This creates a degree of operational reliance on the Group's and the Company's specialised expertise which supports the recoverability of trade receivables.

Trade receivables are usually collectible and the Group and the Company do not have historical bad debts written off or impairment of trade receivables. There are circumstances where the settlement of trade receivables will take longer than the credit terms given to the customers. The delay in settlement is mainly due to administrative matters. No ECL is provided during the financial years based on the above assessment as the impact to the Group's and the Company's financial statements is not material.

31.3.2 **Intercompany balances**

The Company provides advances to its subsidiaries and monitors their results regularly.

The maximum exposure to credit risk is represented by the carrying amount as disclosed in Note 8 to the financial statements.

As at the end of the reporting period, there was no indication that the advances to its subsidiaries are not recoverable. The Company does not specifically monitor the ageing of these advances.

31.4 **Liquidity risk**

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due. The Group and the Company actively manage their debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met. As part of their overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash and cash equivalents to meet their working capital requirements.

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities as at the end of the reporting period based on the undiscounted contractual payments:

	Carrying amount RM	Contractual cash flows RM	Within one year RM	More than one year and less than five years RM	More than five years RM
GROUP					
2026					
Non-derivative financial liabilities					
Other payables	24,183,800	24,183,800	24,183,800	-	-
Lease liabilities	5,194,827	5,720,171	1,626,643	3,730,911	362,617
Total undiscounted financial liabilities	29,378,627	29,903,971	25,810,443	3,730,911	362,617

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	Carrying amount RM	Contractual cash flows RM	Within one year RM	More than one year and less than five years RM	More than five years RM
2025					
Non-derivative financial liabilities					
Other payables	2,702,559	2,702,559	2,702,559	-	-
Lease liabilities	3,196,306	3,437,226	1,343,285	2,093,941	-
Total undiscounted financial liabilities	5,898,865	6,139,785	4,045,844	2,093,941	-
COMPANY					
2026					
Non-derivative financial liabilities					
Other payables	**24,061,615**	**24,061,615**	**24,061,615**	**-**	**-**
Lease liabilities	**5,194,827**	**5,720,171**	**1,626,643**	**3,730,911**	**362,617**
Total undiscounted financial liabilities	**29,256,442**	**29,781,786**	**25,688,258**	**3,730,911**	**362,617**
2025					
Non-derivative financial liabilities					
Other payables	2,585,951	2,585,951	2,585,951	-	-
Lease liabilities	3,196,306	3,437,226	1,343,285	2,093,941	-
Total undiscounted financial liabilities	5,782,257	6,023,177	3,929,236	2,093,941	-

31.5 Interest rate risk

The Group's and the Company's floating rate instrument is exposed to a risk of change in cash flows due to changes in interest rates.

The interest rate profile of the Group's and of the Company's interest bearing financial instrument based on its carrying amount as at the end of the reporting period is as follows:

	GROUP AND COMPANY	
	2026 RM	2025 RM
Floating rate instrument		
Financial asset	**32,882,454**	5,853,063

Cash flow sensitivity analysis for variable rate instrument

An increase of 25 basis point at the end of the reporting period would have impacted the Group's and the Company's profit before tax and equity by the amount shown below, and a corresponding decrease would have an equal but opposite effect. This analysis assumes that all other variables remain constant.

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Increase in profit before tax	**82,206**	14,633
Increase in equity	**62,477**	11,121

31.6 **Foreign currency risk**

The objectives of the Group's and of the Company's foreign exchange policies are to allow the Group and the Company to manage exposures that arise from business activities effectively within a framework of controls that does not expose the Group and the Company to unnecessary foreign exchange risks.

The Group and the Company are exposed to foreign currency risk mainly on sales and advances to subsidiaries that are denominated in currencies other than the functional currency of the Company. The Group and the Company also hold cash and bank balances denominated in foreign currencies for working capital purposes. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Singapore Dollar ("SGD").

