

EFFICIENT E-SOLUTIONS BERHAD

Registration No. 200301030059 (632479-H)

(Incorporated in Malaysia)

Minutes of the Twenty-Second Annual General Meeting (“22nd AGM” or “Meeting”) of Efficient E-Solutions Berhad (“Efficient” or “Company”, and references to “Group” are to Efficient and its subsidiaries) duly convened and held at Auditorium, Efficient Building, No. 3 Jalan Astaka U8/82, Taman Perindustrian Bukit Jelutong, Seksyen U8 Bukit Jelutong, 40150 Shah Alam, Selangor Darul Ehsan on Thursday, 26 June 2025 at 10:00 a.m.

Present: Members of the Board
Dato’ Abdul Latif bin Abdullah (*Chairman*)
Victor Cheah Chee Wai
Tuan Haji Mokhtar Ahmad Bin Jamaldin
Dato’ Robiah Binti Abdul Ghani
Voong Kian Yee

Absent with apologies: Cheah Chee Kong

Shareholders & Proxy holders

As per attendance lists

By Invitation: Rachel Tan Chiew Lan (*Group Finance Manager*)
Krishna Moorthy (*Regalia Records Management Sdn. Bhd. (“RRM”)*)
Sharizal Bin Ahmad Kamal (*RRM*)
Seah Boon Chim (*TGS TW PLT*)
Elsa Lee Wan Yen (*TGS TW PLT*)
Muhammad Shahril Azlan (*TGS TW PLT*)

In Attendance: Tan Kean Wai (*Company Secretary*)

WELCOME ADDRESS

The Chairman presided over the Meeting and welcomed the members, proxy holders and invitees to the 22nd Annual General Meeting of the Company.

QUORUM

With the quorum being present pursuant to the Company’s Constitution, the Chairman called the meeting to order and the meeting proceeded to business.

NOTICE OF MEETING

The Notice of 22nd AGM dated 30 April 2025, having been given to shareholders in accordance with the provisions of the Companies Act 2016 and the Constitution of the Company within the prescribed period, was taken as read.

VOTING BY POLL

The Chairman informed the shareholders that pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of Meeting are to be decided by poll. The Company has appointed the share registrar, Messrs. as the poll administrators to conduct the voting process and Messrs. Coresec PLT as the independent scrutineers to validate the votes cast at the Meeting. The Company Secretary explained the procedures of the poll voting process for the shareholders’ information.

TO RECEIVE AND ADOPT THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Chairman proceeded with the 1st item of the Agenda, which was to receive and adopt the audited financial statements for the financial year ended 31 December 2024 and the Reports of the Directors and Auditors thereon.

The Chairman informed the shareholders that, as item 1 of the agenda was meant for discussion only and pursuant to Section 340(1)(a) of the Companies Act 2016 (“Act”), it does not require shareholders’ approval of the Audited Financial Statements and the Reports of the Directors and Auditors thereon be laid before the Company at the Annual General Meeting and henceforth this item was not put forward for voting.

Ms Rachel Tan assisted the Chairman in presenting the Board’s replies to the issues and queries raised by the Minority Shareholders Watch Group (“MSWG”) in their letter dated 20 June 2025, via presentation slides. The Board’s replies to MSWG as annexed hereto as “Annex A” would also be posted on the website of the Company after the conclusion of the Meeting.

Thereafter, the Chairman opened the Question & Answer session to the floor for any further questions. The members present were invited to raise any question they might have concerning the Reports and Financial Statements.

No.	Concerns/comments/suggestions	Board’s reply
1	Prospect in the next 8 to 10 years and driving force to bring Efficient to achieve better results.	<p>Efficient is a well-established business process outsourcing provider, primarily specialising in document storage and information technology (“IT”) services. The company, historically rooted in the printing business, maintain a prudent approach to management.</p> <p>Following the divestment of its printing business, the Company has ventured into digitalization and cybersecurity within its IT segment. This strategic shift aligning with the Malaysian government’s emphasis on cybersecurity. Specifically, Parliament has endorsed the adoption of the Cybersecurity Act, which will require 11 key industries to comply with a standardised cybersecurity framework.</p> <p>As for the document storage and records management segment, Efficient is currently the largest locally owned document storage company in Malaysia, holding a significant volume of cartons and files nationwide. This segment is expected to continue its organic growth, providing the Group with sustainable and recurring annuity income.</p> <p>The management foresees that over the next 3 to 5 years, digitalisation will not entirely phase out the records management segment as many documents are still required to be retained in physical or hardcopy form. Nevertheless,</p>

	Efficient is developing Electronic Document Storage to mitigate the aforesaid risk.
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There being no further question raised by the members present, the Audited Financial Statements for the financial year ended 31 December 2024 and, in accordance with the Act, were properly laid and received be and is hereby adopted.

