FOR A BETTER TOMORROW

33rd Annual General Meeting

Consolidated Questions & Answers

A. FINANCIAL

No	Questions	Answers from Board of Directors and Management
1	What is your plan to improve Pos Malaysia's profitability? Under the new management, results have not shown improvement.	In summary, 2024 was primarily as a result of higher losses in Pos Logistics and rising USO delivery costs, and excluding those factors Pos Malaysia has shown steady improvement. Nonetheless, we recognise that much work remains to be done.
2	Could the company consider declaring dividends, given that it has managed to minimise losses?	Under Malaysian Companies Act 2016, Section 131 (Profit Test) and Section 132 (Solvency Test) dictates the criteria for a company to declare dividends to its shareholders. Pos Malaysia did not meet both criteria. Hence, we are unable to declare dividends.
3	Can the Board disclose which subsidiaries have recorded losses for the past five years, the reasons behind these losses, and the actions taken to turn them around? Is divestment or restructuring being considered? Conversely, which subsidiaries have remained profitable over the same period, and what are the plans to scale their growth?	If we were to exclude the Covid 19 period (2020 and 2021), the profitable subsidiaries were Pos Aviation, Pos Ar-Rahnu, and Pos Digicert, and the Board and Management continue to invest in their growth. The loss making subsidiary is Pos Logistics, and despite Board and Management intervention, the challenges persist. For Pos Logistics and specifically for the two primary loss drivers, we have focused on the divestment of PNSL and significantly reducing the road haulage business, excluding profitable customers, whilst at the same time focusing on the more profitable automotive sector.
4	Can Pos Malaysia provide a breakdown of the 'Cost of Sales and Operating Expenses,' which exceeds RM2 billion? Specifically, could you detail components such as salaries, transportation costs, repair and maintenance, and other major expense categories?	For the cost breakdown, please refer to pages 219 to 220, Note 4 of the Annual Report.

Note: Similar questions have been consolidated to avoid repetition.

A. FINANCIAL

	Questions	Answers from Board of Directors and Management
5	Can the auditor offer a fresh perspective to support the Group during these challenging times? What advice and solutions have they provided to enhance audit quality?	The Board is fully aware of shareholders’ concerns and is committed to taking appropriate steps to improve audit quality.
6	With a current ratio of 0.61 as of 31 March 2025, indicating limited short-term liquidity, how does the Group plan to finance its capex and working capital needs?	The Group will utilise support from the holding company and banking facilities for working capital, and will explore leasing options instead of capital expenditure (capex).
7	What is the bottom line contributions from its wider array of services beyond traditional postal, including government services, co-working spaces, and retail partnerships?	The infrastructure and resources are shared across businesses, making it impossible to segregate costs by individual business segments.

Note: Similar questions have been consolidated to avoid repetition.

B. OPERATIONAL – Business Outlook & Performance

No	Questions	Answers from Board of Directors and Management
8	What is Pos Malaysia's business outlook for 2025 and beyond? What is the expected timeline for Pos Malaysia to turnaround its financial performance?	As a publicly listed company, we are unable to provide forward-looking financial figures. However, given the ongoing challenges and structural shifts in our traditional postal segment, we maintain a cautious outlook for the remainder of 2025.
9	What is the share of the e-commerce shipping pie as of 31 December 2024? What's the projection for 2025?	Malaysia generates ~1.1 billion parcels per annum, and ~67% originate from major e-commerce platforms, and of the 67%, around 70% are injected directly into their own delivery network. That leaves around 224 million parcels (the available market). Pos Malaysia has ~12% share. Again, and as a publicly listed company, we are unable to provide forward looking data.
10	When will Pos Malaysia co-develop the prime lands?	The company has been continuously exploring the opportunities to develop its landbanks. Most of the properties Pos Malaysia operates belong to Federal Land Commissioner (FLC) and only a few are owned by Pos Malaysia.

