

HEXTAR GLOBAL BERHAD
[Registration No. 199001014551 (206220-U)]
(Incorporated in Malaysia)

MINUTES OF THE THIRTY FIFTH ANNUAL GENERAL MEETING (“35TH AGM”) OF HEXTAR GLOBAL BERHAD (“HGB” OR “THE COMPANY”) HELD AT HEXTAR HALL, LEVEL 17, HEXTAR TOWER, HEXTAR WORLD EMPIRE CITY, NO. 8, JALAN PJU 8, DAMANSARA PERDANA, 47820 PETALING JAYA, SELANGOR ON MONDAY, 18 MAY 2026 AT 10:00 A.M.

Directors

1. YDH Professor Dato’ Sri Dr. Erwan bin Dato’ Haji Mohd Tahir (Independent Non-Executive Chairman) – Chairman
2. Dato’ Ong Soon Ho (Non-Independent Non-Executive Vice Chairman)
3. Madam Lee Chooi Keng (Group Managing Director)
4. Mr Rayburn Azhar bin Ali (Executive Director)
5. Mr Yeoh Chin Hoe (Senior Independent Non-Executive Director)
6. Dato’ Ong Chong Yi (Independent Non-Executive Director)
7. Ms Chew Chui Wa (Independent Non-Executive Director)

Company Secretaries

1. Ms Phan Nee Chin (Chief Financial Officer cum Company Secretary)
2. Ms Lim Wen Theng

By Invitation

1. Mr Cheah Siong Hon (Representative from Messrs Crowe Malaysia PLT)

Shareholders/ Proxies

As per the Attendance List

1.0 CONVENING OF MEETING

- 1.1 YDH Professor Dato’ Sri Dr. Erwan bin Dato’ Haji Mohd Tahir (“YDH Professor Dato’ Sri Dr. Erwan” or “Chairman”) chaired the meeting and welcomed the shareholders, proxies and corporate representatives (“Members”) to the 35th AGM of the Company.
- 1.2 The Chairman introduced the Directors, Chief Financial Officer, Company Secretary and External Auditors who present at the meeting. There being a quorum present at the meeting, the Chairman declared the meeting duly convened at 10:00 a.m.
- 1.3 With the consent of the Members, the notice convening the AGM was taken as read.
- 1.4 The Chairman drew attention to some housekeeping matters including the manner of posting questions and poll voting, which would be conducted during the deliberations of all agenda items in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The Members were informed that Tricor Investor and Issuing House Services Sdn. Bhd. was appointed as the Poll Administrator to conduct the polling process, whilst KMZ & Co was appointed as the Scrutineers to verify the poll results.

2.0 AUDITED FINANCIAL STATEMENTS OF THE COMPANY AND OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

- 2.1 The Chairman informed that the audited financial statements of the Company and of the Group for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon (“Audited Financial Statements”) was meant for discussion only, and therefore, it would not be put forward for voting, in accordance with Section 340(1)(a) of the Companies Act, 2016.
- 2.2 The Chairman also informed the Members that the Company has received a letter from the Minority Shareholders Watch Group (“MSWG”) dated 12 May 2026. He then invited Mr Rayburn Azhar bin Ali (“Mr Rayburn”) to read out the questions posted by the MSWG and the Company’s responses. The questions and responses were displayed on the screen during the meeting for the Members’ information, and a copy of the same annexed thereto as “Annexure I”.
- 2.3 The Chairman then proceeded to invite questions from the Members on the floor. The summary of key questions raised by the representative of MSWG and the responses from the Chairman were as follows:-

Question 1

There was no clear signage directing shareholders to the venue of the AGM.

The Chairman noted the feedback received and assured that the Company would improve the signage to provide clearer guidance to Members at future general meetings.

Question 2

Following up on the question raised in the MSWG letter dated 12 May 2026, how does the Company identify synergies when such synergies were not tracked or quantified?

