

GAGASAN NADI CERGAS BERHAD
201701024800 (1238966-U)
(Incorporated in Malaysia)

MINUTES OF THE 8TH ANNUAL GENERAL MEETING (“AGM”) OF GAGASAN NADI CERGAS BERHAD (“GAGASAN NADI CERGAS” OR “THE COMPANY”) HELD AT THE BALLROOM V, MAIN WING, TROPICANA GOLF & COUNTRY RESORT, JALAN KELAB TROPICANA, 47410 PETALING JAYA, SELANGOR, MALAYSIA ON WEDNESDAY, 4 JUNE 2025 AT 10.00 A.M.

- Present : Ir. Dr. Muhamad Fuad Bin Abdullah (Independent Non-Executive Chairman)
– also a shareholder
Dato’ Sr Hj Wan Azman Bin Wan Kamal (Group Managing Director)
– also a shareholder
: Dato’ Sri Subahan Bin Kamal (Executive Director) – also a shareholder
Mr Chng Boon Huat (Independent Non-Executive Director)
– also a shareholder
: Professor Emerita Siti Naaishah Bt Hambali (Independent Non-Executive Director) – also a shareholder
- In Attendance : Ms Te Hock Wee - Company Secretary
- By Invitation : Mr Oh Ewe Peng - Chief Financial Officer (“CFO”)
: Mr Jimmy Ung - Representing Crowe Malaysia PLT, the External Auditors of the Company (“EA”)

The shareholders/corporate representatives/proxies who attended the 8th AGM were as per the Summary of Attendance List.

1. CHAIRMAN

Ir. Dr. Muhamad Fuad Bin Abdullah, the Board Chairman welcomed all shareholders, proxies and invitees who attended the 8th AGM of the Company.

He then introduced the members of the Board, the CFO, the Company Secretary and the EA to the attendees.

2. QUORUM

With the requisite quorum being present, the Chairman called the Meeting to order at 10.00 a.m.

3. NOTICE OF MEETING

The notice of the 8th AGM dated 29 April 2025 (“the Notice”), having been circulated to all the shareholders of the Company within the prescribed period, was taken as read.

4. POLLING PROCEDURE AND ADMINISTRATIVE MATTERS

The Chairman informed the Meeting that all resolutions set out in the Notice must be voted by poll pursuant to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Chairman further informed that the Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. as the Poll Administrator to facilitate the poll voting process and Scrutineer Solutions Sdn. Bhd. as scrutineer to verify the poll results. Pursuant to the ACE

Market Listing Requirements and the Constitution of the Company, the Chairman stated that a poll to be conducted on each resolution set forth in the Notice.

5. PRESENTATION BY CFO AND QUESTIONS FROM MINORITY SHAREHOLDER WATCH GROUP (“MSWG”)

At the invitation of the Chairman, Mr Oh Ewe Peng, the CFO of the Company gave a brief presentation on the Group’s business overview, its financial highlights for the financial year ended 31 December 2024 as well as its growth strategies.

The Chairman informed that the Company had received some questions from the MSWG via a letter dated 26 May 2025, and the Company had on 3 June 2025 responded to MSWG in writing. MSWG had requested the reply to be presented to the Meeting in the interest of all shareholders. The Chairman then presented the Company’s responses to the questions raised by MSWG, details of which are annexed herein as Appendix A.

The Meeting proceeded with the Agenda of the AGM.

6. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 TOGETHER WITH THE REPORTS OF THE DIRECTORS’ AND AUDITORS’ REPORTS THEREON

The Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Directors’ and Auditors’ Reports thereon (“AFS 2024”), having been circulated to all the shareholders of the Company within the statutory period, were tabled to the Meeting for discussion.

The Chairman informed the shareholders that the AFS 2024 were laid for discussion purposes only as the Companies Act 2016 did not require a formal approval of the shareholders. Hence, it was not put forward for voting.

The Chairman then invited questions from the shareholders in respect of the AFS 2024. There was no question received from the floor, and the Chairman declared that the AFS 2024 had been properly laid and received by the shareholders.

7. ORDINARY RESOLUTIONS 1 TO 9

The Chairman proceeded with the following motions set out in the Notice:-

ORDINARY RESOLUTION 1 - RE-ELECTION OF DATO’ SRI SUBAHAN BIN KAMAL AS DIRECTOR OF THE COMPANY

The AGM then proceeded with the Agenda item on the re-election of Dato’ Sri Subahan Bin Kamal, who was retiring in accordance with Clause 125 of the Constitution of the Company and had indicated his willingness to be re-elected, as a Director of the Company. There was no question raised.

