

BENALEC HOLDINGS BERHAD
200501020529 (702653-V)
(Incorporated in Malaysia)

Minutes of the Nineteenth Annual General Meeting (“19th AGM”) of the Company convened at Melati 123 (Mezzanine Floor), Dorsett Grand Subang, Jalan SS12/1, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia on Friday, 30 May 2025 at 10.00 a.m.

Present	: En. Fazrin Azwar Bin Md. Nor	Chairman of the meeting
	– Others as per attendance list	
By Invitation	: Dato’ Leaw Seng Hai	} Directors
	Ms Leaw Ai Lin	
	Mr Kenneth Chin Kah Kiong	
In Attendance	: Ms Lim Wei Lee	} Secretary
	Ms Tham Yin Tong	- Secretary
	Ms Kelly Chen Yi Xuen	- Representative of Tricor Corporate Services Sdn Bhd
	Mr Steven Koh Yang Wei	} Representative Messrs BDO PLT

1. QUORUM

On behalf of the Board of Directors of Benalec Holdings Berhad (“the Company” or “BHB”), En. Fazrin Azwar Bin Md. Nor (“the Chairman”), the Independent Non-Executive Chairman of the Company, welcomed all present at the meeting.

Upon confirming a quorum pursuant to Clause 56(2) of the Company’s Constitution, the Chairman called the meeting to order at 10.00 a.m.

2. NOTICE OF MEETING

The notice convening the meeting sent to all shareholders and advertised in the newspapers within the prescribed period was taken as read.

The Chairman informed that the resolutions set out in the notice of meeting would be voted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Chairman further informed that the Company was required to appoint at least one scrutineer to validate the votes cast at the general meeting and then declared that the scrutineer for the poll was Scrutineer Solutions Sdn. Bhd.

The Chairman informed that the poll on all resolutions would be conducted after the meeting had deliberated on all the items on the agenda.

The Chairman further informed that Ordinary Resolutions 1 to 5 required a simple majority of more than 50% votes from the shareholders and proxies who were present and voting at the meeting.

The Chairman also informed that the Company would address the questions during Question-and-Answer (“Q&A”) session after reading out all the resolutions in the Agenda. The Company would group the related and similar questions and provide consolidated responses.

The Chairman informed that the poll would be administered by the Poll Administrator, namely Tricor Investor & Issuing House Services Sdn. Bhd.

3. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Audited Financial Statements for the financial year ended 31 December 2024, together with the Reports of the Directors and Auditors thereon (“Audited Financial Statements”), having been circulated to all the shareholders of the Company within the statutory period, were tabled at the meeting for discussion.

It was noted that this agenda item was for discussion only, as the provision of the Companies Act 2016 did not require formal approval from shareholder for the Audited Financial Statements.

The Chairman then informed the shareholders and proxies to pose their questions on the floor, with the microphones provided, and the Board would address the questions during the Q&A session later.

**4. ORDINARY RESOLUTION 1
PAYMENT OF DIRECTORS’ FEES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

The meeting continued to consider the payment of Directors’ fees of RM413,548.00 for the financial year ended 31 December 2024.

Thereafter, the Chairman put the motion to a vote by poll at the end of the meeting.

5. ORDINARY RESOLUTION 2
PAYMENT OF DIRECTORS' BENEFITS FOR THE PERIOD FROM 31 MAY 2025
UNTIL THE TWENTIETH ANNUAL GENERAL MEETING OF THE COMPANY TO
BE HELD IN 2026

The meeting continued to consider the payment of Directors' benefits.

The Chairman informed that the Board of Directors had proposed an aggregate amount of RM50,000.00 to the Directors of the Company for the period from 31 May 2025 until the Twentieth Annual General Meeting of the Company to be held in 2026.

Thereafter, the Chairman put the motion to a vote by poll at the end of the meeting.

6. ORDINARY RESOLUTION 3
RE-ELECTION OF DATO' LEAW SENG HAI AS DIRECTOR

The meeting continued to consider the re-election of Dato' Leaw Seng Hai ("Dato' Leaw") as Director of the Company.

The Chairman informed that Dato' Leaw was retiring from the Board pursuant to Clause 76 of the Company's Constitution and being eligible, had offered himself for re-election. His profile is available on page 12 of the Annual Report.

