

**VSOLAR GROUP BERHAD**  
**Registration No. 200301029575 (631995-T)**  
(Incorporated in Malaysia)

Minutes of the 22nd Annual General Meeting (AGM or the Meeting) of Vsolar Group Berhad (Vsolar or the Company) held at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on **Tuesday, 10 March 2026 at 11.00 a.m.**

---

**DIRECTORS PRESENT** : Encik Khairul Azwan bin Harun (Independent Non-Executive Chairman)  
Mr. Koo Kien Yoon (Executive Director)  
Mr. Chuah Hoon Hong (Independent Non-Executive Director)  
Datuk Salmah Hayati binti Ghazali (Independent Non-Executive Director)  
Mr. Tan Aik Heang (Independent Non-Executive Director)

**MEMBERS PRESENT** : As per attendance list

**BY INVITATION** : Guest as per attendance list

**IN ATTENDANCE** : Ms. Wong Yuet Chyn (Company Secretary)

**CHAIRMAN**

The Chairman welcomed the shareholders, proxies and corporate representatives to the 22nd AGM of the Company and then proceeded to introduce the Board of Directors (Board), the Company Secretary and the External Auditors to the Meeting.

**QUORUM**

Based on the registration data as at 11.00 a.m., 10 March 2026, there were 11 members or proxies or corporate representatives had participated in the AGM.

As informed by the Company Secretary that there being a quorum present, the Chairman declared the Meeting duly convened.

**NOTICE OF MEETING**

The Chairman informed that the 22nd AGM was held at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

The Chairman notified that the notice convening the 22nd AGM (Notice) had been despatched to all shareholders and the Auditors of the Company and the said Notice was advertised in the New Straits Times on 30 January 2026 in accordance with the Company's Constitution be taken as read.

## **POLL VOTING**

The Chairman then guided through the procedures of the Meeting. He informed that voting on all resolutions set out in the Notice would be conducted by way of poll in accordance with Rule 8.31A (1) of the ACE Market Listing Requirements (AMLR) of Bursa Malaysia Securities Berhad (Bursa Securities). For this purpose, he has exercised his right as the Chairman of the Meeting to demand for a poll in accordance with Clause 92 of Constitution of the Company in respect of all resolutions which would be put to vote at 22nd AGM.

The polling would be conducted electronically and voting session had commenced from 11.00 a.m. until the announcement of the end of the voting session by the Chairman. In this respect, the Share Registrar, Prosec Share Registration Sdn. Bhd., had been appointed as the Poll Administrator to conduct the polling process and SharePolls Sdn. Bhd. as Scrutineer to verify the poll results.

The Chairman informed that the Board would deal with the shareholders' questions after the deliberation of the agenda of the meeting.

The Chairman further informed that the Minority Shareholder Watch Group (MSWG) had vide its letter dated 26 February 2026 addressed to the Board sought information and clarification on the Operational & Financial Matters for the information of the shareholders. The MSWG's questions and the responses from the Management were presented as follows:

### **A. Operational & Financial Matters**

#### **1. Fair Value Loss on investments**

Vsolar's fair value loss on other investments of RM15.7 million in financial period ended 30 September 2025 (FPE 30 September 2025) (a 15-month reporting period) (Page 113 of Annual Report 2025 (AR 2025) represents a significant 67.4% of the Group's pre-tax loss (Page 79 of AR 2025) and 15.3% of total assets (Page 77 of AR 2025).

- a) What is the detailed breakdown of this RM15.7 million fair value loss by investment category, and which specific investment caused this substantial fair value loss?

#### **Answer:**

The breakdown of the RM15.7 million fair value loss by investment category is as follows:

<b>Sector</b>	<b>Fair value gain/(loss) RM</b>
Energy	235,000
Technology	9,488
Industrial products & services	(1,679,691)
Property	(2,426,608)
Consumer products and services	(11,837,062)
	<u>(15,698,873)</u>

The substantial fair value loss mainly relates to the consumer products and services sector. Softening consumer spending and the uncertainties arising from the Sales and Service Tax revision and expansion have resulted a more cautious and negative market sentiment. Additionally, rising unsold properties and increase in construction cost have also contributed unfavorable market condition.

