

**YGL CONVERGENCE BERHAD**  
Registration No. 200401010510 (649013-W)  
(Incorporated in Malaysia)

Minutes of the Twenty-First ("**21<sup>st</sup>**") Annual General Meeting ("**AGM**") of Ygl Convergence Berhad ("**Ygl**" or "**the Company**") held at The George, George Town Penang, Saffron Private Dining, 138, Jalan Penang, 10100 George Town, Penang on Thursday, 27 November 2025, 10:30 a.m..

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**DIRECTORS** : 1. Mr. Yeap Kong Chean (*Chief Executive Officer*)  
2. Madam Tan Hoay Leng (*Executive Director*)  
3. Mr. Wong Khai Meng (*Independent Non-Executive Director*)  
4. Encik Muhamed Ali Bin Hajah Mydin (*Independent Non-Executive Director*)  
5. Mr. Wan Chia Keong (*Independent Non-Executive Director*)

**SHAREHOLDERS,  
CORPORATE  
REPRESENTATIVES  
AND PROXY HOLDERS** : As per the attendance list.

**BY INVITATION** : As per the attendance list.

**IN ATTENDANCE** : Ms. Felicia Low Seow Wei – *Company Secretary*

**CHAIRMAN'S ADDRESS**

Mr. Yeap Kong Chean ("**Mr. Yeap**") welcomed all present attendees for attending the 21<sup>st</sup> AGM of the Company.

Mr. Yeap informed the Meeting that pursuant to Clause 58(1) of the Company's Constitution, the Board of Directors ("**the Board**") has elected him to preside the 21<sup>st</sup> AGM. Mr. Yeap then introduced the Directors and Company Secretary seated at the head table.

**QUORUM AND PROXIES**

Mr. Yeap called the Meeting to order upon confirming that a quorum was present.

**NOTICE OF MEETING**

Mr. Yeap declared that the Notice of the 21<sup>st</sup> AGM which was circulated to the shareholders within the prescribed period be taken as read, upon receiving no objection from the shareholders.

**POLL PROCEDURE**

Ms. Felicia briefed the Meeting that the 21<sup>st</sup> AGM would be conducted on a poll in accordance with Rule 8.31A of the ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). The Company had appointed the Share Registrar, Messrs. Securities Services (Holdings) Sdn. Bhd., to act as the Polling Agent and Ms. Low Ai Pheng to act as the Independent Scrutineer for conducting poll voting.

To ensure the efficiency of the proceedings of the Meeting, the Meeting noted that all presents had agreed that the poll voting for all resolutions shall only be conducted after all items on the agenda had been considered, as proposed by the Chairman.

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**ORDINARY BUSINESS**

**1. AUDITED FINANCIAL STATEMENTS FOR THE 15-MONTH FINANCIAL PERIOD ENDED 30 JUNE 2025 ("FY2025") TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON ("AFS 2025")**

Mr. Yeap informed the Meeting that the first item on the Agenda was to receive the AFS 2025. The AFS 2025 was approved by the Board on 28 October 2025 and forwarded to the shareholders of the Company on 31 October 2025.

Before inviting questions from the floor on the AFS 2025, Mr. Yeap informed the Meeting that the Company had on 20 November 2025 received a letter from the Minority Shareholder Watch Group ("**MSWG**"), who had raised some questions about the Company's Annual Report 2025.

Mr. Yeap then presented the Company's reply to the questions raised by MSWG, details of which are as per Annexure I enclosed hereto.

As there was no question raised, the Chairman declared that the AFS 2025 be received.

**2. RE-ELECTION OF RETIRING DIRECTORS WHO ARE RETIRING IN ACCORDANCE WITH CLAUSE 76(3) OF THE CONSTITUTION OF THE COMPANY**

The Meeting was informed that the next item on the Agenda was to re-elect the Directors who were retiring in accordance with Clause 76(3) of the Constitution of the Company.

The Meeting was informed that Mr. Yeap Kong Chean and Mr. Wan Chia Kheong ("**Mr. Wan**") were subject to retirement pursuant to Clause 76(3) of the Constitution of the Company and being eligible, had offered themselves for re-election.

The Meeting unanimously agreed to move the motion of the re-election of the retiring Directors, namely Mr. Yeap and Mr. Wan for voting.