ORDINARY RESOLUTION 2 - RE-ELECTION OF CHNG BOON HUAT AS DIRECTOR OF THE COMPANY

Next on the Agenda was the re-election of Mr Chng Boon Huat, who was retiring in accordance with Clause 125 of the Constitution of the Company and had indicated his willingness to be re-elected, as a Director of the Company. There was no question raised.

ORDINARY RESOLUTION 3 - PAYMENT OF DIRECTOR'S FEE TO IR. DR. MUHAMAD FUAD BIN ABDULLAH AMOUNTING TO RM126,000.00 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025

The Chairman proceeded with the next item of the Agenda which was to approve the payment of Director's fee to himself amounting to RM126,000.00 for the financial year ending 31 December 2025. There was no question raised.

ORDINARY RESOLUTION 4 - PAYMENT OF DIRECTOR'S FEE TO PROFESSOR EMERITA SITI NAAISHAH BT. HAMBALI AMOUNTING TO RM114,000.00 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025

The Chairman proceeded with the next item of the Agenda which was to approve the payment of Director's fee to Professor Emerita Siti Naaishah Bt. Hambali amounting to RM114,000.00 for the financial year ending 31 December 2025. There was no question raised.

ORDINARY RESOLUTION 5 - PAYMENT OF DIRECTOR'S FEE TO CHNG BOON HUAT AMOUNTING TO RM120,000.00 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025

The next item on the Agenda was to approve the payment of Director's fee to Mr. Chng Boon Huat amounting to RM120,000.00 for the financial year ending 31 December 2025. There was no question raised.

ORDINARY RESOLUTION 6 - PAYMENT OF ADDITIONAL DIRECTORS' FEES AMOUNTING TO RM140,000.00 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025

The Chairman proceeded with the Agenda item on the payment of additional Directors' fees amounting to RM140,000.00 for the financial year ending 31 December 2025. There was no question raised.

ORDINARY RESOLUTION 7 - PAYMENT OF DIRECTORS' BENEFITS OF UP TO RM100,000.00 FROM THE DATE OF THIS ANNUAL GENERAL MEETING UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

The AGM continued with the next item of the Agenda pertaining to the payment of Directors' benefits of up to RM100,000.00 from the date of this AGM until the next AGM of the Company. There was no question raised.

ORDINARY RESOLUTION 8 - RE-APPOINTMENT OF MESSRS CROWE MALAYSIA PLT AS AUDITORS OF THE COMPANY

The AGM moved to the next Agenda item on the re-appointment of Messrs Crowe Malaysia PLT ("Crowe Malaysia") as the Auditors of the Company and to authorise the Directors to fix their remuneration. Crowe Malaysia had agreed to continue office for the ensuing financial year. There was no question raised.

ORDINARY RESOLUTION 9 - AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

Having concluded the Ordinary Business, the AGM moved to the last Agenda item on Special Business which was on the authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016. This Agenda item was to seek shareholders' approval for the Directors to issue and to allot new ordinary shares up to a maximum

amount of 10% of the total number of issued shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016. This mandate, if passed, would provide flexibility to the Company for any future fund-raising exercises.

8. POLL VOTING SESSION

After going through all the motions set out in the Notice, the shareholders and proxies were invited to cast their votes at the voting kiosk set up in the Meeting room.

Thereafter, the Meeting adjourned at 10.35 a.m. for the tabulation of the poll results.

9. ANNOUNCEMENT OF POLL RESULTS

The Meeting resumed at 10.55 a.m. after obtaining the validated poll results from the independent scrutineer. The poll results were presented to the Meeting and the Chairman declared that all resolutions set out in the Notice were duly passed by the shareholders of the Company, as follows:-

ORDINARY RESOLUTION 1

RE-ELECTION OF DATO' SRI SUBAHAN BIN KAMAL AS DIRECTOR OF THE COMPANY

By a vote of 567,546,700 shares (representing 100%) voted for, it was **RESOLVED:-**

“THAT Dato' Sri Subahan Bin Kamal, the Director retiring in accordance with Clause 125 of the Constitution of the Company, be and is hereby re-elected as Director of the Company.”

ORDINARY RESOLUTION 2

RE-ELECTION OF CHNG BOON HUAT AS DIRECTOR OF THE COMPANY

By a vote of 567,546,700 shares (representing 100%) voted for, it was **RESOLVED:-**

“THAT Chng Boon Huat, the Director retiring in accordance with Clause 125 of the Constitution of the Company, be and is hereby re-elected as Director of the Company.”

ORDINARY RESOLUTION 3

PAYMENT OF DIRECTOR'S FEE TO IR. DR. MUHAMAD FUAD BIN ABDULLAH AMOUNTING TO RM126,000.00 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025

By a vote of 567,146,700 shares (representing 100%) voted for, it was **RESOLVED:-**

“THAT the payment of Director's fee to Ir. Dr. Muhamad Fuad Bin Abdullah amounting to RM126,000.00 for the financial year ending 31 December 2025 be and is hereby approved.”

