

**TASCO BERHAD**  
**[Company No. 197401003124 (20218-T)]**  
(Incorporated in Malaysia)

Minutes of the Fiftieth Annual General Meeting of the Company held at Lot No. 1A, Persiaran Jubli Perak, Jalan 22/1, Seksyen 22, 40300 Shah Alam, Selangor Darul Ehsan on Friday, 12 September 2025 at 3.00 p.m.

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**PRESENT**

|                              |                                                |
|------------------------------|------------------------------------------------|
| Mr. Lee Check Poh (Chairman) | Non-Independent Executive Chairman             |
| Mr. Lee Wan Kai              | Non-Independent Group Chief Executive Officer  |
| Mr. Tan Kim Yong             | Non-Independent Deputy Chief Executive Officer |
| Mr. Lim Jew Kiat             | Non-Independent Executive Director             |
| Mr. Kazuhiko Saeki           | Non-Independent Executive Director             |
| Datuk Dr Wong Lai Sum        | Independent Non-Executive Director             |
| Mr. Ong Heng Kah             | Independent Non-Executive Director             |
| Mr. David Dev Peter          | Independent Non-Executive Director             |

Members and Proxies as per Attendance List

**IN ATTENDANCE**

|              |             |
|--------------|-------------|
| Seow Fei San | (Secretary) |
|--------------|-------------|

**QUORUM**

The requisite quorum being present, the Chairman called the meeting to order.

**NOTICE**

The Notice convening the Fiftieth AGM having been circulated earlier to all members, Bursa Malaysia Securities Berhad and the External Auditors in accordance with the Company's Constitution within the prescribed period was taken as read.

The Meeting was informed that all proposed resolutions set out in the Notice of today's meeting would be put into consideration through poll voting.

**INTRODUCTION OF BOARD MEMBERS AND SENIOR MANAGEMENT**

The Chairman then introduced the members of the Board of Directors ("Board") and the Company Secretary to the Meeting. It was informed that the representatives of the Company's External Auditors were also present at the meeting.

## **PRESENTATION ON GROUP BUSINESS OVERVIEW AND FINANCIAL HIGHLIGHT**

A presentation on the Group's business overview and financial highlight for the financial year ended 31 March 2025 and future prospects was presented by the Deputy Chief Executive Officer, Mr. Tan Kim Yong ("Mr. Tan") to the Members.

The pre-AGM questions from the Minority Shareholders Watch Group and the Company's responses, as appended to these minutes as Appendix A, were also presented by Mr. Tan to the Meeting.

After which, the Chairman proceeded to the agenda items of the meeting.

The Meeting was informed that the voting would be by way of e-poll voting and the Company had appointed Mr. Leonard Lim Weng Leong as the Scrutineer for the voting process and Securities Services (Holdings) Sdn. Bhd. as the Poll Administrator.

A video on how to cast the vote via the electronic device provided by Securities Services (Holdings) Sdn. Bhd. to the Members during the registration was presented to the Members.

After the video presentation, the Meeting proceeded with the first agenda item of the meeting.

### **1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

The Audited Financial Statements and Reports of the Directors and Auditors for the financial year ended 31 March 2025 having been circulated to all the members of the Company within the prescribed period were tabled to the meeting.

The Chairman invited members to put forth questions on the financial statements and reports.

A summary of the questions raised and responses from the Company was appended to this Minutes as Appendix B.

After the questions raised by the members were answered, the Chairman concluded that the Audited Financial Statements for the financial year ended 31 March 2025 and the Report of Directors and Auditors thereon submitted to the meeting were received and noted.

### **2. PAYMENT OF DIRECTORS FEES FOR THE PERIOD FROM 13 SEPTEMBER 2025 UNTIL THE NEXT ANNUAL GENERAL MEETING**

The Meeting proceeded to consider the proposed Ordinary Resolution 1 on the payment of Directors' fees of RM350,000 for the period from 13 September 2025 until the next Annual General Meeting for their services as directors of the Company.

The interested directors shall abstain from voting.

There being no question asked, the Chairman put the following resolution to the shareholders for consideration:

*"THAT approval be and is hereby given for the payment of directors' fees of up to RM350,000 to Non-Executive Directors for the period from 13 September 2025 until the next Annual General Meeting for their services as directors of the Company."*

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 1 was shown instantaneously on screen as follows:-

| Vote For      |         | Vote Against  |        |
|---------------|---------|---------------|--------|
| No. of Shares | %       | No. of Shares | %      |
| 633,471,603   | 99.9982 | 11,140        | 0.0018 |

The Chairman declared the Ordinary Resolution 1, **carried**.