**3. PAYMENT OF DIRECTORS' FEES (EXCEPT FOR THE CHIEF EXECUTIVE OFFICER WHO IS ALSO A DIRECTOR OF THE COMPANY) OF RM100,000.00 FOR THE FY2025**

The third item on the Agenda was to consider and approve the payment of Directors' fees of RM100,000.00 for the FY 2025.

The Meeting unanimously agreed to move the motion of payment of Directors' fees of RM100,000.00 for the FY 2025 for voting.

**4. PAYMENT OF DIRECTORS' FEES (EXCEPT FOR THE CHIEF EXECUTIVE OFFICER WHO IS ALSO A DIRECTOR OF THE COMPANY) OF RM80,000.00 FOR THE PERIOD FROM 1 JULY 2025 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN THE YEAR 2026**

The fourth item on the Agenda was to consider and approve the payment of Directors' fees of RM80,000.00 for the period from 1 July 2025 until the next AGM of the Company to be held in 2026.

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The Meeting unanimously agreed to move the motion of payment of Directors' fees of RM80,000.00 for the period from 1 July 2025 until the next AGM of the Company to be held in 2026 for voting.

**5. PAYMENT OF BENEFITS PAYABLE TO THE DIRECTORS UP TO AN AMOUNT OF RM20,000.00 FOR THE PERIOD COMMENCING FROM 28 NOVEMBER 2025 UNTIL THE NEXT AGM OF THE COMPANY TO BE HELD IN YEAR 2026**

The Meeting was informed that the next item on the Agenda was to approve the benefit payable to the Directors up to an amount of RM20,000.00 for the period commencing from 28 November 2025 until the next AGM of the Company to be held in the year 2026.

The Meeting unanimously agreed to move the motion of payment of benefits payable to the Directors up to an amount of RM20,000 from 28 November 2025 up to the conclusion of the next AGM of the Company to be held in year 2026 for voting.

**6. RE-APPOINTMENT OF MESSRS. FORVIS MAZARS PLT AS AUDITORS OF THE COMPANY FOR THE ENSUING YEAR AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The sixth item on the Agenda is to re-appoint Messrs. Forvis Mazars PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

The retiring Auditors, Messrs. Forvis Mazars PLT have indicated their willingness to continue in office as the Company's Auditors.

The Meeting unanimously agreed to move the motion of the re-appointment of Messrs. Forvis Mazars PLT as Auditors of the Company until the conclusion of the next AGM and the authority for the Directors to fix their remuneration for voting.

**SPECIAL BUSINESS**

**7. ORDINARY RESOLUTION - AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO THE COMPANIES ACT 2016 (THE "ACT") AND WAIVER OF PRE-EMPTIVE RIGHTS**

Mr. Yeap informed that the next item on the Agenda was to seek the renewal of the general mandate for the Board to issue and allot shares pursuant to the Act and waiver of pre-emptive rights.

The Meeting noted that the proposed adoption of this ordinary resolution was primarily to give flexibility to the Board to issue and allot shares up to 10% of the total number of issued shares of the Company at any time in their absolute discretion without convening a general meeting. This authority shall, unless be revoked or varied by the Company in general meeting, expire at the next AGM of the Company. This proposal is also subject to the approval being obtained from the relevant authorities for listing and quotation of additional shares on Bursa Securities, if issued by the Company.

The waiver of pre-emptive rights would allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all

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existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate granted by the shareholders of the Company.

The Meeting unanimously agreed to move the motion of the authority to issue shares and waiver of pre-emptive right pursuant to the Act for voting.

**8. ANY OTHER BUSINESS OF WHICH DUE NOTICE SHALL HAVE BEEN GIVEN IN ACCORDANCE WITH THE ACT AND THE COMPANY'S CONSTITUTION**

The Meeting noted that no notice was received by the Company to transact any other ordinary business.

**POLL VOTING**

Upon all the Agenda of the Meeting had been dealt with, the Meeting proceeded with the poll voting. Ms. Felicia briefed the poll voting procedure.

The Meeting was then adjourned at 11:00 a.m. for verification of the poll voting result by the Scrutineer.

**DECLARATION OF POLL VOTING RESULTS**

The Meeting resumed at 11:10 a.m. for the declaration of poll voting results.