Thereafter, the Chairman put the motion to a vote by poll at the end of the meeting.

7. ORDINARY RESOLUTION 4
RE-APPOINTMENT OF MESSRS BDO PLT AS AUDITORS OF THE COMPANY

The meeting continued to consider the re-appointment of Messrs BDO PLT as Auditors of the Company for the next financial year.

The Chairman informed that Messrs BDO PLT had indicated their willingness to continue as Auditors of the Company.

Thereafter, the Chairman put the motion to a vote by poll at the end of the meeting.

8. ORDINARY RESOLUTION 5 (SPECIAL BUSINESS)
AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND
76 OF THE COMPANIES ACT 2016

The meeting continued to consider the special business in respect of the proposed Ordinary Resolution 5 on the authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016. The full text of the proposed Ordinary Resolution 5 was set out in the notice of meeting and the same was taken as read.

The Chairman further informed the meeting that the passing of the proposed resolution pertaining to the Authority to Issue Shares would provide flexibility to the Directors to undertake fund-raising activities but not limited to placement of shares for the purpose of funding the Company's future investment project(s), working capital and/or acquisition(s) by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed ten per centum (10%) of the total number of the issued shares (excluding treasury shares) of the Company for the time being, without having to convene a general meeting. The authority shall, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next Annual General Meeting of the Company.

Thereafter, the Chairman put the motion to a vote by poll at the end of the meeting.

9. QUESTIONS & ANSWERS ("Q&A") SESSION

The Chairman proceeded to the Q&A session.

The Chairman informed that they had received some questions from the Minority Shareholders Watch Group ("MSWG") in relation to the Operational & Financial and Sustainability matters vide their letter dated 20 May 2025. The Chairman then invited Christine, the Company's Chief Financial Officer to read out the MSWG's Q&A to the questions as provided by the Company.

The meeting went through the questions that were posed during that meeting.

After the questions from the shareholders and proxy had been satisfactorily answered by the Chairman, the Board and the Chief Financial Officer, the Chairman concluded the Q&A session.

10. VOTING SESSION AND ANNOUNCEMENT OF POLL RESULTS

After dealing with all the items on the Agenda, the meeting proceeded to conduct the poll for the proposed resolutions.

The representative of the Share Registrar briefed the shareholders on the polling procedures. The meeting proceeded to poll voting.

The meeting adjourned for 20 minutes for the counting of the votes.

Upon completion of the counting of the votes, the Chairman called the meeting to order at 11.00 am and announced the poll results as follows:-

ORDINARY RESOLUTION 1 – PAYMENT OF DIRECTORS’ FEES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

<u>Result On Voting By Poll</u>					
<u>Vote For</u>		<u>Vote Against</u>		<u>Total Votes</u>	
<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>
167,575,500	99.7951	2,043,800	1.2049	169,619,300	100.0000

Based on the poll result, the Chairman declared the following motion carried:-

“**RESOLVED** THAT the payment of Directors’ fees of RM413,548 for the financial year ended 31 December 2024 be approved.”

ORDINARY RESOLUTION 2 – PAYMENT OF DIRECTORS’ BENEFITS UP TO AN AGGREGATE AMOUNT OF RM50,000 FOR THE PERIOD FROM 31 MAY 2025 UNTIL THE TWENTIETH ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD IN 2026

<u>Result On Voting By Poll</u>					
<u>Vote For</u>		<u>Vote Against</u>		<u>Total Votes</u>	
<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>
146,294,700	98.6228	2,042,900	1.3772	148,337,600	100.0000

Based on the poll result, the Chairman declared the following motion carried:-

“**RESOLVED** THAT the payment of Directors’ benefits up to an aggregate amount of RM50,000.00 for the period from 31 May 2025 until the Twentieth Annual General Meeting of the Company to be held in 2026 be approved.”

ORDINARY RESOLUTION 3 – RE-ELECTION OF DATO’ LEAW SENG HAI

<u>Result On Voting By Poll</u>					
<u>Vote For</u>		<u>Vote Against</u>		<u>Total Votes</u>	
<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>
167,612,500	98.8111	2,016,800	1.1889	169,629,300	100.0000

Based on the poll result, the Chairman declared the following motion carried:-

“**RESOLVED** THAT Dato’ Leaw Seng Hai, retiring pursuant to Clause 76 of the Company’s Constitution and being eligible, be re-elected as Director of the Company.”

