ELSOFT RESEARCH BERHAD

Registration No. 200301015084 (617504-K)
(Incorporated in Malaysia)

MINUTES OF ANNUAL GENERAL MEETING

MINUTES OF THE TWENTY-THIRD (23^{RD}) ANNUAL GENERAL MEETING (“AGM”) OF ELSOFT RESEARCH BERHAD (“ELSOFT” OR “COMPANY”) HELD AT THE CONFERENCE HALL OF THE COMPANY, PLOT 85B, LINTANG BAYAN LEPAS 9, BAYAN LEPAS INDUSTRIAL PARK, PHASE 4, 11900 PULAU PINANG ON FRIDAY, 22 MAY 2026 AT 10.00 A.M.

Present	:	**Board of Directors**		
		Ir. Academician Emeritus Professor Tan Sri Dato’ Seri Dr. Chuah Hean Teik	-	Independent Non-Executive Chairman
		Mr. Tan Cheik Eaik	-	Executive Director /Chief Executive Officer
		Mr. Koay Kim Chiew	-	Executive Director
		Mr. Tan Ah Lek	-	Non-Independent Non-Executive Director
		Mr. Ooi Toon Kit	-	Non-Independent Non-Executive Director
		Dato’ Agatha Foo Tet Sin	-	Independent Non-Executive Director
		Mr. Lee Soo Ghee	-	Independent Non-Executive Director
		Company Secretary		
		Ms Michelle Ooi		
	:	**Shareholders/Proxy**		
		As per attendance list		
By Invitation	:	Nur Amirah Binti Amirudin		Minority Shareholders Watch Group
In Attendance	:	Mr. Goh Chee Beng representing BDO PLT	-	External Auditors
		Ms. Fanny Lim Hwei Feng representing Securities Services (Holdings) Sdn. Bhd.	-	Poll administrator
		Kenneth Lee Yu Zhe representing Commercial Quest Sdn. Bhd.	-	Scrutineers

CHAIRMAN OF THE MEETING

Ir. Academician Emeritus Professor Tan Sri Dato’ Seri Dr. Chuah Hean Teik (Chairman).

QUORUM

There being a quorum, the 23^{rd} AGM (“Meeting”) was duly convened.

NOTICE OF MEETING

The notice convening the Meeting was tabled and taken as read.

PRELIMINARY

(a) The Chairman introduced each member of the Board of Directors ("Board") as well as the Company Secretary who was in attendance.

(b) The Chairman informed that voice or video recording of the Meeting proceedings was strictly prohibited.

(c) The Chairman briefed the members, corporate representatives and proxies present of their right to participate, speak and vote on the resolutions set out in the Notice of 23rd AGM dated 22 April 2026.

(d) The Chairman informed that the voting of the 23rd AGM would be conducted on a poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements. For this purpose, the Chairman exercised his right as the Chairman of this Meeting to demand for a poll in accordance with Article 16.5 of the Company's Constitution in respect of all resolutions which would be put to vote at the Meeting.

(e) The Chairman further informed that the Company had appointed Securities Services (Holdings) Sdn. Bhd. as Poll Administrator to conduct the electronic voting (e-Voting) process and Messrs. Commercial Quest Sdn. Bhd. as Scrutineers to verify the poll results.

(f) Ms. Fanny Lim Hwei Feng of Messrs. Securities Services (Holdings) Sdn. Bhd. was invited to explain the e-Voting procedure. A short video demonstrating the process was played, and polling devices were provided to the shareholders. Ms. Fanny Lim then conducted a trial run to familiarize them with the device before handing the chairing of the Meeting back to the Chairman.

(g) The Chairman informed that for each resolution, it would be open to the floor for questions, after which, the Meeting would proceed to vote and the results would be shown on the screen and announced immediately. There were 7 Ordinary Resolutions to be tabled for approval by the shareholders and these steps would be repeated for each resolution.

Minority Shareholders Watch Group ("MSWG") Questions

The Chairman informed the Meeting that the Company had on 14 May 2026 received an inquiry from the MSWG requesting clarification on some matters.

He then invited the CEO, Mr. Tan Cheik Eaik, to read out the questions and the Company's responses to the questions of MSWG, which were also flashed on the screen at the Meeting, details of which are attached herewith and marked as Appendix A.

The representative from MSWG, Cik Nur Amirah Binti Amirudin, posted further questions to the Meeting, to which Mr. Tan Cheik Eaik responded accordingly. The additional questions and the Company's responses were recorded and are attached herewith and marked as Appendix B.