### **3. PAYMENT OF DIRECTORS' BENEFITS FROM 13 SEPTEMBER 2025 UNTIL THE NEXT ANNUAL GENERAL MEETING**

The Meeting proceeded to consider the proposed Ordinary Resolution 2 on payment of Directors' benefits (excluding Directors' fees) of up to RM30,000 from 13 September 2025 until the next Annual General Meeting of the Company.

The interested directors shall abstain from voting.

There being no question asked, the Chairman put the following resolution to the Members for consideration:

*"THAT authority be and is hereby given for the payment of Directors' benefits (excluding Directors' fees) of up to RM30,000 to Non-Executive Directors of the Company with effect from 13 September 2025 until the next Annual General Meeting of the Company."*

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 2 was shown instantaneously on screen as follows:-

| Vote For      |         | Vote Against  |        |
|---------------|---------|---------------|--------|
| No. of Shares | %       | No. of Shares | %      |
| 633,480,203   | 99.9899 | 63,940        | 0.0101 |

The Chairman declared the Ordinary Resolution 2, **carried**.

### **4. RE-ELECTION OF DIRECTORS**

The Meeting was informed that the following Directors were retiring in accordance with the Company's Constitution and being eligible, had accordingly offered themselves for re-election:-

- Mr. Ong Heng Kah
- Mr. David Dev Peter
- Mr. Kazuhiko Saeki

There being no questions asked for the resolutions tabled, the following motions were then put to the shareholders for a vote and the results of the poll voting were as follows:

**Ordinary Resolution 3**  
**Re-election of Mr. Ong Heng Kah**

*"THAT Mr. Ong Heng Kah retiring pursuant to the Article 79 of the Company's Constitution, be and is hereby re-elected as Director of the Company."*

| Vote For      |         | Vote Against  |        |
|---------------|---------|---------------|--------|
| No. of Shares | %       | No. of Shares | %      |
| 633,420,003   | 99.9992 | 4,940         | 0.0008 |

**Ordinary Resolution 4**  
**Re-election of Mr. David Dev Peter**

*"THAT Mr. David Dev Peter retiring pursuant to Article 79 of the Company's Constitution, be and is hereby re-elected as Director of the Company."*

| Vote For      |         | Vote Against  |        |
|---------------|---------|---------------|--------|
| No. of Shares | %       | No. of Shares | %      |
| 633,514,983   | 99.9990 | 6,440         | 0.0010 |

**Ordinary Resolution 5**  
**Re-election of Mr. Kazuhiko Saeki**

*"THAT Mr. Kazuhiko Saeki retiring pursuant to Article 84 of the Company's Constitution, be and is hereby re-elected as Director of the Company."*

| Vote For      |         | Vote Against  |        |
|---------------|---------|---------------|--------|
| No. of Shares | %       | No. of Shares | %      |
| 632,826,955   | 99.8873 | 713,940       | 0.1127 |

The Chairman accordingly declared the Ordinary Resolutions 3,4 and 5, **carried**.

**5. RE-APPOINTMENT OF AUDITORS**

The following Ordinary Resolution 6 on re-appointment of auditors was put to the Meeting for consideration and vote:

*"THAT RSM Malaysia PLT be and are hereby re-appointed as auditors of the Company to hold office until the conclusion of the next annual general meeting and that the directors be and are hereby authorised to determine their remuneration."*

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 6 was shown instantaneously on screen as follows:-

| Vote For      |         | Vote Against  |        |
|---------------|---------|---------------|--------|
| No. of Shares | %       | No. of Shares | %      |
| 633,524,603   | 99.9984 | 10,340        | 0.0016 |

The Chairman declared the Ordinary Resolution 6, **carried**.

**6. RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The Meeting proceeded to consider the following Ordinary Resolution 7 on the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature as set out in Section 2.3.2 of the Circular to Shareholders dated 30 July 2025 which was despatched together with the Company's Annual Report 2025:-

*"THAT pursuant to Paragraph 10.09 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the Company and its subsidiaries be and are hereby authorised to enter into and give effect to the Recurrent Transactions with the Related Party as detailed in Section 2.3.2 of the Circular to Shareholders dated 30 July 2025 which are necessary for the Company's and its subsidiaries' day-to-day operations in the ordinary course of business on terms not more favourable to the said Related Party than those generally available to the public and not detrimental to minority shareholders of the Company.*

*AND THAT such approval shall continue to be in force until:-*

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it will lapse, unless by a resolution passed at the AGM whereby the authority is renewed; or*
- (b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(1) of the Companies Act 2016 ("Act") (but shall not extend to such extension as may be allowed pursuant to Section 340(2) of the Act); or*
- (c) revoked or varied by a resolution passed by the shareholders in a general meeting;*

*whichever is earlier;*

*AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature."*

The Chairman also informed that the Interested Directors and persons connected to the Interested Director would abstain from voting on Ordinary Resolution 7.