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the foreign currencies exchange rates against RM, with all other variables held constant, of the Group's and of the Company's profit before tax and equity. A 10% strengthening of RM against the following currencies at the end of the reporting period would have decreased profit before tax and equity by the amount shown below and a corresponding weakening would have an equal but opposite effect. This analysis is based on foreign currency exchange rate variances that the Group and the Company considered to be reasonably possible at the end of the reporting period.

	GROUP		COMPANY	
	2026	2025	**2026**	2025
	RM	RM	**RM**	RM
USD	**7,702,052**	4,071,507	**5,884,893**	4,050,903
SGD	**21**	254	**3,128,445**	583,455
Decrease in profit before tax	**7,702,073**	4,071,761	**9,013,338**	4,634,358
Decrease in equity	**5,853,575**	3,094,538	**6,850,137**	3,522,112

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31.7 Equity price risk

Equity price risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial assets designated at FVTPL will fluctuate because of changes in market prices. Equity price risk arises from the Group's and the Company's other investments which are the investments in money market instruments.

Management of the Group monitors the investments in money market instruments and it can be redeemed at any time upon notice given to the established asset management firm.

Sensitivity analysis for equity price risk

A 1% increase in prices of the money market instruments at the end of the reporting period, with all other variables held constant, would have increased the Group's and the Company's profit before tax and equity by the amount shown below, and a decrease would have an equal but opposite effect, arising as a result of higher/lower fair value gain on other investments.

	GROUP AND COMPANY	
	2026	2025
	RM	RM
Increase in profit before tax and equity	**126,264**	73,394

32. FAIR VALUE MEASUREMENT

The carrying amounts of the Group's and of the Company's financial assets (other than other investments) and financial liability as at the end of the reporting period approximate their fair values due to their short-term nature.

32.1 Financial assets that are measured at fair value on a recurring basis

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy:

	Level 1 RM	**Level 2 RM**	**Level 3 RM**	**Total fair value RM**	**Carrying amount RM**
GROUP AND COMPANY					
2026					
Financial assets					
Other investments	**12,626,415**	**-**	**-**	**12,626,415**	**12,626,415**
Derivative financial asset	**-**	**54,584**	**-**	**54,584**	*****
	12,626,415	**54,584**	**-**	**12,680,999**	**12,626,415**
2025					
Financial asset					
Other investments	7,339,448	-	-	7,339,448	7,339,448

* The Group and the Company use a forward foreign exchange contract to manage some of the transactions exposure. This contract is not designated as a cash flow or fair value hedge and is entered into for periods consistent with currency transaction exposure and fair value changes exposure. Such derivative does not qualify for hedge accounting. The forward foreign exchange contract has a maturity of less than one year after the end of the reporting period.

The forward foreign exchange contract is mainly used to hedge the Group's and the Company's sales denominated in USD for which firm commitments existed at the end of the reporting period, particularly when market exchange rates are less favourable or volatile.

As at the end of the reporting period, the fair value of the forward foreign exchange contract is not significant to the Group and the Company. Accordingly, no derivative financial instrument has been recognised in the financial statements for the financial year. The nominal value of the forward foreign exchange contract is **RM3,984,500** (2025: RM Nil).

Level 1 fair value

Level 1 fair value of the other investments is derived by reference to their quoted market prices in active markets at the end of reporting period.

Level 2 fair value

Level 2 fair value of the derivative financial asset arising from the forward foreign exchange contract is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the current contract using a risk-free interest rate.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between level 1, 2 and 3 during the financial year.

33. CAPITAL MANAGEMENT

The primary objective of the Group's and of the Company's capital management policy is to maintain a strong capital base to support their business and to maximise shareholders' value.

The Group and the Company manage their capital structure and make adjustment to it in the light of changes in economic conditions or expansion of the Group and of the Company. The Group and the Company may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting the amount of dividends to be paid to shareholders or sell assets to reduce debts. No changes were made in the objective, policy and process during the financial year under review as compared to the previous financial year.

