



POS MALAYSIA BERHAD
Registration No.: 199101019653 (229990-M)

MINUTES OF THE 34TH ANNUAL GENERAL MEETING (“AGM OR “MEETING”) OF POS MALAYSIA BERHAD (“POS MALAYSIA” OR “THE COMPANY”) HELD AT POS MALAYSIA, DEWAN SRI POS, LEVEL 3, DAYABUMI COMPLEX, 50670 KUALA LUMPUR ON FRIDAY, 22 MAY 2026 AT 10.00 A.M.

Present : Board of Directors

Tan Sri Syed Faisal Albar Syed A.R Albar – Chairman
Dato’ Dr. Mohd Ali Mohamad Nor
Dato’ Jezilee Mohamad Ramli
Dato’ Mohamed Sharil Mohamed Tarmizi
Roshidah Abdullah
Sabarina Laila Mohd Hashim (Also as Company Secretary)
Datuk Shazril Imri Mokhtar
Mano Verabathran (Alternate Director to Datuk Abdul Halim Hamzah)

Company Secretary

Lee Siew Yoke (Joint Company Secretary)

By invitation

Charles Robertson Brewer	- Group Chief Executive Officer (“GCEO”)
Peermohamed Ibramsha	- Group Chief Financial Officer (“GCFO”)
Tai Yoon Foo	} - External Auditors, KPMG PLT
Nabeel Ghazi	
Ng Mun Wai	
Rozleen Monzali	} - Share Registrar/Poll Administrator, Boardroom Share Registrars Sdn Bhd
Kenneth Siew Mun Hoe	
Salinah A/P David Joachim	} - Scrutineers, SKY Corporate Services Sdn Bhd
Nurrul Ishmah Binti Md Zain	
Samantha Tai Yit Chan	} - Representatives from Boardroom Corporate Services Sdn Bhd
Ivy Leong Shiak Wan	
Soo Li Ting	
	- Specialists – Performance Management

Meor Addelan (“Emcee”)

Shareholders & Proxies

As per attendance list

Absent with apologies : Board of Directors

Datuk Abdul Halim Hamzah
Mohd Fariszan Ahmad

SHAREHOLDERS/PROXIES/CORPORATE REPRESENTATIVES

According to the Attendance Record from the Share Registrar, 507 shareholders and proxy holders attended the 34th AGM, representing 426,495,823 ordinary shares, which is 54.48% of the Company's total issued share capital.

Before the commencement of the Meeting, the Emcee briefed the shareholders on the administrative details concerning the 34th AGM of Pos Malaysia and a short video by Boardroom Share Registrars Sdn Bhd ("Boardroom") was played to demonstrate the electronic voting process using the on-site polling devices provided to the shareholders and proxies who were present at the 34th AGM.

CHAIRMAN'S OPENING REMARKS

On behalf of the Board of Directors ("Board"), the Chairman welcomed and thanked the shareholders and proxies who attended Pos Malaysia's 34th AGM. The Chairman briefed the shareholders and proxies on the following matters:

- i. The Company conducted the meeting in a physical mode to ensure interactive engagement with stakeholders while upholding best practices in corporate governance;
- ii. The Meeting arrangements were conducted in accordance with paragraph 8.27A of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and Principle C of the Malaysian Code on Corporate Governance 2021; and
- iii. The purpose of the AGM was to consider the business stated in the Notice of the 34th AGM dated 23 April 2026 and the Addendum to the Notice dated 1 May 2026.

The Chairman took the opportunity to share with the shareholders the performance of Pos Malaysia and its subsidiary companies ("Pos Malaysia Group") for the financial year ended 31 December 2025, describing it as a demanding year amid continued structural changes across the postal and logistics sector; reinforcing the need for disciplined execution and ongoing regulatory engagement. Pos Malaysia Group continued to focus on the need for transformation and regulatory reform to sustain Pos Malaysia's operating model and fulfil its national mandate.

The Chairman also welcomed the newly appointed Board members, Datuk Abdul Halim Hamzah along with his alternate director, Encik Mano Verabathran and Datuk Shazril Imri Mokhtar.

1. QUORUM

Following the Chairman's opening remarks, the Meeting was convened at 10.00 a.m. upon confirmation by the Company Secretary that the requisite quorum for the commencement of the Meeting has been met pursuant to the Company's Constitution. The Chairman called the Meeting to order.

2. INTRODUCTION

The Chairman thereafter proceeded to introduce the members of the Board, the GCEO, GCFO, Joint Company Secretary, and the representatives of the external auditors, KPMG PLT.