- b) What is the rationale behind continuing to hold these investments rather than disposing of them to preserve shareholder value, particularly given that other investments decreased from RM54.1 million (30 June 2024) to RM22.0 million (30 September 2025), representing approximately 21.4% of the Group's total assets (Page 73 of AR 2025)?

**Answer:**

The decrease in other investments from RM54.1 million to RM22.0 million represents a variance of approximately RM32.1 million. The major variance was due to the reclassification of RM21.8 million to short-term investments during this period. The remaining balance RM10.3 million mainly due to fair value changes and foreign exchange movement during the period.

The Group has been closely monitoring these investments. The management believes that the prevailing market conditions are temporary and these investments have the potential for recovery over the long term.

These investments are growth-oriented with strong potential and are expected to recover, delivering improved returns to shareholders in the future.

- c) What risk management and investment governance framework is in place to prevent similar value erosion in future, and what specific actions has the Board taken to strengthen investment oversight?

**Answer:**

The investments are undertaken within investment policy of the Group. All such investments are subject to management evaluation and are approved within in accordance with the Group's authority limit and investment policy, with oversight by the Board. The investment process includes due diligence, assessment of market, concentration risks, and alignment with the Group's treasury and capital management objectives. The investments are monitored on an on-going basis with periodic reporting to management and to the Board.

The Board has strengthened oversight of the investments by updating investment policy to set clearer guidelines on the types and sectors of investment allowed, limits on exposure and approval requirements, considering market uncertainties. The Board also received regular updates on the performance of the investment portfolio to monitor risks and market development. These measures help ensure that investment decisions remain prudent and aligned with the Group's financial and strategic objectives.

2. **Gross Profit Margin & Project Profitability**

The Group's gross profit for FPE 30 September 2025 declined by RM0.3 million, from RM0.9 million in financial year ended 30 June 2024 (FYE 30 June 2024), despite higher revenue from the solar energy segment. This indicates that operational costs and related expenses increased during the period.

Contributing factors may include greater investment in solar technology, higher installation costs, repair and maintenance costs and expenses associated with scaling operations.

The Group remains focused on enhancing operational efficiency and optimising cost management strategies to address these pressures. Management is committed to closely monitoring costs and implementing measures to stabilise gross profit margins, ensuring sustained profitability as the renewable energy sector continues to grow (Page 16 of AR 2025).

- a) The Group's gross profit margin (GPM) decreased from 8.1% in FYE 30 June 2024 to 3.5% in FPE 30 September 2025 (Page 15 of AR 2025). Which factor contributed most to this reduction and the extent of its impact?

**Answer:**

The Group's gross profit margin (GPM) decreased from 8.1% to 3.5% mainly due to repair and maintenance fees incurred for 2 solar PV plant located in Keramat Putra, Simpang Pulai, Kinta, Perak.

- b) What specific measures is the Group taking to stabilise its GPM level?

**Answer:**

To stabilise GPM level, the Group is taking initiative to strengthening costing and procurement controls while leveraging government incentives through schemes such as Power Purchase Agreement (PPA) and Net Energy Metering.

In addition, the Group applies tighter cost monitoring and control measures to mitigate potential cost overruns. These measures collectively support stable revenue and sustainable profitability for the Group.

- c) What is the outlook for the Group's GPM level in the next two financial years? What is the Group's optimal GPM level that it targeted to achieve and the anticipated timeframe to achieve this?

**Answer:**

The Group's GPM outlook over the next two financial years is expected to be influenced by market conditions, input costs and operational factors. Solar remains an important part of Malaysia's renewable energy sector and is expected to continue growing in the future. With the support of government incentives and tighter cost monitoring, the Group expects GPM to gradually stabilise. The Group will continue to focus on optimising cost structures and enhancing production efficiency to support stability and potential improvement in GPM.

The Group aims to progressively improve its gross profit margin through better project selection, cost management and operational efficiencies. The Group expects to see gradual improvement in margins over the medium terms.

- d) How can the Board assure shareholders that the Group's project acquisition strategy will not further erode profitability if projects are being won at suboptimal margins? What is the minimum acceptable gross profit margin for any new project bids?