There was no question raised by shareholders on the aforesaid resolution and the proposed resolution was put to shareholders for a vote.

After the members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 7 was shown instantaneously on screen as follows:-

| Vote For      |         | Vote Against  |        |
|---------------|---------|---------------|--------|
| No. of Shares | %       | No. of Shares | %      |
| 113,767,659   | 99.9946 | 6,140         | 0.0054 |

The Chairman declared the Ordinary Resolution 7, **carried**.

## **7. AUTHORITY TO ALLOT SHARES**

The Meeting proceeded to consider Ordinary Resolution 8 on authority to the Directors to allot shares.

The following Ordinary Resolution was put to the Meeting for a vote:

*"THAT subject always to the Companies Act 2016 ("Act") and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Section 75 of the Act, to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting 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 of the Company for the time being."*

After the Members had cast their votes, the polling process was closed and the result of the poll voting for Ordinary Resolution 8 was shown instantaneously on screen as follows:-

| Vote For      |         | Vote Against  |        |
|---------------|---------|---------------|--------|
| No. of Shares | %       | No. of Shares | %      |
| 601,513,536   | 94.9450 | 32,025,560    | 5.0550 |

The Chairman declared the Ordinary Resolution 8, **carried**.

## **8. ANY OTHER BUSINESS**

The last item on the agenda for the meeting was to transact any other business of which due notices shall have been received in accordance with the Companies Act 2016. The Meeting noted that no notice of any other business for transacting at the meeting was received.

**CLOSURE**

There being no further business, the meeting closed at 4.18 p.m. with a vote of thanks to the Chairman.

**CONFIRMED CORRECT**

  
\_\_\_\_\_  
**CHAIRMAN**

Dated: 29 October 2025

## APPENDIX: QUESTIONS AND ANSWERS

| NO. | QUERIES                                                                                                                                                                                             | MANAGEMENT'S RESPONSE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | <p>There has been a reduction in profit despite the expansion of increase warehousing capacity in Shah Alam. What is the current capacity for the warehouses in Shah Alam and in the Westport ?</p> | <p>Profit declined compared to the previous year. While the past 4 years demonstrated remarkable performance, it is unlikely that the company will replicate those results, as they were largely driven by the pandemic. Future performance should be benchmarked against the Company's typical operating environment prior to the pandemic.</p> <p>There remains significant room for improvement. The Company is engaged in both domestic and international networks, which present valuable opportunities for growth and expansion.</p> <p>TASCO has constructed 600,000 sq ft of new warehouse space in Shah Alam Logistics Centre ("SALC") and 280,000 sq ft at Westport Logistics Centre. Currently has a total of 780,000 sq ft filled up, with remaining warehouse capacity anticipated to be fully occupied by the end of the year. TASCO plans to add another 700,000 sq ft. Construction of SALC's second phase is underway and is expected to add 400,000 sq ft of leasable space by June 2026. Additionally, a 300,000 sq ft warehouse rebuild at Northport is in progress.</p> <p>Presently, there are leased warehouse spaces that the Company plans to consolidate by moving back into its own facilities once construction is completed. This relocation will also enable the implementation of semi-automation to enhance operational efficiency.</p> |
| 2.  | <p>What is the return on investment (ROI) from digital transformation, including the cost savings and efficiency improvements achieved so far?</p>                                                  | <p>For any investment, the Japan holding company is generally seeking a minimum return of 8%.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 3.  | <p>Concerning sustainability, a fatality case was reported. Kindly provide the details.</p>                                                                                                         | <p>The fatality occurred within the cold chain operation, which was not accident-related but rather due to a heart attack incident experienced by the staff member involved.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

**TASCO BERHAD**  
**REGISTRATION NO. 197401003124 (20218-T)**  
**Minutes of the Fiftieth Annual General Meeting held on 12 September 2025**

|    |                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 4. | Regarding corporate governance, the directors' remuneration was not disclosed on an individual named basis.                                               | Noted and would look into the matter for next year reporting.                                                                                                                                                                                                                                                                                                                                                                       |
| 5. | Please provide an elaboration on third-party logistics (3PL) and fourth-party logistic (4PL), including its role and benefits in supply chain management. | 3PL primarily involves specific logistics functions like transportation, warehousing, or order fulfillment. Post-pandemic, the industry has evolved into 4PL, which extends beyond 3PL by integrating and optimizing the entire logistics process from end to end. 4PL acts as a control tower for the supply chain, delivering comprehensive logistics solutions and enabling companies to focus on their core business functions. |