1.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 ("FY2025") TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS

1.1 The Chairman tabled the Audited Financial Statements for the FY 2025 together with the Reports of the Directors and Auditors as set out on pages 72 to 132 of the Annual Report 2025.

1.2 The Chairman invited questions from the floor, however, there were no questions raised.

1.3 The Chairman declared that the Audited Financial Statements for the FY2025 together with the Reports of the Directors and Auditors were received and duly tabled at the 23rd AGM.

1.4 The Chairman explained that the Audited Financial Statements for the FY2025 were for discussion only under Agenda 1, as it did not require shareholders' approval. Therefore, it would not be put for voting.

2.0 ORDINARY RESOLUTION NO. 1
TO APPROVE THE PAYMENT OF DIRECTORS' FEES OF NOT EXCEEDING RM350,000.00 TO THE NON-EXECUTIVE DIRECTORS FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2026

2.1 The Chairman informed that the 2nd agenda in the notice of the 23rd Annual General Meeting was to approve the payment of Directors' Fees of not exceeding RM350,000.00 to the Non-Executive Directors for the financial year ending 31 December 2026.

2.2 The Chairman advised the Directors who are the shareholders of the Company and are entitled to receive the Directors' fees to abstain from voting on this resolution.

2.3 The Chairman invited questions from the floor, however, there were no questions raised.

2.4 The motion was then put to vote by way of e-Voting.

2.5 The Chairman announced the poll results projected on the screen at the Meeting in respect of Resolution 1 which was carried as follows: -

	For			Against		
	Number of Shares	**No. of Voters**	**%**	**Number of Shares**	**No. of Voters**	**%**
Ordinary Resolution 1	99,826,240	26	99.4961	505,600	2	0.5039

2.6 The Chairman then declared that the Ordinary Resolution No. 1 was duly passed as follows:

"That the payment of Directors' Fees of not exceeding RM350,000.00 to the Non-Executive Directors for the financial year ending 31 December 2026 be approved."

3.0 ORDINARY RESOLUTION NO. 2 AND 3
RE-ELECTION OF DIRECTORS OF THE COMPANY PURSUANT TO ARTICLE 18.3 OF THE COMPANY'S CONSTITUTION

3.1 The Chairman informed that Agenda 3 concerned the re-election of Directors retiring by rotation pursuant to Article 18.3 of the Company's Constitution.

The Directors standing for re-election were:
Mr. Ooi Toon Kit under Ordinary Resolution 2; and
Mr. Lee Soo Ghee under Ordinary Resolution 3.

3.2 The Chairman further informed that the profiles of both Directors were set out on page 7 and 8 of the 2025 Annual Report.

3.3 The Chairman invited questions from the floor in respect of Ordinary Resolution 2 and 3, however, there were no questions raised.

ORDINARY RESOLUTION NO. 2
RE-ELECTION OF MR. OOI TOON KIT AS DIRECTOR OF THE COMPANY PURSUANT TO ARTICLE 18.3 OF THE COMPANY'S CONSTITUTION

3.4 The Chairman put Ordinary Resolution 2, being the re-election of Mr. Ooi Toon Kit, to vote by way of e-Voting.

3.5 The Chairman announced the poll results projected on the screen at the Meeting in respect of Resolution 2 which was carried as follows: -

	For			Against		
	Number of Shares	**No. of Voters**	**%**	**Number of Shares**	**No. of Voters**	**%**
Ordinary Resolution 2	324,992,178	32	99.3867	2,005,600	2	0.6133

3.6 The Chairman then declared that the Ordinary Resolution No. 2 was duly passed as follows:

"THAT, Mr. Ooi Toon Kit who retired pursuant to Article 18.3 of the Company's Constitution be re-elected as Director of the Company."

ORDINARY RESOLUTION NO. 3
RE-ELECTION OF MR. LEE SOO GHEE AS DIRECTOR OF THE COMPANY PURSUANT TO ARTICLE 18.3 OF THE COMPANY'S CONSTITUTION

3.7 The Chairman put Ordinary Resolution 3, being the re-election of Mr. Lee Soo Ghee, to vote by way of e-Voting.

3.8 The Chairman announced the poll results projected on the screen at the Meeting in respect of Resolution 3 which was carried as follows: -

	For			Against		
	Number of Shares	**No. of Voters**	**%**	**Number of Shares**	**No. of Voters**	**%**
Ordinary Resolution 3	327,480,778	35	99.3930	2,000,000	1	0.6070

3.9 The Chairman then declared that the Ordinary Resolution No. 3 was duly passed as follows:

"THAT, Mr. Lee Soo Ghee who retired pursuant to Article 18.3 of the Company's Constitution be re-elected as Director of the Company."