Mr Rayburn explained that the Company was still at the early stages of achieving synergies and, therefore, had yet to establish specific metrics or methods for measuring such synergies. Nevertheless, Management had identify synergistic benefits through the sharing of resources and leveraging on business networks, and the Company intended to develop a more structured measurement framework to evaluate the actual results of its synergistic efforts in due course.

- 2.4 As there was no further questions raised by the Members, the Chairman then proceeded to the next agenda.

**3.0 ORDINARY RESOLUTIONS 1 & 2
TO RE-ELECT Y.BHG DATO’ ONG SOON HO AND MR RAYBURN AZHAR BIN ALI WHO ARE RETIRING PURSUANT TO CLAUSE 127 OF THE COMPANY’S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED THEMSELVES FOR RE-ELECTION**

- 3.1 The Chairman informed that the next agenda of the AGM was to re-elect Y.Bhg Dato’ Ong Soon Ho and Mr Rayburn Azhar bin Ali, who are retiring pursuant to clause 127 of the Company’s Constitution and being eligible, has offered themselves for re-election.
- 3.2 The Chairman then welcome questions from the Members. As there was no question raised from the Members, he then proceeded to the next agenda.

4.0 ORDINARY RESOLUTIONS 3 & 4

TO RE-ELECT DATO' ONG CHONG YI AND MS CHEW CHUI WA WHO ARE RETIRING PURSUANT TO CLAUSE 132 OF THE COMPANY'S CONSTITUTION AND BEING ELIGIBLE, HAS OFFERED THEMSELVES FOR RE-ELECTION

4.1 The Chairman proceeded with the next agenda item, which was to re-elect Dato' Ong Chong Yi and Ms Chew Chui Wa who are retiring pursuant to clause 132 of the Company's Constitution and being eligible, has offered themselves for re-election.

4.2 The Chairman then opened the floor for questions from the Members. As there was no question raised from the Members, he then proceeded to the next agenda.

5.0 ORDINARY RESOLUTION 5

TO APPROVE THE PAYMENT OF DIRECTORS' FEES AMOUNTING UP TO RM384,000 TO THE DIRECTORS OF THE COMPANY FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2026

5.1 The meeting continued with the next agenda item to approve the payment of the Directors' Fees amounting to RM384,000 to the Directors of the Company for the financial year ending 31 December 2026.

5.2 As there was no question raised from the Members, the Chairman then proceeded to the next agenda.

6.0 ORDINARY RESOLUTION 6

TO APPROVE THE PAYMENT OF DIRECTORS' BENEFITS OF UP TO RM100,000 FROM THE DATE OF THE 35TH AGM UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

6.1 The Chairman informed that the next agenda of the AGM was to approve the payment of Directors' benefits of up to RM100,000 from the date of the 35th AGM until the next AGM of the Company.

6.2 The Chairman then welcome questions from the Members. As there was no question raised by the Members, he then proceeded to the next agenda.

7.0 ORDINARY RESOLUTION 7

TO RE-APPOINT CROWE MALAYSIA PLT AS AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AND TO AUTHORISE THE BOARD OF DIRECTORS TO FIX THEIR REMUNERATION

7.1 The meeting proceeded with the next agenda item, which was to re-appoint Crowe Malaysia PLT as Auditors of the Company and to hold office until the conclusion of the next AGM at such remuneration to be determined by the Directors of the Company. The Chairman informed that Crowe Malaysia PLT had expressed their willingness to accept the re-appointment as the Company's auditors for the ensuing year.

7.2 As there was no questions were raised by the Members in relation to this agenda item, the Chairman proceeded to the next item on the agenda.

8.0 ORDINARY RESOLUTION 8
PROPOSED RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR (“INED”)

- 8.1 The Chairman continued with the next agenda of AGM under special business, which was to seek shareholders’ approval to retain Mr Yeoh Chin Hoe as a Senior INED of the Company who has served as an INED since 22 May 2017, and will reach the nine (9) year term limit on 21 May 2026. He added that this resolution will be put for voting through a two-tier voting process.
- 8.2 The Chairman then opened the floor for questions. As there was no question raised from the Members, the Chairman then proceeded to the next agenda.

