Appendix A
(which forms part of the Minutes of 11th Annual General Meeting)

SUMMARY OF KEY MATTERS DISCUSSED DURING THE 11TH ANNUAL GENERAL MEETING ("11TH AGM") HELD VIA PHYSICAL MODE AT TRADING POST, PONDEROSA GOLF & COUNTRY CLUB, NO. 3, JALAN PONDEROSA 1, TAMAN PONDEROSA, 81100 JOHOR BAHRU, JOHOR ON WEDNESDAY, THE 29TH DAY OF JULY, 2026 AT 9.00 A.M.

QUESTIONS RAISED BY MINORITY SHAREHOLDER WATCH GROUP

During the 11th AGM, the Chairman informed the shareholders present that the Company had received a letter dated 24 July 2026 from the Minority Shareholder Watch Group ("MSWG").

The Chairman then presented the questions/queries raised by MSWG to the shareholders together with the Board and management's response for the benefit of shareholders present at the AGM as follows:

Operational & Financial Matters

Q1. *In response to MWSG's questions during last year's AGM, the Group mentioned that approximately RM80-85 million of the RM156 million order book would be recognised in FY2026. However, FY2026 revenue declined to RM87.1 million while the outstanding order book also fell to RM132 million.*

(a) What were the key reasons for the slower-than-expected execution?

Answer:

The lower revenue recognised in FYE2026 compared to FYE2025 was primarily driven by a one-off revenue reversal resulting from a project termination during the financial year. Additionally, operational progress across several project sites was impacted by external site-readiness issues, design modifications and work-sequencing bottlenecks, where execution was contingent upon other trade contractors completing their preceding scopes of work.

(b) What percentage of the current RM132 million order book is expected to be recognised in FY2027?

Answer:

Barring unforeseen circumstances, Management expects approximately 60% of the current RM132 million outstanding order books, which corresponds to roughly RM80 million, to be recognised as revenue in FYE2027.

(c) What is management's target orderbook replenishment for FY2027?

Answer:

Barring unforeseen circumstances, Management has established a target for new order book replenishment of RM120 million for FYE2027.

Q2. *At the AGM last year, the Group also emphasised selective bidding and healthier-margins projects as key initiatives to improve profitability. Nevertheless, the Group recorded a net loss in FY2026 after project delays, revenue reversal and impairments.*

(a) What specific changes have been made to project governance, contract terms and execution processes to prevent similar cost overruns and revenue reversals?

Answer:

To prevent similar issues, Management has tightened controls across three main areas. First, during the tender stage, Management now applies stricter risk screening to ensure projects have clear execution terms, proper planning, and reasonable margins. Second, in contract terms, the Group is enforcing stronger provisions regarding variation orders and Extension of Time (EOT) claims to protect against delays beyond its control. Finally, on project sites, Management has increased monitoring and regular progress reviews to identify potential delays early and manage costs more effectively.

(b) When does management expect net profit margins to return to historical levels?

Answer:

Management remains focused on operational efficiency and recovering overdue debts to strengthen cash flow. Barring unforeseen circumstances, the steady execution of the Group current order book, together with the newly secured Data Centre (DC) project in FYE2027, is expected to improve overall performance and return the Group to profitability in FYE2027. As these projects are progressively delivered, net profit margins are expected to gradually recover toward historical levels.

Q3. *The Group recognised RM7.74 million of impairment on receivables and contract assets in FY2026.*

(a) How much of these impaired receivables and contract assets does the Group realistically expect to recover?

Answer:

Of the RM7.74 million total impairment provision recognised in FYE2026, approximately RM0.60 million represents a general Expected Credit Loss (ECL) provision rather than specific debtor defaults. Of the remaining RM7.14 million in specific provisions, Management expects to recover approximately RM5.05 million, though full recovery may extend beyond the short term. To date, the Group has progressively recovered RM0.40 million. As for the balance of RM2.09 million, which involves clients experiencing financial difficulties or withholding work certifications, Management is actively evaluating recovery options and is prepared to issue statutory demand notices or initiate legal proceedings against persistent defaulting parties.

(b) *What actions are being taken to strengthen customer credit assessment going forward?*

Answer:

As a subcontractor, Management controls credit risk mainly through pre-tender screening and active site monitoring. Before bidding for new jobs, the Group conducts thorough background checks on main contractors and project owners to choose financially sound partners. During project execution, Management closely tracks work certifications and progress payments. This allows the Group to follow up early or adjust site work and procurement if payments are delayed, helping to limit financial exposure.

Sustainability Matters

Q4. *The Group reports its greenhouse gas (GHG) emissions annually but has yet to establish measurable emissions reduction targets. Does the Board intend to adopt medium-term Scope 1 and Scope 2 GHG emissions reduction targets? If so, what key initiatives will support the achievement of these targets over the next three to five years?*

Answer:

As FYE2026 marks the first year the Group has compiled and reported its GHG emissions, the Board's immediate priority is establishing a reliable baseline and refining data collection processes across all operations. Establishing a complete and accurate baseline is an essential first step to allow meaningful benchmarking, target-setting, and tracking. Moving forward, as emissions monitoring matures and historical trends are established, the Board will evaluate appropriate medium-term Scope 1 and Scope 2 reduction targets along with supporting operational initiatives in due course.

QUESTION POSTED DURING THE 11TH AGM

Q1. *Dato' Jeffrey Lai was appointed as Chairman of the Board as an immediate succession measure, with the intention that a new Chairman would be appointed during the financial year ended 28 February 2026. However, as at the 11th Annual General Meeting, no new Chairman has been appointed.*

Could the Board explain the reasons for the delay and confirm whether it has interviewed or identified any suitable candidates for appointment as Chairman of the Board during this period?

Answer:

As stated under Practice 1.3 of our Corporate Governance Report 2026, the Board acknowledges the recommendation under the MCCG that the positions of Chairman and CEO should be held by different individuals to promote accountability and facilitate an appropriate balance of power and authority.

The selection process to identify a suitable candidate to fill the position of Independent Non-Executive Chairman is an ongoing process and has to be carefully carried out to ensure that the successful candidate possesses the appropriate leadership qualities and experience, and is able to effectively lead the Board and support the Group's long-term strategic objectives.

While no formal interviews have been conducted to date, the Board remains committed to appointing a suitable Chairman as soon as practicable.

In the meantime, Dato' Jeffrey Lai continues to discharge his responsibilities as Chairman to ensure continuity in leadership and execution of the Group's strategic plans.

To mitigate concentration of authority, adequate checks and balances are in place. The Board is satisfied that the current structure does not impair objective decision-making and remains beneficial to the Company and its stakeholders. The Board will continue to review the appropriateness of the arrangement and going forward a new Chairman will be appointed as and when a suitable candidate has been identified.