34. SIGNIFICANT EVENTS AND EVENTS AFTER THE REPORTING PERIOD

(i) In July 2025, the Company has submitted an application for access to one ARM Compute Subsystem ("CSS") platform and one ARM Flexible Access ("AFA") platform. Subsequently, the Company has received the letters of conditional approval from MIDA in April 2026.

In June 2026, the Company has entered into a definitive agreement with MIDA for access to the AFA token pursuant to the strategic cooperation programme between the Government of Malaysia and ARM Holdings Plc. The Company is still in the midst of reviewing and evaluating the terms and conditions of the definitive agreement for access to the CSS token.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2026

(ii) On 4 March 2026, the Group and the Company were awarded a grant of RM12 million by the Academy of Sciences Malaysia ("ASM") on behalf of the Ministry of Science, Technology and Innovation for the implementation of the Malaysia Science Endowment Advanced Packaging Research and Development Program by the Semiconductor Industry in collaboration with ASM.

The grant is to be disbursed based on reimbursement of eligible expenditures spent over a 24-month period and subject to the terms and conditions stipulated.

(iii) On 18 March 2026 and 7 April 2026 respectively, the Company has obtained the approvals from the Securities Commission Malaysia and Bursa Malaysia Securities Berhad ("Bursa Securities") in relation to the listing on Main Market of Bursa Securities. The Company has launched its initial public offering in conjunction with its listing on the Main Market of Bursa Securities comprising public issue of 400,000,000 new ordinary shares in the Company at an issue price of RM0.88 per ordinary share.

On 20 May 2026, the Company was successfully admitted to the official list of Bursa Securities and the Company's entire enlarged issued and paid-up share capital comprising 1,796,000,000 shares were listed and quoted on the Main Market of Bursa Securities.

(iv) On 1 April 2026, the entire ICPS has been converted into ordinary shares of the Company on the basis of 1 ordinary share for every 1 ICPS held.

(v) On 8 April 2026, the Company has undertaken the subdivision of 319,679,051 ordinary shares into 1,396,000,000 ordinary shares.

(vi) On 19 May 2026, the Company has offered a total of 61,755,000 Employee Share Option Scheme ("ESOS") Options to the eligible employees of the Group. The vesting period of the ESOS Options offered is up to 5 years from 19 May 2026 with an exercise price of RM0.88 per ESOS Options.

(vii) On 3 June 2026, the Company has increased its registered capital in SCSCL at RM299,300 for cash. No changes in the equity interest subsequent to the additional subscription.

(viii) On 15 June 2026, the Company has incorporated a United States of America based wholly-owned subsidiary named SkyeChip Inc. for a cash consideration of RM609,750.

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2026

SHAREHOLDING STATISTICS AS AT 30 JUNE 2026

Issued Share Capital	:	1,796,000,000 Ordinary Shares
Class of Share	:	Ordinary Shares
No. of Shareholders	:	11,431
Voting Rights	:	One vote per ordinary share

Analysis by size of shareholdings

Size of Holdings	No. of Holders	No. of Shares	% of Shares Held
LESS THAN 100	413	10,353	0.00
100 - 1,000	5,141	2,430,760	0.14
1,001 - 10,000	4,400	17,996,625	1.00
10,001 - 100,000	1,131	36,525,000	2.03
100,001 - 89,799,999*	343	735,669,761	40.96
89,800,000 - 1,796,000,000**	3	1,003,367,501	55.87
TOTAL:	**11,431**	**1,796,000,000**	**100.00**

* - Less than 5% of issued shares
** - 5% and above of issued shares

Substantial Shareholders

		<-------------Direct------------->		<-------------Indirect---------->	
No.	Name of Substantial Shareholders	No. of Shares	%	No. of Shares	%
1.	Dato' Fong Swee Kiang	430,630,251	23.98	69,405,442(1)	3.86
2.	Teh Chee Hak	430,630,247	23.98	69,492,779(2)	3.87
3.	SKC Team 2 Sdn. Bhd.	142,107,003	7.91	-	-

(1) Deemed interested by virtue of his shareholdings in SKC Team 1 Sdn. Bhd. and SKC Team 3 Sdn. Bhd. pursuant to Section 8 of the Companies Act, 2016 ("Act").

