

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

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**MINUTES OF THE TWENTIETH ANNUAL GENERAL MEETING (“20TH AGM”) OF  
THE COMPANY, HELD AT THE CONFERENCE ROOM OF NO. JR52, LOT 1818, JALAN  
RAJA, KAWASAN PERINDUSTRIAN BUKIT PASIR, 84300 MUAR, JOHOR DARUL  
TAKZIM ON MONDAY, 25 MAY 2026 AT 2.00 P.M.**

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Present: Board of Directors:  
Tan Sri Dato’ Seri Dr. Tan King Tai @ Tan Khoon Hai (Executive Chairman)  
Dato’ Chua Heok Wee (Group Managing Director)  
Chua Kang Sing (Executive Director)  
Khoo Chee Wee (Executive Director)  
Dato’ Lim Choo Hooi (Independent Non-Executive Director)  
Ng Mei Wan (Independent Non-Executive Director)  
Lee Sher Lu (Independent Non-Executive Director)

Absent with apologies:  
Chua En Hom (Deputy Executive Chairman)  
Datuk Rajendran A/L P Narayanasamy (Independent Non-Executive Director)

Members: As per the Attendance List.

Proxy Holders: As per the Attendance List.

By Invitation: As per the Attendance List.

In Attendance: Company Secretary: Tan Hui Lun (Represented by Koay Xiem Chen)

### **COMMENCEMENT**

Tan Sri Dato’ Seri Dr. Tan King Tai @ Tan Khoon Hai (“Tan Sri Chairman”) acted on behalf the Board of Directors to welcome all the shareholders and invited guests to attend the 20th AGM of the Company. Tan Sri Chairman called the 20th AGM to order at 2.05 p.m.

Tan Sri Chairman then proceeded to introduce the Directors and Company Secretary of the Company to the shareholders.

### **QUORUM**

Tan Sri Chairman call upon the Company Secretary to confirm the presence of the requisite quorum as at the commencement of this 20th AGM.

The Representative of Company Secretary, Ms Koay Xiem Chen informed that in accordance with the Company’s Constitution, 2 members present in person or proxies or corporate representatives to form a quorum. It was confirmed that there was a quorum for the 20th AGM.

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

The Representative of Company Secretary then confirmed that the Company has received 54 proxy forms from shareholders totalling 144,108,820 shares and the said proxy forms were available for members' inspection at the Registration Desk.

**NOTICE OF MEETING**

The notice convening the Company's 20th AGM had been sent to all shareholders within the prescribed time.

**POLL VOTING AND SCRUTINEERS**

Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the Company must ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll.

At the same time, the Company must appoint at least 1 scrutineer to validate the votes cast at the general meeting. Such scrutineer must not be an officer of the Company or its related corporation and must be independent of the person undertaking the polling process.

That the Company has appointed Plantation Agencies Sdn. Berhad as Poll Administrator to conduct the voting process and Quantegic Services Sdn. Bhd. as the Scrutineer to verify the poll results.

Tan Sri Chairman invited the shareholders to raise their questions and questions which were similar in nature would be grouped and answered together during the Questions and Answers session held after deliberations all item on Agenda set out in the Notice of the Meeting.

**AUDITED FINANCIAL STATEMENTS**

The first agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon (AFS 2025).

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 ("the Act") does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

As there were no questions, Tan Sri Chairman declared the AFS 2025 were thus duly tabled and received.

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**RESOLUTION 1 – RE-ELECTION OF TAN SRI DATO’ SERI DR. TAN KING TAI @ TAN KHOON HAI**

Dato’ Lim Choo Hooi took over the Chairmanship as this resolution related to Tan Sri Chairman. He proceeded to the first resolution and that was to re-elect Tan Sri Dato' Seri Dr. Tan King Tai @ Tan Khoon Hai who retires as Director of the Company in accordance with Clause 21.5 (a) of the Company’s Constitution and being eligible, had offered himself for re-election.

Dato’ Lim Choo Hooi handed over the Chairmanship back to Tan Sri Chairman.