**ORDINARY RESOLUTION 1
TO APPROVE THE DIRECTORS' BENEFITS OF UP TO RM200,000.00 WITH EFFECT FROM 27 JUNE 2025 UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY**

The Chairman informed the members that the 2nd item in the Agenda was to approve the directors' benefits of up to RM200,000.00 with effect from 27 June 2025 until the next Annual General Meeting of the Company.

Moved : Wong Chee Ling
Seconded : Ng Geok Khiam

The shareholders casted votes and the results were as follows:-

- i) 617,716,100 shares (representing 100.00% present) voted in favour of the resolution; and
- ii) None against the resolution.

The following resolution was unanimously approved and carried as an Ordinary Resolution:

Resolved:

THAT the payment of Directors' Benefits of up to RM200,000.00 with effect from 27 June 2025 until the conclusion of the next Annual General Meeting of the Company be and is hereby approved.

**ORDINARY RESOLUTION 2
TO RE-ELECT DATO' ABDUL LATIF BIN ABDULLAH, THE DIRECTOR RETIRED IN ACCORDANCE WITH CLAUSE 86.1 OF THE COMPANY'S CONSTITUTION**

Being the director standing for re-election as stated in 3rd item in the Agenda, the Chairman handed the chair to Mr. Victor Cheah to conduct the meeting.

Mr. Victor Cheah informed the members that the 3rd item in the Agenda was to re-elect Dato' Abdul Latif Bin Abdullah who retired in accordance with Clause 86.1 of the Company's Constitution, being eligible, offered himself for re-election.

Moved : Lee Chen Luan
Seconded : Fan Tze Yee

The shareholders casted votes and the results were as follows:-

- i) 617,716,100 shares (representing 100.00% present) voted in favour of the resolution; and
- ii) None against the resolution.

The following resolution was unanimously approved and carried as an Ordinary Resolution:

Resolved:

THAT the Director, Dato' Abdul Latif Bin Abdullah retiring in accordance with Clause 86.1 of the Company's Constitution be and is hereby re-elected Director of the Company.

Mr. Victor Cheah then handed back the chair to the Chairman.

ORDINARY RESOLUTION 3

TO RE-ELECT MR VOONG KIAN YEE, THE DIRECTOR RETIRED IN ACCORDANCE WITH CLAUSE 86.1 OF THE COMPANY'S CONSTITUTION

The Chairman informed the members that the next item in the Agenda was to re-elect Mr Voong Kian Yee who retired in accordance with Clause 86.1 of the Company's Constitution, being eligible, offered himself for re-election.

Moved : Lim Choon Chai

Seconded : Tan Jun Yan

The shareholders casted votes and the results were as follows:-

- i) 603,616,100 shares (representing 97.7332% present) voted in favour of the resolution; and
- ii) 14,000,000 shares (representing 2.2668% present) voted against the resolution.

The following resolution was majority approved and carried as an Ordinary Resolution:

Resolved:

THAT the Director, Mr Voong Kian Yee retiring in accordance with Clause 86.1 of the Company's Constitution be and is hereby re-elected Director of the Company.

ORDINARY RESOLUTION 4

TO RE-APPOINT MESSRS. TGS TW PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION

The Chairman informed the members that the retiring Auditors, Messrs. TGS TW PLT, have expressed their willingness to continue in office.

Moved : Khoo Kwee Loo

Seconded : Lim Wei Ying

The shareholders casted votes and the results were as follows:-

- i) 617,716,100 shares (representing 100.00% present) voted in favour of the resolution; and
- ii) None against the resolution.

The following resolution was unanimously approved and carried as an Ordinary Resolution:

Resolved:

THAT TGS TW PLT be and are hereby re-appointed Auditors of the Company for the ensuing year and that the Directors be authorised to determine their remuneration.

SPECIAL BUSINESS

ORDINARY RESOLUTION 5 APPROVAL FOR ALLOTMENT OF SHARES OR GRANT OF RIGHTS

The Chairman informed the members that the passing of the Resolution 5 would empower the Directors of the Company to issue and allot shares up to 10% of the share capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. With the authority, it would avoid any delay and cost involved in convening a general meeting to specifically approve such an issue of shares for fund raising activities, including but not limited to placing of shares for the purpose of funding current and/or future investment project(s), working capital, Operational expenditure, repayment of bank borrowings and/or strategic opportunities involving equity deals and/or so forth which may require the Company to allot and issue new shares on urgent basis.

