MARCO HOLDINGS BERHAD

Registration No. 196901000631 (8985-P)
(Incorporated in Malaysia)

Minutes of the 56th Annual General Meeting of the shareholders of the Company held at Function Rooms 2 & 3, Level 1, Main Lobby Building, Kuala Lumpur Golf & Country Club, 10, Jalan 1/70D, Off Jalan Bukit Kiara, 60000 Kuala Lumpur, Malaysia on Friday, 12 June 2026 at 11.00 a.m.

Board members Present	:	Mr Siau Hock Cheng	*(Executive Deputy Chairman)*
		Dato' Wong Hok Yim	*(Executive Director)*
		Dato' Ismail Bin Hamzah	*(Independent Non-Executive Director)*
		Mr Ong Sim Jeng	*(Executive Director)*
		Ms Siew Cheau Sheang	*(Finance Director)*
		Mr Teh Kay Yeong	*(Independent Non-Executive Director)*
		En Minhat Bin Mion	*Independent Non-Executive Director)*
		Dato' Thor Poh Seng	*(Director of Marco Corporation (M) Sdn Bhd)*
Absent with apology	:	Tan Sri Dato' Tan Hua Choon	*(Chairman, Non-Independent Non-Executive Director)*
Shareholders and Proxies present	:	As per attendance lists	
By Invitation	:	<u>Auditors</u>	
		Ms Tan Li Lee	*(Messrs PCCO PLT)*
		Ms Chai Yee Wan	
		Mr Kuan Jeng Pong	
		<u>Share Registrar</u>	
		Ms Winnie Chok Kwee Wah	*(Bina Management (M) Sdn Bhd)*
		<u>Scrutineer</u>	
		Ms Lee Soon Yoong	
In Attendance	:	<u>Representatives of Secretary</u>	
		Ms Lim Lai Sam	
		Ms Chong Siew Duan	

CHAIRMAN OF MEETING

The Meeting began with a welcome address from Mr Ong Sim Jeng ("**Mr SJ Ong**") to all who were present at the 56th Annual General Meeting ("56th AGM" or "Meeting") of the Company. Mr SJ Ong extended apology on behalf of the Chairman of the Board, Tan Sri Dato' Tan Hua Choon, who was unable to attend the Meeting due to prior official engagements.

Mr SJ Ong informed that in the absence of the Chairman of the Board, the other Board members had unanimously elected himself to chair the Meeting.

The Chairman of the Meeting ("**the Chairman**") informed that the attendance of the 56th AGM was restricted to shareholders, proxies and authorised representatives of corporate shareholders who have registered to attend the Meeting.

QUORUM

Having confirmed the sufficience of quorum, the Chairman proceeded to call the Meeting to order.

NOTICE OF MEETING

The notice convening the Meeting, which had been despatched to all shareholders and published in a local newspaper on 30 April 2026, was taken as read.

MODE OF VOTING

The shareholders and proxies present at the meeting were informed that in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, any resolution set out in the notice of any general meeting was required to be voted by poll. For that, the Company had appointed the Share Registrars, Bina Management (M) Sdn Bhd, as the Poll Administrator and Ms Lee Soon Yoong, a Certified Internal Auditor was appointed as the Independent Scrutineer to scrutinise the polling process and to validate votes cast at the 56th Annual General Meeting.

Prior to commencing with the Agenda items of the Meeting, the shareholders and proxies were briefed on the flow of the Meeting and procedures for voting of the proposed ordinary resolutions, where each resolution would first be opened to the floor for discussion or for the shareholders and proxies to seek clarifications from the Board, followed by putting the proposed resolution for voting by poll.

DIRECTORS' REPORT AND THE AUDITED FINANCIAL STATEMENTS OF THE GROUP AND THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER, 2025 AND THE AUDITORS' REPORT THEREON

Shareholders and proxies were informed that the Audited Financial Statements of the Group and the Company for the financial year ended 31 December 2025, together with the Reports of the Directors and Auditors thereon, were tabled for discussion and shareholders' clarification only and would not be put forward for voting as the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements.

Prior to taking questions from the floor, the Chairman informed that the Company had received some pre-meeting questions from Mr Teoh Ken Sen, a shareholder of the Company. The Chairman then proceeded to read out the said pre-meeting questions and the Board's response thereto, for the information of the shareholders and proxies present at the Meeting. A copy of the pre-meeting questions and the Board's response thereto is given as Appendix I to these minutes.

Having addressed the pre-meeting questions, shareholders and proxies present at the meeting were then given the opportunity to seek clarification on the Audited Financial Statements for the financial year ended 31 December 2025.