(2) Deemed interested by virtue of his shareholdings in SKC Team Sdn. Bhd. and SKC Team 3 Sdn. Bhd. pursuant to Section 8 of the Act.

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2026

DIRECTORS' INTERESTS IN THE SHARE CAPITAL

		<------------Direct------------>		<------------Indirect--------->	
No.	Name of Directors	No. of Shares	%	No. of Shares	%
1.	Dato' Seri Wong Siew Hai	875,600	0.05	300,000[(1)]	0.02
2.	Dato' Fong Swee Kiang	430,630,251	23.98	69,405,442[(2)]	3.86
3.	Teh Chee Hak	430,630,247	23.98	69,492,779[(3)]	3.87
4.	Dato' Seri Gooi Soon Chai	369,300	0.02	-	-
5.	Datuk Alexandra Chin @ Fui Lin, J.P.	369,300	0.02	-	-
6.	Norinne Ira Dewal Binti Md Ali	369,300	0.02	-	-

(1) Deemed interested pursuant to Section 59(11)(c) of the Act by virtue of the interests held by his children.

(2) Deemed interested by virtue of his shareholdings in SKC Team 1 Sdn. Bhd. and SKC Team 3 Sdn. Bhd. pursuant to Section 8 of the Act.

(3) Deemed interested by virtue of his shareholdings in SKC Team Sdn. Bhd. and SKC Team 3 Sdn. Bhd. pursuant to Section 8 of the Act.

LIST OF TOP 30 HOLDERS AS AT 30 JUNE 2026

No.	Name	Holdings	%
1	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT-MAYBANK PRIVATE WEALTH MANAGEMENT FOR FONG SWEE KIANG (12025941) (480134)	430,630,251	23.98
2	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT-MAYBANK PRIVATE WEALTH MANAGEMENT FOR TEH CHEE HAK (12025782) (480135)	430,630,247	23.98
3	SKC TEAM 2 SDN BHD	142,107,003	7.91
4	IC CAPITAL MANAGEMENT SDN. BHD.	64,193,134	3.58
5	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - RHB TRUSTEES BERHAD FOR ARECA DYNAMIC GROWTH FUND 12 (480703)	45,763,591	2.55
6	SKC TEAM SDN BHD	43,603,295	2.43
7	SKC TEAM 1 SDN BHD	43,515,958	2.42
8	MAYBANK NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT - GOBI FUTURE FUND GP LIMITED FOR GOBI FUTURE FUND LPF	27,666,031	1.54
9	MAYBANK NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT - GOBI VENTURES ASEAN II FOR MERANTI ASEAN GROWTH FUND II, LP.	27,666,031	1.54
10	PANTAI FERINGGI VENTURES SDN BHD	26,000,000	1.45
11	SKC TEAM 3 SDN BHD	25,889,484	1.44
12	MAYBANK NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LION X INVESTMENT VCC	25,217,858	1.40

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2026

LIST OF TOP 30 HOLDERS AS AT 30 JUNE 2026 (CONT'D)