**RESOLUTION 2 – RE-ELECTION OF DATO’ CHUA HEOK WEE**

The next resolution was to re-elect Dato’ Chua Heok Wee who also retires as Director of the Company in accordance with Clause 21.5 (a) of the Company’s Constitution and being eligible, had offered himself for re-election.

**RESOLUTION 3 – RE-ELECTION OF DATUK RAJENDRAN A/L P NARAYANASAMY**

Tan Sri Chairman moved onto the next resolution and that was to re-elect Datuk Rajendran A/L P Narayanasamy who also retires as Director of the Company in accordance with Clause 21.5 (a) of the Company’s Constitution and being eligible, had offered himself for re-election.

**RESOLUTION 4 – PAYMENT OF DIRECTORS’ FEES AND MEETING ALLOWANCES FOR THE PERIOD COMMENCING FROM THE CONCLUSION OF THE 20TH AGM OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT AGM OF THE COMPANY IN THE YEAR OF 2027**

Tan Sri Chairman proceeded to the next resolution and that was to approve the payment of Directors’ fees and meeting allowances as per Table A as stated in Explanation Note to Agenda 3, for the period commencing from the conclusion of the 20th AGM of the Company until the conclusion of the next AGM of the Company in the year of 2027.

The Directors’ fees and meeting allowances are in the best interest of the Company and in accordance with the remuneration framework of the Group. The details of the Directors’ fees and meeting allowances proposed are as per Table A below and assuming that all Non-Executive Directors will hold office until the calculation of the next AGM:-

	Directors’ Fees per annum per pax (RM)	Meeting Allowance per pax (RM)
Executive Director	54,000	500

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

	Directors' Fees per annum per pax (RM)	Meeting Allowance per meeting (RM)
Non-Executive Director	54,000	500

This resolution is to facilitate payment of Directors' fees and meeting allowances on current financial year basis. In the event the proposed amount is insufficient (e.g. due to more meetings), approval will be sought at the next AGM for additional fees to meet the shortfall.

**RESOLUTION 5 – RE-APPOINTMENT OF AUDITORS**

The next resolution was to re-appoint Messrs. Morison LC PLT (“Morison”) as Auditors of the Company and to authorise the Directors to fix their remuneration.

Tan Sri Chairman mentioned that the Board have considered the re-appointment of Morison as Auditors of the Company and collectively agree that Morison meets the criteria of the adequacy of experience and resources of the firm and the person assigned to the audit as prescribed by Paragraph 15.21 of MMLR.

**RESOLUTION 6 – AUTHORITY TO ISSUE SHARES**

Tan Sri Chairman then moved on to the next agenda under special business and that was to consider and if thought fit, to pass with or without modifications, the following Resolution 6:-

“THAT pursuant to Section 75 and 76 of the Companies Act 2016 (“the Act”) and subject to the approvals from Bursa Malaysia Securities Berhad (“Bursa Securities”) and any relevant governmental / regulatory authority, the Directors of the Company be and are hereby empowered, pursuant to the Act, to issue and allot shares in the Company, at any time to such persons and upon such terms and conditions 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 resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being.

THAT pursuant to Section 85 of the Act to be read together with Clause 7.1 of the Constitution of the Company, that approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to this mandate.

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next AGM of the Company.”

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

He also informed that the 10% General Mandate is in the best interest of the Company and the shareholders as it will provide additional flexibility to the Company for any possible fund raising activities, including but not limited to placing of shares to meet the funding requirements such as working capital and/or operational expenditure of the Company, expeditiously and efficiently during this challenging time to ensure long-term sustainability and interest of the Company and its shareholders.