Mr Poravi A/L S P Sithambaram Pillay, a shareholder, referred the Board to page 5 of the 2025 Annual Report and noted the Group's profit after tax had reduced gradually from financial year (FY) 2022 to FY2025. He also referred the Board to the page 104 of the 2025 Annual Report which showed an increase in fixed deposits placement with licensed banks from FY2024 to FY2025, and high cash and cash equivalents for FY2025, with zero bank borrowing. He commended that the Company's finances were well managed, and expressed hope that the Company could declare dividend as reward to shareholders.

Another shareholder, Mr Ooi Cheng Kooi, also asked a similar question regarding dividend declaration. The Chairman replied that the Group was preserving its cash reserves in preparation for a future property development project.

Teoh Ken Sen, which response had been read out to the floor earlier.

In response to a request from Mr Ooi Cheng Kooi, the Board of Directors agreed to provide an e-wallet credit to the registered shareholders and proxies who were present at the Meeting, as a token for reimbursing their cost of participating at the 56th AGM.

The were no further question raised on item 1 of the Agenda, the Chairman moved to the 2nd item of the Agenda.

ORDINARY RESOLUTION 1
- PAYMENT OF DIRECTORS' FEES OF UP TO RM96,000 FROM 1 JULY 2026 UNTIL THE NEXT ANNUAL GENERAL MEETING

The Chairman informed that the proposed Ordinary Resolution 1 was to approve the payment of Directors' fees of up to RM96,000 to all the Non-Executive Directors of the Company for a 12-month period from 1 July 2026 until the next Annual General Meeting ("AGM") of the Company.

The proposed ordinary resolution was to facilitate the payment of Directors' fees to the Non-Executive Directors of the Company after each month of their completed service for the period commencing from 1 July 2026 until the next AGM of the Company, assuming that all the Non-Executive Directors would hold office until the next AGM.

There was no question raised on Ordinary Resolution 1. The Chairman put the following motion to the Meeting for voting by poll :

> "**THAT** the payment of Directors' fees of up to RM96,000 from 1 July 2026 until the next AGM of the Company be approved."

ORDINARY RESOLUTION 2
- RE-ELECTION OF TAN SRI DATO' TAN HUA CHOON

There was no question raised on Ordinary Resolution 2. The following motion was put to the Meeting for voting by poll :

> "**THAT** Tan Sri Dato' Tan Hua Choon, retiring in accordance with Article 98 of the Company's Constitution, be re-elected as a Director of the Company."

ORDINARY RESOLUTION 3
- RE-ELECTION OF MR SIAU HOCK CHENG

There was no question raised on Ordinary Resolution 3. The following motion was put to the Meeting for voting by poll :

> "**THAT** Mr Siau Hock Cheng, retiring in accordance with Article 98 of the Company's Constitution, be re-elected as a Director of the Company."

ORDINARY RESOLUTION 4
- RE-ELECTION OF MS SIEW CHEAU SHEANG

There was no question raised on Ordinary Resolution 4. The following motion was put to the Meeting for voting by poll :

> "**THAT** Ms Siew Cheau Sheang, retiring in accordance with Article 98 of the Company's Constitution, be re-elected as a Director of the Company."

ORDINARY RESOLUTION 5
- RE-APPOINTMENT OF MESSRS PCCO PLT AS AUDITORS OF THE COMPANY

The shareholders and proxies were informed that Messrs PCCO PLT ("PCCO") had indicated their willingness to seek re-appointment as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors.

To the question raised by Mr Ooi Cheng Kooi, on the appropriateness of PCCO's continued engagement as External Auditors in view of the firm's length of service period with the Group, the Chairman replied that assessment of suitability and independence of external auditors from aspects of performance and competency were carried by the Company annually. Ms Tan Li Lee, the PCCO Audit Partner, explained that in order to mitigate familiarity and self-interest threats due to long-standing relationships, the Malaysian Institute of Accountants (MIA) mandates the rotation of key audit partners on a Public Interest Entity (PIE) where the key audit partners must rotate off the engagement after a cumulative "time-on" period of 7 years. Once the maximum 7-year tenure is reached, the partner concerned must observe a cooling-off period of 5 years. Ms Tan further informed that PCCO abides by and observes the mandatory audit partner rule of MIA accordingly.

There was no further question raised on Ordinary Resolution 5. The following motion was put to the Meeting for voting by poll :

> "**THAT** Messrs. PCCO PLT be re-appointed as Auditors of the Company **AND THAT** the Directors be authorized to fix their remuneration."