**Answer:**

The gross profit margin for new project bids depends on prevailing market conditions. Prior to bidding, the Management strictly assesses each project to ensure it will not result in suboptimal margins, taking into consideration risks such as labour resources, cost estimation and project duration. All projects undergo internal review to ensure that pricing is not only competitive but also sustainable. Furthermore, detailed cost estimate and control, as well as supplier negotiations are also undertaken to protect margins and safeguard shareholder value.

The Group generally adopts a minimum gross profit margin threshold of around 5% when evaluating new solar project bids to ensure projects undertaken remain commercially viable. The actual margin may vary depending on project size, complexity and prevailing market condition.

3. The Group recorded an unrealised foreign exchange (forex) loss of RM2.6 million in FPE 30 September 2025 (FYE 30 June 2024: A gain of RM0.3 million) (Page 125 of AR 2025). This represents 11.2% of the Group's loss before taxation of RM23.3 million (Page 79 of AR 2025).
- a) The Group holds unhedged USD-denominated short-term investments (Page 137 of AR 2025). Can the Company confirm whether the unrealised forex loss of RM2.6 million relates to these investments? If so, why no forex hedging despite knowing the Group's own sensitivity analysis shows a 10% USD movement could impact pre-tax results by RM2.2 million?

**Answer:**

The unrealised foreign exchange loss mainly arises from USD-denominated short-term investments. The Group does not hedge these investments as the exposure is considered manageable and the cost of hedging exceeds the expected benefits. Hedging may also eliminate any potential gains from favorable USD movements and incur additional costs.

The management believes that the recent fluctuations in foreign currency are primarily short-term in nature and largely driven by temporary market volatility, external economic factors and geopolitical tension. As such, the fluctuations in foreign currency will not be an indicative of a long-term trend. The Management continuously monitors currency fluctuations and evaluates the potential impact on the Group's financial performance, ensuring appropriate oversight of foreign exchange risk.

- b) Considering the current unhedged practice for these investments, will the Company take a hedging measure to protect shareholder value going forward? If not, why?

**Answer:**

At this stage, the Group maintains its current unhedged practice as the exposure is considered manageable based on closely monitoring and sensitivity analysis. The management will mitigate the risk of significant foreign exchange losses by continuously monitor currency movements and evaluates the potential impact on financial performance. Nevertheless, the Group will consider implementing hedging measures if the market volatility increases significantly to safeguard shareholder value.

4. The Group continues to achieve steady progress across its renewable energy operations, with existing solar assets delivering stable output and ongoing development activities proceeding as planned. These initiatives not only strategically expand its project portfolio but are also expected to make a meaningful contribution to the growth of its solar energy segment (Page 22 of AR 2025).

How are the abovementioned development activities expected to translate into measurable financial performance, including their expected contribution to revenue and profitability, the anticipated timeline for break-even and turnaround, and how will the Group ensure operational efficiency and financial sustainability amid continued negative operating cash flow over the past two financial cycles (Page 83 of AR 2025)?

**Answer:**

The Group expects that ongoing and new development activities will progressively contribute to revenue and overall financial performance. While management remains cautious in accepting new projects due to potential collection risk, each project is carefully assessed for credit exposure before approval.

The timeline for break-even and turnaround will depend on factors such as project progress, operational efficiency and effective cash collection. The Board and Management are closely monitoring operation performance, managing costs and mitigating credit risk to support financial sustainability. Through these measures, management believes that the Group's operating cash flow will gradually return to positive.

**AGENDA OF THE MEETING**

The Chairman then proceeded with the agenda of the Meeting.

1. **AUDITED FINANCIAL STATEMENTS (AFS) FOR THE FPE 30 SEPTEMBER 2025 TOGETHER WITH THE DIRECTORS' AND AUDITORS REPORTS THEREON**

The Chairman proceeded to item 1 of the agenda which was to receive the Company's AFS for the FPE 30 September 2025 together with the Directors' and Auditors Reports thereon, as set out in the AR 2025.

