FAVELLE FAVCO BERHAD
Registration No.: 199201017739 (249243-W)
(Incorporated in Malaysia)

MINUTES OF THE THIRTY-FOURTH ANNUAL GENERAL MEETING ("34TH AGM") OF FAVELLE FAVCO BERHAD ("FFB" OR "THE COMPANY") HELD AT CONCORDE HOTEL SHAH ALAM, CONCORDE I, LEVEL 2, NO. 3, JALAN TENGKU AMPUAN ZABEDAH C9/C, 40100 SHAH ALAM, SELANGOR DARUL EHSAN ON THURSDAY, 11 JUNE 2026 AT 11.00 A.M.

PRESENT : As per the Attendance List

AGM34/1 PRELIMINARY

Dato' Sri Khazali Bin Haji Ahmad ("**Dato' Sri Khazali" or "the Chairman**"), the Chairman of the Board of Directors ("**the Board**") took the chair and welcomed everyone present at the Meeting. The requisite quorum being present pursuant to Article 63 of the Company's Constitution, the Chairman declared the Meeting duly convened at 11.00 a.m.

The Chairman then introduced the Board members, the Company Secretary and the External Auditors to the floor were also in the Meeting.

The Chairman requested the shareholders and proxies to raise questions that are kept strictly to the agenda as specified in the notice of the Meeting and to state their name, in order to facilitate recording purposes.

The Meeting noted that in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad all resolutions set out in the Notice of Annual General Meeting would be put into consideration by way of poll voting.

The Chairman informed that the Company has appointed Tricor Investor and Issuing House Services Sdn Bhd as the Poll Administrator to conduct the poll voting electronically and Coopers Professional Scrutineers Sdn Bhd as Scrutineer to verify the poll results.

AGM34/2 NOTICE OF MEETING

The Notice of Meeting having been circulated to shareholders and published in "The Star" on 29 April 2026 was taken as read.

ORDINARY BUSINESS

AGM34/3 AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 AND THE REPORTS OF THE DIRECTORS AND AUDITORS

The Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon, were tabled for discussion.

The Chairman informed the shareholders that the Audited Financial Statements for the financial year ended 31 December 2025 were intended for discussion only as the provision of the Section 340(1)(a) of the Companies Act 2016 requires the accounts and reports by the Directors be laid before the members at the AGM. There is no requirement for formal approval of the shareholders and hence, it would not put for voting.

AGM34/4 ORDINARY RESOLUTION 1
FIRST AND FINAL TAX EXEMPT DIVIDEND

The Chairman proceeded to the second item of the Agenda which was to approve a first and final tax exempt dividend of 9.0 sen per ordinary share in respect of the financial year ended 31 December 2025.

AGM34/5 ORDINARY RESOLUTION 2 AND 3
RE-ELECTION OF DIRECTORS WHO RETIRE BY ROTATION PURSUANT TO ARTICLE 85 OF THE COMPANY'S CONSTITUTION

As Dato' Sri Khazali was one (1) of the Directors seeking for re-election, the chairmanship was then handed to Mr Mac Chung Hui ("Mr Mac CH"), the Managing Director of the Company to chair this segment of the Meeting.

Mr Mac CH informed the Meeting that Ordinary Resolution 2 and 3 were on the re-election of the following Directors who retire by rotation pursuant to Article 85 of the Company's Constitution, and that the retiring Directors have offered themselves for re-election:-

Ordinary Resolution 2 - Re-election of Dato' Sri Khazali Bin Haji Ahmad
Ordinary Resolution 3 - Re-election of Encik Anuar Bin Abd Rahman

AGM34/6 ORDINARY RESOLUTION 4
RE-ELECTION OF DATO' SHARIMAHTON BINTI MAT SALEH WHO RETIRES PURSUANT TO ARTICLE 91 OF THE COMPANY'S CONSTITUTION

The Chairman informed the Meeting that Ordinary Resolution 4 was on the re-election of Dato' Sharimahton Binti Mat Salleh who retires pursuant to Article 91 of the Company's Constitution, and that the retiring Director has offered herself for re-election.

AGM34/7 ORDINARY RESOLUTION 5
APPROVAL FOR THE PAYMENT OF DIRECTORS' FEES AND BENEFITS PAYABLE UP TO AN AMOUNT OF RM1,000,000.00 FROM 12 JUNE 2026 UNTIL THE NEXT AGM OF THE COMPANY

The Chairman proceeded to the next item on the Agenda, which was to approve the payment of directors' fees and benefits payable up to an amount of RM1,000,000.00 from 12 June 2026 until the next AGM of the Company.