9.0 ORDINARY RESOLUTION 9
AUTHORITY TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016.

- 9.1 The Chairman informed that the next agenda item under special business was to seek shareholders’ approval to authorise Directors to issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016.
- 9.2 The Chairman explained that upon passing this resolution, the Directors would be provided with the flexibility to issue new shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company, for such purposes as the Directors consider would be in the interest of the Company, without the need to convene a separate general meeting to obtain shareholders’ approval so as to avoid incurring additional cost and time. This mandate shall be valid until the next AGM unless revoked or varied by the Company in general meeting.
- 9.3 The Chairman added that pursuant to Section 85 of the Companies Act 2016 read together with Clause 15 of the Constitution of the Company, the proposed resolution, if passed, would waive the statutory pre-emptive rights of the shareholders of the Company.
- 9.4 As there was no question raised from the Members, the meeting then proceeded to the next agenda.

10.0 ORDINARY RESOLUTION 10
PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

- 10.1 The meeting continued with the next agenda under special business to seek shareholders’ approval for the proposed renewal of authority for share buy-back.
- 10.2 The Chairman informed that the detailed information of the Proposed Renewal of Share Buy-Back Authority was stated in the Circular to Shareholders dated 17 April 2026, which had already been circulated to the shareholders prior to the AGM.
- 10.3 The Chairman then opened the floor for questions. As there was no questions were raised by the Members in relation to this agenda item, the Chairman proceeded to the next agenda of the AGM.

11.0 ORDINARY RESOLUTION 11

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

- 11.1 The Chairman informed that the next agenda of the AGM under special business was to seek shareholders' approval for the proposed renewal of existing shareholders' mandate and new shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("Proposed RRPTs Mandate").
- 11.2 He informed that the detailed information of the Proposed RRPTs Mandate was stated in the Circular to Shareholders dated 17 April 2026, which had already been circulated to the shareholders prior to the AGM.
- 11.3 The Chairman then welcomed questions from the Members. As no questions were raised, the Chairman proceeded to the next item on the agenda.

12.0 ANY OTHER BUSINESS

- 12.1 Upon consulting the Company Secretary, the Chairman informed that no notice was received from any members for tabling any other business at the AGM.

13.0 QUESTIONS AND ANSWER (Q&A) SESSION (FOR PRE-MEETING SUBMISSION)

- 13.1 The Chairman informed the Members that the Company has received a question submitted by the shareholder via the Vistra SRMY portal prior to the AGM. He then invited Madam Lee Chooi Keng ("Madam Lee") to read out the questions and the Company's responses were displayed on the screen during the meeting for the Members' information. The following was the question raised by the Shareholder named Lum Kam Keong :-

Question:

What are the future expansion plans, 3-years and 5-years projections?

The Group's medium to long-term expansion plans will focus on strengthening and expanding its Agriculture segment through strategic growth initiatives and synergistic business opportunities.

The recently announced proposed acquisitions of three fertiliser companies are expected to complement the Group's existing agrochemical business by broadening its product offerings and enabling the Group to provide more comprehensive and integrated agricultural solutions to customers. The acquisitions are also expected to enhance cross-selling opportunities through a shared customer base and strengthen the Group's overall market presence within the agriculture sector.

Moving forward, the Group will continue to explore opportunities that can diversify and enlarge its earnings base, enhance operational and commercial synergies, and support sustainable long-term value creation for shareholders.

While the Group remains optimistic on its growth prospects, the Company is unable to provide specific financial projections or forecasts, as future performance remains subject to prevailing market conditions, global economic uncertainties, and industry regulations.

- 13.2 There being no further question from the Members on the floor, the Chairman thanked Madam Lee and closed the Q&A session. He then proceeded with the voting session.