The Chairman informed that as provided in Section 340(1)(a) of the Companies Act 2016 (CA 2016), it was not required that the AFS be formally approved and therefore the first item of the agenda was meant for discussion only and was not put forward for voting.

The Chairman then proceeded to the next agenda of the Meeting.

2. **PAYMENT OF DIRECTORS' FEES OF UP TO RM340,000.00 FROM 1 JULY 2026 TO THE CONCLUSION OF THE NEXT AGM**

The Chairman proceeded to **Ordinary Resolution 1** which was to approve the sum of up to RM340,000.00 as Directors' fees from 1 July 2026 to the conclusion of the next AGM.

The Chairman closed the resolution and proceeded with the next agenda.

**3. PAYMENT OF DIRECTORS' BENEFITS OF UP TO RM18,000.00 FOR THE PERIOD COMMENCING AFTER THE DATE OF THE 22ND AGM TO THE DATE OF THE NEXT AGM**

The Chairman proceeded to **Ordinary Resolution 2** which was to approve the sum of up to RM18,000.00 as Directors' benefits for the period commencing after the date of the 22nd AGM to the date of the next AGM.

The Chairman closed the resolution and proceeded with the next agenda.

**4. RE-ELECTION OF DIRECTORS WHO ARE RETIRING UNDER CLAUSE 134 OF THE COMPANY'S CONSTITUTION**

The Chairman informed that two (2) Directors who retired in accordance with Clause 134 of the Company's Constitution were eligible for re-election. The retiring Directors who offered themselves for re-election under Ordinary Resolutions 3 and 4 were as follows:

**a. Re-election of Encik Khairul Azwan bin Harun (Encik Azwan)**

The Chairman informed that he had interest in dealing with the proposed resolution and he then passed the Chairmanship to Mr. Koo Kien Yoon (Mr. Koo) for tabling the proposed resolution.

Mr. Koo took the chair accordingly.

Mr. Koo then proceeded with **Ordinary Resolution 3** on the proposed re-election of Encik Azwan as Director pursuant to Clause 134 of the Company's Constitution.

Mr. Koo further informed that Encik Azwan is the Independent Chairman of the Company and his profile was set out on page 8 of the AR 2025.

Mr. Koo handed back the Chairmanship to the Chairman.

The Chairman closed the resolution and proceeded with the next resolution.

**b. Re-Election of Mr. Koo Kien Yoon**

The Chairman proceeded to **Ordinary Resolution 4** on the proposed re-election of Mr. Koo as Director pursuant to Clause 134 of the Company's Constitution.

The Chairman further informed that Mr. Koo is the Executive Director of the Company and his profile was set out on page 8 of the AR 2025.

The Chairman closed the resolution and proceeded with the next agenda.

**5. RE-APPOINTMENT OF MESSRS. SBY PARTNERS PLT (SBY) AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The Chairman proceeded to **Ordinary Resolution 5** which was to re-appoint SBY as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

The Chairman added that SBY, the retiring Auditors had indicated their willingness to accept the re-appointment. The representative from SBY, Ms. Wong Woei Teng introduced herself to the Meeting.

The Chairman closed the resolution and proceeded with the next agenda.

**6. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE CA 2016**

The Chairman proceeded to **Ordinary Resolution 6** which was to provide the authority for the Directors to issue shares pursuant to Sections 75 and 76 of the CA 2016.

“**THAT** subject always to Sections 75 and 76 of the CA 2016, the Constitution, the ACE Market Listing Requirements (AMLR) of Bursa Malaysia Securities Berhad (Bursa Securities) and the approval of any governmental and/or regulatory authorities, the Directors be and are hereby authorised to allot and issue shares in the Company at any time 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 to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this resolution shall continue in force until the conclusion of the next AGM or when it is required by law to be held, whichever is earlier, **AND THAT** the Directors be and are empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

**THAT** the existing shareholders of the Company hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the CA 2016 read together with Clause 65 of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the CA 2016.

**AND FURTHER THAT** the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

The Chairman closed the resolution and proceeded with the next agenda.

**7. ANY OTHER BUSINESS**

The Chairman, with confirmation from the Company Secretary, informed that the Company did not receive any notice for transaction of any other business at the Meeting.