8 September 2025

Reference: MSWG-CM-07-38/25

By Email

The Board of Directors  
**TASCO BERHAD**  
802, 8th Floor, Block C  
Kelana Square  
17 Jalan SS7/26  
47301 Petaling Jaya  
Selangor Darul Ehsan

Attention: **Kang Shew Meng**  
**Seow Fei San**  
*Company Secretaries*

Dear Directors,

**50<sup>th</sup> ANNUAL GENERAL MEETING ("AGM") OF TASCO BERHAD ("TASCO" OR "THE GROUP" OR "THE COMPANY") TO BE HELD ON FRIDAY, 12 SEPTEMBER 2025**

In consideration of the interest of minority shareholders and all other stakeholders of the Company, we would like to raise the following questions: -

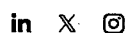
**Operational and Financial Matters**

1. Though Group revenue remained above RM1 billion (FY2025: RM1.012 billion), it has been on a declining trend since FY2023 (FY2023: RM1.607 billion; FY2024: RM1.073 billion). Profit after tax and minority interest (PATAMI) has also been declining from RM90.816 million in FY2023 to RM61.744 million in FY2024 and significantly to RM26.196 million in FY2025 (Page 8 of the Annual Report (AR) 2025).
  - (a) Please explain why revenue and consequently PATAMI have been declining despite the Group having expanded its business with completion and commissioning of major infrastructure assets – most notably, the Shah Alam Logistics Centre and expansion of warehousing capacity?

**Minority Shareholders Watch Group**

Badan Pengawas Pemegang Saham Minoriti Berhad (20-0001022382)

23-2, Menara AIA Sentral  
No. 30, Jalan Sultan Ismail  
50250 Kuala Lumpur



Tel +60 3 2732 0010  
Email [mswatch@mswg.org.my](mailto:mswatch@mswg.org.my)  
Website [www.mswg.org.my](http://www.mswg.org.my)

- (b) When and how does the Management expect to revert to its remarkable year in FY2023 when it recorded the highest revenue and PATAMI in the last four financial years?
2. For FY2025, the Group sustained revenue above the RM1 billion mark, recording RM1.01 billion. This performance was achieved even after the absorption of a RM61 million reduction linked to the relocation of a key solar sector customer and the knock-on effects of regional boycotts. Through focused business-development initiatives and the agility of the Group's commercial teams, TASCOS secured new clients and averted a further RM80 million in potential revenue loss in FY2025 (Page 10 of AR 2025).
- (a) Is there a customer concentration risk, especially in the solar sector? If so, what plans are in place to mitigate this risk?
- (b) Please explain the knock-on effects of regional boycotts and elaborate on how TASCOS averted a further RM80 million in potential revenue loss in FY2025.
3. Revenue from the International Business Solutions ("IBS") segment rose by RM59.9 million or 15.5 per cent year-on-year ("y-o-y"), from RM385.7 million in FY2024 to RM445.6 million in FY2025. This increase was driven by improved performance across all major divisions within the segment (Page 23 of AR 2025).

What were the key parameters/indicators that drove improved performance for all major divisions? What is the outlook for FY2026? Will the fine performance be sustainable and what is the basis?

### **Sustainability Matters**

4. As of the latest update, 15.0 % of TASCOS Group's branches have achieved compliance with the ISO 14001 standards, which outlined the criteria for its environmental management system. These standards encompass policies, processes, plans, practices, and records that govern the Group's interactions with the environment (Page 35 of AR 2025).

Why only 15.0% of TASCOS Group's branches achieved compliance with the ISO 14001 standards? When does the Group aim to achieve full compliance across all branches?

5. In response to the challenges posed by climate change, TASCOS has initiated a series of technical measures aimed at mitigating GHG emissions within its logistics operations. Among the initiatives taken are:
- (i) Utilising trucks with turbo diesel EURO 5 engines to reduce GHG emissions, with plans to transition to electric trucks in 2025
  - (ii) Employing battery-operated (Lithium) handling equipment such as Material Handling Equipment (MHE) to minimise noise pollution and carbon emission at warehouses. Currently, the Group has 55 units of Forklift under Lithium Battery. (Page 46 of AR 2025).

- (a) How many of the Group's trucks out of its total fleet are now using turbo diesel EURO 5 engines? What is the timeline for all trucks to use turbo diesel EURO 5 engines? Does the Group own any electric trucks? If not, what are the plans?