The Poll Administrator was invited to explain the voting procedures. The poll voting took place at 10:42 a.m. Upon completion of the voting session, the meeting was adjourned to allow the scrutineers to verify the votes casted.

14.0 DECLARATION OF RESULTS

- 14.1 The meeting reconvened at 11:04 a.m., the Chairman announced the results of the poll voting and declared that all the following resolutions set out in the Notice of AGM dated 17 April 2026 were carried, as follows:-

	Vote in favour		Vote against		Results
	No. of shares	%	No. of shares	%	
Ordinary Resolution 1	2,876,931,922	99.4070	17,162,919	0.5930	Carried
Ordinary Resolution 2	2,889,019,787	99.9293	2,045,054	0.0707	Carried
Ordinary Resolution 3	2,894,082,827	99.9996	12,014	0.0004	Carried
Ordinary Resolution 4	2,894,082,827	99.9996	12,014	0.0004	Carried
Ordinary Resolution 5	2,893,983,895	99.9983	48,946	0.0017	Carried
Ordinary Resolution 6	2,893,983,895	99.9983	48,946	0.0017	Carried
Ordinary Resolution 7	2,894,082,827	99.9996	12,014	0.0004	Carried
Ordinary Resolution 8 (tier 1)	2,093,000,567	100.0000	0	0	Carried
Ordinary Resolution 8 (tier 2)	623,862,915	77.8763	177,231,359	22.1237	Carried
Ordinary Resolution 9	2,894,082,467	99.9996	12,374	0.0004	Carried
Ordinary Resolution 10	2,893,983,535	99.9983	49,306	0.0017	Carried
Ordinary Resolution 11	798,052,200	99.9985	12,074	0.0015	Carried

It was **RESOLVED** as follows:

Ordinary Resolution 1

“THAT Dato’ Ong Soon Ho, the Director retiring in accordance with Clause 127 of the Constitution of the Company, be hereby re-elected as Director of the Company.”

Ordinary Resolution 2

“THAT Mr Rayburn Azhar bin Ali, the Director retiring in accordance with Clause 127 of the Constitution of the Company, be hereby re-elected as Director of the Company.”

Ordinary Resolution 3

“THAT Dato’ Ong Chong Yi, the Director retiring in accordance with Clause 132 of the Constitution of the Company, be hereby re-elected as Director of the Company.”

Ordinary Resolution 4

“THAT Ms Chew Chui Wa, the Director retiring in accordance with Clause 132 of the Constitution of the Company, be hereby re-elected as Director of the Company.”

Ordinary Resolution 5

“THAT the payment of Directors’ fees to the Directors of the Company up to an amount of RM384,000 for the financial year ending 31 December 2026 be hereby approved.”

Ordinary Resolution 6

“THAT the payment of Directors’ benefits of up to RM100,000 from the date of the 35th Annual General Meeting (“AGM”) until the next AGM of the Company be hereby approved.”

Ordinary Resolution 7

“THAT the re-appointment of Crowe Malaysia PLT as Auditors of the Company for the ensuing year and that the Directors be authorised to fix their remuneration be hereby approved.”

Ordinary Resolution 8

“THAT Mr Yeoh Chin Hoe, who has served the Board as a Senior Independent Non-Executive Director of the Company since 22 May 2017 and will reach the nine (9) years’ term limit on 21 May 2026, be retained as a Senior Independent Non-Executive Director of the Company, and to hold office until the conclusion of the next Annual General Meeting.”

Ordinary Resolution 9

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company (“Proposed Mandate”).

THAT such approval on the Proposed Mandate shall continue to be in force until:-

- a. the conclusion of the next Annual General Meeting of the Company held after the approval was given;*
- b. the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or*
- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting,*

whichever is the earlier.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

THAT in connection with the above, pursuant to Section 85 of the Companies Act 2016 to be read together with Clause 15 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank *pari passu* with existing issued shares of the Company.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed Mandate.”