3. NOTICE OF MEETING

The Notice of the 34th AGM dated 23 April 2026, which had been circulated to all shareholders of the Company, was taken as read.

4. **VOTING BY POLL**

The shareholders and proxies were informed that the voting at the 34th AGM was conducted by way of poll voting in line with Article 95 of the Company's Constitution and Paragraph 8.29A of the MMLR of Bursa Malaysia.

The Company had appointed Boardroom as the Poll Administrator to conduct the e-polling process and SKY Corporate Services Sdn Bhd ("SKY Corporate Services") as the independent scrutineers to verify and validate the poll results.

The Chairman also highlighted that he had been appointed to act as a proxy for several shareholders. Therefore, the Chairman would vote for each resolution in accordance with the instructions given by the shareholders.

The participating shareholders and proxies were further informed that the voting session had commenced at 10.00 a.m., and they could vote on all the resolutions until the end of the e-polling session which was announced subsequently.

5. **PRESENTATION BY THE GCEO**

At the invitation of the Chairman, Charles Robertson Brewer, the GCEO, presented the business performance of Pos Malaysia Group for the financial year ended 31 December 2025 and the progress of the transformation roadmap, including the Group's prospects going forward. The GCEO highlighted key milestones from 2025, including winning the Energy Management Award for green initiatives in Bangi and Sri Kembangan, hosting the Pos Run 2025, and acknowledging the dedication of the Group's 16,000 "Pos Wiras".

The presentation slides of the GCEO are appended herewith as **Attachment 1**.

6. **QUESTIONS RAISED BY THE MINORITY SHAREHOLDERS WATCH GROUP ("MSWG")**

The Chairman informed the Meeting that the Company had received a list of questions from MSWG. The Company had responded to the questions ahead of the 34th AGM, and the details would be posted on the Company's corporate website.

For the benefit of the shareholders, the Chairman invited the GCFO, to brief the Meeting on the responses to MSWG.

The presentation slides on the questions raised by MSWG and the Company's responses are appended herewith as **Attachment 2**.

The Chairman then proceeded with the businesses of the 34th AGM, as follows:

7. **MEETING PROCEEDINGS**

The Chairman briefly explained that for each resolution tabled at the Meeting, a proposer and seconder would be invited to propose and second the resolution. After the tabling of all the resolutions, all questions regarding these resolutions would then be addressed accordingly during the Questions and Answers ("Q&A") session.

8. **AGENDA 1**
AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Chairman informed that the first item on the Agenda was to receive the Audited Financial Statements for the financial year ended 31 December 2025, together with the Reports of the Directors and Auditors (“AFS”) thereon.

The Chairman explained that in accordance with Section 340(1)(a) of the Companies Act 2016, the AFS were to be laid for discussion only and would not be put forward for voting. The AFS was deemed duly received by the shareholders.

9. **AGENDA 2(a) - ORDINARY RESOLUTION 1**
RE-ELECTION OF DATO’ DR. MOHD ALI BIN MOHAMAD NOR AS A DIRECTOR PURSUANT TO ARTICLE 116 OF THE CONSTITUTION OF THE COMPANY

The Chairman proceeded with the second item on the Agenda, Ordinary Resolution 1 on the re-election of Dato’ Dr. Mohd Ali bin Mohamad Nor, who retired in accordance with Article 116 of the Constitution of the Company, and being eligible, offered himself for re-election.

The Chairman then requested a shareholder to propose Ordinary Resolution 1. Mohammed Amin bin Mahmud, a proxy, proposed Ordinary Resolution 1. Lim Jit Thin, a shareholder, seconded the resolution.

10. **AGENDA 2(b) - ORDINARY RESOLUTION 2**
RE-ELECTION OF DATO’ JEZILEE BIN MOHAMAD RAMLI AS A DIRECTOR PURSUANT TO ARTICLE 116 OF THE CONSTITUTION OF THE COMPANY

The Chairman proceeded with the next item on the Agenda, Ordinary Resolution 2 on the re-election of Dato’ Jezilee bin Mohamad Ramli, who retired in accordance with Article 116 of the Constitution of the Company, and being eligible, offered himself for re-election.

The Chairman then requested a shareholder to propose Ordinary Resolution 2. Mohamad Shahrel bin Mohd Yudin, a shareholder, proposed Ordinary Resolution 2. Neoh Jia En, a proxy, seconded the resolution.