4.0 ORDINARY RESOLUTION NO. 4
RE-APPOINTMENT OF MESSRS. BDO PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

4.1 Ordinary Resolution 4 was to re-appoint Messrs. BDO PLT as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

4.2 The Chairman invited questions from the floor, however, there were no questions raised.

4.3 The Chairman then put Ordinary Resolution 4 to vote by way of e-Voting.

4.4 The Chairman announced the poll results projected on the screen at the Meeting in respect of Resolution 4 which was carried as follows: -

	For			Against		
	Number of Shares	**No. of Voters**	**%**	**Number of Shares**	**No. of Voters**	**%**
Ordinary Resolution 4	329,199,778	36	100.0000	0	0	0

4.5 The Chairman then declared that the Ordinary Resolution No. 4 was duly passed as follows:

"THAT the re-appointment of Messrs. BDO PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorize the Directors to fix their remuneration be approved."

5.0 ORDINARY RESOLUTION NO. 5
AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016 FOR THE DIRECTORS TO ISSUE SHARES

5.1 The Chairman then moved on to the special business on the agenda. He informed that the Ordinary Resolution 5 was to obtain shareholders' mandate for the Directors to issue shares in the Company up to a maximum of 10% of the total issued shares of the Company.

5.2 The rationale for obtaining the mandate is to provide certain amount of flexibility to the Board, when the need arises, to issue additional shares subject to the approval of authorities being obtained as well as to avoid any delay and cost in convening a separate general meeting to specifically approve such an issuance of shares.

5.3 The Chairman invited questions from the floor, however, there were no questions raised.

5.4 The Chairman then put Ordinary Resolution 5 to vote by way of e-Voting.

5.5 The Chairman announced the poll results projected on the screen at the Meeting in respect of Resolution 5 which was carried as follows: -

	For			Against		
	Number of Shares	**No. of Voters**	**%**	**Number of Shares**	**No. of Voters**	**%**
Ordinary Resolution 5	322,967,778	35	99.8454	500,000	1	0.1546

5.6 The Chairman then declared that the Ordinary Resolution No. 5 was duly passed as follows:

"THAT, subject always to the Companies Act, 2016 ("the Act"), the Constitution of the Company and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby authorised, pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company at any time until the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deemed fit, provided that the aggregate of the shares to be issued does not exceed 10% of the total number of issued shares of the Company and that the Directors are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares to be issued.

THAT the existing shareholders' right of pre-emption under Article 13.2 of the Company's Constitution shall not apply to the allotment and issuance of new shares pursuant to this mandate."

6.0 ORDINARY RESOLUTION NO. 6 PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

6.1 The Chairman informed that the Ordinary Resolution 6 was on Proposed Renewal of Share Buy-Back Authority, if passed, it would give the Company the authority to purchase its own shares up to 10% of the total number of issued shares of the Company for the time being.

6.2 The authority, unless renewed or revoked or varied by the shareholders of the Company in general meeting, would expire at the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting after that date is required by the law to be held, whichever occurs first.

6.3 The Chairman invited questions from the floor, however, there were no questions raised.

6.4 The Chairman then put Ordinary Resolution 6 to vote by way of e-Voting.

6.5 The Chairman announced the poll results projected on the screen at the Meeting in respect of Resolution 6 which was carried as follows: -

	For			**Against**		
	Number of Shares	**No. of Voters**	**%**	**Number of Shares**	**No. of Voters**	**%**
Ordinary Resolution 6	327,325,778	36	100.0000	0	0	0

6.6 The Chairman then declared that the Ordinary Resolution No. 6 was duly passed as follows:

"THAT, subject always to the Companies Act 2016, the provisions of the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other applicable laws, rules, regulations, and guidelines for the time being in force, the Directors of the Company be and are hereby authorised to make purchase(s) of such amount of ordinary shares in the Company through Bursa Securities subject to the following:

(a) The aggregate of the shares which may be purchased and/or held by the Company shall not exceed 10% of the total number of issued shares of the Company ("Shares");

(b) The maximum fund to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate of the retained profits of the Company. As of 31 December 2025, the audited retained profits of the Company was RM3,398,628.