ORDINARY RESOLUTION 4

PAYMENT OF DIRECTOR'S FEE TO PROFESSOR EMERITA SITI NAAISHAH BT. HAMBALI AMOUNTING TO RM114,000.00 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025

By a vote of 567,046,700 shares (representing 100%) voted for, it was **RESOLVED:-**

“THAT the payment of Director’s fee to Professor Emerita Siti Naaishah Bt. Hambali amounting to RM114,000.00 for the financial year ending 31 December 2025 be and is hereby approved.”

ORDINARY RESOLUTION 5

PAYMENT OF DIRECTOR’S FEE TO CHNG BOON HUAT AMOUNTING TO RM120,000.00 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025

By a vote of 567,046,700 shares (representing 100%) voted for, it was **RESOLVED:-**

“THAT the payment of Director’s fee to Mr Chng Boon Huat amounting to RM120,000.00 for the financial year ending 31 December 2025 be and is hereby approved.”

ORDINARY RESOLUTION 6

PAYMENT OF ADDITIONAL DIRECTORS’ FEES AMOUNTING TO RM140,000.00 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2025

By a vote of 567,546,600 shares (representing 99.9999%) voted for and 100 shares (representing 0.0001%) voted against the resolution, it was **RESOLVED:-**

“THAT the payment of additional Directors’ fees amounting to RM140,000.00 for the financial year ending 31 December 2025 be and is hereby approved.”

ORDINARY RESOLUTION 7

PAYMENT OF DIRECTORS’ BENEFITS OF UP TO RM100,000.00 FROM THE DATE OF THIS ANNUAL GENERAL MEETING UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

By a vote of 566,146,600 shares (representing 99.9999%) voted for and 100 shares (representing 0.0001%) voted against the resolution, it was **RESOLVED:-**

“THAT the payment of Directors’ benefits of up to RM100,000.00 from the date of this Annual General Meeting until the next Annual General Meeting of the Company be and is hereby approved.”

ORDINARY RESOLUTION 8

RE-APPOINTMENT OF MESSRS CROWE MALAYSIA PLT AS AUDITORS OF THE COMPANY

By a vote of 567,546,700 shares (representing 100%) voted for, it was **RESOLVED:-**

“THAT Messrs Crowe Malaysia PLT be and is hereby re-appointed as Auditors of the Company until the conclusion of the next Annual General Meeting and that the Directors be and are hereby authorised to fix their remuneration.”

ORDINARY RESOLUTION 9

AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

By a vote of 567,546,700 shares (representing 100%) voted for, it was **RESOLVED:-**

“THAT subject always to the Companies Act 2016, the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals 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 Company from time to time, at such price, upon such terms and conditions, to such

persons and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be authorised to do all such things as they deem fit and expedient in the best interest of the Company to give effect to the issuance of new shares under this resolution including making such applications to Bursa Securities for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company held after the approval was given or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is the earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting.”

10. CLOSURE

The Meeting concluded at 10.58 a.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

CHAIRMAN

Dated: 2 July 2025

Gagasan Nadi Cergas Berhad

Questions raised by Minority Shareholders Watch Group (“MSWG”) for coming 8th AGM held on 4 June 2025

OPERATIONAL & FINANCIAL MATTERS

Q1. The property development segment continued to demonstrate significant progress in the affordable housing sector, with ongoing projects in City of Elmina, Kwasa Damansara, and Bukit Jelutong involving the construction of 7,500 affordable homes with a gross development value (GDV) of RM1.9 billion. (Page 7 of AR2024)

(a) What is the estimated net profit margin range for these affordable housing projects?

Answer:

The construction works for the affordable housing projects under the property development segment are executed internally by the Group’s construction division. The Group’s estimated total net profit margin, inclusive of the construction division’s contribution, is approximately 12%.

(b) Does the Board consider there to be an over-reliance on affordable housing development, given its typically fixed selling prices and thin profit margins? How does the Board evaluate the long-term risks of this strategy, particularly in the event of economic uncertainties?

Answer:

The Board views the undertaking of affordable housing projects as part of a diversification strategy aimed at mitigating risks arising from the Group’s past construction-focused business model. Gagasan Nadi Cergas, with construction as its core strength, leverages on its design-and-build expertise to expand into affordable housing development. These projects not only generate revenue from property development but also ensure a steady pipeline of construction work for the Group’s construction division, allowing the Group to profit from both segments.

Our affordable housing projects aim to meet the growing need for affordable housing among B40 and M40 Malaysians, in line with our Sustainable Development Goal to serve the community and in support of the Selangor state government’s mission to effectively tackle the issue of housing affordability.