What is the total number of forklifts in operation, and what percentage is currently powered by Lithium Batteries? Are there plans to convert all MHE to battery-operated models, and if so, by when?

6. Although both biodiesel and diesel consumption increased in FY2025 compared to FY2024, the higher proportion of biodiesel usage indicates a reduced carbon footprint. This shift highlights the Group's proactive commitment to lowering greenhouse gas emissions, even as operational energy demands continue to rise.

|                               | FY 2024             | FY 2025             |
|-------------------------------|---------------------|---------------------|
| Diesel Consumption            | 9,790,408.32        | 3,044,803.00        |
| Biodiesel Consumption         | 0                   | 6,788,930.73        |
| <b>Total Fuel Consumption</b> | <b>9,790,408.32</b> | <b>9,833,733.73</b> |
| <b>CO2 Emissions (tCO2)</b>   | <b>25,771.57</b>    | <b>25,216.34</b>    |

(Page 47 of AR 2025)

Although total fuel consumption increased slightly in FY2025, the proportion of biodiesel usage was significantly higher than diesel usage with a ratio of about 2:1. Despite the significantly higher usage of biodiesel, why was there only a very slight decline in CO2 emissions? Please explain.

### Corporate Governance Matters

7. We are not able to sight any Whistleblowing Policy disclosed in the Company's website. However, there are some brief write-ups on the Policy in the Corporate Governance Report (CGR) 2025 (Page 12) and Pages 94, 95 and 111 of AR 2025.

As stated on page 95 of AR 2025,

"Any complaints or reports can be directed to the designated personnel via compliance email or the compliance hotline.

Compliance Hotline: +603-51018820 (Mr. KY Tan)

Compliance Email:

checkpoh.lee@tasco.com.my (Mr. Lee Check Poh)

andy.lee@tasco.com.my (Mr. Andy Lee)

ky.tan@tasco.com.my (Mr. KY Tan)"

For good corporate governance practice, the Company should disclose the Whistleblowing Policy on its website and the Policy should also address the protection accorded to a whistleblower. Reporting should also be directed to either Head of Internal Audit or the Chairman of Audit Committee.

8. **Practice 5.2 of Malaysian Code on Corporate Governance (MCCG)**

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

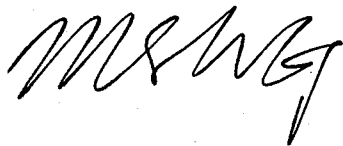
The Board currently comprises eight (8) members, including three (3) Independent Non-Executive Directors and five (5) Executive Directors (Page 19 of CGR 2025)

When will the Company plan to have at least half of the board comprising INEDs?

We look forward to your reply. Additionally, please present the questions raised and the related answers to the shareholders present at the forthcoming AGM.

Thank you.

Yours sincerely



**MINORITY SHAREHOLDERS WATCH GROUP**

12 September 2025

Minority Shareholders Watch Group  
Level 23, Unit 23-2, Menara AIA Sentral  
No. 30, Jalan Sultan Ismail  
50250 Kuala Lumpur

Attention : Dr Ismet Yusoff  
Chief Executive Officer

Dear Sir,

Re : 50<sup>th</sup> Annual General Meeting ("AGM") of TASCO Berhad ("TASCO" or "the Group" or "the Company") to be held on Friday, 12 September 2025

We refer to your letter dated 8 September 2025 and our reply as follows:

**Operational and Financial Matters**

**Question 1:**

Though Group revenue remained above RM1 billion (FY2025: RM1.012 billion), it has been on a declining trend since FY2023 (FY2023: RM1.607 billion; FY2024: RM1.073 billion). Profit after tax and minority interest (PATAMI) has also been declining from RM90.816 million in FY2023 to RM61.744 million in FY2024 and significantly to RM26.196 million in FY2025 (Page 8 of the Annual Report (AR) 2025).

- (a) Please explain why revenue and consequently PATAMI have been declining despite the Group having expanded its business with completion and commissioning of major infrastructure assets – most notably, the Shah Alam Logistics Centre and expansion of warehousing capacity?
- (b) When and how does the Management expect to revert to its remarkable year in FY2023 when it recorded the highest revenue and PATAMI in the last four financial years?

**Answer:**

- (a) The decline in revenue and PATAMI is mainly attributed to external market factors and sector-specific challenges:
- 1) Freight rates normalisation – freight rates surged due to supply chain disruptions during pandemic. Rates declined significantly as conditions normalised. This impacted revenue across the logistics industry.
  - 2) Lag in revenue realisation from new warehouse facility, Shah Alam Logistics Centre (SALC) - While the SALC and expanded warehousing capacity have been commissioned, full utilization and revenue contribution from these assets take time. Client onboarding, operational ramp-up, and market recovery are ongoing.