**Ordinary Resolution 1 - To re-elect Mr. Yeap Kong Chean who is retiring in accordance with Clause 76(3) of the Constitution of the Company and being eligible, has offered herself for re-election**

There were 47,056,817 shares equivalent to 100% of the total shares present and voting hereat, voted in favour of Ordinary Resolution 1.

As the requisite majority votes have been obtained, it was declared that Mr. Yeap Kong Chean be hereby re-elected as Director of the Company.

**Ordinary Resolution 2 - To re-elect Mr. Wan Chia Keong who is retiring in accordance with Clause 76(3) of the Constitution of the Company and being eligible, has offered himself for re-election**

There were 47,056,817 shares equivalent to 100% of the total shares present and voting hereat, voted in favour of Ordinary Resolution 2.

As the requisite majority votes have been obtained, it was declared that Mr. Wan Chia Keong be hereby re-elected as Director of the Company.

**Ordinary Resolution 3 - To approve the payment of Directors' fees (except for the Chief Executive Officer who is also a Director of the company) of RM100,000.00 for FY 2025**

There were 47,056,817 shares equivalent to 100% of the total shares present and voting hereat, voted in favour of Ordinary Resolution 3.

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As the requisite majority votes have been obtained, it was declared that the payment of Directors' fees of RM100,000.00 for the 15-month financial period ended 30 June 2025 be hereby approved.

**Ordinary Resolution 4 - To approve the payment of Directors' fees (except for the Chief Executive Officer who is also a Director of the company) of RM80,000.00 for the period from 1 July 2025 until the next AGM of the Company to be held in the year 2026**

There were 47,056,817 shares equivalent to 100% of the total shares present and voting hereat, voted in favour of Ordinary Resolution 4.

As the requisite majority votes have been obtained, it was declared that the payment of Directors' fees of RM80,000.00 for the period from 1 July 2025 until the next AGM of the Company to be held in the year 2026 be hereby approved.

**Ordinary Resolution 5 - To approve the payment of benefits payable to the Directors up to an amount of RM20,000.00 from 28 November 2025 until the next AGM of the Company to be held in year 2026**

There were 47,056,817 shares equivalent to 100% of the total shares present and voting hereat, voted in favour of Ordinary Resolution 5.

As the requisite majority votes have been obtained, it was declared that the payment of benefits payable to the Directors up to an amount of RM20,000 from 28 November 2025 up to the conclusion of the next AGM of the Company to be held in year 2026 be hereby approved.

**Ordinary Resolution 6 - To re-appoint Messrs. Forvis Mazars PLT as the Company's Auditors for the ensuing year and to authorise the Directors to fix their remuneration**

There were 47,056,817 shares equivalent to 100% of the total shares present and voting hereat, voted in favour of Ordinary Resolution 6.

As the requisite majority votes have been obtained, it was declared that the re-appointment of Messrs. Forvis Mazars PLT as the Auditors of the Company until the conclusion of the next AGM and the authority for the Directors to fix their remuneration be hereby approved.

**Ordinary Resolution 7 - Authority to issue and allot shares pursuant to the Act and waiver of pre-emptive rights**

There were 47,056,817 shares equivalent to 100% of the total shares present and voting hereat, voted in favour of Ordinary Resolution 7.

As such, it was declared that Ordinary Resolution 7 be approved.

It is hereby **RESOLVED**: -

**THAT** subject always to the Companies Act 2016 (the "**Act**"), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad ("**Bursa Securities**") and any relevant governmental and/or regulatory authorities, the Directors 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

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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 ten per centum (10%) of the total number of issued share of the Company for the time being as stipulated under Rule 6.04 of the Bursa Securities' ACE Market Listing Requirements;

**THAT** pursuant to Section 85 of the Act to be read together with Clause 12(3)(a) of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Section 75 and 76 of the Act;

**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 Annual General Meeting of the Company.

**CONCLUSION OF MEETING**

There being no further matters to discuss, the Meeting concluded at 11:21 a.m. with a vote of thanks to the Chair.

Confirmed as a correct record,

-SIGNED-

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CHAIRMAN  
YEAP KONG CHEAN

**Twenty-First (21<sup>st</sup>) Annual General Meeting  
Reply to Minority Shareholders Watch Group**

**Operational & Financial Matters**

1. The software segment recorded higher net profit margin in FY2025. (page 17 of Annual Report (AR) 2025)

- (a) What are the key drivers supporting this improvement?

