

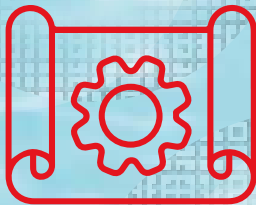
MANAGEMENT DISCUSSION AND ANALYSIS

"BE PREPARED"

~Robert Baden-Powell

When Hazel Wong coordinated our annual report project back in October '22, Semiconductor Industry Outlook report (<https://www2.deloitte.com/us/en/pages/technology-media-and-telecommunications/articles/semiconductor-industry-outlook.html>) summarized the grave challenges in the industry for the year 2022. "... It turns out that there may be something..." We needed a theme to convey the right message to our investors in 2022. Sang Beng told her bluntly, "it's going to be a challenging year. **Sailing through Challenges!**" The result was a picture of a seafarer on a yacht moving ahead full sail in the rough sea on the cover page of Aemulus' Annual Report 2022.

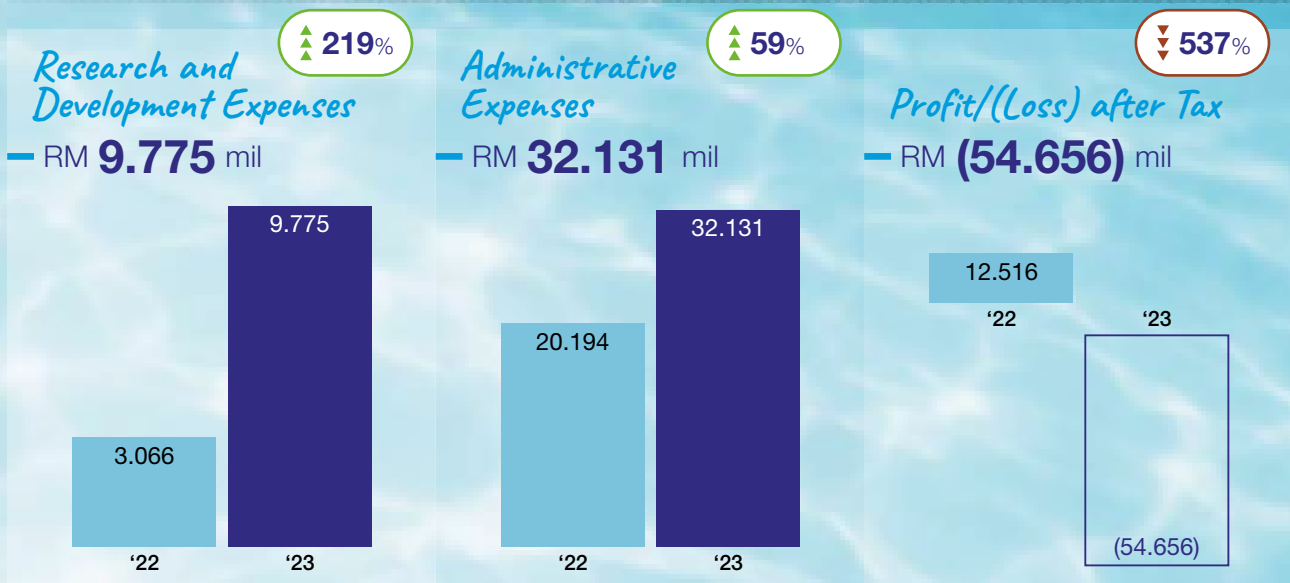
Financial year ended ("FYE") 2022 showed a good financial results; the financial results for FYE2023 were disappointing, as expected. There were grave concerns expressed in board meetings. As for senior management meetings, the discussions converged to strategies and what-else-we-could-do-actions especially in the first half of FYE2023. Deloitte's "worse for the global chip industry than shortage or oversupply: having both at once...", "...the top 10 global chip companies' combined market cap is down 34%...", and "...US government's steps in October 2022 to tighten the rules around the export of advanced semiconductor technologies to China...", just to name a few, aligned well with the negative feedback from our customers regarding the industry forecast of year 2023, the management were sufficiently warned, alerted and prepared at the beginning of FYE2023.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)



FINANCIAL PERFORMANCE REVIEW



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Financial Performance Review (Cont'd)

Total revenue for FYE2023 recorded a decrease of 66% as compared to corresponding 12-months financial year ended 30 September 2022 ("FYE2022") due to cautious capital expenditure spending from customers who foresaw a slowdown in semiconductor industry and deferment of delivery due to slowdown in customers' expansion pace.

Operating expenses have increased mainly due to increment of staff-related costs (excluding senior management) in order to recruit and retain talent to prepare the Group for the next cycle of growth. Besides, a bonus provision comprising a contractual bonus of RM1.8 million and performance bonus of RM1.5 million (excluding senior management) have been provided to the staff for retention purpose to support of the upcoming business growth and new products development.

R&D expenses have increased due to amortisation costs and more R&D resources were deployed in the research activities for new product development purposes. To reflect the sluggish semiconductor industry in FYE2023 and to comply with the accounting standard assessment, the management has amortised RM4.3 million during the year, which is a one-off and non-cash expense.

Other expenses have increased due to the one-off and non-cash expenses as illustrated below:



— Unrealised Loss on Foreign Exchange

The Group recorded unrealised loss on foreign exchange due to the weakening of RMB as at year end. It is a non-cash accounting assessment during the year end closing to reflect the latest forex rate impact.

— Allowance for Expected Credit Loss ("ECL")

Malaysian Financial Reporting Standard ("MFRS") 9 requires companies to measure impairment of trade receivables, using the ECL model. The Group is required to assess how current and future economic conditions impact the collectability of the trade receivables during the year end closing. In 2023, semiconductor industry experienced a slowdown and impacted a lot of semiconductor companies, including Aemulus.

During the financial year, the Group has collected a total of RM31.1 million from our debtors, in which RM5.3 million was collected from our associate company - TMSS. In compliance with MFRS 9, the Group has prudently made a provision of ECL amounted to RM11.9 million during the year, in order to reflect the collectability risk arising from the semiconductor industry slowdown, geopolitical and economic uncertainty. This provision of ECL is a one-off and non-cash expense. In the subsequent financial year, this ECL provision will be reversed upon collection received.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Financial Performance Review (Cont'd)

— Impairment Loss on Goodwill

Goodwill arises on the acquisition of business and represents the excess of the consideration transferred over the Group's interest in the net assets, liabilities and contingent liabilities of the acquiree. Back in 2008, Aemulus Sdn Bhd ("ASB") entered into a Master Transfer of Business Agreement with ACSB for the acquisition by ACSB of the entire business of ASB. The transfer of business was completed on 6 February 2009 and ACSB recognised a goodwill of RM13.7 million arising from this transfer.