- 3) Competitive market - The logistics sector remains highly competitive, with pricing pressures and margin compression affecting profitability despite stable operational performance.
- 4) Strategic investment growth - The Group has been leveraging Integrated Logistics Tax Incentive scheme and made significant investments in infrastructure and sustainability initiatives, which may temporarily impact short-term profitability but are expected to yield long-term benefits. There was exceptional one-time expense which amounted to RM12.0 million recorded in FY2025, consisting primarily of the write-off of a block of head office building located at existing Shah Alam Logistics Centre and an existing warehouse facility at Port Klang. The office building and the warehouse facility were demolished to rebuild an approximately 700,000 square feet modern warehouse facilities for future expansion.

Despite these challenges, the Group remains committed to leveraging its expanded infrastructure to capture future growth opportunities, diversify its customer base, and enhance operational efficiency.

- (b) The current market has since normalized, returning to FY2023 revenue and PATAMI levels will depend on several strategic and economic factors. Below are the Management's expectation and approaches:
- 1) While a full return to FY2023 levels may not be immediate, Management is targeting medium-term recovery over the next 2 to 3 financial years, subject to:
    - Stabilization of global trade volumes
    - Recovery in key customer sectors
    - Full utilization of new infrastructures
  - 2) Strategies Underway
    - Client/Industry Vertical Diversification: Expanding into industry sectors such as FMCG, automotive, aerospace and healthcare to reduce reliance on any single industry.
    - Operational Efficiency: Leveraging digitalization, automation, and process optimization to improve operational and cost efficiency.
    - Infrastructure Monetisation: Maximizing revenue from the newly commissioned infrastructures/facilities and to expand warehousing and other services through new contracts.
    - Regional Expansion: Attract cross-border and regional hub logistics opportunities to Malaysia to tap into ASEAN and regional trade growth.
  - 3) Market Conditions: Management remains cautiously optimistic in the medium term (3 to 5 years), noting that external factors such as geopolitical stability, tariffs, fuel prices, and global supply chain dynamics will influence the pace of recovery.

**Question 2:**

For FY2025, the Group sustained revenue above the RM1 billion mark, recording RM1.01 billion. This performance was achieved even after the absorption of a RM61 million reduction linked to the relocation of a key solar sector customer and the knock-on effects of regional boycotts. Through focused business-development initiatives and the agility of the Group's commercial teams, TASCOSecured new clients and averted a further RM80 million in potential revenue loss in FY2025 (Page 10 of AR 2025).

- (a) Is there a customer concentration risk, especially in the solar sector? If so, what plans are in place to mitigate this risk?
- (b) Please explain the knock-on effects of regional boycotts and elaborate on how TASCOSecured a further RM80 million in potential revenue loss in FY2025.

**Answer:**

- (a) The Group acknowledges a degree of customer concentration risk, particularly in the solar sector, which has historically contributed significantly to TASCOS's revenue. The relocation of a key solar customer in FY2025 highlighted this vulnerability. Below are the mitigation strategies:
- 1) Client/Industry Sector Diversification/Balance: TASCOS is actively expanding its customer base across diverse industry sectors.
  - 2) Long-Term Contracts  
The Group is pursuing multi-year contracts particularly in domestic business with clients in stable and growing sectors to ensure revenue continuity.
  - 3) Regional Expansion  
TASCOS is attracting cross-border and regional hub logistics opportunities across ASEAN and other regional markets to widen its revenue base.
- (b) Knock-on effects of regional boycotts included:
- Disruption in trade flows, especially in sectors affected by geopolitical tensions.
  - Reduced demand for cold supply chain logistics services in domestic and export markets particularly in food and retail sectors.
  - Delays or cancellations in shipments due to regulatory or diplomatic constraints.

Below were the activities how TASCOS averted RM80 million in potential revenue loss that mainly due to loss of solar sector customer:

1. The Group's commercial teams swiftly engaged with alternative clients and sectors to fill the revenue gap.
2. Sectors Diversification and Operational Flexibility: Resources were reallocated to high-performing segments in International Business Solutions (IBS), which showed resilience and growth.

3. Proactive Business Development & Customer Retention:

- New business contracts were secured in less affected industries, leveraging TASCOT's expanded infrastructure & service capabilities.
- Enhanced service offerings and relationship management helped retain existing clients and secure additional volumes through strategic account development program.

