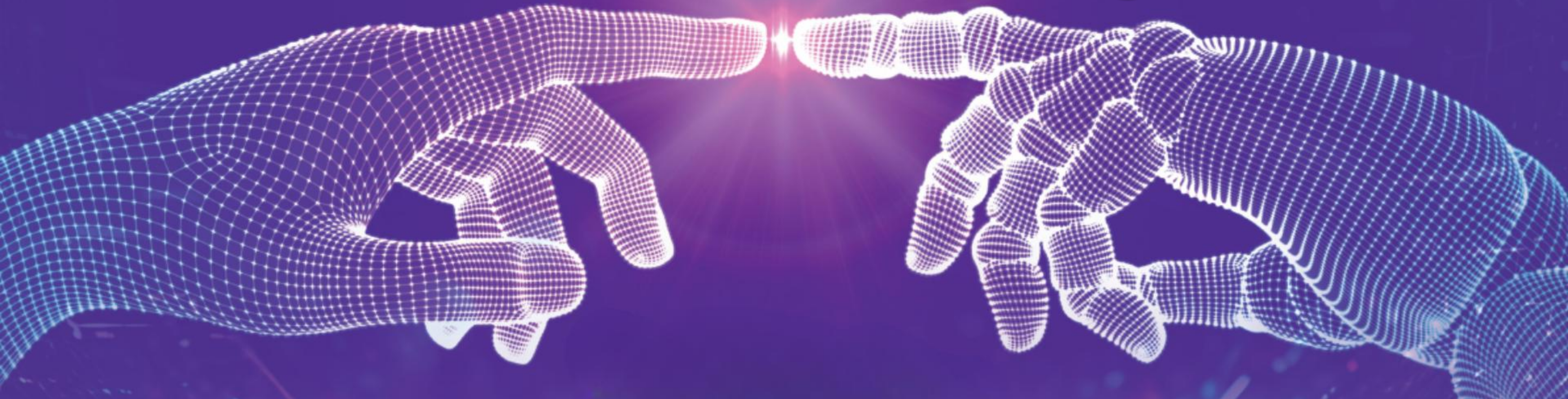
CENSOF HOLDINGS BERHAD

[200801026945 (828269-A)]

17th Annual General Meeting 2025



Accelerating Possibilities Through AI

11th September 2025

MINORITY SHAREHOLDERS WATCH GROUP (MSWG)

MSWG - Operational & Financial Matters

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No.	QUESTIONS	ANSWER
1	FMS-G revenue fell 2.2% to RM61.84 million in FY2025, mainly due to the OBB MyResult contract loss, slower iPayment (cashless government transactions) delivery, ePBT renewal delays and completion of SRA and iSPKP (digital vehicle licensing) projects. These were partly offset by new SAGA wins: RM14.6 million (PDC), RM4.3 million (KWAP), and RM4.04 million (THTS). (Source: Page 28 of Annual Report 2025) a) What were the reasons behind the loss of the large maintenance contract (worth RM4.2 million per annum) for OBB MyResult? b) The slower progress in delivering the iPayment project partly affected FMS-G revenue in FY2025. What caused the delay? c) There were delays in renewing ePBT contracts as local councils await rollout of new version - the CS Local Government platform. What is the current adoption rate of the new platform among targeted councils? Does it meet internal adoption rate target?	a) OBB MyResult is an online IT platform developed to support the Malaysian public sector's Outcome-Based Budgeting (OBB) initiative. The system enables ministries to map programs and monitor budget performance by linking outcomes to national objectives. The development of OBB MyResult was completed in FY2017, and we subsequently provided annual maintenance and support services under a renewal arrangement up to January 2025. Following that, the Ministry of Finance (MOF) opted not to renew the contract, as the system has since been fully transitioned and is now managed internally by MOF upon the successful completion of the technology transfer. b) The delay in delivering the iPayment project was mainly due to the need for extensive confirmations and approvals from the participating banks, as well as the complex functional and regulatory requirements to ensure secure integration with multiple financial institutions. These factors extended the overall development and testing process. We are pleased to share that the project has since gone live and officiated by Prime Minister on 12 February 2025. c) The ePBT maintenance contracts were renewed for all our existing clients. The delay was in the rolling-out of new version/platform for new local government clients. The adoption rate forecasted is one customer per annum. To date, we have secured two (2) new customers for CS Local Government, namely DBKK and KPKT. The Management believes that the target will be achieved.