In compliance with MFRS 136, the goodwill is subject to annual impairment review and any impairment loss will be recognised as an expense in the income statement. During the year, the Group prudently recognised a goodwill impairment loss of RM13.7 million to reflect the slowdown of semiconductor industry and its impact on the Group's financial performance during the financial year as required by the accounting standard. This impairment loss is a one-off and non-cash expense in nature.

Finance cost increased mainly attributed to the drawdown of trade line facilities for working capital purpose.

In summary, the Group recorded a loss of RM54.7 million in FYE2023.



Management Analysis on the Net Loss:

	FYE 30.09.2023 RM'000
Core Business Net Loss	22,777
Adjustment for One-Off and Non-Cash Expenses:	
Unrealised Loss on Foreign Exchange	1,977
Amortisation of Development Costs	4,345
Allowance for Expected Credit Losses	11,894
Impairment Loss on Goodwill	13,663
Sub-total (one-off and non-cash)	31,879
Net Loss for the financial year	54,656

— Liquidity and Capital Resources

The Group's net cash and cash equivalents stood at RM22.8 million compared with RM22.7 million in FYE2022. The increase in cash and cash equivalents as of 30 September 2023 was mainly due to cash from investing activities of RM17.6 million attributable to withdrawal of fixed deposits. This is partially set off against net cash used in operating activities of RM16.4 million and net cash used in financing activities of RM1.6 million.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Turning Tides

In the Management Discussion and Analysis (“MD&A”) section of Annual Report 2022, we mentioned how we managed to react swiftly to the changing tide of the semiconductor industry: from serious worldwide raw material shortages in which we piled up inventories, to abrupt scrutiny in raw material purchases and spending. We added RM26.8 million of inventories in the first half of FYE2022 but we only added RM23.8 million of inventories in the second half of FYE2022. In fact, in FYE2023, we managed to keep the addition of inventory value by RM7.0 million.

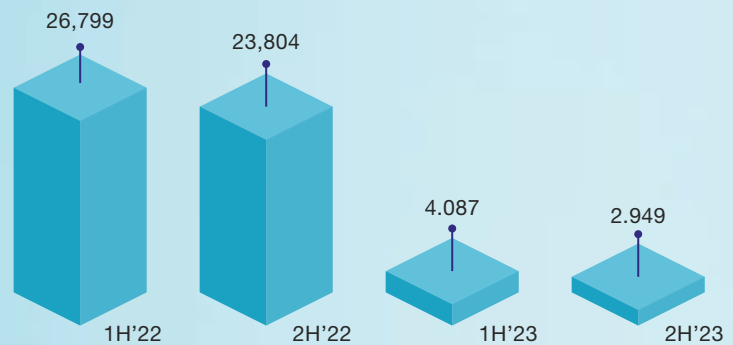
The conscious decision of shifting gears did help in conserving our cash. Yet, it could not spare us from the effect of the rogue waves due to turning tides in the semiconductor industry - high inventories. We then were engulfed by another two giant waves in FYE2023: requests to delay shipments or orders by our customers, and the absence of a strong recovery in economy and semiconductor industry demand in China. Revenues contributed by China’s sales region amounted to 39% and 58% in FYE2021 and FYE2022 respectively. Contribution by the same region was a mere 29% in FYE2023.

The China Factor

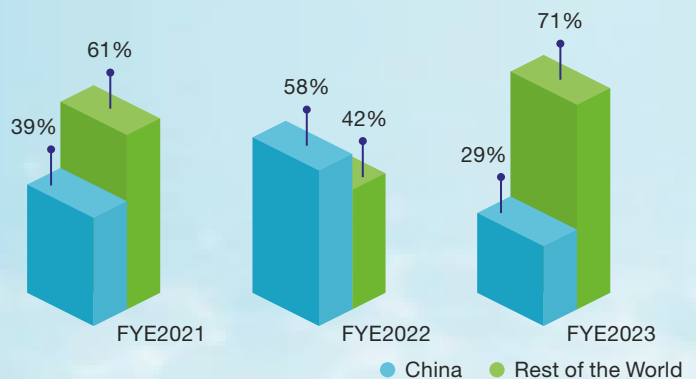
Due to the travel restrictions imposed in China, the management of the sales operation conducted remotely was not effective. It was until the second half of FYE2023, that we were able to put our boots on the ground to be involved in the sales operation directly and physically. The three-person management team had two main assignments: reduce inventory and increase business development activities a.k.a. seed-planting.

Specific to our industry whilst significant in China sales region, the penetration into new customers demanded the players to walk through a common sales journey which lasted between nine (9) to eighteen (18) months. The significant part of that journey is to allow new customers to familiarize themselves with non-purchase systems, a.k.a. demo system for a period of time, which is the longest part of the sales journey. In other words, in order to attain more potential customers, more upfront build of non-purchase systems is required.

Inventory for 1H'22, 2H'22, 1H'23 and 2H'23 (RM'000)