(c) The authority conferred by this resolution will commence immediately upon passing of this ordinary resolution and will continue to be in force until:

(i) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next annual general meeting of the Company after that date is required by law to be held; or

(iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the Main Market Listing Requirements of Bursa Securities or any other relevant authority; and

(d) upon completion of the purchase(s) of the Shares by the Company, the Directors of the Company be and are hereby authorised to deal with the Shares in the following manner:

(i) cancel the Shares so purchased; or
(ii) retain the Shares so purchased as treasury shares; or
(iii) retain part of the Shares so purchased as treasury shares and cancel the remainder; or
(iv) distribute the treasury shares as share dividends to shareholders; or
(v) resell the treasury shares on Bursa Securities; or
(vi) transfer the treasury shares, or any of the shares for the purposes of or under an employees' share scheme; or
(vii) transfer the treasury shares, or any of the shares as purchase consideration; or

in any other manner as prescribed by the Act, rules, regulations and guidelines pursuant to the Act and the requirements of Bursa Securities and any other relevant authority for the time being in force;

AND THAT the Directors of the Company be and are hereby authorized to take all steps as are necessary or expedient to implement or to effect the purchase(s) of the Shares with full power to assent to any condition, modification, variation and/or amendment as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto."

7. ORDINARY RESOLUTION NUMBER 7:
CONTINUATION IN OFFICE AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR

7.1 The Chairman informed that the Ordinary Resolution 7 was on the retention of Dato' Agatha Foo Tet Sin as an Independent Non-Executive Director of the Company.

7.2 The Chairman further informed that Dato' Agatha will attain a cumulative term of nine years as an Independent Non-Executive Director on 29 December 2026. The Board, through the Nomination Committee, has assessed Dato' Agatha for her retention as an Independent Non-Executive Director. She abstained from all deliberations relating to her own evaluation at the respective meetings. Based on the assessment, the Board is satisfied that she continues to meet the independence criteria and has consistently demonstrated independent judgment, integrity and professionalism. Her experience and deep knowledge of the Group's business remain valuable to the Board, and her long tenure has not affected her ability to act objectively. Accordingly, the Board recommends that she be retained as an Independent Non-Executive Director until the conclusion of the next annual general meeting. In line with the Malaysian Code on Corporate Governance 2021, this resolution will be carried out via a two-tier voting process.

7.3 The Chairman invited questions from the floor, however, there were no questions raised.

7.4 The motion was then put to vote by way of e-Voting.

7.5 The Chairman announced the poll results projected on the screen at the Meeting in respect of Resolution 7 which was carried as follows: -

	For			**Against**		
	Number of Shares	**No. of Voters**	**%**	**Number of Shares**	**No. of Voters**	**%**
Ordinary Resolution 7						
Tier 1	163,109,440	2	100	0	0	0
Tier 2	164,324,538	30	98.7941	2,005,700	3	1.2059
Total	327,433,978	32	98.7941	2,005,700	3	1.2059

7.6 The Chairman then declared that the Ordinary Resolution No. 7 was duly passed as follows:

"THAT Dato' Agatha Foo Tet Sin, who will attain a cumulative term of nine (9) years as an Independent Non-Executive Director of the Company on 29 December 2026, be retained and shall continue to serve as an Independent Non-Executive Director of the Company until the conclusion of the next annual general meeting."

8.0 ANY OTHER BUSINESS

8.1 The Chairman sought confirmation from the Company Secretary whether the Company had received any notice for transaction of other business. The Company Secretary confirmed that the Company had not received any notice for transaction of any other business at the Meeting.

9.0 CLOSE OF MEETING

9.1 There being no other business to be transacted, the Meeting ended at 10.50 a.m. with a vote of thanks to the Chair and to the Board of Directors.

READ AND CONFIRMED BY,

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CHAIRMAN

APPENDIX A

ELSOFT RESEARCH BERHAD

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QUESTIONS SUBMITTED BY MSWG VIDE LETTER DATED 14 MAY 2026 PRIOR TO THE 23rd ANNUAL GENERAL MEETING HELD ON 22 MAY 2026