**RESOLUTION 7 – PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK**

Tan Sri Chairman then moved on to the next agenda under special business and that was to consider and if thought fit, to pass with or without modifications, the following Resolution 7:-

“THAT subject to the Companies Act 2016 (“the Act”), rules, regulations and orders made pursuant to the Act, provisions of the Company’s Constitution, the Listing Requirements of Bursa Malaysia Securities Berhad and any other relevant authorities, the Directors of the Company be hereby unconditionally and generally authorised to make purchases of ordinary shares of the Company’s issued capital through Bursa Securities at anytime and upon such terms and conditions and for such purposes as the Directors may, in their discretion deem fit, subject to the following:-

- i. the maximum number of MBL shares which may be purchased by the Company shall not exceed ten per centum (10%) of the issued share capital of the Company at any point of time;
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the retained profits of the Company, as at 31 December 2025;
- iii. the authority conferred by this Resolution will be effective immediately upon the passing of this Resolution and will continue in force until:-
  - a. the conclusion of the next Annual General Meeting (“AGM”) of the Company, 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 is required by law to be held (unless earlier revoked or varied by ordinary resolution of the shareholders of the Company in general meeting) but not so as to prejudice the completion of purchase(s) by the Company made before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements of Bursa Securities or any other relevant authorities;
- iv. upon completion of the purchase(s) of the MBL Shares by the Company (“Purchase Shares”), the Purchase Shares shall be dealt with either of the following manners:-
  - a. cancel the Purchase Shares if the Directors of the Company deem that there is excess share capital and wish to reduce the number of shares in circulation; or
  - b. retain the Purchase Shares as treasury shares held by the Company; or
  - c. retain part of the Purchase Shares as treasury shares and cancel the remainder; or

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

- d. resell the treasury shares on Bursa Securities in accordance with the relevant rules of Bursa Securities; or
- e. distribute the Purchase Shares as share dividends if the Directors of the Company wish to reward the shareholders of MBL, which will depend on the availability of, among others, retained profits, share premium and tax credits of the Company.

AND THAT the Directors of the Company be and are hereby authorised to take all such actions and steps as are necessary or expedient to implement or to effect the purchase of MBL Shares.”

He also informed that the total number of shares purchased shall not exceed 10% of the issued share capital of the Company. This authority will, unless revoked or varied by the Company in general meeting, expires at the next Annual General Meeting of the Company.

### **QUESTIONS & ANSWERS SESSION**

Tan Sri Chairman proceed to addressed the questions and answers to the Minority Shareholders Watch Group (MSWG) for those pre-meeting questions received on 21 May 2026. A summary of all the questions and answers are attached as “Appendix A” along with this minute.

There was another question received from Ms. Yan Lai Kuan, representative from MSWG, was that SWS Capital Berhad (SWS) faces persistent losses from its core furniture and plasticware divisions. Given these heavy manufacturing losses, what is the critical first step for SWS? What is the likelihood of reversing the current loss streak in the immediate term? Does the original long-term investment thesis still hold true despite the declining stock price and weak financial performance? Finally, what are the key catalysts required in the recovery plan to restore profitability, and how can MBL best protect and manage its investment moving forward?

Answer to Ms. Yan Lai Kuan:

Tan Sri Chairman presented that MBL’s investment in SWS remains completely intact. There is a successful turnaround of SWS which will be visible in the upcoming announcement of the first quarter financial results, in view that the clearing out of the furniture division.

The Fair Value of Assets (FTA) remains at twice of MBL’s investment cost, therefore the investment remains a highly feasible and strategic long-term position.

As long-term investors rather than short-term speculators, MBL are not focused on temporary stock price volatility. MBL’s main purpose is to diversify business by expansion.

Besides the above, there being no other questions received during the Meeting. Tan Sri Chairman then declared that the Q&A session closed.

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**ANY OTHER BUSINESS**

Tan Sri Chairman proceeded to the last item of the agenda which was to transact any other business of which due notices shall have been given in accordance with the Act and the Company's Constitution.

The Company Secretary had informed to the Tan Sri Chairman that she did not receive any notices to transact any other business at today's AGM.

As there was no other business to be transacted, Tan Sri Chairman proceed to poll voting.

**POLL VOTING**

Members and proxies present proceeded to complete the poll voting slips for the 7 resolutions.

The Chairman declared the voting closed after he had confirmed with members and proxies present that they had dropped their poll voting slips into the ballot boxes provided.

The ballot boxes were then taken by the polling administrator to the registration desk for counting.