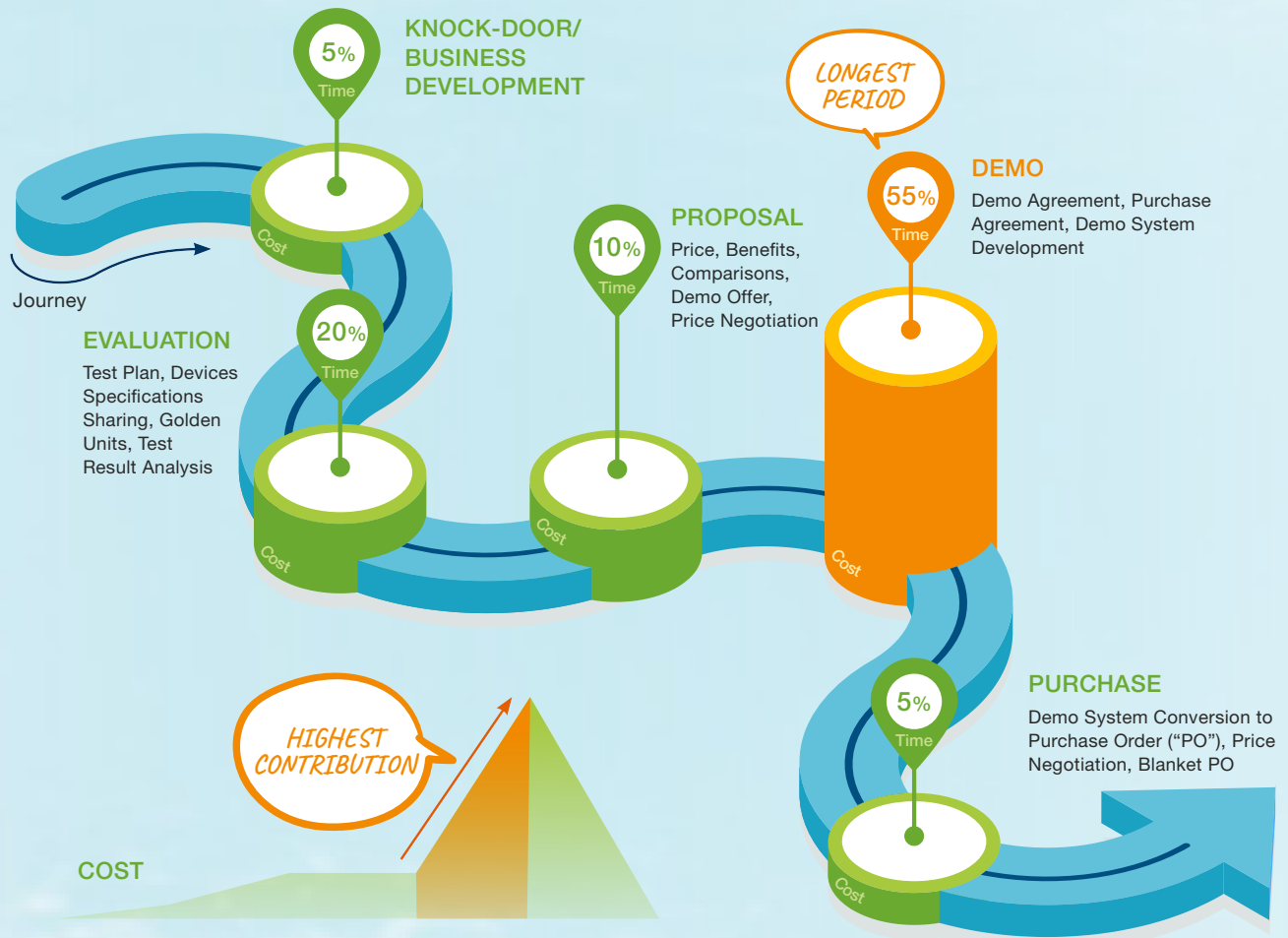
Revenue Contribution (%) by China Sales Region vs Rest-of-the-World (RoW) Sales Regions for FYE2021, FYE2022 and FYE2023



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

The China Factor (cont'd)

— Sales Journey: China Version



The low success rate of seed-planting activities due to ineffective sales operation management in FYE2022 as mentioned above - to a significant extent - reduced the chances of closing deals and recognising revenue in FYE2023. Thus, resulting in the identification of the two assignments for the three-person management team in China's sales region.

"What about collection (payment)?", asked by many stakeholders.

It was, still is, and shall remain a question in the past, now and in the future. The exact answer to this question is, "the payment is a matter of one to two years or slightly longer."

The management opined that the right question to ask is, "do we want to continue our expansion in the China sales region?" If we think we should, and the reality is we must, then the focus shall be on solving the low success rate of seed-planting activities. The Group was actively engaging with customers throughout FYE2023 despite the global semiconductor downturn. The low demand in the semiconductor industry in addition to the above mentioned low success rate delayed our collection in the China sales region.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Reduce Inventories and Increase Seed-Planting

Despite the low demand in the semiconductor industry in China's sales region, the joint effort from TMSS and Aemulus has resulted in reducing the inventory count in TMSS from sixty-seven (67) to thirty-seven (37) inventory units, or in other words, a reduction of 45% within a period of nine (9) months (January 2023 to September 2023). The reduction of inventories could be in the form of shipment with purchase orders, shipment with demo purchase orders (seed-planting) or free of charge demo orders (seed-planting), in line with the sales journey explained previously.

Based on the momentum and results in inventory reduction, business development activities during these periods and the forecast data on-hand, we believe that we can ride on the inertia of the efforts and strategies when entering our new fiscal year. The inertia, together with low inventory in China sales region shall lead to positive impact in our financial performance in that region. And, "Yes, we've already started looking into collection (payment)." The management assured the board of directors during the meeting.

Are We Still Relevant?

"Why not?" Sang Beng answered.

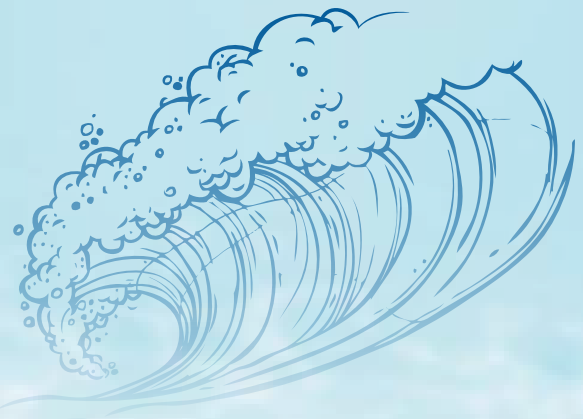
"With what?"

A chart plotted based on the semiconductor device type, category and complexity was projected in Shah Jahan meeting room during one of the board meetings. A few circles were drawn on the chart, indicating the devices currently targeted by the existing product line. Then, Sang Beng drew another two shaded circles and explained, "we are now working on two new products targeting these new market segments."

"I think your plan for FYE2024 is more solid now, substantiated by penetration into new market segments.", said one of the participants in Shah Jahan.

