

ENGTEX GROUP BERHAD
Registration No: 200101000937 (536693 X)
(Incorporated in Malaysia)

Minutes of the Twenty-Fifth (“25th”) Annual General Meeting (“AGM”) of Engtex Group Berhad (“Company”) held at The Orenda 1, 1st Floor, Mercure Selangor Selayang, B-G-12, Dataran Emerald, Jalan PS 11, Prima Selayang, 68100 Batu Caves, Selangor Darul Ehsan on Thursday, 28 May 2026 at 11.30 a.m.

- BOARD OF DIRECTORS : Dr. Lim Pang Kiam (Chairman & Independent Director)
Tan Sri Dato’ Ng Hook (Group Managing Director)
Dato’ Ng Chooi Guan (Executive Director)
Puan Sri Datin Yap Seng Kuan (Executive Director)
Mr. Ng Yik Soon (Executive Director)
Ms. Ng Koi Lin (Executive Director)
Dato’ Leanne Koh Li Ann (Independent Director)
- ABSENT WITH APOLOGY : Mr. Ho Sin Kheong (Independent Director)
- IN ATTENDANCE : Mr. Khoo Chong Keong (Company Secretary & Chief Financial Officer)
Mr. Kevin Tang (Company Secretary)
- BY INVITATION : Ms. Ow Peng Li (Auditors from KPMG)
Ms. Ang Sze Jia (Auditors from KPMG)
Ms. Lee Yinn Chee (Auditors from KPMG)
Mr. Tan Kah Chuan (Internal Auditors)
Mr. Chong Thian Fook (Senior PA to GMD)
- SHAREHOLDERS : As per attendance list

CHAIRMAN

The Chairman, Dr. Lim Pang Kiam welcomed the members, proxy holders and invited guests to the 25th AGM of the Company. He then introduced the members of the Board, the Company Secretary cum Chief Financial Officer and Auditors from KPMG.

QUORUM

The Secretary confirmed that there was a quorum for the 25th AGM. The Chairman called the Meeting to order.

NOTICE

Notice convening the Meeting having been circulated to all members on 29 April 2026 was taken as read.

The Chairman informed that all resolutions tabled at the 25th AGM would be voted on by way of a poll. The Company has appointed Sharepolls Sdn Bhd as Independent Scrutineer. All resolutions will be voted by poll after tabling and deliberation of all the resolutions.

1. TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The Chairman informed that the first item on the agenda “To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2025 together with the Reports of Directors’ and Auditors’ thereon” was meant for discussion only as there is no provision in the Company’s Constitution which requires formal approval from shareholders and hence, would not be put forward for voting. However, the Chairman would welcome questions pertaining to the Audited Financial Statements from the floor.

The questions raised by shareholders present and the Company’s responses are provided in Appendix A.

At the completion of the Question & Answer session, the Chairman declared the Audited Financial Statements for the year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon be received.

The Chairman requested for a proposer and seconder for all the eight (8) motions outlined in the notice of the 25th AGM. The motions were proposed by Ms. Evelyn Foo Swis Theng, a shareholder, and seconded by Ms. Kong Siew Fei, also a shareholder.

2. PAYMENT OF DIRECTORS’ FEES AND BENEFITS – Ordinary Resolution 1

The proposed resolution 1 was on the payment of Directors’ fees and benefits up to RM468,300.00 from this AGM until the next AGM of the Company

The Chairman informed that the Directors who are shareholders shall abstain from voting on this resolution.

3. RE-ELECTION OF RETIRING DIRECTOR BY ROTATION – Ordinary Resolution 2

The proposed resolution 2 was on the re-election of Director, Puan Sri Datin Yap Seng Kuan, retiring in accordance with Article 86 of the Company’s Constitution and being eligible, has offered herself for re-election.

4. RE-ELECTION OF RETIRING DIRECTOR BY ROTATION – Ordinary Resolution 3

The proposed resolution 3 was on the re-election of Director, Dato’ Ng Chooi Guan, retiring in accordance with Article 86 of the Company’s Constitution and being eligible, has offered himself for re-election.

5. RE-ELECTION OF RETIRING DIRECTOR BY ROTATION – Ordinary Resolution 4

The proposed resolution 4 was on the re-election of Director, Ms. Ng Koi Lin, retiring in accordance with Article 86 of the Company’s Constitution and being eligible, has offered herself for re-election.