	Questions from MSWG	**The Company's Response/Answer**
1.	While R&D expenditure remained relatively stable at RM5.18 million in FY2025 versus RM5.34 million in FY2024, the R&D-to-revenue ratio increased sharply to 61% mainly due to lower revenue. (Source: Page 13 of Annual Report 2025)	
a.	What proportion of the Group's current R&D spending is allocated toward traditional ATE solutions versus medical-device and metalens-related testing solutions?	The Group's R&D spending is primarily driven by engineering manpower costs. As engineering resources are deployed across multiple projects spanning the ATE, medical-device and metalens-related segments, the associated costs cannot be meaningfully allocated by segment.
b.	Please provide more information on the key products, technologies or solutions currently under development.	Since 2025, the Group has been actively developing a new optical tester specifically designed for metalens, an emerging next generation lens technology. The first unit was successfully shipped in the first quarter of 2026. Development work is still ongoing to further enhance and improve the tester's capabilities.
c.	What stages of commercialisation or customer qualification have these projects reached, and when can shareholders expect more meaningful revenue contribution from these R&D initiatives?	The first metalens optical tester was successfully delivered in the first quarter of 2026, marking a key milestone in the customer qualification process. We have since received an additional order from the same customer, and we continue to work closely with them on potential follow-on units and new tester requirements. Revenue contribution from this R&D initiative will depend on the customer's adoption rate and production rollout, which is expected to progress gradually.
2.	The Butterfly House (PG) Sdn. Bhd. (Entopia) recorded improved revenue and cash flow in FY2025, with international visitor arrivals increasing 11%, although domestic visitors declined by 5%. (Source: Page 14 of Annual Report 2025)	

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QUESTIONS SUBMITTED BY MSWG VIDE LETTER DATED 14 MAY 2026 PRIOR TO THE 23rd ANNUAL GENERAL MEETING HELD ON 22 MAY 2026

	Questions from MSWG	**The Company's Response/Answer**
a.	Although Entopia recorded FY2025 profit of RM1.13 million and net assets of RM2.32 million, the Group continues to carry the investment at zero following the earlier RM1.74 million impairment. (Source: Pages 102-104 of Annual Report 2025) Under what conditions would the Group consider reversing part of the impairment loss or recognising future profit contributions from Entopia?	The Group would consider reversing the impairment only when Entopia demonstrates consistent and sustainable cash flow generation supported by actual operating results, rather than projections alone. Although Entopia has positive net assets, the outstanding redeemable preference shares must also be taken into account in assessing its recoverable value. The Group will continue to closely monitor Entopia's performance, and any impairment reversal will be assessed prudently and in accordance with applicable financial reporting requirements.
b.	Amid ongoing geopolitical tensions in the Middle East, energy-related disruptions, flight delays and more cautious consumer spending, what is management's outlook for both international and domestic visitor trends for Entopia going forward?	International arrivals have been affected by global geopolitical tensions and travel-related uncertainties, which continue to weigh on the overall tourism industry. To mitigate this, Entopia strengthened its domestic market initiatives through targeted promotional campaigns tied to its 40th anniversary celebration, which helped to cushion the impact from softer international demand. Mr CE Tan further explain that the campaign is RM40 annual pass offer to penang resident (as long as staying in penang).
3.	Ento Feed Sdn. Bhd. plans to scale up production by end-2026, supported by secured buyers for protein and frass products. (Source: Page 14 of Annual Report 2025) How much production increase is targeted by end-2026, and what is the estimated annual sales value secured under these buyer arrangements? Are these yearly supply contracts? What is the typical contract	The contracts with buyers represent purchase commitments for frass and protein rather than fixed-value annual supply agreements. Buyers have indicated readiness to take up the output once production scales up. At this stage, no annual sales target has been established, as protein production remains in the testing and optimisation phase. Frass output, meanwhile, is largely dependent on the availability of organic waste input.

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	Questions from MSWG	**The Company's Response/Answer**
	duration committed by customers?	As production stabilises and scales up toward the end of 2026, the Group expects to be in a better position to determine consistent output levels and assess the corresponding annual sales potential.
4.	The Group's top medical-device customer contributed approximately 50% of FY2025 turnover and has been with the Group for more than 10 years. (Source: Page 14 of Annual Report 2025) While this reflects a stable long-term relationship, how much of the RM10 million confirmed FY2026 medical-device orders is contributed by existing customers versus newly acquired customers, and when does management expect customer concentration risk to reduce to a more diversified level?	The RM10 million confirmed medical-device orders for FY2026 are entirely from an existing customer. The Group has supported this customer from the first generation of its medical device through to the current second-generation model, including support for the required regulatory approval process. Diversification into the medical device segment forms part of the Group's key initiative to gradually reduce customer concentration risk, as revenue had historically been concentrated among ATE customers. While revenue contribution from the medical device segment has increased as ATE orders moderated, the Group continues to actively engage with its ATE customers and pursue opportunities to broaden its ATE customer base to achieve a more balanced revenue profile over time.
5.	The Group recorded RM6.46 million fair value gain on other investments in FY2025, mainly from unit trusts, bond funds and quoted shares. (Source: Pages 111 and 118 of Annual Report 2025) What proportion of these fair value gain on other investments, in percentage terms, was contributed by bond-related investments versus quoted equities, and does the Group have a formal investment policy governing these investments?	For FY2025, 68% of the fair value gain was attributable to quoted equity investments, while the remaining 32% was derived from investments in bond funds. A significant portion of the gain from quoted equity investments arose from the opportunity during the year to subscribe to the IPO shares of one of the Group's key customers. This subscription was undertaken both as a strategic gesture to strengthen the business relationship and as an opportunity to generate investment returns.