MSWG - Operational & Financial Matters

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No.	QUESTIONS	ANSWER
1	d) How much recurring revenue do iPayment, i-SPKP and SRA generate under the multi-year support agreements, and what portion, in percentage, contributes to PAT of the Group? Also, what is the length of the agreements for these platforms?	d) The recurring revenue from these three (3) non-core digitalisation projects will be derived from license fees and maintenance contracts, typically representing 22%–25% of the initial contract values. With contract durations ranging from one to four years, these projects are expected to contribute around 10% to the Group's profit after tax (PAT) on an annual basis.
	e) The Group is also focusing on increasing migration to the new GRP cloud model. (Source: Page 16 of Annual Report 2025) What is the migration rate of existing GRP clients to the cloud model? Is it on track with internal timeline?	e) Conversion from existing Century Financial (CF) clients to new GRP cloud model: (see table below) The migration rate of existing clients currently stands at 66%. Based on the current trajectory, Management anticipates achieving full conversion of all existing clients to the new GRP cloud model by FY2028.

e) Conversion from existing Century Financial (CF) clients to new GRP cloud model:

FY	Description	No. of Clients	%	Remarks
FY2020-26	Upgraded Sites	49	66	As at 31.8.25
FY2026-28	Not yet upgraded	25	34	Target to complete by FY2028
	TOTAL	**74**	**100**	

The migration rate of existing clients currently stands at 66%. Based on the current trajectory, Management anticipates achieving full conversion of all existing clients to the new GRP cloud model by FY2028.

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No.	QUESTIONS	ANSWER
1	f) The Group's higher PBT of RM7.73 million in FY2025 was partly due to the capitalization of qualifying expenditures for CS Local Government and new GRP modules. (Source: Page 14 of Annual Report 2025) Page 173 of Annual Report 2025 showed RM3.17 million capitalized as development costs in FY2025. How much relates to CS Local Government vs GRP modules, and what is the expected payback period?	f)

No	Capitalised as Development Costs	RM'mil	Expected Payback Period
1	CS Local Government (CSLG)	0.30	1 year
2	New GRP Modules	2.02	1-5 years
3	ABSS Connect	0.85	2 years
	GROUP TOTAL	**3.17**	

MSWG - Operational & Financial Matters

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No.	QUESTIONS	ANSWER
2	The FMS-C division recorded a 5.7% revenue decline in FY2025, driven by delays in mandatory e-invoicing compliance and the transition from ABSS on-premises installations to subscription-based models, with long-term benefits expected in recurring, scalable earnings. (Source: Page 14 of Annual Report 2025)	
	a) RM4.0 million was generated from early submission of e-invoicing in FY2024. What was the total revenue and profit contribution from e-invoicing in FY2025?	a) For FY2025, FMS-C segment generated total revenue of RM4.3 million and profit of about RM0.5 million from e-invoicing.
	b) What percentage of ABSS's active customer base has migrated from on-premises licenses to SaaS subscriptions, and what is the targeted penetration by FY2026?	b) We have successfully migrated around 20% of Malaysia's active on-premise license customers to ABSS Connect (SaaS subscriptions). The Group is targeting a 60%–70% migration rate in Malaysia by the end of FY2026, while implementation in Singapore has yet to commence.
	c) How long does Management expect the SaaS transition to take before subscription revenues deliver the same or higher profitability compared to the old license-based model?	c) The Annual Run Rate (ARR)—representing the yearly value of all active subscriptions and recurring contracts—for ABSS Connect has already exceeded revenue generated under the traditional license-based model at just a 20% conversion rate. The transition will be executed in two phases, starting with Malaysia and subsequently in Singapore. Migration in Malaysia is expected to be completed by the end of FY2027, with Singapore anticipated to commence around the same period. The Management remains confident that ABSS Connect will drive stronger and more sustainable profitability for both the Group and the Company.

MSWG - Operational & Financial Matters

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No.	QUESTIONS	ANSWER
2	d) If Malaysia's e-invoicing mandate is postponed again, what proportion of FMS-C's revenue base is insulated (e.g., recurring contracts, cross-border clients)?	d)

FMS-C Revenue (Malaysia)	FY2025 Actual RM'mil	FY2026 Insulated RM'mil
a) Related e-invoicing revenue:		
ABSS: Connect/ Financio/ Financio Payroll	1.7	1.7
Netsense: Maintenance Contract	2.6	2.6
b) Non-Related e-invoicing revenue	6.1	
Total Revenue	**10.4**	**4.3**
% over Total Revenue FY25 (Malaysia)		**41%**

Based on the FY2025 actual results, approximately RM4.3 million in revenue is expected to remain insulated in the event of a further postponement of the e-invoicing mandate.