SPECIAL BUSINESS
ORDINARY RESOLUTION 6
- RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Noted that the Independent Non-Executive Director who had completed 9 years of service as an Independent Non-Executive Director of the Company was En Minhat Bin Mion. The explanations and justifications for the proposed retention of En Minhat as Independent Non-Executive Director were given on page 80 of the Company's 2025 Annual Report.

There was no question raised on Ordinary Resolution 6. The Chairman then put to the meeting for voting by poll consideration, the following motion :-

> "**THAT** En Minhat Bin Mion be and is hereby retained as an Independent Non-Executive Director of the Company."

Following the cast of vote by shareholders and proxies present, the Chairman moved on to the last item on the Agenda.

OTHER ORDINARY BUSINESS

The Chairman informed the shareholders and proxies that the Company had not received any notice of other business.

COUNTING OF VOTES

The Chairman requested the Poll Administrator to collect all completed poll slips from the shareholders and proxies who were present and voted at the Meeting. The Chairman announced for the Meeting to have a break of 20 minutes to facilitate the counting of votes and verification of poll results by the Independent Scrutineer to take place, and requested the shareholders and proxies to return to the meeting room at 12.00 p.m. for announcement of the poll results.

DECLARATION OF POLL RESULTS

The Meeting resumed at about 12.00 p.m. and the tabulation of the votes for all the six ordinary resolutions, duly verified by the Independent Scrutineer, were projected on the screen for the shareholders' notation as below:

Ordinary Business	**Vote "For"**		**Vote "Against"**		**Total Votes**	
Resolution	**No. of shares**	**%**	**No. of shares**	**%**	**No. of shares**	**%**
Ordinary Resolution 1	335,546,605	99.9006	333,726	0.0994	335,880,331	100.00
Ordinary Resolution 2	335,615,630	99.9212	264,701	0.0788	335,880,331	100.00
Ordinary Resolution 3	473,134,090	99.9999	501	0.0001	473,134,591	100.00
Ordinary Resolution 4	473,134,190	99.9999	401	0.0001	473,134,591	100.00
Ordinary Resolution 5	472,821,190	99.9338	313,401	0.0662	473,134,591	100.00
Special Business						
Ordinary Resolution 6	473,132,590	99.9996	2,001	0.0004	473,134,591	100.00

Based on the poll results, the Chairman declared all the resolutions tabled at the 56th AGM of the Company carried.

CONCLUSION

The Chairman thanked all the shareholders and proxies present for their attendance and participation. The Meeting ended at 12.05 p.m.

CONFIRMED AS TRUE AND
CORRECT RECORD

ONG SIM JENG
Chairman

Date : 7 July 2026

Attachment : Pre-AGM Questions & Answers (3 pages).

Marco Holdings Berhad

Registration No.: 196901000631 (8985-P)

56th Annual General Meeting to be held on 12 June 2026

Answers to pre-AGM questions sent in from shareholder Teoh Ken Sen

1. Why has the Board decided not to declare any dividend for FY2025, especially given the Group's substantial cash reserves of RM101.0 million and a zero-gearing position?

   While the Group currently maintains a strong cash position with cash balances exceeding RM100 million, the Board has decided not to declare a dividend at this time. This decision was made after careful consideration of the uncertainties surrounding the Group's trading business as well as the need to preserve financial resources for the Group's future business plans and other strategic opportunities. The Group is planning the development of its vacant land in Setapak. Future implementation of this property development project will require huge financial resources. The Board remains committed to balancing shareholder returns with the long-term growth and sustainability of the Group and we appreciate shareholders continued support in this matter.

2. Does the Board have a specific cash-to-reserve threshold or financial milestone that must be met before resuming dividend payments in FY2026?

   The Group does not adopt a fixed cash reserve threshold or predetermined financial benchmark for dividend distribution. Dividend decisions are assessed annually after considering profitability and our Group's overall financial position including our cash position and cash flow requirements, future capital commitments, market conditions and the Group's future business strategies.

3. With Profit Before Tax (PBT) declining by 19%—a faster rate than the 7% revenue drop—what specific measures are being taken to combat the shift in consumer preference toward lower-priced, lower-margin products?

   Management has implemented several measures to address margin compression arising from changing consumer purchasing patterns. These include:

   - refining product mix and expanding value-oriented offerings;
   - improving inventory management and pricing strategies;
   - increasing operational efficiency and logistics optimisation;
   - strengthening marketing initiatives and targeted campaigns; and
   - leveraging digital engagement and customer analytics to improve sales conversion.