Ordinary Resolution 10

“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”) (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- i. the aggregate number of issued shares in the Company (“Shares”) purchased (“Purchased Shares”) and/or held as treasury shares pursuant to this ordinary resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

(“Proposed Share Buy-Back”).

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- i. To cancel all or part of the Purchased Shares;
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- iv. To resell all or part of the treasury shares;
- v. To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- vi. To transfer all or part of the treasury shares as purchase consideration;
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; and/or
- viii. To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities."

Ordinary Resolution 11

"THAT subject to Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.3 of the Circular to the Shareholders dated 17 April 2026 which are necessary for day-to-day operations and are carried out in the ordinary course of business on terms which are not more favourable to the related parties than those generally available to the public and are undertaken on arms' length basis and not detrimental to the interest of the minority shareholders;

AND THAT the authority conferred by such mandate shall commence upon the passing of this resolution and continue to be in full force until:

- a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which this shareholders' mandate will lapse, unless by a resolution passed at the next AGM, the mandate is renewed;
- b) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- c) revoked or varied by resolution passed by the shareholders in general meeting;

whichever is the earlier;

AND THAT the Board of Directors be and is hereby authorised to complete and do all such acts and things as it may consider expedient or necessary (including executing such documents as may be required) to give effect to the transactions contemplated and/or authorised by this mandate.”

13.0 CLOSURE

- 13.1 There being no other business, the AGM was closed at 11:05 a.m. with a vote of thanks to the Chairman.

**Confirmed as a correct record of
the proceedings held thereat**

DATO' ONG SOON HO
Vice Chairman

HEXTAR GLOBAL BERHAD

Registration No. 199001014551 (206220-U)

35TH ANNUAL GENERAL MEETING

MONDAY, 18 MAY 2026

Minority Shareholders Watch Group

Q & A

Operational and Financial Matters

Question 1

While the 3.5% uptick in PATMI to RM61.4 million is a positive headline, underlying operational growth appears flat once the RM6.7 million foreign exchange gain is excluded. With cash reserves at RM111.0 million against total borrowings exceeding RM417.1 million (short-term borrowings: RM261.4 million) and a pro forma gearing ratio climbing to 2.07 times following the proposed venture into fertiliser business of RM120.0 million, the balance sheet appears increasingly stretched.

How does the Company demonstrate capital allocation discipline while pursuing this diversification?

Answer:

The Board remains cautious and disciplined in capital allocation despite the higher gearing position. The proposed fertiliser venture is strategically aligned with the Group's agriculture ecosystem and is expected to contribute recurring earnings and cash flow over the longer term.

At the same time, management continues to focus on strengthening operational cash flow through tighter working capital management, stricter OPEX controls, and optimisation of financing costs. Future investments will continue to be assessed carefully based on strategic fit, earnings contribution, cash flow generation, and return on investment to ensure sustainable shareholder value creation.

Operational and Financial Matters

Question 2

The Group entered into strategic collaborations to develop digital and AI-driven solutions in agriculture and green building. These initiatives are aligned with the Group's sustainability agenda and are expected to enhance operational efficiency and long-term value creation.

What is the total capital expenditure allocated to-date for AI-driven initiatives? Furthermore, please outline the projected development timeline for these solutions and provide a specific use case illustrating how they will optimise operational efficiency.

Answer:

The Group's current AI-driven initiatives are still in the development and early implementation stage, and the capital expenditure committed to-date is not material relative to the overall Group's financial position. The investments are currently under review and progressing into the second phase of development, which is expected to commence in the second quarter of 2026. This phase will focus on AI-assisted control, monitoring, operational efficiency improvement, cost optimisation, and business performance measurement tools.

The development timeline will depend on the nature and complexity of each project, with selected solutions expected to be rolled out progressively over the next 12 to 24 months. One practical use case includes AI-driven operational dashboards and monitoring systems to improve operational visibility, enhance decision-making efficiency, identify cost-saving opportunities, and strengthen overall business performance management across the Group.