ORDINARY RESOLUTION 4 – RE-APPOINTMENT OF MESSRS BDO PLT AS AUDITORS OF THE COMPANY

<u>Result On Voting By Poll</u>					
<u>Vote For</u>		<u>Vote Against</u>		<u>Total Votes</u>	
<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>
167,600,500	98.8110	2,016,800	1.1890	169,617,300	100.0000

Based on the poll result, the Chairman declared the following motion carried:-

“RESOLVED THAT Messrs BDO PLT be hereby re-appointed as Auditors of the Company at a fee to be agreed upon with the Directors and to hold office until the conclusion of the next Annual General Meeting.”

ORDINARY RESOLUTION 5 (SPECIAL BUSINESS) – AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

<u>Result On Voting By Poll</u>					
<u>Vote For</u>		<u>Vote Against</u>		<u>Total Votes</u>	
<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>	<u>No. of Shares</u>	<u>%</u>
167,586,500	98.8027	2,030,800	1.1973	169,617,300	100.0000

Based on the poll result, the Chairman declared the following motion carried:-

“RESOLVED THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of the relevant government/regulatory authorities, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to allot shares in the Company from time to time at such price, upon such terms and conditions, to such persons and for such purposes as the Directors may in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this Ordinary Resolution does not exceed 10% of the total number of the issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND FURTHER THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company, or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company in a general meeting.”

11. CLOSURE

There being no further business, the meeting closed at 11.05 a.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

CHAIRMAN OF THE MEETING

Dated:

TKS:SF:TYT:KC
Minutes of 19th AGM

BENALEC HOLDINGS BERHAD
200501020529 (702653-V)
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NOTES IN RESPECT OF THE QUESTION-AND-ANSWER (“Q&A”) SESSION AT THE NINETEENTH ANNUAL GENERAL MEETING OF THE COMPANY CONVENED AT MELATI 123 (MEZZANINE FLOOR), DORSETT GRAND SUBANG, JALAN SS12/1, 47500 SUBANG JAYA, SELANGOR DARUL EHSAN, MALAYSIA ON FRIDAY, 30 MAY 2025 AT 10.00 A.M.

Questions from Minority Shareholders Watch Group (“MSWG”)

Q1 Land Reclamation Services

The Group has indicated ongoing collaboration and discussions with various parties to explore the Tanjung Piai Maritime Industrial Park (“TPMIP”) as a site suitable for projects aligned with the National Energy Transition Roadmap (“NETR”) (Page 22 of Annual Report 2024).

- a. **Could the Board provide an update on the development progress of these potential projects? How does the Board view TPMIP’s strategic advantages compared to other locations under NETR?**

**Ans to
1a.**

The Management continues to work hard in marketing its Johor projects by engaging in collaborations with government authorities and discussions with prospective investors to explore site suitability for a wide range of energy projects, ranging from oil & gas or petrochemical to green and renewable energy. Some of the current status of discussions include the prospective investors conducting project feasibility studies, undergoing internal due diligence process and having preliminary financial negotiations with us prior to a final investment decision.

In addition to the ongoing green energy projects being explored, the Group is also in active discussions in relation to projects related to shipping and broader energy-related investments. These initiatives complement TPMIP’s role as a potential catalytic hub for high-impact industrial and infrastructure development, and further reinforce its position as a strategic node in the region’s energy transition and economic integration efforts.

To highlight our competitive advantages, TPMIP is strategically located at the confluence of the Malacca Straits, Singapore Straits and Johor Straits, within the Iskandar Flagship C (Tanjung Pelepas) area comprising Port of Tanjung Pelepas, Tanjung Bin Power Plant and ATT Tanjung Bin oil terminal. This makes us well placed to capture various value-added activities from one of the busiest shipping lanes in the world. The TPMIP’s unique characteristics also include its extreme proximity to Singapore and neighbouring countries which are potential importer of clean energy, the availability of vast tracts of land for expansion arising from the total 3,485 acres of land to be reclaimed, and its natural deep water between 24 to 30 meters that is naturally sheltered and free from adverse weather conditions all year round.

b. Could the Board also provide a progress update on the Pengerang Maritime Industrial Park (“PMIP”) over the past year?