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	Questions from MSWG	**The Company's Response/Answer**
		This subscription was approved by the Board with a limit of up to SGD300,000 and contributed approximately RM4.3 million to the Group's fair value gain as at 31 December 2025. While the Group does not have a formal documented investment policy, all investment decisions are governed by established internal controls and subject to Board oversight and approval.
6.	The proportion of procurement from local suppliers declined significantly from 69% in FY2023 to 34% in FY2025 as more electronic components were sourced externally. (Source: Page 28 of Annual Report 2025) Given the higher reliance on external suppliers, which countries or regions are the Group's key electronic components currently sourced from and has the Group experienced any supply disruptions, delays or cost pressures arising from current geopolitical tensions?	The decline in local procurement is mainly due to the Group's strategic shift towards direct sourcing of electronic components from overseas manufacturers, particularly in China and the United States, to optimise cost efficiency and improve supply reliability. To date, the Group has not experienced any material supply disruptions or geopolitical-related issues. The only notable impact has been a global increase in flash memory storage component prices, which remains manageable.
7.	Follow up question to question 1 (a) , (b) and (c): MSWG representative requested clarification on the number of ATE units shipped and whether similar products are being supplied by other companies. Recently, the Malaysian Government announced a partnership with Arm Holdings plc to support the development of Malaysia's AI chips. Several local companies were granted access to Arm's IP to design and	Elsoft has shipped one unit of the metalens-related tester in Q1. In addition, we have recently received another confirmed order for one unit. As advised by the customer, the expected delivery for this second unit is scheduled for Q1 2027. Metalens is a new technology product, and we see meaningful potential. The adoption rate of this ATE will depend on the customer's production qualification and subsequent rollout process. Elsoft utilises Arm-designed processors within our testers; however, we are not involved in chip design. Our role is focused on integrating these

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	Questions from MSWG	**The Company's Response/Answer**
	enhance semiconductor chip capabilities. Is there any spillover benefit to Elsoft, and does Elsoft leverage this initiative in any way?	processors as end-product components within our automated test equipment (ATE). Elsoft is not engaged in IC or chip design activities.

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ADDITIONAL QUESTIONS RAISED BY MSWG AT THE 23RD ANNUAL GENERAL MEETING

	Questions from MSWG	**The Company's Response/Answer**
1.	Follow up questions from MSWG on the reply to 1(b) and 1(c) as stated in Appendix A. i) How many units of optical testers were shipped? ii) Are there other companies producing this type of tester?	i) This is a new segment. We shipped one (1) tester in Q1/2026 to the customer involved in the high-tech lens business. We also received another order yesterday, bringing the total to two (2) testers to date — one delivered and one outstanding. The outstanding unit is currently scheduled for delivery in Q1/2027, subject to the customer's production planning and qualification progress. The technology is disruptive, and the initial tester supports the customer's qualification work. We continue to enhance the system and are discussing further potential orders and new tester requirements with the customer. ii) According to our customer, we are the first in the world to produce automated testers for their product. This development is driven by our R&D team.
2.	The government recently granted ARM design tokens to SkyeChip, Oppstar and another company to support local IC design. i) Will this initiative create spillover benefits for Malaysia's ATE sector, including Elsoft? ii) Since these companies now have access to ARM IP, could Elsoft collaborate with them to enhance the ATE segment?	i) Elsoft is not involved in IC design; we operate at the application level, where we use ARM processors within our equipment to perform required functions. While the initiative is positive for the country and supports ecosystem development, it does not directly impact us, as IC design is upstream from our current activities. ii) There is no firm commitment at this point. Their work in IC design is a different domain from our current business focus. Any collaboration possibilities would depend on future ecosystem development and alignment of needs.