No.	Name	Holdings	%
13	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	20,000,000	1.11
14	MAYBANK NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT - ILHAM CAPITAL VENTURES SDN. BHD. FOR INTERVEST KOREA MALAYSIA OIF B SDN. BHD.	19,805,328	1.10
15	MAYBANK NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT - INTERVEST CO. LTD FOR INTERVEST MALAYSIA OIF A	19,805,328	1.10
16	MAYBANK NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT - INTERVEST CO. LTD FOR INTERVEST GLOBAL SCALE-UP FUND	19,805,328	1.10
17	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)	19,000,000	1.06
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - RHB TRUSTEES BERHAD FOR ARECA STRATEGIC INCOME FUND 15 (480705)	16,936,507	0.94
19	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (RHB INV)	14,400,000	0.80
20	MAYBANK NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT - GECKO CAPITAL PARTNERS INC. FOR GOBI DANA IMPAK VENTURES L.P.	12,764,626	0.71
21	CARTABAN NOMINEES (TEMPATAN) SDN BHD PAMB FOR PRULINK EQUITY FUND	9,542,200	0.53
22	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (2)	9,000,000	0.50
23	OOI ENG LEONG	8,818,200	0.49
24	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR FIDELITY INVESTMENT TRUST: FIDELITY PACIFIC BASIN FUND	8,591,600	0.48
25	HSBC NOMINEES (ASING) SDN BHD J.P. MORGAN SECURITIES PLC	7,774,200	0.43
26	HSBC NOMINEES (ASING) SDN BHD JPMSE LUX FOR JPMORGAN FUNDS	7,114,100	0.40
27	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA BHD.	6,850,000	0.38
28	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	5,839,700	0.33
29	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR SINGULAR VALUE FUND	5,462,100	0.31
30	LEMBAGA TABUNG ANGKATAN TENTERA	5,150,000	0.29
	Total:	1,549,542,100	86.28

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Second (**2nd**) Annual General Meeting ("**AGM**") of the shareholders of SKYECHIP BERHAD ("**SkyeChip**" or "**Company**") will be convened and held at Amari SPICE Hotel, Jadeite, Level 4, 2, Persiaran Mahsuri, 11900 Bayan Lepas, Pulau Pinang on **Monday, 17 August 2026** at **10:00 am** or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolutions, with or without any modifications:

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 March 2026 and the Reports of the Directors and Auditors thereon.
2. To re-elect the following Directors retiring pursuant to Clause 188 of the Company's Constitution and who, being eligible, offer themselves for re-election:
   2.1 Dato' Fong Swee Kiang — Ordinary Resolution 1
   2.2 Teh Chee Hak — Ordinary Resolution 2
3. To approve the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company of an amount up to RM500,000.00 for the period commencing one day after this AGM through to the next AGM of the Company in 2027. — Ordinary Resolution 3
4. To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company for the financial year ending 31 March 2027 and to authorise the Directors to fix their remuneration. — Ordinary Resolution 4

As Special Business

5. **AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES** — Ordinary Resolution 5

   "THAT subject always to the Companies Act 2016 ("**Act**"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the approvals of the relevant governmental or regulatory authorities, where such approval is required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act to issue and allot shares in the Company to such persons, at any time until the conclusion of the next Annual General Meeting ("**AGM**") and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being.

   THAT the Directors are also empowered to obtain the approval from the Bursa Securities for the listing and quotation for the additional shares to be issued and THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.

   THAT pursuant to Section 85(1) of the Act to be read together with Clause 37(a) of the Constitution of the Company, all new shares or other convertible securities in the Company shall, before they are issued, be first offered to such persons who are entitled to receive notices from the Company of general meetings as at the date of the offer in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled ("**Pre-emptive Rights**").

   AND THAT should this resolution be passed by the shareholders, this resolution shall have the effect of the shareholders having agreed to irrevocably waive their Pre-emptive Rights pursuant to Section 85(1) of the Act and Clause 37(a) of the Constitution of the Company in respect of the new shares to be allotted and issued by the Company and the issuance of such new shares of the Company will result in a dilution to their shareholding percentage in the Company. Subsequent to the passing of this resolution, if this paragraph is or is found to be in any way void, invalid or unenforceable, then this paragraph shall be ineffective to the extent of such voidness, invalidity or unenforceability and the remaining provisions of this resolution shall remain in full force and effect.

   AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares."

NOTICE OF ANNUAL GENERAL MEETING

As Special Business (Cont'd)

6. To transact any other business of which due notice shall have been given.

By Order of the Board

Ong Tze-En (MAICSA 7026537) (SSM PC No. 202008003397)
Lau Yoke Leng (MAICSA 7034778) (SSM PC No. 202008003368)
Joint Company Secretaries
Penang, 20 July 2026

Notes:

1. A proxy may but need not be a member.

2. The instrument appointing a proxy must be deposited/submitted via the following ways not less than forty-eight (48) hours before the time set for holding the AGM or at any adjournment thereof:

   (a) By hardcopy form
   The Form of Proxy must be deposited at Share Registrar's office at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

   (b) By electronic form
   The Form of Proxy can be electronically submitted through facsimile at +603 7890 4670 or emailed to bsr.helpdesk@boardroomlimited.com.