6. RE-APPOINTMENT OF AUDITORS – Ordinary Resolution 5

The proposed resolution 5 was on the re-appointment of KPMG PLT as the Auditors of the Company until the conclusion of the next AGM and to authorise the Board of Directors to fix their remuneration.

7. AUTHORITY TO ISSUE SHARES AND WAIVER OF PRE-EMPTIVE RIGHTS - Ordinary Resolution 6

The proposed resolution 6 was to authorise the Directors to issue shares up to ten per centum (10%) pursuant to Section 75 and 76 of the Companies Act 2016.

“THAT pursuant to Section 75 and 76 of the Companies Act 2016 (“Act”), and subject to the approvals from the relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company at the time of submission to the authority AND THAT the Directors be and are also hereby empowered to obtain the approval from the Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue in force until the conclusion of the next AGM of the Company.

AND THAT pursuant to Section 85 of the Act to be read together with Article 3 of the Company’s Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new Company shares ranking equally to the existing issued Company shares arising from any issuance of the new Company shares pursuant to Section 75 and 76 of the Act.”

8. RENEWAL OF SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE – Ordinary Resolution 7

The proposed resolution 7 was to seek the shareholders’ approval for the proposed renewal of shareholders’ mandate for recurrent related party transactions of a revenue or trading nature (“Proposed Renewal of Shareholders’ Mandate”) for Engtex Group Berhad and its subsidiaries companies to enter into recurrent related party transactions of a revenue or trading nature with related parties.

The Chairman highlighted that the interested Directors, Tan Sri Dato’ Ng Hook, Dato’ Ng Chooi Guan, Puan Sri Datin Yap Seng Kuan, Mr. Ng Yik Soon and Ms. Ng Koi Lin had abstained from Board deliberation and had undertaken to ensure that the persons connected with them have abstained and shall abstain from any deliberations and voting in the meeting in relation to the Proposed Renewal of Shareholders’ Mandate.

9. RENEWAL OF SHARE BUY-BACK AUTHORITY – Ordinary Resolution 8

The proposed resolution 8 was on the Renewal of Share Buy-Back Authority.

The proposed renewal was to enable the Company to utilise an amount not exceeding the retained earnings of the Company to purchase on Bursa Securities such number of ordinary shares not exceeding 10% of the total number of issued shares of the Company.

10. POLL PROCESS

As there was no further business, the Chairman invited the poll administrator to brief on the voting process.

The meeting was adjourned for 15 minutes for poll voting and to allow the Independent Scrutineer to carry out the counting and verification of the poll results.

11. ANNOUNCEMENT OF VOTING RESULTS

The meeting resumed upon receipt of the poll results, which had been verified by the Independent Scrutineer. The voting results were as follows: -

ORDINARY RESOLUTIONS		VOTE FOR		VOTE AGAINST		RESULTS
		No. of Shares	%	No. of Shares	%	
1	Approval of Directors' Fees and Benefits up to RM468,300.00 from the 25 th AGM until the next AGM	366,903,799	99.9905	35,012	0.0095	Carried
2	Re-election of Puan Sri Datin Yap Seng Kuan	405,259,361	99.9958	17,162	0.0042	Carried
3	Re-election of Dato' Ng Chooi Guan	405,259,361	99.9958	17,162	0.0042	Carried
4	Re-election of Ms. Ng Koi Lin	405,259,361	99.9958	17,162	0.0042	Carried
5	Re-appointment of Messrs KPMG PLT	405,259,358	99.9958	17,165	0.0042	Carried
6	Authority to issue shares and waiver of pre-emptive rights	371,461,358	91.6563	33,815,165	8.3437	Carried
7	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transaction.	94,626,349	99.9819	17,162	0.0181	Carried
8	Renewal of Share Buy-Back Authority	405,259,414	99.9958	17,109	0.0042	Carried

Based on the aforesaid results, the Chairman declared all Resolutions **CARRIED**.

12. CONCLUSION

There being no other business, the Chairman declared the Meeting closed at 12.20 p.m.

CONFIRMED TRUE RECORD

DR. LIM PANG KIAM
CHAIRMAN

Engtex/AGM 2026/AGM Minutes/Syawalla

Summary of the Questions and Answers at the 25th AGM of Engtex Group Berhad.