AGM34/8 ORDINARY RESOLUTION 6
RE-APPOINTMENT OF AUDITORS

The Chairman informed the Meeting that item 6 on the Agenda was to approve the re-appointment of the retiring Auditors, Messrs Crowe Malaysia PLT which had indicated their willingness to continue in office for the ensuing year ending 31 December 2026 and to authorise the Directors to fix their remuneration.

<u>SPECIAL BUSINESS</u>

AGM34/9 ORDINARY RESOLUTION 7
PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

The Chairman proceeded to the first item under special business which was to seek shareholders' approval on the Proposed Renewal of Authority for the Company to purchase its own ordinary shares of up to 10% of the total issued share capital of the Company, as detailed in the Statement to Shareholders dated 29 April 2026.

AGM34/10 ORDINARY RESOLUTION 8
PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The Chairman proceeded to the last item under special business which was to seek shareholders' approval on the proposed renewal of the existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature, as detailed in the Circular to Shareholders dated 29 April 2026.

The Chairman informed that the Company had not received any notice for any other business for this Meeting.

Having concluded all the agenda in the Notice of 34th AGM, for the polling process, the Chairman declared the closure of the registration for attendance at the 34th AGM to facilitate the poll.

AGM34/11 QUESTIONS AND ANSWER ("Q&A")

The Meeting then continued with the Q&A session. The questions raised were succinctly addressed by Mr. Mac CH. The salient issues raised were as follows:-

A1: **Question**: Mr. Yea Sean King raised the following questions:-

a. Could the Company provide guidance on the average or indicative pricing of cranes, to enable shareholders to better assess market conditions based on contract announcements?

b. What is Management's view on the long-term outlook for crane technology, particularly in light of emerging technologies such as drones and alternative energy developments?

c. Could Management comment on whether the valuation of the Company is influenced by the financial performance or condition of its parent company?

d. How many cranes are typically produced by the Company each year?

e. Is the Company's subsidiary, Exact Automation Sdn. Bhd. involved in airport immigration fast-track systems, and are there plans to expand into this market?

f. What are the reasons for the observed decline in net profit margins, and is increased competition a contributing factor?

g. Is the Company still pursuing crane rental operations, and how does this segment contribute to the overall business?

Answer:

a. The crane pricing cannot be accurately derived from contract announcements, as such disclosures may involve multiple customers and varying numbers and types of cranes. The price range is broad, from approximately RM1 million to RM75 million per unit or more depending on specifications. Consequently, it is not feasible to assess market conditions based solely on the contract values announced. Shareholders were advised to refer to quarterly reports, particularly the outstanding order book, to better understand market trends.

b. It was noted that while emerging technologies are evolving, the use of drones for heavy lifting remains impractical in the foreseeable future due to payload limitations, regulatory constraints, and technical challenges. Any potential impact would likely be limited to very small-scale lifting applications. In terms of the energy sector, the Company continues to operate in oil and gas, offshore and onshore wind, and is exploring opportunities in the nuclear sector. These areas are expected to sustain demand, while developments such as wave energy are not expected to significantly affect operations.

c. In principle, the Company and its parent entity operate independently, and their valuations should likewise be assessed separately. The current valuation is considered to reflect prevailing market conditions rather than the financial position of the parent company. The Company remains focused on strengthening its fundamentals and maintaining a consistent dividend policy to enhance shareholder value and attract investment interest.

d. The number of cranes produced varies from year to year. On average, the Company manufactures between 50 to 100 cranes annually, with higher output during stronger years.

e. Exact Automation Sdn. Bhd. is not involved in such systems. Its primary focus is on providing automation solutions for the oil and gas industry, particularly for offshore platforms and related applications.

f. It was noted that margins have been affected by several factors, including increased global cost pressures following recent economic events, as well as heightened competition, particularly from Chinese players offering more competitive pricing. Additionally, domestic cost increases such as taxes, fuel prices, and wages have contributed to the margin compression.

g. The Company maintains a crane rental fleet, primarily in Denmark and to a smaller extent in Malaysia. The rental segment was developed strategically during a period of low borrowing costs and serves as a supplementary income stream. While it requires capital investment, most of the fleet is already substantially paid off, and it functions as a financial buffer rather than a primary growth focus. The Company remains primarily a manufacturer and does not intend to aggressively expand the rental fleet unless commercially viable opportunities arise.

