

**RESPONSES TO QUESTIONS ASKED DURING
MRCB'S EGM HELD ON 18 DECEMBER 2025**

QUESTIONS		ANSWERS
DEVELOPMENT RATIONALE, PLANNING & DATA CENTRE		
1.	I would like to know, you mentioned that much of the land is prime. Currently, there are no plans and no approvals. Who is going to come in? We do not know how long the data centre and AI hype will last. Previously, the plan was revised due to COVID-19. Now the plan is being revised again, this time based on data centres. By the time approvals are obtained, the opportunity may be lost. What are the backup plans? From an investment point of view, MRCB's share price has come down to very low levels. How will the Company assure shareholders that things will be better?	<ul style="list-style-type: none"> • The original development plan was a mixed development when MRCB was in a joint venture with EPF under an 80:20 arrangement, with EPF holding 80% and MRCB 20%. • Since then, the landscape of the area has changed significantly, with infrastructure investments made by Tenaga Nasional Berhad (TNB) and the relevant water authorities. • These developments have positioned the area as a suitable location for data centre development. • The land size involved is approximately 70 acres, which is relatively small compared to other data centre developments, particularly in Johor where sites can range from 100 to 150 acres. • Discussions are ongoing with large multinational data centre operators; however, the Company is bound by non-disclosure agreements and is unable to disclose further details at this stage. • Based on requirements, the development may be designed as a multi-storey (two to three storeys) data centre rather than a single-storey facility. • The targeted power capacity that has already been secured is up to 600 megawatts, which is substantial, and development will be implemented in phases. • In this type of development, MRCB's role would be limited to property development. The Company will focus on building the core and shell structure, while operators will handle specialised
2.	Are the lands going to be too big for data centres, or will there be other types of development as well?	
3.	How sure are you that the data centre tenants will be there, as nothing has been announced yet? This does not inspire much confidence. Do you have other information to share, considering major commitments may already have been made to other parties? How will you secure these opportunities?	
4.	You mentioned SWOT analysis. What is the worst-case and best-case scenario for this project? Building data centres requires specific competencies. Who is providing the expertise?	
5.	A data centre requires substantial infrastructure and power loading. I have doubts that this does not require specialised competency.	

	<p>mechanical, electrical and computing components.</p> <ul style="list-style-type: none"> • MRCB has extensive experience in the construction of power transmission infrastructure, having built a significant portion of the national grid in Peninsular Malaysia. • The worst-case scenario would be a technology shift affecting the data centre industry. This risk is mitigated through long-term lease agreements that require tenants to honour the full lease term or pay compensation accordingly. • The best-case scenario is early disposal completion, faster cash flow recovery and improved shareholder returns.
QUESTIONS	ANSWERS
BUSINESS MODEL, LAND SALE VS BUILD & LEASE, YIELD RETURNS	
<ol style="list-style-type: none"> 6. If one major operator comes in with a large investment, can that party be profitable? 7. How will this affect MRCB's share price and earnings per share? What is the expected boost? 8. Will MRCB's profitability and payout be affected over the next two years? 9. If the land is not sold outright and MRCB develops the data centre, does this mean MRCB will be the landlord and earn rental income? 10. What kind of returns are expected from this development? 	<ul style="list-style-type: none"> • MRCB will not operate data centres. The Company remains a property developer. • Two structures are being negotiated: Outright land disposal, resulting in a one-off lump-sum gain; or Build-and-lease model, generating long-term rental income. • Under the build-and-lease model, rental income will be yield-based and could be sold to a REIT in the future, consistent with MRCB's existing strategy for commercial assets. • Targeted yield returns are in the range of approximately 8% to 10%, which is higher than typical commercial property yields. • Exact financial figures will depend on final negotiations, lease tenure and scope of infrastructure requirements.