**Question 3:**

**Revenue from the International Business Solutions ("IBS") segment rose by RM59.9 million or 15.5 per cent year-on-year ("y-o-y"), from RM385.7 million in FY2024 to RM445.6 million in FY2025. This increase was driven by improved performance across all major divisions within the segment (Page 23 of AR 2025).**

**What were the key parameters/indicators that drove improved performance for all major divisions? What is the outlook for FY2026? Will the fine performance be sustainable and what is the basis?**

**Answer:**

The IBS segment demonstrated strong performance in FY2025, contributing significantly to Group revenue despite market challenges. The growth was driven by below key factors:

1. Recovery in Global Trade Flows: As international borders reopened and supply chains stabilized post-pandemic, demand for cross-border logistics services increased, benefiting TASCOT's air and sea freight operations.
2. Strategic Client Acquisition: The Group secured new multinational clients with consistent import-export volumes, particularly in the FMGC, electronics, automotive and aerospace sectors.
3. Enhanced Service Offerings: The Group pursues to promote 'plus-one' business development strategy to expand its value-added services such as customs brokerage, freight forwarding, multimodal transport solutions and project, improving client retention and attracting new business.

The Company maintains a cautiously optimistic outlook for the IBS segment in FY2026. While global freight markets may remain volatile due to macroeconomic uncertainties and geopolitical risks, the Group expects moderate growth, supported by:

- Continued recovery in global supply chains,
- Strengthen our position in existing markets and routes,
- Integration of digital freight solutions,
- Strategic backing by our YLK and NYK networks.

The Company believes the performance is sustainable, underpinned by:

- A diversified client base and service offerings across multiple geographies and sectors;
- Investments in automation, tracking systems, and digital platforms that improve service delivery and client experience;
- Strong risk management practices to mitigate market and operational disruptions.

While short-term fluctuations are inevitable, the current performance can be sustained if underpinned by strong networks, strategic positioning, operational efficiency, and continued demand recovery.

The Group will continue to enhance operational resilience and explore value-added services to strengthen its competitive position in the logistics and freight forwarding industry.

### **Sustainability Matters**

#### **Question 4:**

**As of the latest update, 15.0 % of TASCOT Group's branches have achieved compliance with the ISO 14001 standards, which outlined the criteria for its environmental management system. These standards encompass policies, processes, plans, practices, and records that govern the Group's interactions with the environment (Page 35 of AR 2025).**

**Why only 15.0% of TASCOT Group's branches achieved compliance with the ISO 14001 standards? When does the Group aim to achieve full compliance across all branches?**

#### **Answer:**

Currently, a total of 3 branches is certified with ISO 14001: Westport Logistics Centre (ambient warehouse) under TASCOT, Berjaya Industrial Logistics Centre (cold chain warehouse) under Gold Cold Transport Sdn Bhd, and Westport Logistics Centre (cold chain warehouse) under Gold Cold Integrated Logistics Sdn Bhd.

Although only some branches are formally certified at this stage, ISO 14001 practices have been implemented across all our locations, ensuring consistent and high standards of environmental management throughout the Group.

We began with the 3 branches mentioned above, which account for 15% of our operations, to align with international environmental standards, food handling requirements, and the expectations of multinational customers.

We will continue to review our operations to determine whether additional sites should pursue formal certification in the future, depending on factors such as regulatory requirements and customer expectations.

**Question 5:**

In response to the challenges posed by climate change, TASCOT has initiated a series of technical measures aimed at mitigating GHG emissions within its logistics operations. Among the initiatives taken are:

- (i) Utilising trucks with turbo diesel EURO 5 engines to reduce GHG emissions, with plans to transition to electric trucks in 2025
  - (ii) Employing battery-operated (Lithium) handling equipment such as Material Handling Equipment (MHE) to minimise noise pollution and carbon emission at warehouses. Currently, the Group has 55 units of Forklift under Lithium Battery. (Page 46 of AR 2025).
- (a) How many of the Group's trucks out of its total fleet are now using turbo diesel EURO 5 engines? What is the timeline for all trucks to use turbo diesel EURO 5 engines? Does the Group own any electric trucks? If not, what are the plans? What is the total number of forklifts in operation, and what percentage is currently powered by Lithium Batteries? Are there plans to convert all MHE to battery-operated models, and if so, by when?

**Answer:**

- (a) TASCOT is actively taking steps to make its fleet cleaner and more efficient. Currently, 23 out of our 341 trucks are equipped with turbo diesel EURO 5 engines—an important first step toward building a more sustainable fleet. The review and replacement of trucks is an ongoing process, guided by business requirements, vehicle age and condition, and overall operational efficiency.