**Ans to
1b.**

To-date, a stockpile measuring approximately 45 acres has been positioned at the project site for immediate work as soon as requirement arises.

PMIP is a part of the entire Pengerang Integrated Petroleum Complex (“PIPC”) development spanning more than 22,000 acres designed to encompass various facilities including refineries, petrochemical plants, storage terminals and supporting infrastructure. The overall development strategy of PMIP is to create a fully integrated industrial park focusing on downstream oil & gas support and services industries, which will complement the Pengerang Integrated Complex (“PIC”) comprising the Petronas RAPID refineries, steam crackers and petrochemical complexes. Some areas of PMIP have been earmarked for light to medium industries, focusing on marine, logistics and O&G support services such as supply bases, engineering and maintenance facilities, warehouses, shipyards and fabrication yards.

With PIPC being planned as a 25-year development between 2013 and 2037 in four phases, as of 31 December 2023, it has seen about 27% of its land area being utilised, with investments committed worth about RM140 billion or 40% of its 2037 target of RM330 billion. Looking forward, the Pengerang Integrated Complex (PIC) is expecting significant new investments, including a RM7.5 billion commitment by Petronas for projects such as a 40-megawatt solar energy initiative, a bio-refinery, and a chemical recycling plant.

The Johor state government has also announced the third phase of the PIPC development, targeting RM60 billion in investments from 2026 to 2031 for initiatives like solar farms and bio-refineries. Aligned with the New Industrial Master Plan (NIMP) 2030 and the Chemical Industry Roadmap 2030, these efforts reinforce Pengerang’s growing strategic importance, positioning PMIP to serve as a key support hub to capture emerging opportunities in the energy and petrochemical sectors.

We foresee that 2025 would be a pivotal year for the global economy and energy markets in general, in view of the confluence of several crucial external factors, including easing monetary policies amid global slowdown fears, rising geopolitical tensions impacting financial markets and energy trade flows, and the shaping of energy policies globally. This projected state of the economy is expected to create a cautiously optimistic investment environment for the industry in the coming year. Nevertheless, we remain confident in the key competitive advantages of our PMIP project, as it is well positioned to capture the spillover demand generated from surrounding catalytic developments such as the Petronas RAPID, as well as PIPC as a whole.

c. Are TPMIP and PMIP included in the Johor-Singapore Special Economic Zone? If so, how does the Board plan to leverage this inclusion to maximise the Group’s benefits?

**Ans to
 1c.**

According to the factsheet from Invest Malaysia Facilitation Centre Johor (“IMFC-J”), a pioneering centre that facilitates and coordinates the investment processes for the JS-SEZ which is jointly led and operated by Iskandar Regional Development Authority (“IRDA”), Invest Johor and Malaysian Investment Development Authority (“MIDA”), the Iskandar Flagship C (Tanjung Pelepas) is within the flagship areas with JS-SEZ incentives as shown in the screenshot below:-



(Source: <https://www.imfc-j.com.my/about-us/#map>)

We are pleased to receive confirmation from the IRDA that TPMIP falls under Iskandar Flagship C within the Tanjung Pelepas area which will entitle new investments in energy, logistics and manufacturing sectors to the JS-SEZ incentives, while PMIP, as part of the Pengerang Integrated Petroleum Complex (“PIPC”) development, continues to be entitled to the PIPC Special Incentive Package, administered by the Johor Petroleum Development Corporation (“JPDC”).

The JS-SEZ incentives include (i) 100% Investment Tax Allowance (“ITA”) on qualifying CAPEX incurred within a period of 5 years, to be offset against 100% of statutory income for each year of assessment and (ii) access to deeper talent pool by giving eligible knowledge workers employed in the JS-SEZ a concessionary income tax rate of 15% for up to 10 years. We are confident that such incentives will enhance the competitive advantages of our Johor projects to our prospective investors and help accelerate the decision-making process in relation to potential new investments.