	<ul style="list-style-type: none"> • Regardless of structure, management expects a positive outcome either through immediate capital realisation or long-term recurring income. • Compared to mixed development, this approach enables faster monetisation of land and quicker recycling of capital, which has a direct correlation with earnings and share price performance.
QUESTIONS	
ANSWERS	
TIMELINE & CONSTRUCTION PERIOD	
<p>11. If development starts as planned, how long will it take before the land is fully utilised?</p> <p>12. You mentioned a two-year construction period. Does that mean there will be no income during this time?</p>	<ul style="list-style-type: none"> • A purpose-built data centre is expected to have a construction period of approximately two years. • This is significantly shorter compared to a mixed development, which could take up to 12 years due to multiple phases and high-rise construction. • Faster completion allows for earlier income generation and more efficient capital turnover. • The shorter development cycle reduces long-term holding costs and financial exposure.
QUESTIONS	
ANSWERS	
FINANCING, BORROWINGS, CASHFLOW & RIGHTS ISSUE RISK	
<p>13. What type of borrowing will be used, and what are the interest implications for MRCB?</p> <p>14. If there are delays and high financing costs, will the Company consider a rights issue?</p> <p>15. Will further borrowings to build the data centre negatively affect MRCB's performance in the next one to two years?</p>	<ul style="list-style-type: none"> • Borrowing is a normal part of MRCB's business model for property development. • The Company is in discussions with banks for financing facilities, including potential club deals, and is confident these will be finalised. • Interest costs are manageable, and management closely monitors cash flow every quarter. • Faster development turnaround reduces the duration of interest exposure. • There will be no rights issue or capital call from shareholders.

	<ul style="list-style-type: none"> • Management and the Board are confident that there is sufficient cash flow available to support our development cycle.
QUESTIONS	ANSWERS
SHAREHOLDING STRUCTURE & INSTITUTIONAL INVESTORS	
16. EPF is disposing of the land but remains a shareholder. Will EPF buy more shares? 17. How confident are you that interest from other shareholders will grow following this exercise?	<ul style="list-style-type: none"> • EPF currently holds approximately 36% of MRCB and any further increase could trigger regulatory mandated takeover requirements. • Other institutional shareholders, including cooperative institutions and Tabung Haji, remain invested in the Company. • Management is focused on executing this project successfully to enhance shareholder value and investor confidence.
QUESTIONS	ANSWERS
APPROVALS, BUMIPUTERA INTEREST & REGULATORY MATTERS	
18. Why is Bumiputera interest approval required from MOF if EPF represents the rakyat? Will approvals be needed if the land is sold to a data centre operator? 19. Is this related-party transaction subject to a simple majority or two-thirds approval?	<ul style="list-style-type: none"> • EPF is classified as an institutional investor, not a Bumiputera entity, and disposals are subject to FIC (Foreign Investment Committee)/EPU (Economic Planning Unit) approval processes. • These approvals are policy-driven and part of normal regulatory requirements. • As a property developer, MRCB typically seeks the necessary exemptions as part of the approval process when selling to foreign parties. • The EGM resolution requires a simple majority of 51.1% to be approved.
QUESTIONS	ANSWERS
ENVIRONMENTAL IMPACT, ESG, COOLING & UTILITIES	
20. What is the environmental impact of the data centre, particularly in terms of energy use, heat discharge and water consumption? 21. Will cooling plants affect surrounding temperatures?	<ul style="list-style-type: none"> • Most data centre operators are subject to stringent ESG requirements by local authorities and adherence to international sustainability standards.

<p>22. Would it be financially advantageous for MRCB to build and operate district cooling plants?</p>	<ul style="list-style-type: none"> • Cooling systems are typically close-loop systems, which do not impact surrounding ambient temperatures. • District cooling plants are energy efficient, consume less water and allow heat to be recycled. • MRCB already owns and operates multiple district cooling plants and has the expertise to provide such services if required. • The final cooling solution will depend on the operator's requirements and sustainability objectives.
QUESTIONS	ANSWERS
ADVISORY FEES, EGM COSTS & DISCLOSURE	
<p>23. What is the breakdown of the RM10 million cost mentioned?</p>	<ul style="list-style-type: none"> • Advisory fees only amount to approximately RM1.2 million. • The balance is stamp duties, taxes payable to the government and other statutory costs. • EGM operational costs, including venue, F&B and logistics, amount to approximately RM350,000. • All relevant information has been disclosed in the EGM circular, and all the information presented today are materials extracts from the circular to shareholders.
QUESTIONS	ANSWERS
OTHER MATTERS RAISED	
<p>24. Can the Company consider reimbursing public transport costs for attendees as part of ESG initiatives?</p>	<ul style="list-style-type: none"> • The suggestion is noted and will be considered for future meetings.