Note: Similar questions have been consolidated to avoid repetition.

B. OPERATIONAL – Transformation Plan

No	Questions	Answers from Board of Directors and Management
11	Given the continued financial underperformance and rising costs despite the transformation efforts, has the Board evaluated the effectiveness of the current leadership, and is there a plan to reassess the direction or approach moving forward?	The Board acknowledges that financial results have not met expectations. A revised plan is now in place, focused on regulatory reform and a renewed business model to improve performance. The Board supports this direction and remains committed to transparency, accountability, and long-term value creation.

Note: Similar questions have been consolidated to avoid repetition.

A. OPERATIONAL – Investment

No	Questions	Answers from Board of Directors and Management
12	Pos Malaysia had previously invested in Transmile Group Berhad, which was eventually wound up after one of Malaysia's most notorious financial scandals. Can the Board clarify the total losses Pos Malaysia incurred from this investment? Specifically:	
	1. What is the current status of any assets or claims related to Transmile's winding-up?	1. Pos Malaysia's investment in Transmile Group Berhad was made in 2004, holding less than 15% at a total investment cost of RM253 million. Since the company was delisted long ago and the winding-up process was undertaken, the investment has been fully written off.
	2. Did Pos Malaysia pursue any legal action against Transmile's former directors to recover shareholders' losses, particularly given the proven misconduct?	2. Pos Malaysia did not pursue legal action against the former directors.
	3. Did Pos Malaysia initiate or consider legal proceedings against the external auditor of Transmile at the time, in light of alleged audit negligence?	3. We are not aware of any legal action initiated against the auditor.
	4. It has been rumoured that certain investors successfully sued the auditor and received undisclosed settlements. Did Pos Malaysia participate in or benefit from that outcome?	4. Pos Malaysia is unable to comment on rumours and/ or speculation.

Note: Similar questions have been consolidated to avoid repetition.

B. OPERATIONAL – Environmental, Social, and Governance

No	Questions	Answers from Board of Directors and Management
13	If the company adopts new technologies that support Sustainable Development Goals (SDGs) and uses fuel-efficient delivery vehicles to reduce fuel costs, how much additional revenue could the company generate?	We are committed to sustainability through the initiatives presented. These efforts have contributed to reduced operating costs, though the direct revenue impact may not be immediately visible. More importantly, these initiatives enhance long-term cost efficiency, stronger brand equity, deeper brand loyalty and reinforce our commitment to the Sustainable Development Goals (SDGs). We will continue to explore technologies that drive both environmental benefits and business value.

Note: Similar questions have been consolidated to avoid repetition.

C. CORPORATE GOVERNANCE

	Questions	Answers from Board of Directors and Management
14	Any token of appreciation for shareholders attending the AGM?	We provided a Pos Malaysia merchandise and refreshments to shareholders who attended the AGM physically, and those attending virtually, a door gift will also be delivered to them.
15	Could the Board share the cost breakdown for this hybrid AGM, covering both physical and virtual components and clarify if Pos Malaysia intends to continue with the hybrid format in future years?	The total cost of this year’s hybrid AGM is RM190,000. This includes RM50,000 for door gifts and RM140,000 for event management and share registrar services. The company will continue to assess the suitability of the hybrid format for future AGMs, balancing cost and shareholder accessibility.
16	How much is the cost of annual reports and how many copies are printed out?	The total cost of the annual report was RM146,448, which covered the printing of 60 full booklets and 8,900 postcards.
17	Wouldn’t it cost the company more to post printed annual reports to shareholders instead of just giving them out during the AGM?	Yes, mailing printed annual reports does incur higher costs compared to distributing them at the AGM. In line with our ESG commitments and cost-saving initiatives, we continue to encourage shareholders to opt for digital versions, which are more efficient, timely, and environmentally friendly. The digital copy of the annual report is available on the Pos Malaysia website at www.pos.com.my.

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THANK YOU