Q2 The outstanding order book for the Group’s land reclamation contracts in Melaka and Pulau Indah stood of RM62.09 million as of Financial Year Ended 2024 (“FYE 2024”) (Page 18 of Annual Report 2024).

a. How long is the current outstanding order book expected to sustain operations?

Ans to Q2a.

The current order book comprise a reclamation contract in Melaka is based on settlement by way of cash only. The Group expects to complete the sand filling works within current year 2025, and the rock revetment works is expected to complete by Quarter 2 of 2026.

The order book for Pulau Indah on the other hand, is a contract that is to be settled in-kind. There are still some minor filling works with unbilled portion of only RM3.72million on even date.

b. Given that the outstanding order book amount is only slightly higher than the Financial Year (“FY”) 2024 revenue of RM56.5 million, does the Board have concerns regarding the order book level’s sufficiency?

Ans to Q2b.

Besides order book in which reclamation contracts are settled in cash, the unique business model of the Group also comprise reclamation contracts settled in-kind by way of land portion, in which these lands are then available for immediate sale and cash repayment is typically realised through a land disposal transaction. On this front, we have two (2) more SPAs pending completion, revenues of which have yet to be recognised totaling approximately RM25.1 million. We expect to complete these SPAs within FY2025.

Additionally, the Group has existing landbank of 37.06 acres in Melaka and 41.71 acres in Pulau Indah, which have been fully reclaimed available for sale in its inventory worth more than RM150 million in total in market value, which we expect to monetise over the next 2 to 3 years.

Bearing in mind the financial position of the Group at all times, our strategy now moves towards a more conservative approach, whereby the aim is to monetise existing inventories with estimated market value >RM600 million in total, as well as to complete the current order book of which settlement are in cash. As for our Johor projects, we currently adopt the “sell-then-build” model, whereby we intend to secure a sale/lease from prospective investors before we kickstart the reclamation for the committed land area.

The Group also recognizes the need to generate new recurring revenue and is constantly looking to explore and diversify its income stream, as well as participating in tender of projects that are viable to replenish its orderbook and to bring recurring income.

Q3 Disposal of Land Held for Sale

The Group recorded revenue from land disposal at RM34.85 million in FYE2024, substantial increase of 369.70% compared to RM7.42 million in the previous year (Page 18 of Annual Report 2024).

In light of the commendable sale performance in FY2024, does the Board assess the prospects for land sales in FY2025?

Ans to Q3 Approximately 40% of the total land disposal revenue in FY2024, or RM14.13 million is the recognition of Contract Liability (i.e. deferred revenue of infrastructure portion), of which are without incurring any infrastructure cost, as the obligation to construct such road/infrastructure has been uplifted.

Considering the prevailing uncertainties in both global and local economies, it is generally perceived that the property market would remain cautiously optimistic and the Group does not expect to achieve high land sale in FY2025. Nevertheless, we continue to garner interest on our industrial lands in Pulau Indah and Johor as we are actively pursuing several promising leads. Negotiations and feasibility studies are still on-going to reach a final investment decision.

Q4 Sustainability matters

The Group work closely with the Department of Environment (“DOE”) to ensure the water pollution and siltation at construction site is kept minimally and below the limit set forth by DOE so as it would not affect the habitat of marine life (Page 33 of Annual Report 2024).

Considering the Group’s involvement in land reclamation, would the Board consider incorporating compliance with DOE or other regulatory standards as part of its sustainability targets?

Ans. to Q4 Different project sites are subject to different regulatory thresholds and limits accordingly set forth by the DOE. Any non-compliance with such standards may result in a strict stop work order, which will jeopardise the overall progress of the projects. Hence, these compliances are taken seriously in our day-to-day operations.

Our current sustainability targets are set on a general basis suitable to be adopted across all our project sites. Nevertheless, we appreciate the view put forth and will take into consideration ways to streamline our sustainability targets.

Questions from shareholders

Proxy of CGS International Nominees Malaysia (Tempatan) – Mohammed Amin Bin Mahmud

Q1 The Company's performance has improved based on the last four quarters in 2024. How does the Company foresee the financial performance in the following quarters and will the Company be able to maintain its profitability?