The Chairman proceeded the meeting with Questions and Answers session.

The following questions were raised by the proxy, and the responses were provided by the Board and Management:

1. Question:

Whether the Company owned the assets of the solar projects.

Reply by Mr. Koo:

The Company did not own the assets. Instead the Company acted as a subcontractor for other developers of the solar projects.

2. Question:

How much of revenue was generated from the electricity produced by the solar assets owned by the Company.

Reply by Mr. Koo:

The income generated from the Group's solar projects was derived from two sources, namely revenue received from Tenaga Nasional Berhad or charges imposed on the factory or building owner.

3. Question:

Whether the solar project in Simpang Pulai provided meaningful and stable returns to the Group.

Reply by Mr. Koo:

The project in Simpang Pulai was classified as a Large-Scale Solar 1 (LSS1) project and provided stable returns to the Group.

4. Question:

Whether the Board intended to maintain the same positioning going forward by focusing on subcontractor work rather than building its own portfolio, in view of the Group's overall business model.

Reply by Mr. Koo:

The Group was currently involved in new different segments of solar projects and did not intend to maintain the same positioning going forward.

5. Question:

As to the reasons the Group's core business was consuming cashflow rather than generating cashflow, in light of the negative operating cashflow.

Reply by Mr. Koo:

The Group was currently taking steps to manage its cashflow consumption. However, variations in margins were beyond the Group's control. As an example, the price of a solar panels could increase by up to 30% within a two-month period.

6. Question:

What was the Group's plans for 2026 and how it intended to address and balance the current challenges.

Reply by Mr. Koo:

The Group was currently working on developing a comprehensive solution for its VSS battery operations.

7. Question:

Why the Group had not generated revenue despite its subsidiaries having multiple business segments and whether the subsidiaries were still in operation or dormant.

Reply by Mr. Koo:

One of the Group's subsidiaries, Vrail Sdn. Bhd., which was originally intended to be involved in engineering, procurement, construction and commissioning (EPCC) projects, had been affected by cashflow constraints due to significant funding requirements. However, the Group had identified a potential solution to address the issue and expected the results to be reflected in the forthcoming quarter.

With no further questions raised by shareholders, the Chairman announced the allocation of a further 5 minutes for the shareholders to complete casting their votes.

The Chairman then announced the closing of the online voting session and then adjourned the Meeting for approximately 15 to 20 minutes for the poll votes to be counted by the Poll Administrator in the presence of the appointed Scrutineer.

The Meeting resumed and the representative of the Scrutineer submitted the report of the results to the Chairman.

**8. RESULT OF THE POLL VOTES ON RESOLUTIONS TABLED AT THE 22ND AGM ON 10 MARCH 2026**

The results of the poll votes were as follow:

Resolutions	Voted For			Voted Against		
	No. of Shareholders	No. of shares	%	No. of Shareholders	No. of shares	%
<b>Ordinary Resolution 1</b> Approval of Directors' Fees	9	174,693,560	99.9999	3	112	0.0001
<b>Ordinary Resolution 2</b> Approval of Directors' Benefits	9	174,693,560	99.9999	3	112	0.0001
<b>Ordinary Resolution 3</b> Re-election of Encik Khairul Azwan bin Harun	11	249,710,338	100.0000	0	0	0.0000
<b>Ordinary Resolution 4</b> Re-election of Mr. Koo Kien Yoon	10	174,693,569	99.9999	1	103	0.0001
<b>Ordinary Resolution 5</b> Re-appointment of Auditors	11	249,710,338	100.0000	0	0	0.0000
<b>Ordinary Resolution 6</b> Authority to allot and issue shares under Sections 75 and 76 of the CA 2016	11	249,710,338	100.0000	0	0	0.0000

The Chairman then declared all the resolutions as set out on the Notice of the 22nd AGM were carried.

**9. CLOSE OF MEETING**

There being no other business, the Meeting terminated at 12.15 p.m. with a vote of thanks to the Chair.

**C O N F I R M E D**

-Signed-

**KHAIRUL AZWAN BIN HARUN**  
Chairman

Date: 10 March 2026