A2: **Question**: Mr. Lim Pin Yeong raised the following questions:-

a. Could the Company consider relocating future AGM to venue with more ample parking facilities, given the challenges faced at the current location?

b. Was the registration counter closed prematurely, and does this comply with regulatory requirements?

Answer:

a. The concern regarding limited parking at the current venue was noted, and the suggestion to consider alternative locations with better parking facilities was acknowledged for future consideration.

b. The registration counter would be closed once the polling process had commenced, in accordance with the procedure announced by the Chairman. It was subsequently confirmed that the registration had been closed after the polling process had already begun, and the matter was noted.

A3: **Question**: Mr. Yeoh Peng Yam raised the following questions:-

a. Is the Company considering a bonus issue or other forms of capitalisation to reward shareholders?

b. What is the expected future earnings contribution from the warehouse development in Australia, and when will returns be realised?

c. How will the French acquisition contribute to future revenue, considering the complexities of operating in the European market?

d. How does the Company address the challenges of recruiting, training, and retaining personnel for high-risk crane installation work?

Answer:

a. The suggestion for a bonus issue was acknowledged and would be considered should it be considered beneficial to shareholders.

b. The warehouse is nearing practical completion and is expected to be finalised within the coming weeks. Once fully tenanted, it is projected to generate rental revenue approximately AUD 3 million annually, with rental income expected to increase in line with inflation. This contribution is estimated to translate to around one to two sen per share.

Tenant discussions are currently ongoing, with promising interest from prospective parties.

c. The acquisition involves a crane manufacturing company primarily serving the scrap and port handling industries. The acquisition was completed at an attractive valuation, with the company currently profitable and generating stable income. Approximately 60% of its revenue is derived from France, 20% from the rest of Europe, and the remaining 20% from global markets. Opportunities for growth have been identified through expansion into new markets and leveraging existing manufacturing capabilities in Malaysia to optimise costs. The acquisition is expected to provide both revenue growth and operational synergies over time.

d. It was noted that such roles typically attract individuals who are naturally comfortable working at heights and have a strong interest in heavy equipment. While training is provided, this line of work often requires a particular aptitude and disposition. Recruitment focuses on individuals suited to these demands, and experience plays a significant role in ensuring operational capability and safety.

A4: **Question**: Mr. Leo Ann Puat raised the following questions:-

a. Could future AGM be held at alternative venues with better parking facilities, given the difficulties experienced at the current location?

b. Based on recent performance, what is the outlook for the financial year 2026 and the medium- to long-term prospects of the Company?

c. Will the Company continue to focus on crane-related activities, or is there an intention to diversify into broader areas?

d. What is the Company's view on future share price performance?

e. How is the Company managing foreign exchange exposure, particularly given the mix of currencies in its operations?

Answer:

a. The concern regarding limited parking at the current venue was acknowledged, and it was noted that the Company is growing and attracting higher attendance. The suggestion to relocate to a more suitable venue with improved facilities will be taken into consideration for future meetings.

b. The focus remains on strengthening the Company's fundamentals and pursuing growth through expansion into new geographic and product markets. Historically, the Company has demonstrated significant growth in net tangible assets since its listing, and efforts will continue to build on this trajectory through strategic initiatives such as acquisitions and market diversification. The intention is to sustain and enhance performance over the medium to long term.

c. The Company's scope extends beyond cranes to encompass a wider range of equipment-related businesses. Opportunities for expansion are actively explored in areas where existing expertise in engineering, manufacturing, and systems integration can be applied. The Company remains open to acquisitions and ventures that align with its capabilities and can contribute positively to growth.

d. Share price movements cannot be predicted. However, emphasis was placed on growing the Company's underlying business fundamentals, with the expectation that sustained performance and value creation will be reflected in the share price over time.

e. It was noted that the Company generates a significant portion of its revenue in foreign currencies, particularly US dollars, while maintaining a cost base partly in Malaysian Ringgit. This creates a level of foreign exchange exposure. Measures such as selective hedging are undertaken, although it is not feasible to fully hedge all transactions due to varying contract timelines. Overall, the impact of currency fluctuations has been managed within operational performance.

A5: **Question**: Mr. Ho Yueh Weng raised the following questions:-

a. What is the reason for the impairments recorded, followed by subsequent reversals, and what do these entries represent?

b. With regard to the proposed renewal of the share buyback authority, how does the Company ensure compliance with public shareholding spread requirements, given the current shareholding structure?

c. Could the Company provide clearer summaries or presentations of its performance during the AGM to enhance shareholders' understanding?

d. Could the Company comment on how it safeguards and retains its technological capabilities, particularly when operating across multiple international subsidiaries?