The projects are situated in strategic locations such as Kwasa Damansara, Bukit Jelutong, and City of Elmina, and have been well received by homebuyers. Their proximity to MRT stations and convenient access to major expressways—including the Guthrie Corridor Expressway and the Damansara–Shah Alam Elevated Expressway (DASH)—combined with their highly affordable pricing and being partially furnished, all of which have contributed to the enthusiastic public response to our recent launches.

Q2. The Group's construction order book stood at RM454.9 million as of 31 December 2024. (Page 12 of AR2024)

(a) How long is the current outstanding order book expected to sustain operations?

Answer:

The outstanding order book is expected to be progressively recognised over the next three to four years.

(b) Could the Board identify the major ongoing projects and their outstanding contracts sums? Does the construction order book also include any projects derived from the Group's internal property development segment?

Answer:

The construction order book comprises solely of external construction contracts, which include the following projects:

- i. The Atera Residence at Section 14, Petaling Jaya, developed by Paramount;
- ii. Maktab Rendah Sains MARA in Dungun, Terengganu;
- iii. Affordable Homes @ Kemuning Utama, developed by Paramount; and
- iv. Affordable Homes @ Greenwoods Salak Perdana, also by Paramount.

Q3. On 5 November 2024, the Company announced a conditional share sale agreement for the proposed acquisition of the entire equity interests in Serata Ehsan Sdn Bhd and Seri Delima Anggun Sdn Bhd for RM185 million to gain control of Konsortium PAE Sepakat Sdn Bhd, which holds a facility management concession for student hostel facilities in seven polytechnic campuses. (Source: Bursa announcement dated 5 November 2024)

(a) Considering that the concession agreements will expire in 2036 (11 years from now), what is the expected payback period of the proposed acquisition, including cost of borrowings?

Answer:

The expected payback period of the proposed acquisition is less than 8 years.

(b) Are the concession agreements renewable upon expiry? If so, would this renewal involve any additional cost?

Answer:

The concession agreements are not renewable and there is no specific provision in the concessional agreements for the extension of the concession period.

SUSTAINABILITY MATTERS

Q1. The Company has identified Customer Satisfaction as one of its most critical sustainability matters. Despite its commitment and strategic efforts, the Company did not achieve its target client satisfaction rate of 88% for completed construction projects, recording an average of 74% in 2024 (Page 29, 42 & 44 of AR2024).

Could the Board elaborate on the factors contributing to the lower client satisfaction rate, particularly for the Sakura Residence project in Putrajaya, which scored only 68%?

Answer:

We are proud to highlight the successful completion of the Sakura Residence project in Putrajaya, which achieved a Quality Assessment System in Construction (QLASSIC) score of 76%. This score reflects a satisfactory quality rating developed by the Construction Industry Development Board (CIDB) Malaysia.

In addition to the QLASSIC assessment, the project was evaluated under the Safety and Health Assessment System in Construction (SHASSIC), another comprehensive framework developed by CIDB to assess and benchmark contractors' occupational safety and health (OSH) performance. We are proud to report that the project attained an impressive score of 96.7%, earning a five-star rating. These achievements affirm our unwavering commitment to delivering high standards of workmanship, even in the face of industry-wide challenges, as well as upholding the highest standards of safety and health throughout the construction process.

In line with our continuous improvement approach, we also conducted a comprehensive client satisfaction survey covering ten key performance areas: project planning and monitoring, reliability & competency of project team, professionalism, timely completion of the project, meeting specifications & drawings, site supervision & coordination of work, quality of workmanship, sufficient of plant & machinery, communication & cooperation, and responsiveness in attending to clients' needs & requirements.

While the overall client satisfaction score was affected by necessary extensions of time (EOTs), we are pleased to note that all ten areas received ratings ranging from 'Average' to 'Good', with no criteria rated 'Below Average'. This reinforces our consistent effort in maintaining dependable project performance.

The request for EOTs, as mentioned above, was mainly due to the COVID-19 pandemic, which brought about:

- Workforce limitations caused by movement control orders and health-related restrictions;

- Global supply chain disruptions impacting material and equipment availability; and
- Strict adherence to enhanced SOPs, which reduced site productivity.

Despite these constraints, our team remained committed to ensuring that quality standards were upheld throughout the project lifecycle. The positive QLASSIC outcome, coupled with stable client feedback across key criteria, reflects our resilience and dedication to quality delivery under challenging conditions.

It is also noteworthy that over the past five years, our client satisfaction scores have consistently reflected a high level of performance, with the majority of our projects achieving ratings of more than 80%. This track record shows our dedication to delivering quality outcomes and meeting client expectations.