**RESULTS OF THE VOTES**

The Scrutineers handed the poll results to Tan Sri Chairman at 2.55 p.m. He then announced the results of the votes as confirmed and certified by the Scrutineers, Messrs. Quantegic Services Sdn. Bhd. The poll results were read out as per follow:

**ORDINARY RESOLUTION 1**

	No. of Shares	Percentage
For	145,110,820	100.0000
Against	0	0
Abstain	0	0
Total	145,110,820	100

**ORDINARY RESOLUTION 2**

	No. of Shares	Percentage
For	145,110,720	99.9999
Against	100	0.0001
Abstain	0	0
Total	145,110,820	100

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**ORDINARY RESOLUTION 3**

	No. of Shares	Percentage
For	145,110,720	99.9999
Against	100	0.0001
Abstain	0	0
Total	145,110,820	100

**ORDINARY RESOLUTION 4**

	No. of Shares	Percentage
For	145,110,820	100.0000
Against	0	0
Abstain	0	0
Total	145,110,820	100

**ORDINARY RESOLUTION 5**

	No. of Shares	Percentage
For	145,110,820	100.0000
Against	0	0
Abstain	0	0
Total	145,110,820	100

**ORDINARY RESOLUTION 6**

	No. of Shares	Percentage
For	145,110,820	100.0000
Against	0	0
Abstain	0	0
Total	145,110,820	100

**ORDINARY RESOLUTION 7**

	No. of Shares	Percentage
For	145,110,820	100.0000
Against	0	0
Abstain	0	0
Total	145,110,820	100

Based on the above poll results, Tan Sri Chairman declared that the Ordinary Resolution 1 to 7 were all carried.

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**TERMINATION**

The meeting was declared closed at 3.00 p.m. with a vote of thanks to the Chair.

Confirmed as a correct record,

- Signed -

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Tan Sri Dato' Seri Dr. Tan King Tai @ Tan Khoon Hai  
Chairman of the meeting

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**APPENDIX A**

**QUESTIONS AND ANSWERS FROM MINORITY SHAREHOLDERS WATCH GROUP (MSWG) DURING TWENTIETH ANNUAL GENERAL MEETING (“20TH AGM”) OF THE COMPANY, HELD AT THE CONFERENCE ROOM OF NO. JR52, LOT 1818, JALAN RAJA, KAWASAN PERINDUSTRIAN BUKIT PASIR, 84300 MUAR, JOHOR DARUL TAKZIM ON MONDAY, 25 MAY 2026 AT 2.00 P.M.**

**Operational & Financial Matters**

**Question 1 :**

In FY2025, MBL’s core Manufacturing segment recorded a 4% decline in revenue to RM131.12 million, from RM136.41 million previously, while the Automotive and Trading divisions registered revenue growth of 17.4% and 97.3% to RM115.8 million and RM22.93 million, respectively (page 23 of AR2025).

- 1 (a)** Despite the diversified business activities, the Manufacturing segment remains the primary earnings driver with segmental profit of RM27.75 million (FY2024: RM33.43 million) recorded in FY2025. This is followed by Trading activities at RM2.14 million (FY2024: RM1.5 million) (page 144 of AR2025).
- i) In view of the declining revenue and earnings over the past few years, has the Group experienced any loss of key customers, pricing pressure, or changes in order patterns that contributed to the decline?
  - ii) What strategies are being implemented to restore growth momentum in the Manufacturing segment?

**Answer to Question 1 (a):**

- i) The Group has not experienced any material loss of key customers. The decline in revenue and profitability within the Manufacturing segment was primarily due to longer project conversion cycles and timing differences in project execution and revenue recognition, which affected the overall performance of the segment.
- ii) The Group continues to focus on strengthening through various operational and strategic initiatives, including enhancing operational efficiency, expanding automation capabilities, strengthening engineering and R&D functions, as well as improving project execution and delivery capabilities.

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**Question 1 : (continued)**

- 1 (b)** While the Automotive division generated over RM100 million of revenue, profit was modest at RM116,000 (page 144 of AR2025), albeit representing a turnaround from losses in the preceding year.
- i) What are the main factors constraining margins within the Automotive division?
  - ii) What specific measures is management undertaking to improve profitability within the division?
  - iii) Please provide the number of vehicle units sold in FY2025 compared with FY2024, including any breakdown by key brands or models, if available.
  - iv) In light of the growing adoption of electric vehicles (EVs) in Malaysia, has the Group explored opportunities to participate more meaningfully in the EV ecosystem, including becoming a dealer or strategic partner for Proton's e.MAS lineup, such as the e.MAS 5 and e.MAS 7?