Moved : Yew Weng Nam
Seconded : Lim Choon Chai

The shareholders casted votes and the results were as follows:-

- i) 617,716,100 shares (representing 100.00% present) voted in favour of the resolution; and
- ii) None against the resolution.

The following resolution was unanimously approved and carried as an Ordinary Resolution:

Resolved:

THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (“CA2016”), Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and the approval(s) of the relevant regulatory authorities, where such approval(s) is required, the Directors of the Company be and are hereby empowered to allot and issue shares in the Company, grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot and issue shares in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force, and to make or grant offers, agreements or options which would or might require shares to be allotted and issued, after the expiration of the approval hereof, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such additional shares to be allotted and issued pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being.

THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so allotted and issued on the Bursa Malaysia Securities Berhad.

THAT pursuant to Section 85 of the CA2016 read together with Clause 10 of the Constitution of the Company, the shareholders of the Company do hereby waive their statutory pre-emptive rights to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the CA2016.

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to give effect to the transactions contemplated and/or authorised by this resolution.

ORDINARY RESOLUTION 6
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE TO ENABLE EFFICIENT E-SOLUTIONS BERHAD TO PURCHASE UP TO 10% OF ITS ISSUED AND PAID-UP SHARE CAPITAL

The Chairman informed the members that the passing of the Resolution 6 would empower the Directors of the Company to purchase the Company's shares up to ten percent (10%) of the issued and paid-up share capital of the Company by utilising the funds allocated which shall not exceed the total retained profits of the Company.

Moved : Lai Ee Lynn
Seconded : Tan Jun Yan

The shareholders casted votes and the results were as follows:-

- i) 617,716,100 shares (representing 100.00% present) voted in favour of the resolution; and
- ii) None against the resolution.

The following resolution was unanimously approved and carried as an Ordinary Resolution:

Resolved:

THAT subject to all the applicable laws and regulations, the Directors be and are hereby authorised to purchase the ordinary shares of the Company through the stock exchange of Bursa Malaysia Securities Berhad at any time upon such terms and conditions as the Directors in their absolute discretion deem fit provided that the aggregate number of shares purchased (which are to be treated as treasury shares) does not exceed 10% of the issued and paid-up share capital of the Company; and the funds allocated for the purchase of shares shall not exceed its retained profits for the time being.

THAT the Directors be and are hereby further authorised to deal with the treasury shares in their absolute discretion (which may be distributed as dividends, resold and/or cancelled).

THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company following the general meeting at which the Proposed Share Buy-Back was passed at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions; or the expiration of the period within which the next annual general meeting after that date is required by law to be held; or the revocation or variation by ordinary resolution passed by the shareholders of the Company in a general meeting, whichever occurs first.

AND THAT the Directors be and are hereby authorised to do all such acts and things (including executing such documents as may be required) in the said connection and to delegate all or any of the powers herein vested in them to any Director(s) or any officer(s) of the Company to give effect to the aforesaid share buy-back in the best interest of the Company.

TO TRANSACT ANY OTHER BUSINESS

The Meeting noted that there was no notice received for transacting any other ordinary business.

TERMINATION

There being no other business, the meeting terminated at 11:09 a.m. with a vote of thanks to the Chair.

Signed as a correct record,



DATO' ABDUL LATIF BIN ABDULLAH
Chairman

Date: 5 AUGUST 2025



EFFICIENT E-SOLUTIONS BERHAD

22nd Annual General Meeting

Questions from MSWG

Questions from MSWG & Answers – Operational & Financial Matters

Q1. The Document Storage segment experienced a substantial increase in revenue, RM16.00 million in FY2024 compared to RM3.30 million in FY2023, primarily driven by the consolidation of Regalia Records Management Sdn. Bhd. (RRM)'s revenue for most of the year. (Source: Page 10 of Annual Report 2024)

a. With RRM now fully integrated what percentage of RM16.00 million revenue is recurring?

Answer:

Approximately 75% of RM16.00 million revenue is recurring.

DATE: THURSDAY, 26TH JUNE 2025

Questions from MSWG & Answers – Operational & Financial Matters

1b. It was previously disclosed that RRM uses on-premise O'Neil solutions. Has the Document Storage segment begun full migration to O'Neil Cloud? If yes, what were the one-time setup and migration costs incurred, and what is the additional monthly subscription fee? Also, what is the expected cost saving from moving to cloud (e.g., reduced hardware investment, lower data centre management)?