Operational and Financial Matters

Question 3

The Annual Report mentions “tangible returns” from the 2021 strategic acquisitions under the Specialty Chemicals segment. However, this segment’s revenue fell by 13.1% in 2025, and segmental profit dropped by RM19.9 million (a 24.1% year-on-year decline).

Please clarify what “tangible returns” were achieved in a year of double-digit contraction?

Answer:

While the Specialty Chemicals segment experienced softer performance in FY2025 due to weaker market demand, pricing pressure, and a more competitive market environment, the strategic acquisitions completed in 2021 continue to provide long-term value to the Group.

The “tangible returns” referred to include the expansion of the Group’s product portfolio, strengthening of technical capabilities, broader customer base, improved market positioning, and enhanced cross-selling opportunities across the Group’s specialty chemicals platform. The acquired Specialty Chemicals businesses have continued to contribute positively operationally since 2021 despite the more challenging industry environment in FY2025, with a substantial portion of the Group’s investment costs already recovered over the years.

Operational and Financial Matters

Question 4

The Company cites “enhanced operational synergies through shared warehousing and R&D”. Yet, the Specialty Chemicals segment’s margin eroded from 19.4% to 16.9% in 2025.

a) If synergies are being realised, why are they failing to defend margins against the “pricing pressures” mentioned in the Annual Report?

Answer:

The operational synergies achieved through shared warehousing, procurement coordination, and R&D integration have contributed to cost optimisation and operational efficiency improvements. However, the benefits were partially offset in FY2025 by external factors, particularly intensified market competition, pricing pressure, lower sales volume, and softer demand conditions across certain product categories, which affected overall margin performance.

Despite the margin compression, management believes the shared platform has helped mitigate a larger decline in profitability and continues to provide longer-term operational benefits to the Group.

Operational and Financial Matters

Question 4 (Cont'd)

b) Please quantify the actual annual cost savings (in RM) from these shared facilities.

Answer:

The cost savings arising from shared facilities and operational integration are mainly reflected through gradual optimisation of logistics, manpower, warehousing, procurement, and administrative resources across the segment. As these efficiencies are embedded operationally across multiple business units, the savings are not tracked or disclosed separately as a standalone quantified figure at this stage. However, management continues to monitor and strengthen synergy initiatives as part of its ongoing cost optimisation efforts.

Corporate Governance Matters

Question 5

The Group Managing Director's total compensation increased by 33.5% during the year when total Group revenue contracted by 4.7% and the Specialty Chemicals segment saw a 24% decline in profit.

Given that PATMI growth was nearly flat at 3.5%, what specific quantified Key Performance Indicators (KPIs) were met by the Group Managing Director in 2025 to justify a double-digit increase in total remuneration?

Answer:

The remuneration of the Group Managing Director was reviewed and approved by the Board and Nomination and Remuneration Committee after considering the overall scope of responsibilities, strategic leadership, business expansion initiatives, execution of corporate exercises, operational management across multiple business segments, and the Group's overall financial performance.

Corporate Governance Matters

Question 5 (Cont'd)

Answer (Cont'd):

The Group Managing Director, Lee Chooi Keng, and Executive Director, Mr Rayburn Azhar bin Ali, have distinct roles in managing the Group's core business segments. The Group Managing Director's performance assessment is more closely linked to the Agriculture segment, while the Executive Director's assessment is more aligned with the Specialty Chemicals segment.

In assessing the Group Managing Director's performance for FYE2025, it also considered the following achievements :

- Gross Profit ("GP") increased by 4.1% from RM248.3 million to RM258.4 million, with GP Margin improving to 29.5%; and
- Profit Before Tax ("PBT") increased by 8.3% from RM95.2 million to RM103.2 million, with PBT margin improving to 11.8%.

Accordingly, the remuneration adjustment was considered commensurate with the Group Managing Director's contributions, the Group's overall performance, and the need to ensure leadership continuity and retention of key executive talent to support the Group's long-term growth and strategic objectives.

THANK YOU