**Answer to Question 1 (b):**

- i) The main factors constraining margins within the Automotive division:
  - The closure of Langkawi outlet in Automotive segment, which had been underperforming for years, contributed to overall cost efficiency. The exit from this loss-making outlet reduced fixed overheads and helped improved the margin profile of the Automotive division.
  - Contributions of additional source of income from After-Sales division at Kulai outlet following the dealership upgraded from 1S to 3S, recorded an improvement in the overall performance and returned to profitability.
  - Higher market demand in FY2025 following the launching of new models on Proton Saga and X50 that contributed margins in the financial year.
- ii) Management continues to focus on improving operational efficiency, enhancing after-sales contribution, strengthening cost management initiatives and optimising sales and inventory management, in addition to the strengthen of customer engagement and operational execution with the objective of improving overall profitability and operational performance.
- iii) The Group recorded an increase in vehicle sales volume from 1,535 units in FY2024 to 1,627 units in FY2025, supported by the improved market demand especially for Proton Saga and X50 models following the introduction of refreshed models. However, detailed breakdowns by key brands or models are commercially sensitive in nature and are therefore not disclosed.
- iv) The Group is monitoring the developments within the EV segment and evaluates potential opportunities from time to time in line with market developments and the Group's strategic considerations. Any potential participation will be assessed carefully based on commercial viability, operational readiness and long-term business sustainability.

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**Question 2:**

MBL is in the midst of disposing of Sokor Gemilang Ladang Sdn Bhd (SGLSB) upon the conclusion of a Settlement Agreement with Doa Huat Holdings Sdn Bhd on 8 April 2024.

As of 31 December 2025, there is one potential buyer who has provided its letter of expression on the purchase of SGLSB's shares. The negotiation on the purchase price is ongoing as of the financial year end (page 179, Note 24, AR2025)

- 2 (a)** Have the parties progressed beyond the preliminary expression of interest stage? How has the talk progressed? What is the Board's targeted timeline for concluding the disposal?

**Answer to Question 2 (a):**

The disposal discussions are ongoing and remain subject to commercial negotiations, due diligence, regulatory considerations and execution of definitive agreements. The Board will make the necessary announcement(s) in accordance with Bursa Malaysia Securities Berhad's Listing Requirements should there be any material development on the matter.

- 2 (b)** SGLSB holds a 60-year concession with a renewal term of 30 years expiring in 2103, covering approximately 1,995.6 acres in Kelantan. About 60% of the land (or 1,136.7 acres) is planted with mature oil palms. MBL said the concession remains valid and in good standing (MBL's reply to MSWG dated 27 May 2025).

- i) What is the age profile of the oil palm trees planted? Accordingly, what is the average yield per acre and extraction rate (if any)? How many tonnes of fresh fruit bunches (FFB) were harvested and sold in FY2025?
- ii) The loss from discontinued operations for SGLSB increased to RM1.77 million from RM1.22 million. Notably, cost of sales (COS) increased substantially to RM1.26 million compared to RM602,000 previously, while revenue increased marginally to RM344,000 from RM229,000 previously.

In view of the disparity between revenue and COS, what factors drove the sharp increase in COS? Why did COS exceed revenue by a substantial margin in FY2025?

- iii) In addition, distribution and administrative expenses amounted to RM534,000 despite SGLSB generating only approximately RM344,000 in revenue for FY2025.

Why have administrative and overhead costs remained elevated relative to the scale of operations?