Answer:

a. Impairments are primarily associated with receivables and warranty provisions. In cases where there are delays or uncertainties in collections, provisions are made in accordance with accounting requirements. Additionally, warranty provisions are allocated for each crane delivered. Over time, when payments are successfully collected or when warranty costs are lower than anticipated, these provisions are reversed. Such adjustments are considered part of normal business operations and accounting practices.

b. Share buy-back mandate is sought annually to provide flexibility should the need arise. However, it was acknowledged that actual buy-back activities have been limited, partly due to awareness of public shareholding spread requirements. The authority is maintained as a precautionary measure, to be exercised only if deemed beneficial and in compliance with regulatory obligations.

c. The suggestion to include a concise summary of the Company's performance and key highlights during the meeting was acknowledged.

d. It was noted that the Company owns its subsidiaries entirely, including their intellectual property, brand, and technology. Rather than relying solely on individual personnel, expertise is retained through ownership of designs, engineering documentation, and established brand value. While employee movement is a natural occurrence across all regions, the Company considers its structure and ownership sufficient to maintain continuity of knowledge and technological control.

After all relevant questions were dealt with, the Chairman thanked the shareholders, corporate representatives and proxies for their questions and announced that the Q&A session was closed.

It was recorded that the Audited Financial Statements together with the Reports of the Directors and Auditors were duly received and adopted by the shareholders.

AGM34/12 POLLING PROCESS

For the benefit of the shareholders, the Chairman has been appointed to act as proxy for a number of shareholders and the Chairman shall vote in accordance with the instructions given.

The shareholders, corporate representatives and proxies present were then given additional 10 minutes to cast their votes.

The Meeting was adjourned at 12:07 p.m. and the Chairman announced that the voting session for the 34th AGM had ended at 12:19 p.m.. The poll results were then handed over to the Independent Scrutineer for validation.

AGM34/13 ANNOUNCEMENT OF POLL RESULTS

The 34th AGM was resumed at 12:36 p.m. and the Chairman called the Meeting to order for the declaration of the results. The Chairman informed the shareholders that Coopers Professional Scrutineers Sdn Bhd had verified the poll voting results and that the poll voting results have been tabulated and as projected on the screen in the meeting room. The poll voting results is attached herewith as "Annexure A".

Based on the poll results verified by the Scrutineers, the Chairman announced that all the resolutions tabled at 34th AGM of the Company had been duly carried.

Therefore, **IT WAS RESOLVED:-**

ORDINARY RESOLUTION 1
FIRST AND FINAL TAX EXEMPT DIVIDEND

THAT a first and final tax exempt dividend of 9.0 sen per ordinary share in respect of the financial year ended 31 December 2025 be and is hereby approved for payment.

ORDINARY RESOLUTION 2
RE-ELECTION OF DATO' SRI KHAZALI BIN HAJI AHMAD

THAT Dato' Sri Khazali Bin Haji Ahmad, who retired pursuant to Article 85 of the Company's Constitution, be and is hereby re-elected to the Board.

ORDINARY RESOLUTION 3
RE-ELECTION OF ENCIK ANUAR BIN ABD RAHMAN

THAT Encik Anuar Bin Abd Rahman, who retired pursuant to Article 85 of the Company's Constitution, be and is hereby re-elected to the Board.

ORDINARY RESOLUTION 4
RE-ELECTION OF DATO' SHARIMAHTON BINTI MAT SALEH

THAT Dato' Sharimahton Binti Mat Saleh, who retired pursuant to Article 91 of the Company's Constitution, be and is hereby re-elected to the Board.

ORDINARY RESOLUTION 5
APPROVAL FOR THE PAYMENT OF DIRECTORS' FEES AND BENEFITS UP TO AN AMOUNT OF RM1,000,000 FROM 12 JUNE 2026 UNTIL THE NEXT AGM OF THE COMPANY

THAT the payment of Directors' fees and benefits up to an amount of RM1,000,000 from 12 June 2026 until the next AGM of the company be and is hereby approved.

ORDINARY RESOLUTION 6
RE-APPOINTMENT OF AUDITORS

THAT the retiring Auditors, Messrs Crowe Malaysia PLT be and are hereby re-appointed as Auditors of the Company for the ensuing year and to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Board of Directors.