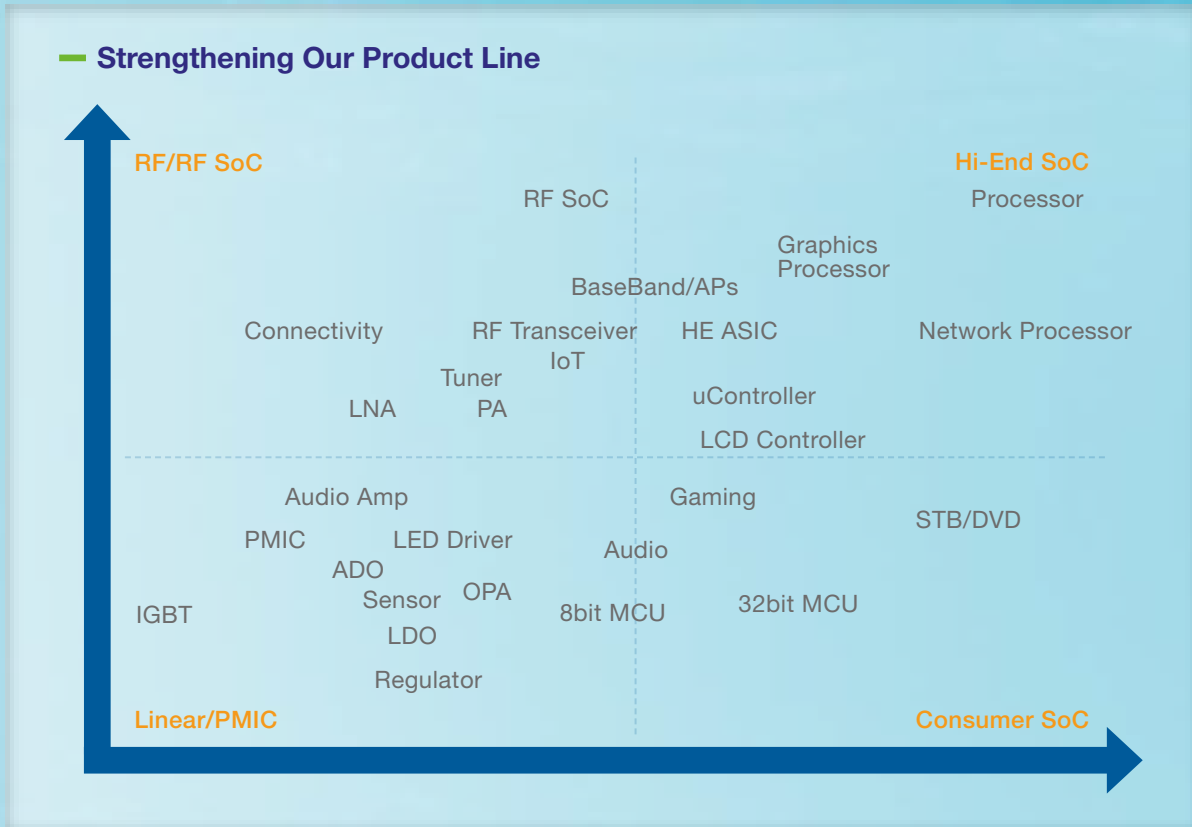
In fact, the Group was pretty busy during the downturns. Many discussions, meetings and business development activities with technology partners and customers had been carried out throughout FYE2023, and that shall continue in FYE2024.

"These new market segments are primarily targeting rest-of-the-world sales regions (RoW, regions other than China sales region). At the same time, we are introducing some of the existing product lines in China sales region too." Sang Beng added.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

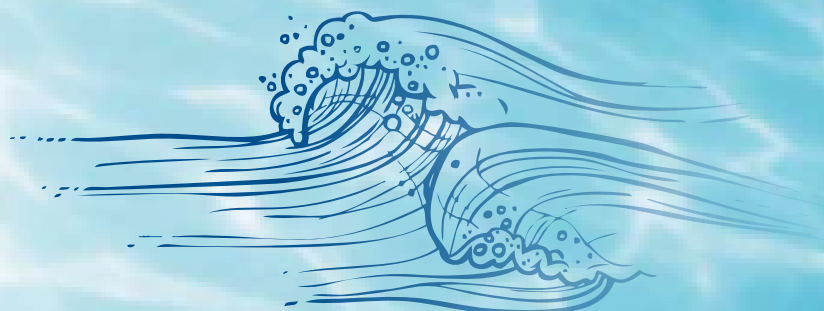
Are We Still Relevant? (cont'd)



At the point of finalising our Annual Report 2023, the world generally is seeing recovery in the semiconductor industry. Milpitas based research house, Semi (<https://www.semi.org>) published an article in November 2023 indicating the uptrend in global manufacturing industry (<https://www.semi.org/en/news-media-press-releases/semi-press-releases/global-semiconductor-manufacturing-industry-set-for-q4-2023-recovery-semi-reports>). Automated test equipment (ATE) industry may be benefitting after one or two quarters later, we are still confident to strive for recovery in FYE2024.

Dividend Policy

We do not have an explicit dividend policy.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)



We like to end the management discussion and analysis (MD&A) with this line, which appeared in the Cover Rationale of Sailing Through Challenges (Annual Report 2022): "Success is not final; failure is not fatal. It is the courage to continue that counts," a quote by Winston S. Churchill.

The Sail Continues...

SUSTAINABILITY REPORTING

Flipping through the Books of FYE2023

— As narrated by our Software Applications Lead, Raymond.



ENVIRONMENTAL



History was Penned – FYE2023

A black-tie, formally dressed man, wearing a seemingly black briefcase was seen roaming around the Base, scrutinising some of our structures.

“I heard that it was an audit for Penang Green Office certification,” Raymond told Karen.

“Oh. Are we applying for that? There seems to be a list of requirements needed to be fulfilled before receiving the certification,” she shared.

“Yep. But I’m pretty confident that we have the potential. Look at the green features that we featured in our AR2021, the essential ESG practices... I bet we have it all covered,” Raymond was confident as he is well informed of the sustainability practices of Aemulus he worked in for years.

Fast forward a few months later...

“Did you see the announcement?” questioned Raymond.

Karen was quick to answer, she recalled the time when both of them saw the auditor from a few months back. “Yes, no doubt. You didn’t even hesitate I remembered.”

“Hah! Count on me if you need a fortune prediction!” joked Raymond.

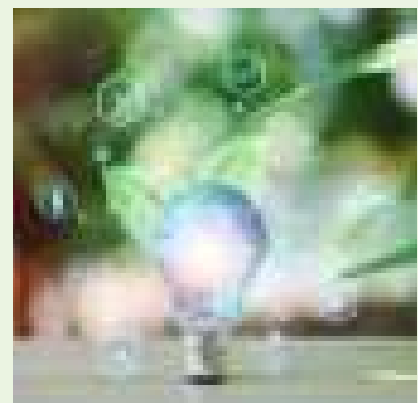
The certification was an acknowledgement to our continuous effort which certainly strengthened our goals and faith in *ESG-ing* our staff and the community.

Penning the Future – FYE2024

The Start of Something New

In the upcoming year, our focus will have a swift shift and we will be levelling up on our environmental-focused pledge. We will be placing stronger emphasis on the reduction of carbon emissions – we are already in the planning phase in terms of the development of framework to be in full compliance of Bursa’s requirements in addition to Customers’ compliance, the necessities to drive the project, the execution process and more.

As part of our Sustainability Pledge, our Customers Sustainability Compliance team will work closely with our ESG team to establish the fundamentals to pave our way towards the attainment of carbon neutral. With the assessments of possible risks, our Risk Management team will also be playing an essential role in the execution of it. As such, it will be a perfect blend of teams collaborating to achieve firm and consolidated goals.