Ans. The Company had achieved positive figures for the financial year ended 31 December 2024 as a result of the Management's efforts to achieve efficiency based on the overall business approach. Moving forward, the Company will continue to strive and address market demands for land in the various areas where the Company has concessions. Beyond that and with an open mind, the Company will keep a look-out for potential businesses and opportunities that may arise in the future.

Q2 The Company has land banks in its books and has always disposed of land via land sale which is a long-term process. Is there any consideration for short-term usage of the vacant land such as rental of parking lots, solar farming or crop farming to boost cash flow while waiting for land sale to happen?

Ans. We take note and thank you for your suggestion and proposal for short term usage of the land.

The Company's top priority has always been to monetise our existing land bank by way of disposal or land sale. To-date, most of the land which we had previously reclaimed as a main contractor in Melaka have been disposed of. We currently have around 20-30 acres of land left in Melaka which sit in our books as land held for inventory, and to that management is actively looking for buyers to monetise those lands immediately as they are ready with land titles.

Proposals for short-term usage of the land such as solar farm or certain projects are in fact medium term at least. Should the Company commit to those projects, it would distract our primary focus which is to be able to monetise the land when the demand comes.

For suggestion such as car park rentals, it will depend on whether there is such demand in the area itself. The Board and Management will certainly consider all options based on its merits and whether it is in the best interests of the Company. Other than that, we will always prioritise monetising the land to generate significant cash flow to the Company as per our usual business model.

Shareholder – Neoh Jia En

Q3 According to Page 112 of the Annual Report 2024, the land reclamation work in progress (“LRWIP”) has been booked as lower of Net Realisable Value (“NRV”) and cost. This inferred that the current market value of the LRWIP at TPMIP or PMIP is lower than its cost? Also when was Benalec’s last reclaimed work in TPMIP and PMIP?

Ans. The figures shown in “At NRV” column are those inventories whereby the Company has appointed independent valuers to value the land. The Company would reflect the value at the lower of cost or NRV in this column in accordance with accounting standards.

To-date, the Company has reclaimed about 163 acres in TPMIP and the Management aims to monetise it to recoup the high development cost sunk in before we reclaim more. In contrast, for PMIP, there are approximately 45 acres of stock pile ready to be mobilised whenever demand arises, such that similar with our Melaka projects, will be based on a sell-then-build model.

Q4 On Page 97 of the Annual Report 2024 – under Vessel Chartering and marine transportation category, I note the fair value adjustment of RM3million to the related parties. Can you explain what this entails?

Ans. The RM3 million was the fair value adjustment in accordance to the accounting standard MFRS 9 for the repayment of the amount owing to a related party by a subsidiary in Singapore that carries the vessel chartering business.

Q5 Referring to Page 22 of the Annual Report 2024, it is stated that one plot of the five lands entitlement in Pulau Indah was recognised in 2024. Does it mean that the Company has sold the plot of land? Please enlighten on the background of the buyer.

Ans. 22.9 acres of land was sold at RM52 million to which Benalec was repaid in cash by the concessionaire. As was set out in the concession agreement, the reclamation work done can be settled by way of in-kind or in cash. The land was sold to a logistics company.

Proxy of CGS International Nominees Malaysia (Tempatan) – Mohammed Amin Bin Mahmud

Q6 How many years have Messrs BDO PLT been appointed as the auditors of the Company?

Ans. Messrs BDO PLT has been the Company's auditor since the initial public offering ("IPO") of the Company in year 2011. Notwithstanding that, the engagement partner adheres to BDO's rotation policy of being engaged for a maximum of 7 years. The current engagement partner has been engaged for almost 5 years.

Q7 Will the Company consider changing the auditors as a good practice?

Ans. Despite Messrs BDO having been engaged by the Company since IPO, the Board in general is comfortable with the firm's independence based on the rotation policy. Nevertheless, the Board takes note of the suggestion and will consider it accordingly.

Q8 Is the Company considering declaring dividend to the shareholders?

Ans. A company's decision to pay dividends to shareholders is based on its financial health, profitability, and future cash flow needs. At present, the Company is prioritising its cash to finance its near term business operations. With that in mind, the Board takes the shareholders' view thoughtfully and will, when circumstances permit, consider paying out dividends to shareholders.