ORDINARY RESOLUTION 7
PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

THAT subject to the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), Companies Act 2016 ("**the Act**"), and the Constitution of the Company, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company through Bursa Securities ("**Proposed Share Buy-Back**"), as may be determined by the Directors of the Company from time to time upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:-

(i) the aggregate number of ordinary shares purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the total number of issued share capital of the Company at any point in time; and

(ii) the funds allocated by the Company for the Proposed Share Buy-Back shall not exceed the aggregate retained profits of the Company; and

(iii) the authority conferred by this resolution shall continue to be in force until:-

  (a) the conclusion of the next AGM of the Company following the general meeting at which this resolution was passed, at which time it shall lapse, unless by ordinary resolution passed at that meeting, the authority is renewed, whether unconditionally or subject to conditions; or

(b) the expiration of the period within which the next AGM of the Company is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first.

THAT the Directors of the Company be and are hereby authorised to deal with the shares purchased in the following manner:-

(a) cancel all the shares so purchased; and/or

(b) retain the shares so purchased as treasury shares, for distribution as share dividends to the shareholders and/or resell on the market of Bursa Securities; and/or

(c) retain part thereof as treasury shares and cancel the remainder.

AND THAT the Directors of the Company be and are hereby authorised to give effect to the Proposed Share Buy-Back with full power to assent to any modifications and/or amendments as may be required by the relevant authorities.

ORDINARY RESOLUTION 8
PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

THAT subject to the Main Market Listing Requirements of Bursa Securities, approval be and is hereby given for the Renewal of the Existing Shareholders' Mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.1.2 of the Statement/Circular to Shareholders ("**Circular**") dated 29 April 2026 provided that such transactions are undertaken in the ordinary course of business, at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the interests of the minority shareholders of the Company ("**Proposed Shareholders' Mandate**").

THAT the Proposed Shareholders' Mandate conferred by this resolution shall continue to be in force until:-

a) the conclusion of the next AGM of the Company at which time it will lapse, unless by ordinary resolution passed at the next AGM, the Proposed Shareholders' Mandate 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(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

c) revoked or varied by an ordinary resolution passed by the Company's shareholders in a general meeting,

whichever is the earliest.

AND THAT the Directors of the Company be and are hereby authorised to take all steps and to do all such acts and deeds as they may consider expedient or necessary to give effect to the Proposed Shareholders' Mandate.

AGM34/14 CONCLUSION

There being no further business, the Chairman declared the Meeting closed at 12.36 p.m. and thanked all present at the Meeting.

SIGNED AS A CORRECT RECORD
OF THE PROCEEDING THEREAT

CHAIRMAN

ANNEXURE A

34th AGM

Poll Results

FAVELLE FAVCO BERHAD

(249243-W)

FAVCO 34TH AGM

Concorde Hotel Shah Alam, Concorde I, Level 2, No. 3, Jalan Tengku Ampuan Zabedah C9/C,
40100 Shah Alam, Selangor Darul Ehsan, Malaysia.
On Thursday, June 11, 2026 11:00 AM

Result On Voting By Poll

Resolution(s)	Votes For			Vote Against			Total Votes		
	No of Units	%	No of P/S	No of Units	%	No of P/S	No of Units	%	No of P/S
Ordinary Resolution 1	163,764,024	99.9957	150	7,100	0.0043	4	163,771,124	100.0000	154
Ordinary Resolution 2	163,710,423	99.9629	146	60,701	0.0371	8	163,771,124	100.0000	154
Ordinary Resolution 3	163,735,323	99.9781	146	35,801	0.0219	8	163,771,124	100.0000	154
Ordinary Resolution 4	163,766,523	99.9972	148	4,601	0.0028	6	163,771,124	100.0000	154
Ordinary Resolution 5	163,755,123	99.9902	142	16,001	0.0098	12	163,771,124	100.0000	154
Ordinary Resolution 6	163,763,523	99.9954	148	7,601	0.0046	6	163,771,124	100.0000	154
Ordinary Resolution 7	163,755,623	99.9905	142	15,501	0.0095	12	163,771,124	100.0000	154
Ordinary Resolution 8	9,108,280	99.9265	137	6,701	0.0735	7	9,114,981	100.0000	144

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
11324-H
POLL
ADMINISTRATOR

COOPERS PROFESSIONAL SCRUTINEERS SDN BHD
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Report printed at :11/06/2026 12:20:45 PM