SUSTAINABILITY REPORTING (CONT'D)

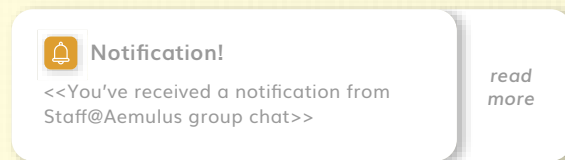
SOCIAL



History was Penned – FYE2023

Taking light steps towards Townhall Zone B to collect his lunch, Raymond took a glance at the Christmas fairy lights that circled the railings of our link bridge. “It’s the happiest time of the year again”, he thought to himself. “I wonder what we have in store this year.”

His phone buzzed.



A poster was delivered. The message reads...“Let’s celebrate Christmas for a month! Xmas Merriment 2022 will include a donation drive, top recycler reward and indoor fun on D-day!”

“Just as I thought. It is one of the most celebrated events in Aemulus – we wouldn’t be missing out on this,” Raymond spoke softly. It is not news that Aemulus places people over matter. We do our best to strike a balance in the bustling lifestyle of our staff.



As he entered the Red Carpet Entrance after doing his errands of recycling wastes, the donation booth sitting on the sideline of The Walhalla Hall caught his eyes. “That’s a whole lot of gifts. Stationeries, shoes, back-to-school supplies...”

“Jess, I’ve Touch & Go a sum to you. Would like to contribute to the Xmas donation drive,” Raymond texted.

It’s heartwarming to know that our effort is bearing fruits – our people are extremely supportive of them which doubled our drive to do more, not less.

On D-Day, Raymond was picking out his favourite flavour amongst the packets of homemade cookies displayed at the booth. He heard that the single mothers of Together Moms Centre showcased their newly-learned skills and had baked it the night before. “It’s delicious. You should definitely try,” he was savouring the orange-flavoured cookies whilst encouraging others to purchase.

Our game stations Play Pong, Guess What, Run in AB had our staff eager to take the final win.



SUSTAINABILITY REPORTING (CONT'D)

SOCIAL (CONT'D)

History was Penned – FYE2023 (Cont'd)

Few weeks later...

Boxes of items were loaded into the backseat of a Nissan X-Trail. "...bring this straight to Penang Shan Children's Home. All these are for them," Raymond overheard it as he was casually passing by. Oh yes. The items donated are finally going out to the kids - just in time for the welcoming of a new year and the back-to-school season.

We called it Bunny-to-a-New-Year 2023 this year.

"We are having a similar event during Chinese New Year." Raymond saw the sharing of the agenda. He was ecstatic that festive seasons are always prioritised.

Gift hampers, boxes of mandarin oranges, calligraphy brushes lined the tables... The Walhalla Hall is all set for the celebration. The string of games ensued, with loud cheers for the department they root for. Raymond was struggling to pen the Chinese idioms but was cut ahead when the Software team had it first. "Ah... they were fast."

The Software team was more than excited to walk away with the premium hamper!

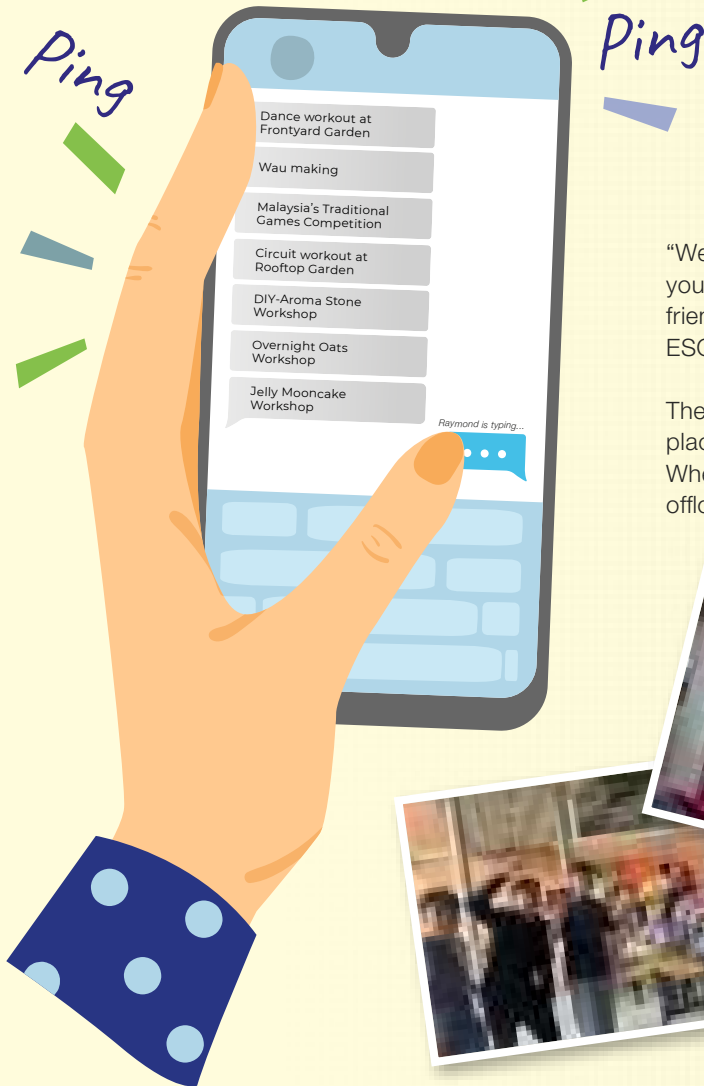
Communication with our staff revealed that they enjoyed internal events where they commented, "at least our working life is not dull and mundane. It felt like our well-beings were prioritised." We were relieved by their positive feedback.



SUSTAINABILITY REPORTING (CONT'D)

SOCIAL (CONT'D)

History was Pinned – FYE2023 (Cont'd)



“We literally have activities every single month. I doubt you’ll ever feel bored.” Raymond was sharing with his friend who had shown great interest in our company’s ESG initiative.

The purpose behind? We want Aemulus to be a great place to work. We seek comfortability for our staff. When workload wears them down, we would try to offload some of their burden with activities of relaxation.



The members of our ESG team were seen with their hands full of items as they exited the Red Carpet Entrance...

Out of curiosity, Raymond popped the question. “Where are you guys headed?”

“Audi Dream Farm – with the kids of Peace Children Care. Want to come along?” said Hazel.

“Oh! What is it for?”

“It’s our **6-month Sparks of Light for the Underprivileged** initiative. This program is literally a blend of educational and fun based outing for the kids. We want to forge human connection and establish a long-lasting bond with the kids.”

SUSTAINABILITY REPORTING (CONT'D)

SOCIAL (CONT'D)

History was Penned – FYE2023 (Cont'd)

Our chief focus is to take some time out of the hustles to slow down our pace and to form connection with humanity. The time spent is invaluable and irreplaceable – both our staff and the kids are the major beneficiaries of this initiative.

“That’s lovely. You know, it’s not every day these kids get to be out and about exploring things.” Raymond said matter-of-factly.