4. Given that the Timepieces division represents 73% of total revenue and saw a 9% decline, what is the specific marketing or inventory strategy to revitalize this core segment in a high-inflation environment?

   The Timepieces division remains the Group's core business and management continues to prioritise investments into brand visibility, customer engagement and product innovation.

Key initiatives undertaken include:

- strategic promotional campaigns and bundled offerings;
- participation in large-scale roadshows and experiential events;
- appointment of local celebrity ambassadors;
- introduction of collaborative and lifestyle-focused collections; and
- enhanced dealer engagement and distribution support.

From an inventory perspective, the Group is adopting a more disciplined and demand-driven inventory planning approach to optimise stock turnover while maintaining product freshness and availability. Management believes these initiatives will help strengthen brand relevance and customer engagement despite softer consumer sentiment.

5. Musical Instruments Strategy: Following the 27% drop in revenue for this segment, is the Group considering a restructuring of this division or a pivot in the product mix?

At this stage, the Group is not contemplating a major restructuring of the Digital Musical Instruments division. Management believes the softer performance in FY2025 was largely attributable to cautious discretionary consumer spending. Current efforts are focused on:

- strengthening partnerships with schools and educators;
- developing structured keyboard learning modules;
- conducting workshops and assessments;
- expanding product offerings and entry-level models; and
- deepening engagement with the education segment.

Management will continue to monitor market conditions closely.

6. Now that the ERP system upgrade is complete, what are the quantified expected savings or efficiency gains projected for FY2026?

The ERP upgrade was undertaken not only to improve operational efficiency and scalability, but also as a necessary strategic transition due to the gradual end-of-life ("EOL") phase of the Group's previous Microsoft Navision system. Microsoft has progressively reduced mainstream support and future enhancement capabilities for legacy on-premise ERP platforms, making long-term maintenance, integration and cybersecurity support increasingly challenging and costly.

The migration to Microsoft Dynamics 365 Business Central ("BC") and Customer Engagement ("CE") cloud platform positions the Group on a more sustainable and scalable digital foundation for the long term, providing continuous system updates, enhanced cybersecurity support, improved integration capabilities and reduced dependency on future major infrastructure replacement cycles.

At this stage, the primary benefits are expected to be operational and strategic in nature rather than immediately reflected through a single quantified cost-saving figure. Expected improvements include:

- improved customer service integration and responsiveness;
- stronger cybersecurity and system resilience;
- improved scalability to support future business growth; and
- reduced long-term technology obsolescence risk.

Management expects these improvements to contribute progressively toward productivity enhancement, operational optimisation and better decision-making capabilities over the medium to long term.

7. Can management provide more detail on the progress of the "keyboard learning modules" and how significant the revenue contribution from the Ministry of Education partnerships is expected to be? Have the Group signed any agreements with MOE?

   The Group has continued to develop structured keyboard learning modules and conduct workshops and assessments involving teachers and students as part of its education engagement initiatives.

   Currently, the Group is actively collaborating with schools, educators and relevant stakeholders to strengthen the adoption of digital musical instruments within educational environments. However, at this point, there are no material contracts or formal agreements with the Ministry of Education. Management views the education segment as a long-term strategic development opportunity rather than a short-term earnings driver, and will continue to explore further collaboration opportunities.

8. How is the Group mitigating potential supply chain disruptions or sudden freight cost increases resulting from the escalating tensions in the Middle East?

   The Group continues to closely monitor geopolitical developments and global logistics conditions. Several mitigation measures have already been implemented, including:

   - supplier and logistics coordination;
   - inventory planning and optimisation;
   - shipment consolidation initiatives;
   - maintaining strong relationships with principals and distributors; and
   - flexible operational planning to respond quickly to changing logistics conditions.

   The Group also continues to focus on cost optimisation and operational efficiency to cushion potential increases in freight and transportation costs.

9. The share price is at an all-time low now and many shareholders are licking their wounds. Could management improve its investor relations activities to boost its appearance amongst institutional investors?

   Management understands shareholders' concerns regarding the current share price performance and acknowledge the importance of investor engagement and will continue exploring ways to improve communication and visibility with the investment community through:

   - timely and transparent disclosures;
   - broader participation in relevant investment and corporate platforms where appropriate.

   Management believes sustained operational performance and disciplined execution remain the most important drivers of long-term shareholder value.

10. Hope the management could provide more "valuable" door gift aside from its 50% discount voucher for those loyal shareholders attending this AGM.

    The feedback regarding AGM door gifts is duly noted and will be considered by management for future AGM arrangements.