**Ygl's reply**

The key drivers supporting this improvement in net profit margin include:

- (i) Launched new product line to fulfil the government e-Invoicing initiative; and
- (ii) Gradual increase in the service and maintenance revenue as more customers came on board YGL enterprise solution.

- (b) How sustainable are these margins going forward?

**Ygl's reply**

Sustainability of these margins depends on factors such as:

- (i) Market sentiments both globally and locally;
- (ii) Type of new product launched; and
- (iii) New regulatory requirements and technological advancements pushing enterprises to embrace digitalisation.

- (c) What percentage of software revenue now comes from recurring or subscription-based models?

**Ygl's reply**

For FY2025, approximately 35% of software revenue comes from recurring or subscription-based models.

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2. Similarly, net profit margin for the solar segment improved significantly in FY2025.
- (a) Given the competitive nature of project tenders and fluctuations in equipment and labour costs, what steps is the Group taking to sustain margins if project pricing becomes more challenging?

**Ygl's reply**

In general, there is a certain margin where a solar service provider requires to accept a job in order to provide a quality delivery level of services. A higher level of equipment and labour costs and fluctuation of import currency will justify an increase in project pricing. The initiatives taken by the Group are based on the level of services we provide to our customers. We position ourselves as premium service provider rather than being the lowest price vendor.

- (b) What is the current outstanding orderbook for the solar segment? What is the Group's target orderbook replenishment for FY2026?

**Ygl's reply**

Current outstanding orderbook as at 21 November 2025	:	RM2.03 million
Current tender book (pipeline) as at 21 November 2025	:	RM7.8 million
Target orderbook replenishment for FY2026	:	about 30%



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3. We appreciate YGL's positive financial performance in FY2025. However, for more informed investment decisions, we encourage the Company to provide deeper insights into the drivers behind this improved performance. For instance, while profitability has clearly strengthened, the MD&A does not elaborate on what specific factors contributed to this outcome. Were higher margins driven by operational efficiencies, favourable product mix or one-off items? And why did the gross margin decline from 37.1% to 34.0% despite higher sales?

Similarly, it would be useful if YGL could provide more detailed segmental analysis – such as revenue and profit growth drivers for both the software and solar segments – along with commentary on segment margins. For example, how much of software revenue came from new enterprise solutions versus recurring maintenance contracts? And how much of the solar growth came from new installations versus repeat business from existing clients?

Providing a more comprehensive and transparent discussion in the MD&A would enhance clarity for shareholders and enable a better understanding of the Company's financial and operational performance.

**Ygl's reply**

The gross margin range of 34.0% to 37.1% is actually acceptable to the Group taking into consideration the following:

- (i) The Group comprises different industry segment mix that is software and solar businesses;
- (ii) For software business, we offer different product mix such as core enterprise solution, smart warehouse and smart manufacturing which contribute to varying margins; and
- (iii) We provide solar services to both commercial and residential customers which similarly contribute to differing margins.

We take note of the constructive comment above and shall provide more details in our discussion and analysis moving forward.

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**Sustainability Matters**

4. YGL describes itself as a leading provider of solar installation and green technology system integration (page 19 of AR 2025). However, the Group's current use of solar power for its own operations appears to be minimal.
- (a) What percentage of YGL's electricity consumption was powered by renewable energy as at the end of FY2025?

**Ygl's reply**

The difference between a service provider and a manufacturer in term of energy consumption:

- (i) The major cost for YGL as a service provider is salary cost and we only require office space to house our employees. As such, our office roof top is not large enough to install solar panels to generate feasible renewable energy, whereas our office in Kuala Lumpur is located in an office tower which we do not have ownership of the roof top.
- (ii) In contrast, electricity is a major cost of production to a manufacturer and reducing energy consumption is a major cost reduction concern and also to comply with ESG and green reporting requirements; Most manufacturers are equipped with large buildings and roof space which is conducive to installing solar panels;
- (b) What specific timelines and targets has the Group set for expanding its internal solar usage by 2030?

**Ygl's reply**

Currently the percentage of YGL's electricity consumption powered by renewable energy remained minimal at approximately 3% to 5%.