3. A member entitled to attend, participate, speak and vote is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.

5. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.

6. If the appointor is a corporation, the Form of Proxy must be executed under the corporation's Common Seal or under the hand of an officer or attorney duly authorised.

7. Please ensure ALL the particulars as required in this Form of Proxy are completed, signed and dated accordingly.

8. In respect of deposited securities, only members whose names appear on the Record of Depositors on 10 August 2026 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

1. The Ordinary Resolutions 1 and 2 concern the re-election of Dato' Fong Swee Kiang and Mr. Teh Chee Hak (collectively "**retiring Directors**"). Both the retiring Directors, being eligible, have offered themselves for re-election at the 2nd Annual General Meeting ("**AGM**").

   Their background are set out under Directors' Profile in the Annual Report 2026. The Board of Directors of the Company ("**Board**") has considered and approved the recommendations of the Nomination Committee ("**NC**") and supports the re-election of the retiring Directors. The NC has also confirmed the satisfactory outcome of the fit and proper assessment. The retiring Directors have no conflict of interest ("**COI**") or potential COI with the Company and its subsidiaries ("**Group**"), other than those disclosed in the Audit and Risk Management Committee ("**ARMC**") Report and the Notes to the Audited Financial Statements in the Annual Report 2026. The retiring Directors had abstained from deliberation and decision-making in respect of their own eligibility for re-election.

   Dato' Fong Swee Kiang serves as the Group's Executive Director and Chief Executive Officer, bringing over 35 years of semiconductor industry experience. He leads the Group's strategic direction and oversees business operations, sales, marketing, stakeholder relations, and financial sustainability. He also provides executive leadership, drives innovation and growth initiatives, manages strategic partnerships and risks, and ensures strong corporate governance practices.

   Mr. Teh Chee Hak is the Group's Executive Director and Chief Technology Officer with more than 20 years of semiconductor industry experience. He is responsible for shaping the Group's technology strategy and leading the development of advanced IP (intellectual property) and ASIC (application-specific integrated circuits) solutions for artificial intelligence and high-performance computing applications.

2. The Board seek shareholders' approval on Ordinary Resolution 3 on the payment of Directors' fees and benefits payable to the Independent Non-Executive Directors ("**INEDs**"). The Directors' fees and benefits payable have been reviewed by the Remuneration Committee ("**RC**") and the Board. The Directors' fees and the benefits payable are in the best interest of the Company and in accordance with the remuneration framework.

   Details of the Directors' fees and benefits payable to the INEDs for the financial year ended 31 March 2026 are tabulated under the Corporate Governance Overview Statement in the Annual Report 2026.

   The Directors' fees comprise fees payable to the INEDs. The amount also includes a contingency sum to cater to unforeseen circumstances such as the appointment of any additional Director and/or for the formation of additional Board Committees and/or increase in Directors' fees. The benefits payable comprised of meeting attendance fees. In determining the estimated total amount of benefits payable, the Board considered various factors including the number of scheduled meetings as well as the number of Directors involved in these meetings.

   Upon approval, this will facilitate payment of Directors' fees and benefits payable on current financial year basis and assuming that all Directors shall hold office until the end of the financial year. In the event the proposed Directors' fees and benefits payable are insufficient (due to enlarged board size, if any), approval will be sought at the next AGM for additional fees to meet the shortfall. It will also authorised payment to be made by the Company on a quarterly basis and/or as and when incurred. The Board is of the view that the payment arrangement is fair and equitable particularly after they have discharged their responsibilities and rendered their services to the Company throughout the relevant period.