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**Answer to Question 2 (b):**

- i) Operational activities during FY2025 remained limited as the Group's primary focus has been on restate and rehabilitate the plantation to better operational and physical condition after which the Group regaining control following the successful resolution of the legal dispute with Doa Huat Holdings Sdn Bhd in FY2024. The plantation comprises predominantly mature oil palm trees with age ranging from ages 11 to 15. There are approximately 406.61 tonnes of FFB were harvested and sold in FY2025.
- ii) As mentioned, the Group has been taken proactive steps to restate and rehabilitate the plantation to a better operational and physical condition. This includes estate upkeep, infrastructure repairs, restoring harvesting routines and operational-related expenditures incurred during the financial year. Hence resulted where the COS is increased.
- iii) The administrative and overhead expenses mainly comprise ongoing compliance, maintenance, security, staffing and concession-related costs necessary to preserve and maintain the plantation assets and concession status. Note that certain fixed expenditures such as (1) Sumbangan Akaun Amanah and (2) Yuran Pengurusan payable to Perbadanan Pembangunan Ladang Rakyat Negeri Kelantan (PPLRNK) are necessary notwithstanding the relatively low operational activity level during the financial year.

**Question 3:**

On 2 December 2025, MBL entered into a sales and purchase agreement to acquire two pieces of industrial land in Muar for RM9.5 million.

MBL said the acquisition aligns with its expansion strategy, enabling it to enhance production capacity and meet growing demand from customers. At the same time, it will provide additional space for automation, warehousing, facilitate R&D activities and consolidate operational processes by integrating the new sites with existing factory.

However, we note that the Group's Manufacturing segment revenue has on a declining trend over the past four financial years.

	FY2025 (RM 000')	FY2024 (RM 000')	FY2023 (RM 000')	FY2022 (RM 000')
Manufacturing	131,116	136,408	168,247	151,408

Source: MBL Annual Reports 2022 - 2025

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**Question 3 : (continued)**

- 3 (a)** In light of the relatively muted growth in manufacturing revenue, what demand visibility or growth projections underpin the expansion decision? To what extent is the expansion driven by anticipated future demand versus operational optimisation, automation and efficiency improvements?
- 3 (b)** Please provide the current production capacity and utilisation rates in quantifiable terms. In addition, what is the expected increase in production capacity, floor space and operational throughput upon completion of the expansion?
- 3 (c)** What is the expected capital expenditure required beyond the RM9.5 million land acquisition cost, including plant, machinery and automation investments?

**Answer to Question 3:**

- 3 (a)** The acquisition of the adjoining industrial land is part of the Group's longer-term operational and strategic planning initiatives. Over the years, the Group has continuously expanded and optimised its manufacturing operations in line with business growth and operational requirements. The expansion is intended to support operational optimisation, improve production workflow, facilitate automation initiatives, strengthen warehousing and R&D capabilities, as well as provide operational flexibility to support future business requirements.
- 3 (b)** The Group continuously reviews its operational capacity and utilisation requirements in line with business needs and future expansion planning. The additional space is expected to support the Group's plans for automation initiatives, warehousing expansion, workflow optimisation, R&D activities and overall operational efficiency enhancement. The acquisition also allows the Group greater flexibility in improving production layout planning, operational coordination and future scalability to better support evolving business needs and customer requirements.
- 3 (c)** The Group expects further capital expenditure of approximately RM6 - 7million to be incurred progressively for future development, machinery, infrastructure and operational enhancement purposes, subject to operational requirements, internal assessments as well as world-wide conditions. The timing and extent of such investments will be managed prudently in line with the Group's financial position and business requirements.

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**Corporate Governance Matters**

**Question 1:**

Based on a back-of-the-envelope calculation, excluding the one-off liquidated damages gain of RM10 million and associate adjustments of RM3.6 million recognised in FY2024, MBL's net profit for FY2025 would have declined by 25.98% to approximately RM16.12 million, compared to an adjusted net profit of RM21.78 million previously, despite higher revenue of RM271 million versus RM246.7 million in FY2024.

Notwithstanding weaker underlying earnings performance, the executive directors continued to receive substantial bonus payments in FY2025, resulting in total remuneration of RM8.61 million (FY2024: RM8.41 million).