“Yep, most definitely. That’s why we are determined to make it happen for them.”

“So, what’s next for them?” questioned Raymond.

“Our plan is to infuse the active involvement of various charity homes and aid the local businesses who were partially affected during the pandemic days,” Hazel explained.

For the next five months, we had...



Ru Yi Home

Rumah Anak Kesayangan

Children's Protection Society

Pusat Jagaan Persekutuan Kebajikan Anak-Anak Yatim Islam Pulau Pinang

Tech Dome Penang

Penang's Glass Museum

Boutique Aquarium

Entopia

Pop Chee Healthy Farming's MARS Project

Charity Homes Involved

Places Visited

“Today is the happiest day of my life.”

And the Output?

The **most commonly** heard comment among the kids during the outings.

It warms our hearts inside out to know that our efforts are worthwhile. Happiness can be that simple, if only we utilise our privilege to fill the gaps of the underprivileged, within our means.

SUSTAINABILITY REPORTING (CONT'D)



SOCIAL (CONT'D)

History was Penned – FYE2023 (Cont'd)

"Ride for Sight 2023 is now open for registration. Sign up now to be a part of it!"

The title headlined Raymond's LinkedIn feed. It also reads "...offering the visually-impaired a one-of-a-kind experience to normalise their unique gift. Your involvement will certainly make their day!"

He was eager to be one of the participants. Cycling has been his go-to weekend activities ever since primary days. Plus the event was way more meaningful – you go on a tandem bike ride with the visually-impaired and it is based on the mutual trust of both riders. It is intimidating to think that they are dependent on you. "But as long as they gain joy from it – I'm down for it," Raymond is determined to try.

Several rounds of practices on the weekends and the bond was tightened. *The day has finally arrived...*

Massive bikes were lined perfectly, morning breakfast was distributed to the early arrivals, neon-coloured vest and protective gears were put on and a safety briefing was disseminated.

"Are you feeling nervous?" Raymond was a little concerned of his partner.

"Just a little. But I should be good. Just promise me you won't leave me behind!" Adrian teased to ease his nervousness.

The energetic music reverberated across, there were three dancers who led the crowd with simple, easy-to-follow dance moves to work those muscles.

It was finally the flag-off moment – off we go!

The 2-hour ride went by in a breeze. "How was it? Did you have fun?" Raymond was exhilarated. "I sure did! I felt that even the motorists on the road were so accommodating towards us." You could sense the thrill in Adrian's voice.

It was fulfilling. Raymond was glad. "If our actions could brighten one's day, then why not?" His subconscious recited that.

"Will send over the slides shortly. See you." Raymond hung up his colleague's call when he took a glance at the sound of ping pong balls bouncing downstairs. All of the kids were donned in striking orange-coloured T shirts, "Catch the ball!" Shrieks and noises of the little kids filled The Walhalla Hall. The back of their T shirt reads "Peace Children Care Centre".

Raymond was leaving when several of them said numerous "Hi" to him while flailing their arms in the air to catch his attention. He reciprocated with his charming smile.



SUSTAINABILITY REPORTING (CONT'D)

SOCIAL (CONT'D)

History was Pinned – FYE2023 (Cont'd)

"We are providing them a 3-month Ping Pong Class. There would be 2 professional coaches guiding them." Hazel interjected Raymond's train of thoughts.

"No wonder. I was just thinking about it to myself."

Yes. We intend to expose young kids to a play-based learning environment to learn essential life skills. We believe that it is necessary to equip young kids with essential life skills such as psychomotor skills, fine motor skills, problem solving skills, communication skills, creativity etc. To top it off, we wanted to extend the opportunity to underprivileged kids to receive out-of-school education in the form of activities. Hence, leading to the birth of **3-month Extracurricular to Stimulate the Growth**.

With the end of the Ping Pong Classes, it moved on to Art Classes for the kids of Rumah Kebajikan Seri Cahaya.

Penning the Future – FYE2024

A sequel to our education-focus initiative for the underprivileged kids this year - we would be advancing a level up by increasing collaborations with secondary / tertiary institutions. We intend to implant technology knowledge among the younger generation, thus, generating their interest in it which would be beneficial to them in this ever-evolving digital world.

The ESG team would also be partnering with our A-Spartan team to contribute to the indigenous community. This initiative is not limited to providing better access to education for the indigenous kids but also in other forms that would align best with their needs. Essentially, collaborations with NGOs to pave the way would be indispensable.



GOVERNANCE

History was Pinned – FYE2023

"A **new** director was appointed."

That's correct. Our Board is now officially composed of five independent directors and one executive director, bettering the recommended practice of having independent directors make up half of the Board. In our long-term efforts to promote and encourage diversity in the management team, we are happy to share that we have maintained one-third of female directors in our Board – an achievement we have attained two years ago and continues to live on.

In addition, local talent has always been our highest priority as it ensures sustainable growth and development. We invest in a 100% Malaysian workforce to improve stability and talent retention for long-term success. Indirectly, we're helping to strengthen the local ecosystem and social economy.



SUSTAINABILITY REPORTING (CONT'D)

Sustainability Pledge Consolidated:

Scrutinising the details and Mapping Out

The acceleration of climate anxiety is heightening, the risks are imminent - stringent measures have to be taken and organisations need to act fast and take immediate actions. Despite prior focuses on the Social (S) aspect, The Group has identified and mapped out several areas as our main priorities - which we would drill further into.

The Group has established our ESG Pledge 3 years ago. But with a newly emphasised focus on our carbon neutral initiatives, we have started our Sustainability Pledge - A Defined Promise that centres around four (4) categories - (i) Empower our People, (ii) Preserve our Planet, (iii) Assure our Profit and (iv) Uplifting our Ethics. The breakdown shall highlight the areas we look into - which will be reviewed on a yearly basis - and improvement strategy will be deployed especially to those individuals who are falling behind the expected target.



Empower our People

Health and Safety

"Find ways to fix this issue immediately. I don't want to hear anyone injuring themselves."

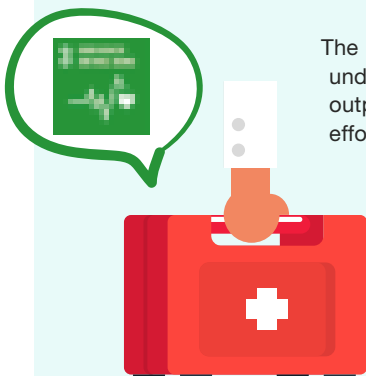
A stern instruction was made clear to all.

The provision of a safe workplace is essential. Staff are the gems of the company. They shine under pressure and only when in an optimum environment. The efficiency, productivity of their output and the success of a project all boils down to the people who invested their time and effort in the company they deem worthwhile.