We have also introduced our first electric truck, currently deployed in haulage operations at Westport, Port Klang. This initiative allows us to assess how electric vehicles integrate into our daily operations before further expanding our EV fleet.

TASCOT currently operates 96 forklifts across its warehouses, with 57% already powered by lithium batteries. Transitioning to battery-operated forklifts not only enhances operational efficiency but also contributes to reducing energy consumption and lower emissions throughout our operations.

Over time, our primary goal is to transition all forklifts and reach trucks to lithium battery operation. We are taking a phased approach to ensure smooth and reliable implementation, with the exact timeline to be determined based on operational readiness and business requirements.

**Question 6:**

Although both biodiesel and diesel consumption increased in FY2025 compared to FY2024, the higher proportion of biodiesel usage indicates a reduced carbon footprint. This shift highlights the Group's proactive commitment to lowering greenhouse gas emissions, even as operational energy demands continue to rise.

|                               | FY 2024             | FY 2025             |
|-------------------------------|---------------------|---------------------|
| Diesel Consumption            | 9,790,408.32        | 3,044,803.00        |
| Biodiesel Consumption         | 0                   | 6,788,930.73        |
| <b>Total Fuel Consumption</b> | <b>9,790,408.32</b> | <b>9,833,733.73</b> |
| <b>CO2 Emissions (tCO2)</b>   | <b>25,771.57</b>    | <b>25,216.34</b>    |

(Page 47 of AR 2025)

Although total fuel consumption increased slightly in FY2025, the proportion of biodiesel usage was significantly higher than diesel usage with a ratio of about 2:1. Despite the significantly higher usage of biodiesel, why was there only a very slight decline in CO2 emissions? Please explain.

**Answer:**

We use B10 biodiesel, which is a blend of 10% renewable palm oil and 90% conventional diesel. Despite the significantly higher use of B10 in FY2025, the overall CO<sub>2</sub> emissions only saw a slight decline. This is because total fuel consumption increased slightly during the year, which offset some of the environmental benefits of switching to biodiesel. Moreover, since B10 contains only 10% biodiesel, its potential for emissions reduction is approximately limited to 10%.

**Corporate Governance Matters**

**Question 7:**

We are not able to sight any Whistleblowing Policy disclosed in the Company's website. However, there are some brief write-ups on the Policy in the Corporate Governance Report (CGR) 2025 (Page 12) and Pages 94, 95 and 111 of AR 2025.

As stated on page 95 of AR 2025,

"Any complaints or reports can be directed to the designated personnel via compliance email or the compliance hotline.

Compliance Hotline: +603-51018820 (Mr. KY Tan)

Compliance Email:

checkpoh.lee@tasco.com.my (Mr. Lee Check Poh)

andy.lee@tasco.com.my (Mr. Andy Lee)

ky.tan@tasco.com.my (Mr. KY Tan)"

**For good corporate governance practice, the Company should disclose the Whistleblowing Policy on its website and the Policy should also address the protection accorded to a whistleblower. Reporting should also be directed to either Head of Internal Audit or the Chairman of Audit Committee.**

**Answer:**

The Company notes the observation regarding the Whistleblowing Policy disclosure.

The Company's Whistleblowing Policy is incorporated under the broader Corporate Compliance Policy under the section titled "A Shared Responsibility", available on the Company's website. This section outlines the Company's commitment to ethical conduct, integrity, and accountability, and includes guidance on whistleblowing procedures.

The Company will continue to review and enhance its disclosures to ensure clarity and accessibility of key governance policies to all stakeholders.

**Question 8:**

**At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors. The Board currently comprises eight (8) members, including three (3) Independent Non-Executive Directors and five (5) Executive Directors (Page 19 of CGR 2025)**

**When will the Company plan to have at least half of the board comprising INEDs?**

**Answer:**

The Company acknowledges the recommendation under the Malaysian Code on Corporate Governance (MCCG) for at least half of the board to comprise independent directors. As of the date of this report, the Board comprises eight (8) members, of whom three (3) are Independent Non-Executive Directors.

We remain committed to strengthening board independence and will continue to assess the composition of the Board as part of our ongoing corporate governance review. The Board, through the Nominating Committee, is actively evaluating the need and timing for the appointment of additional INEDs. Any changes to the Board composition will be made with due consideration to the Company's strategic needs, diversity, and the right mix of skills and experience.

We have presented your questions as well as our answers to the shareholders at the 50<sup>th</sup> Annual General Meeting held on 12 September 2025.

Thank you.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Tan Kim Yong', written over a dotted line.

**Tan Kim Yong**  
**Deputy Group CEO**