3. The proposed Ordinary Resolution 4, if approved, will effect the re-appointment of Grant Thornton Malaysia PLT ("**GTM**") as the auditors of the Company. The ARMC has assessed the suitability, objectivity and independence of GTM and concluded that GTM fulfils the criteria as prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**MMLR**"). The Board concurred with the ARMC's recommendation for the re-appointment of GTM as auditors of the Company.

4. The proposed Ordinary Resolution 5, if passed, is for the purpose of granting a general mandate ("**General Mandate**") empowering the Directors of the Company, pursuant to Sections 75 and 76 of the Act to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the next AGM of the Company.

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes: (Cont'd)

4. The General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment projects, working capital and/or acquisitions as well as to avoid any delay and cost in convening general meeting to specifically approve such an issuance of shares.

   The waiver of pre-emptive rights pursuant to Section 85 of the Act and Clause 37(a) of the Constitution will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

   At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make the needful announcements in respect thereof.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF THE LISTING REQUIREMENTS)

As at the date of this Notice, no individual is standing for election as Director at the forthcoming 2nd AGM of the Company.

SKYECHIP

Accelerating Computing

SKYECHIP BERHAD

Registration No. 201901014484 (1323812-D)
(Incorporated in Malaysia)

FORM OF PROXY

Second (2nd) Annual General Meeting

CDS Account No.	

No. of Shares Held	

I*/We* ____
(Full name in Block Letters and NRIC / Company No.)

of ______________________________ and ______________________
(Address) (Tel. No.)

being a member*/members* of SkyeChip Berhad hereby appoint

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholding
Email Address			
Telephone No.			

* and/or (*delete if not applicable)

Full Name (in Block Letters)	NRIC/Passport No.	No. of Shares	% of Shareholding
Email Address			
Telephone No.			

or failing *him/her, THE CHAIRMAN OF THE MEETING as my*/our* proxy, to vote for me*/us* and on my*/our* behalf at the 2nd Annual General Meeting of the Company to be convened and held at Amari SPICE Hotel, Jadeite, Level 4, 2, Persiaran Mahsuri, 11900 Bayan Lepas, Pulau Pinang on Monday, 17 August 2026 at 10:00 am or at any adjournment thereof.

Ordinary Resolutions ("OR")	OR 1	OR 2	OR 3	OR 4	OR 5
FOR					
AGAINST					

(Please indicate with an "x" in the appropriate space(s) provided above on how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion)

Signed this ______________ day of ______________ 2026

____
Signature of Shareholder

____
Common Seal to be affixed here if Shareholder is a Corporation

Notes:
1. A proxy may but need not be a member.
2. The instrument appointing a proxy must be deposited/submitted via the following ways not less than forty-eight (48) hours before the time set for holding the AGM or at any adjournment thereof:
   (a) By hardcopy form
   The Form of Proxy must be deposited at Share Registrar's office at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
   (b) By electronic form
   The Form of Proxy can be electronically submitted through facsimile at +603 7890 4670 or emailed to bsr.helpdesk@boardroomlimited.com.
3. A member entitled to attend, participate, speak and vote is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. The appointment of two (2) proxies in respect of any particular securities account shall be invalid unless the authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
5. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
6. If the appointor is a corporation, the Form of Proxy must be executed under the corporation's Common Seal or under the hand of an officer or attorney duly authorised.
7. Please ensure ALL the particulars as required in this Form of Proxy are completed, signed and dated accordingly.
8. In respect of deposited securities, only members whose names appear on the Record of Depositors on 10 August 2026 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

Personal Data Privacy

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 2nd Annual General Meeting of the Company and any adjournment thereof.

1st fold here

Affix Stamp

The Company Secretaries
SKYECHIP BERHAD
Registration No.: 201901014484 (1323812-D)
11th Floor, Menara Symphony,
No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor Darul Ehsan,
Malaysia

Then fold here

Fold this flap for sealing

SKYECHIP BERHAD
Registration No. 201901014484 (1323812-D)
(Incorporated in Malaysia)

1-18-12 Suntech @ Penang Cybercity
Lintang Mayang Pasir 3
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