As such, the well-being of our staff is highly-prioritised. Up to-date, The Group has not recorded any workplace casualties.

Safety training course such as learning how to conduct CPR during emergency was given to our staff. Staff who made up our Emergency Response Team (ERT) were given training on how to react in times of emergency.

As of to-date, there have been no reported injuries at our Base.



SUSTAINABILITY REPORTING (CONT'D)

Sustainability Pledge Consolidated:

Scrutinising the details and Mapping Out (Cont'd)



Empower our People

Employee's Privilege



"Our staff is our top priority. They deserve a 100%."

As evident as it can get, our staff is prioritised. It begins with the aim of promoting dopamine-inducing activities for them, hence, the establishment of A-Spartan – an in-house sports club to stir the interest of our staff to exercise and lead an active lifestyle.

Workshops, festive season celebrations, in-house tournaments / competitions, workout sessions, monthly events and many more. It was all about providing a chilled and laidback working environment for our staff. That also led to the formation of Great Place To Work (GPTW) team striving to bring stress-reliever activities to them.

Get Trained Continuously

"Just enrol in trainings whenever you need it."

The introduction of AMLS Int'l School was intended to ensure all staff receive trainings be it technically or in terms of soft skills. All staff have been required to attend at least 2 training sessions a year (one technical and one soft skills).

In the coming year, the implementation of participating in at least one A-Spartan- organised outdoor activity will be enforced company-wide.



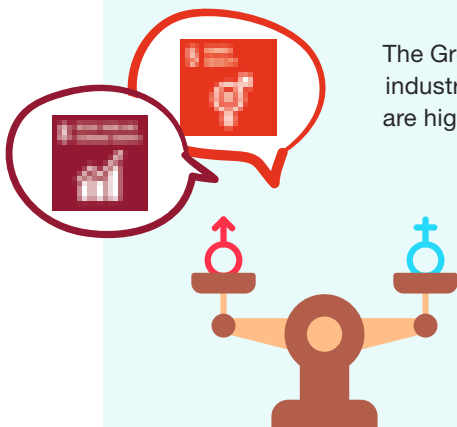
Women's rights = Men's rights

"Remove the gender, number of dependents and marital status fields from our job application form."

The Group is fully committed in ridding off the conservative glass ceiling practices in most industries. Women staff are given equal rights to voice their opinions, and their feedback are highly valued.

We have been involving and training more females to be future leaders despite being in a male-dominated industry.

Furthermore, the number of women sitting on our Board has paved our path to promoting women empowerment and gender equality.



SUSTAINABILITY REPORTING (CONT'D)

Sustainability Pledge Consolidated:

Scrutinising the details and Mapping Out (Cont'd)



Empower our People

Experience counts, but don't matter

"Personality speaks louder than the years of experience printed on the paper. We can always train them."

Every staff hired was evaluated based on several aspects and despite experience counts, it isn't the ultimate determining factor to give a pass. We offer equal opportunities to both fresh graduates and experienced candidates.

We value young minds who think out of the box and we set the platform for creative thinking. Most importantly, the norm is not our norm – we like doing things differently.



Prioritising Education

"Only with education will a better future be shaped. And with that, it will accelerate progress towards our rapidly evolving world."

As AMLS Int'l School was briefly brought up in our previous annual reports, it focuses on enhancing further the knowledge of employees with the provision of continuous training programs and to nurture the young undergrads to be competent and market-ready individuals.

As we recognised that education should not only begin at a young age but play-based education would also allow the development of creativity, problem solving skills, motor skills and many more. We curated the 3-month Extracurricular to Stimulate Growth as mentioned earlier in our report.

We had also included the Sparks of Light for the Underprivileged initiative to expose the underprivileged kids to outside-of-the-classroom education with the visiting of museums and outdoors.

Coming up, we shall shift focus to the indigenous community and undergraduates in the new year.



SUSTAINABILITY REPORTING (CONT'D)

Sustainability Pledge Consolidated:

Scrutinising the details and Mapping Out (Cont'd)



Empower our People

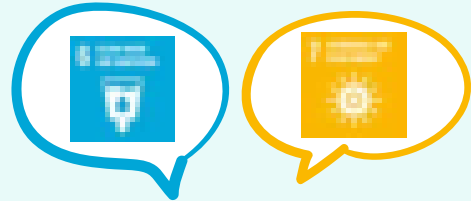
Greening from within

“Sustainability is not daunting - you can always start from somewhere as simple as a green building.”

Our Base is the epitome of it. With green features like rainwater harvesting, double-glazed e-coating windows, harvesting of natural light, helifans to cool a large multipurpose hall... Utilising passive architecture designs to attain the green standards.

In our building expansion, the installation of solar panels will further enhance the usage of green, renewable energy in our Base.

Rainwater harvested is solely catered to gardening purposes as of now and its other use will be looked into during our expansion plan.



Say 'No' to Corruption

“We need all staff to be well informed of our anti-corruption policy.”

As the Group has zero tolerance against bribery or corruption activities, all staff in the company are mandated to attend an anti-corruption training. Upon completion of the training, a test is required and only with a full score will our staff be issued an e-certificate.

There were no reported corruption cases in the company to-date.

SUSTAINABILITY REPORTING (CONT'D)

Sustainability Pledge Consolidated:

Scrutinising the details and Mapping Out (Cont'd)



Preserve our Planet

Managing Wastes

“Let’s have recycling bins in our common area. The visibility of it will increase awareness.”

From the production to the consumer to wastes and to the landfill is a common linear process. But as individuals, consumers and even organisations, it is our responsibility to minimise wastes by recycling, reusing, reducing, refusing and repurposing.

As such, sustainability education has been actively disseminated to all staff. And to efficiently have all wastes recycled, we engaged Riicycle for their monthly pickup and to promote the incentivised recycling program. The recycling rate is gradually increasing which shows signs that our staff is slowly but surely acknowledging the importance of it.

In addition, E-waste collection was included in their services which provides the convenience for our staff to ethically dispose their unwanted gadgets or equipment.

In the upcoming year, we would look into ensuring all wastes from the production floor such as chips, metal, aluminium etc to be entirely sent for recycling as well – an area we are working on improving.



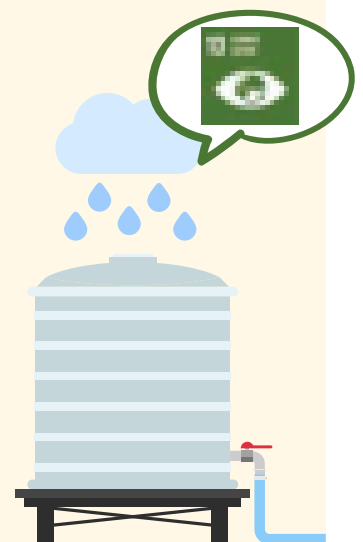
Managing Water

“Water is inexpensive but that doesn’t indicate the abundance of it.”