MSWG - Operational & Financial Matters

No.	QUESTIONS	ANSWER
3	The Wealth Management Solutions (WMS) segment posted a slight revenue contraction of 0.8%, mainly due to the depreciation of the Indonesian Rupiah. Notably, revenue in local currency terms grew from INR35.72 billion in FY2024 to INR38.41 billion in FY2025. (Source: Page 14 of Annual Report 2025)	
	a) Given 7.53% local currency growth in Wealth Management but flat results in Ringgit due to Rupiah weakness, how is currency risk being hedged or managed?	a) The foreign exchange impact arises primarily during the **translation** of PTP's financial results into Ringgit Malaysia (RM) for Group consolidation and reporting purposes. As this impact is limited to translation exposure, there is no requirement to hedge or manage transactional currency risk.
	b) The WMS division has expanded into Malaysia. When does the Group anticipate sales and profits for the region to contribute significantly to the segment?	b) We expect this initiative to start contributing from FY2027, with potential upside earlier depending on client onboarding, and market conditions. The Management believes Malaysia will serve as a key market for WMS regional expansion.
	c) With an IDR30 billion order book and rising demand for AI-powered investment tools, cloud-native infrastructure, and digital onboarding solutions, the division expects stable recurring growth. (Source: Page 18 of Annual Report 2025) How much is the expected recurring revenue contribution from this pipeline, and the timeline for converting these opportunities into realised revenue?	c) Our current IDR30 billion order book is expected to be converted into revenue progressively over the next 12–18 months. Around 35–40% of this, or about IDR10–12 billion, is anticipated to contribute to recurring revenue streams, primarily from licensing, annual maintenance, and subscriptions. These recurring revenues will start to flow from FY2026 onwards, supporting sustainable growth.

MSWG - Sustainability Matters

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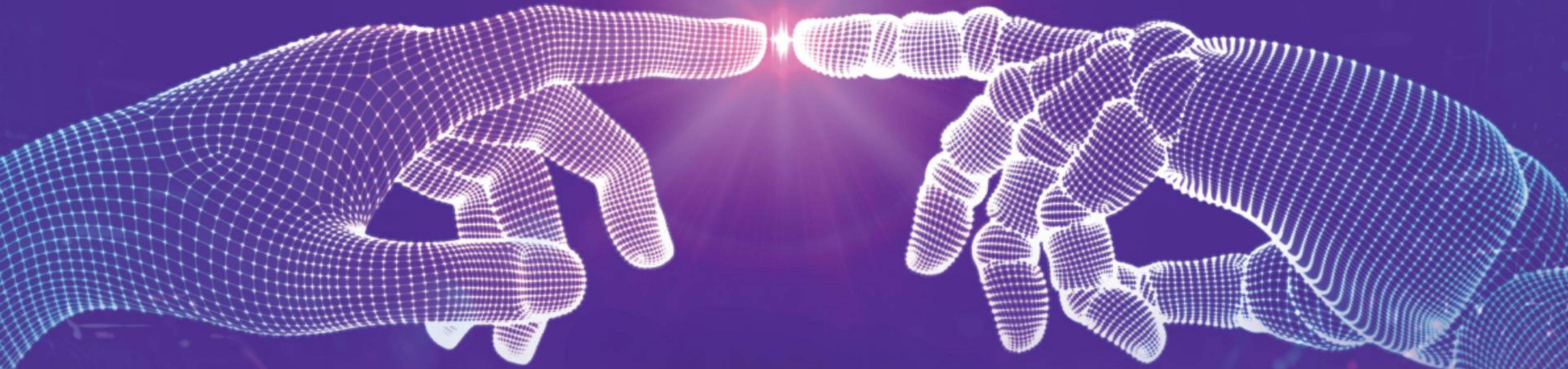
No.	QUESTIONS	ANSWER
4	We note the Board's response that sustainability performance is currently reviewed at the Group level and holds relevant Management personnel accountable for addressing sustainability risks and opportunities through the Company's monitoring and reporting process. (Source: Page 14 of Corporate Governance Report 2025) However, since the 16th AGM, the Board has promised to incorporate sustainability KPIs into the individual KRAs of senior management, with the latest commitment being to implement this by FY2025. a) As this was not carried out in FY2025, please explain the challenges that have prevented implementation. b) When will specific sustainability KPIs be formally integrated into senior management performance evaluations and implemented without further delay?	a) In FY2025, sustainability KPIs were embedded into the performance appraisals of senior management, including the C-suites and CEOs of CSM, TP, CS Cloud and others. Recognising that subsidiaries are at varying stages of maturity—from well-established entities to high-growth or "unicorn" ventures—the Group is harmonising its sustainability performance framework to ensure that KPIs are tailored to each subsidiary's business context while aligning management incentives with long-term value creation. Upon finalisation, the customised framework will be tabled to the Board Nomination & Remuneration Committee for consideration and approval. b) The Management is expected to fully integrate sustainability KPIs into senior management performance evaluations by FY2026.

THANK YOU



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