Answer:

The migration is currently in progress. The transition is being carried out in phases and is targeted for full completion by year-end.

While the initial setup and migration require upfront effort, the move is expected to deliver long-term cost savings through:

- Reduced hardware and infrastructure investment
- Lower IT maintenance requirements

Questions from MSWG & Answers – Operational & Financial Matters

1c. If migration is still pending, what are the key considerations or barriers hindering full cloud adoption?

Answer:

Migration is progressing smoothly, with no major issues at this stage. Efforts remain focused on data validation, system alignment, and user readiness to ensure a seamless transition.

Questions from MSWG & Answers – Operational & Financial Matters

1d. Assuming no major blockers, what is the expected timeline to complete the cloud migration, and what percentage of the transition has already been achieved?

Answer:

Barring any unforeseen challenges, the full cloud migration is expected to be completed by the end of this year.

Questions from MSWG & Answers – Operational & Financial Matters

Q2. The IT Services segment maintained its upwards growth trajectory, generating revenue of RM19.48 million in FY2024, an increase from RM16.54 million in FY2023. (Source: Page 10 of Annual Report 2024).

a. Now that FCS International Sdn. Bhd. (FCS) is fully integrated, what portion of the RM19.48 million revenue came from cybersecurity (via Vigilant Asia (M) Sdn Bhd) versus document capture (via FCS)? Additionally, how much of this segment's revenue is recurring in nature?

Answer:

Approximately 94.0% of RM19.48 million contributed by cybersecurity services and 4.9% from EDMs.

Approximately 52% of RM19.48 million are recurring revenue.

Questions from MSWG & Answers – Operational & Financial Matters

2b. Given that Vigilant is an award-winning Managed Security Service Provider (MSSP) and FCS has competitive in-house IP as disclosed earlier, why did the IT Services segment's profit margin decline from 12.4% in FY2023 to 10.7% in FY2024?

Answer:

The decline in IT Services segment's profit margin for FY2024 primarily due to a lower profit contribution from EDMs. This reduction in EDMs's profitability was a direct result of delays in customer projects.

Questions from MSWG & Answers – Operational & Financial Matters

2c. Will the profit margin be expected to improve in FY2025? If Yes, what cost optimisations, pricing strategies, or operational efficiencies are being implemented to support margin recovery?

Answer:

The Group consistently aims to improve profit margin through several strategic initiative which includes:

- a) supplier and vendor management: regular review & renegotiation supplier contracts for cost optimization.
- b) Adoption of automation & autonomous AI tools/ solutions: exploring & integrating advanced tools & solutions for operational efficiency.
- c) value-based pricing: Implementing pricing strategies based on perceived customer value.
- d) continuous process improvement: Ongoing efforts to enhance efficiency & productivity.

Questions from MSWG & Answers – Operational & Financial Matters

Q3. The Group recorded a profit after tax of RM3.07 million in FY2024, a turnaround from the loss after tax of RM481,000 in FY2023 and the losses incurred in the preceding three years. (Source: Page 9 of Annual Report 2024)

a. What is the Group's normalized profit after tax for FY2024, excluding the one-off remeasurement gain from the RRM acquisition?

Answer:

Excluding the one-off gain and expenses, the normalized profit after tax for FY2024 was approximately RM195k.

Questions from MSWG & Answers – Operational & Financial Matters

3b. Now that the PN17 status has been lifted, how is the Board ensuring the Group does not fall back into operational losses? Has the Board set profitability targets for FY2025 and beyond? If so, what are those targets, and what business segments or initiatives are expected to drive this growth?

Answer:

The Group was deemed to be an affected listed issuer pursuant to Paragraph 8.03A(2) of the Listing Requirements on 31 December 2015 whereby the Group has ceased its major business through the disposal of its document printing business, not due to financial distress and has not triggered any criteria pursuant to Paragraph 2.1 of PN17 of the Listing Requirements.

In the effort of ensuring the Group does not fall back into operational losses, management presents quarterly review of financial performance and risk exposure to the Board. As part of our short to mid-term strategy, the Group is strategically leveraging digital transformation and latest cybersecurity governance act to drive growth in its IT services segment. The Group is also exploring opportunities to expand its service offerings in both segments.

The Group is optimistic about its outlook but remains prudent, acknowledging that global economic and political uncertainties may impact short-term financial performance. Additionally, investment in talent development and AI adoption are expected to affect short-term financial, but these initiatives are vital for the Group sustainable growth in long-term.

Thank You