The Group is aware that water scarcity is an environmental issue that has been plaguing the world. Certain countries have witnessed citizens travelling for miles and hours for clean water. It is an alarming issue but awareness is rather lacking.

Despite our rainwater harvesting system in place to improve water efficiency, we are continuously exploring ways to reduce water usage. Sustainability signs advising to use water only when necessary and to not keep the water running are placed within the premises.

We are still exploring various methods on improving water efficiency, hence, the diversification on the usage of rainwater harvested is in plans.



In alignment with UNSDGs:



AEMULUS' CHRONOLOGICAL SUMMARY OF 2023 EVENTS

The rough waves were hostile, braving through the stormy seas and iceberg hurdles, we have sailed past ultimately – the end with the light of hope is not visible, just yet. As we inch closer mile by mile, let's take a breeze sail down memory lane...



AEMULUS' CHRONOLOGICAL SUMMARY OF 2023 EVENTS (CONT'D)

Christmas bells are ringing, trees are adorned with fairy lights, and the reindeers are ready to go on sleigh rides!

**"OH YES!
It's my favourite
time of the
year!"** exclaimed
Ameline.

She was adding a finishing touch to the Christmas tree situated at the corner of the Townhall.

**"Is the
donation booth up
yet? Am planning to
get some gifts for
the kids."**

For our in-house Xmas Merriment 2022, we set up a gift donation booth, a-month long recycling drive to encourage giving second life to wastes and day of fun for all!



Together Moms Centre

"You know, I've heard some very good reviews of their homemade cookies," said Ameline. "Do you want some?" Kumar handed a freshly bought packet of cookies to Ameline. These cookies were freshly baked by the single mothers of Together Moms Centre – they were given proper upskilling training to provide them with a source of income.



*AND fast forward to
Bunny-to-a-New-Year 2023...*

AEMULUS' CHRONOLOGICAL SUMMARY OF 2023 EVENTS (CONT'D)

“To the front!”

“Go to the left!”

The thunderous voices were exchanged from different corners of our Frontyard Garden. Representatives from different departments worked as a pair with one being the ‘orange tosser’ and the other being the ‘orange catcher’. It was a relay race. “Press it harder before you stack it.” Then in a flash. The participants wolfed down the oranges as soon as their ‘orange tower’ held out for 10 seconds without tumbling.

“Wow. These calligraphy skills are one-of-a-kind!” exclaimed Ameline. Our participants who were handed the baton, were racing against time to do the finest calligraphy of our Chinese idioms.

Ameline was in slight disbelief... “Our Muslim buddies are so good in calligraphy as well?!” “You bet,” said Kumar.



Sparks of Light for the Underprivileged

“Who are the kids you guys went out with this morning?” asked Ameline.

“We are bringing the kids of Peace Children Care centre to visit Audi Dream Farm as part of our newly-introduced 6-month ESG initiatives.”

That’s true. Human connections, bonding, interactions are the fundamentals of valuable moments. Time is immeasurably valuable, and is incomparable with monetary forms. That triggered the ideology of Sparks of Light for the Underprivileged. We wanted to establish long-lasting memories in the little kids’ childhood because the experience counts and the value quadruples. Hence, we redefined it.

“No doubt. It is a great idea. Even as a kid, all I ever wished was to be out playing,” thought Ameline.

Peace Children Care Centre, Ru Yi Home, Rumah Anak Kesayangan, Children’s Protection Society, Pusat Jagaan Persekutuan Kebajikan Anak-Anak Yatim Islam Pulau Pinang.

Audi Dream Farm, Tech Dome Penang, Penang’s Glass Museum, Boutique Aquarium, Entopia, Pop and Chee Healthy Farming’s MARS Project.

“Now I see why. These are all educational places and local-run businesses.” YES. Rather than the commercialised, we want to support our local businesses as part of our ESG Pledge.

AEMULUS' CHRONOLOGICAL SUMMARY OF 2023 EVENTS (CONT'D)

Aemulus Micro-Expo 2023

The velcro target ball hits bullseye.



Ameline exclaimed loudly as she jots down the score of one of our guests attending our very first Aemulus Micro-Expo 2023. It was held the same time as SEMICON Southeast Asia by the way.

“Nice! 500 points!”



To keep it simple, Aemulus Micro-Expo 2023 was five-days-worth of fiesta-fun and entertainment for our guests. The theme of our event revolved around being “carnival-like” as we wanted our guests who visit us – not just to learn about our products – but to go home feeling energised and recharged as we believed the experience itself speaks volumes.

As our CEO, Sang Beng mentioned to all of the helpers who were involved “We’ve participated in SEMICON exhibitions in all over the world for the past 10 years and this year, we have the most (happy) participants.”

AEMULUS' CHRONOLOGICAL SUMMARY OF 2023 EVENTS (CONT'D)

Ride for Sight 2023



As Ameline was putting on the protective gears, she asked, “have you participated in this event previously?” She was getting to know her partner from St. Nicholas who she will go on a tandem bike with. An exchange of conversation and the mutual trust was established.

Ride for Sight 2023 was intended to raise awareness and to offer a rare opportunity for the visually impaired to have a cycling experience that was beyond their means. The experience was extraordinary – it was fulfilling from the perspective of both the riders who lead and the passengers who had full trust for their partners. As we normalise and embrace the imperfections of others, we should also use our blessings to compliment – that is the power of giving.

“It is one-of-a-kind. It’s not every day that you give AND giving comes in many forms – it all boils down to your willingness,” said Ameline.

Great Place to Work

As we zoomed in on some minor events of the year, Ameline squeezed a few drops of her favourite essential oil scent onto her Aroma Stone that she DIY-ed during one of our DIY Aroma Stone Workshop. On her personalised coffee table, a glass of overnight oat and pieces of jelly mooncakes can be seen sitting comfortably. “Where did you buy it from?” Ameline was questioned. “They looked tempting.”

“Yep! I got them from our in-house workshops. They were on sales for charity purposes.” Ameline wasn’t shy to admit that those were also her all-time comfort food!

Undeniably, this year has been nothing but kaleidoscope-like in terms of our activities. We tumbled, we regained, we goofed, and we strived – Year 2023 has been amazing in a million ways and we couldn’t wait to bring that energy to a new year!



No deny.

The year has been nothing but kaleidoscope-like in terms of our activities. We tumbled, we regained, we goofed, and we strived – Year 2023 has been amazing in a million ways and we couldn’t wait to bring that energy to a new year!