Q1)	Why has revenue remained relatively flat over the past few years?
A1	<p>Over the past two to three years, intense competition within the steel industry has resulted in continuous decline in steel prices which has adversely affected the Company.</p> <p>As a result, the Company has had to increase its sales volume (tonnage) to maintain the same level of revenue despite the lower selling prices.</p> <p>At the same time the Board has adopted a prudent approach towards debt management ensuring that borrowings remained at a manageable level rather than pursuing higher sales volumes at lower margins and increased gearing.</p>
Q2)	The dividend payout for financial year (“FY”) 2024 and FY2025 was 0.5 sen and 0.6 sen per share respectively, representing 36% and 17% of earning per share (“EPS”). Given that EPS increased substantially from 1.32 sen to 3.28 sen in FY2025, could the Board explain the rationale for maintaining a relatively low payout ratio?
A2	<p>This matter was deliberated extensively at Board meetings. The Board considered the Company's operational and working capital requirements, particularly the need to retain cash to procure additional inventory in order to support higher sales volumes and sustain revenue levels in a challenging market environment.</p> <p>Nevertheless, the Board has taken note of shareholders' concerns regarding the dividend payout ratio and will give favourable consideration to maintaining, or where appropriate improving, the dividend payout ratio in future, subject to the Company's financial performance.</p>
Q3)	Is the Company's steel products business currently focused solely on the domestic market? If so, are there any plans to expand its business into overseas markets?
A3	<p>The Company's operations are primarily concentrated on downstream steel products. Due to the bulky nature of its products such as mild steel concrete-lined (“MSCL”) and ductile iron (“DI”) pipes, transportation and logistics can be challenging, particularly for export markets. Consequently, the Company currently focuses on serving the domestic market and maintaining its market share within Malaysia.</p> <p>However, the Company is currently considering plans to explore export opportunities in the future.</p>
Q4)	The Group recorded high inventories and trade receivables for FY2025.
A4	<p>As the Group operates both trading and manufacturing activities, inventories comprise not only finished goods but also raw materials and work-in-progress. The Group is required to maintain adequate inventory levels to support its trading and manufacturing activities.</p> <p>The entire operating cycle typically takes approximately seven to eight months to complete. The Group's revenue of RM1.433 billion was derived predominantly from its trading and manufacturing activities.</p> <p>The Group's banking facilities comprising mainly bankers' acceptances and revolving credit facilities are primarily utilised to finance the purchase of raw materials and trading products. Proceeds collected from customers are used to repay the banking facilities.</p>

Q5	Why is the Company not realising its potential as a pipe company given the significant level of non-revenue water in the country?
A5	<p>This is a highly capital-intensive business as the water pipes manufactured can be as large as 3.0 metres in diameter for MSCL pipe and 1.2 metres in diameter for DI pipe. Due to their sheer sizes, there are practical limitations on the number of pipes that can be transported and delivered each day nationwide.</p> <p>In addition, the Company's role is primarily that of a water pipe supplier and as such, it is dependent on water asset management companies and relevant authorities to undertake pipe replacement before it can participate in such projects.</p>
Q6	The Group has many valuable assets but these assets do not appear to be generating good returns.
A6	<p>This is because a significant portion of the profits from the completed projects was realised and recognised in prior years and consequently, the current financial results reflected the remaining unsold units. The available landbank held for development has yet to obtain development approvals from the relevant authorities at this juncture.</p>
Q7	What are the plans for the freehold land located in Seksyen 49, Bandar Kuala Lumpur, which has a net book value of RM14.924 million?
A7	<p>The Company plans to develop a SOHO project featuring 189 units of living suites ranging from 400 to 500 sq. ft. designed to cater for short and medium-term stays, and is collaborating with Accor to operate this property as a hotel. The development is expected to be completed within approximately two to three years.</p>
Q8	How much of the RM1.433 million total revenue was contributed by the piping business?
A8	<p>The water pipe business contributed approximately 25% of the total manufacturing revenue.</p>
Q9	What is the Company's direction for the next two years amid current external challenges?
A9	<p>For the water and sewerage pipe business, the Group has the capability and proven track record to partake in the large-scale water infrastructure projects such as the Penang-Perak water transfer, Sg Langat Phase 2 and Sg Rasau Phase 2 when they materialise.</p> <p>As for the wire mesh and other steel related businesses, the outlook remains challenging and optimistic. The industry is currently facing a highly competitive environment where resilience and financial strength will be the key determinants of survival.</p>