Executive Director	Fees (RM 000')		Salaries & allowances (RM 000')		Bonus (RM 000')		Benefits-in-kind (RM 000')		Other emoluments (RM 000')		Total (RM 000')	
	FY25	FY24	FY25	FY24	FY25	FY24	FY25	FY24	FY25	FY24	FY25	FY24
Tan Sri Dato' Seri Tan King Tai @ Tan Khoon Hai	54	48	337	337	267	267	34	12	108	109	800	773
Chua En Horn	319	313	637	637	1,043	1,043	28	28	303	303	2,330	2,324
Dato' Chua Heok Wee	454	448	961	961	1,574	1,574	28	28	457	457	3,474	3,468
Chua Kang Sing	214	208	385	385	630	630	21	21	184	183	1,434	1,427
Khoo Chee Wee	54	48	232	229	221	95	9	9	56	40	572	421
<b>Total</b>											<b>8,610</b>	<b>8,413</b>

Source: Corporate Governance Reports 2024 & 2025

- 1 (a)** Against this backdrop, how does the Board and Remuneration Committee (RC) determine that the current level of remuneration and bonus payouts remains appropriate and aligned with shareholder interests, particularly given the decline in earnings?

Please disclose the specific KPIs, scorecards and performance metrics used to determine the remuneration and bonus entitlements of the EDs.

How did the EDs perform against these predefined KPIs and targets for FY2025?

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**Question 1: (continued)**

- 1 (b)** Once again, the Board has decided not to recommend any dividend payment for FY2025, despite “*stable operating performance*” and net cash position, citing the need to “*safeguard financial stability and resilience in navigating an evolving economic environment*”. The Company also highlights the importance of “*continued financial prudence*” to preserve capital for future investments and ensure a strong financial buffer against potential risks (pages 19 & 20 of AR2025).

These justifications appear to contradict the sizable bonus payout awarded to EDs during the financial year, giving rise to doubt whether the principles of prudence and capital preservation were applied consistently across all stakeholders.

We strongly urge the four-member Remuneration Committee (RC) to exercise robust independent judgment and uphold stronger pay-for-performance discipline when determining EDs’ remuneration.

This is particularly important given the absence of dividend payments since 2019 and the erosion in shareholders’ value with MBL’s share price declining from 60 sen in 2021 to 31.5 sen currently.

In the interest of good corporate governance, executive remuneration should demonstrate a clear and credible alignment with long-term shareholder outcomes and value creation.

**Answer to Question 1:**

- 1 (a)** The Board and Remuneration Committee (“RC”) undertake periodic reviews of the remuneration framework of the Executive Directors, taking into consideration various factors including the Group’s overall performance, operational responsibilities, business conditions, strategic initiatives, market benchmarking and long-term sustainability objectives.

In assessing remuneration, the Board and RC also consider the Executive Directors’ leadership roles in overseeing the Group’s operations, strategic planning, business continuity, operational improvements and long-term value creation initiatives undertaken during the financial year. The Board and RC remain mindful of the importance of ensuring that executive remuneration remains appropriately balanced with the Group’s performance, long-term sustainability and shareholders’ interests.

The performance assessment of the Executive Directors is based on a combination of quantitative and qualitative factors, including but not limited to financial performance, operational performance, strategic execution, business sustainability, governance, risk management, leadership effectiveness and achievement of corporate objectives.

Certain internal performance metrics, scorecards and evaluation parameters form part of the Group’s confidential management and human resource assessment framework and are commercially sensitive in nature. Accordingly, the Board is of the view that detailed disclosure of such internal assessment criteria may not be in the best interest of the Group from a competitive and operational perspective. Nevertheless, the Board and RC remain committed to ensuring that the remuneration framework continues to support performance accountability, long-term value creation and alignment with shareholders’ interests.

**MUAR BAN LEE GROUP BERHAD**  
Company No. 200601033829 (753588-P)  
(Incorporated in Malaysia)

**Answer to Question 1: (continued)**

- 1 (b)** The Board wishes to clarify that the Company had announced a proposed dividend on 22 May 2026, after taking into consideration the Group's financial position, operational requirements, future capital commitments and overall business outlook. In determining dividend distributions, the Board seeks to balance shareholders' returns with the need to maintain sufficient financial flexibility to support the Group's operational requirements, strategic initiatives and long-term sustainability.