11. **AGENDA 3(a) - ORDINARY RESOLUTION 3**
RE-ELECTION OF DATUK ABDUL HALIM BIN HAMZAH AS A DIRECTOR PURSUANT TO ARTICLE 111(2) OF THE CONSTITUTION OF THE COMPANY

The Chairman proceeded with the next item on the Agenda on Ordinary Resolution 3 on the re-election of Datuk Abdul Halim bin Hamzah, who retired in accordance with Article 111(2) of the Constitution of the Company and being eligible, offered himself for re-election.

The Chairman then requested a shareholder to propose Ordinary Resolution 3. Mohammed Amin bin Mahmud, a proxy, proposed Ordinary Resolution 3. Nor Hafifah binti Mohd Puzi, a shareholder, seconded the resolution.

12. AGENDA 3(b) - ORDINARY RESOLUTION 4
RE-ELECTION OF DATUK SHAZRIL IMRI BIN MOKHTAR AS A DIRECTOR PURSUANT TO
ARTICLE 111(2) OF THE CONSTITUTION OF THE COMPANY

The Meeting then proceeded to consider Ordinary Resolution 4 on the re-election of Datuk Shazril Imri bin Mokhtar, who retired in accordance with Article 111(2) of the Constitution of the Company, and being eligible, offered himself for re-election.

The Chairman then requested a shareholder to propose Ordinary Resolution 4. Neoh Jia En, a proxy, proposed Ordinary Resolution 4. Mohammed Amin bin Mahmud, a proxy, seconded the resolution.

13. AGENDA 4 - ORDINARY RESOLUTION 5
PAYMENT OF DIRECTORS' FEES TO THE NON-EXECUTIVE DIRECTORS ("NEDs") UP TO
AN AMOUNT OF RM965,000.00

The Chairman continued with the next item on the Agenda, Ordinary Resolution 5 on the proposed payment of Directors' fees to the NEDs of the Company up to an amount of RM965,000.00 from 23 May 2026 until the next AGM of the Company. The Chairman highlighted that the Company has not revised the NEDs' fees since 2012, with the fee structure remaining completely unchanged.

The Chairman then requested a shareholder to propose Ordinary Resolution 5. Deva Dassan Solomon, a shareholder, proposed Ordinary Resolution 5. Nor Hafifah binti Mohd Puzi, a shareholder, seconded the resolution.

14. AGENDA 5 - ORDINARY RESOLUTION 6
PAYMENT OF DIRECTORS' BENEFITS PAYABLE (EXCLUDING DIRECTORS' FEES) TO THE
NEDs UP TO AN AMOUNT OF RM277,000.00

Shareholders' approval was thereafter sought for Ordinary Resolution 6 in relation to the payment of Directors' benefits payable to the NEDs of the Company up to an amount of RM277,000.00 from 23 May 2026 until the next AGM of the Company.

The Chairman then requested a shareholder to propose Ordinary Resolution 6. Neoh Jia En, a proxy, proposed Ordinary Resolution 6. Mohammed Amin bin Mahmud, a proxy, seconded the resolution.

15. AGENDA 6 - ORDINARY RESOLUTION 7
RE-APPOINTMENT OF KPMG PLT AS AUDITORS OF THE COMPANY FOR THE ENSUING
YEAR

The Chairman proceeded with Ordinary Resolution 7 and proposed that KPMG PLT, who have expressed their willingness to continue in office, be re-appointed as Auditors of the Company for the ensuing year and to hold office until the conclusion of the next AGM and that the Directors be authorised to fix the auditors' remuneration.

The Chairman then requested a shareholder to propose Ordinary Resolution 7. Nor Hafifah binti Mohd Puzi, a shareholder, proposed Ordinary Resolution 7. Mohammed Amin bin Mahmud, a proxy, seconded the resolution.

The Chairman informed that the next item on the agenda was related to the Proposed Shareholders' Mandate for Recurrent Related Party Transactions ("RRPTs") in which he was considered an Interested Director. The Chairman then handed over the Chair to Puan Roshidah

binti Abdullah, the Independent Non-Executive Director, to preside over the proceeding of the meeting under Ordinary Resolution 8.

**16. AGENDA 7 - ORDINARY RESOLUTION 8
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RRPTs OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RRPTs OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")**

Puan Roshidah binti Abdullah, the Presiding Chairman, proceeded with Ordinary Resolution 8 under Special Business of the AGM. She explained that the RRPTs under the Proposed Shareholders' Mandate had been grouped into the following three distinct reporting categories to enhance understanding and transparency for shareholders:

- **Grouping 1:** Regulated postal services provided by Pos Malaysia and its subsidiaries under the Postal Services Act (estimated revenue value of RM17.07 million).
- **Grouping 2:** Regulated industrial services provided by related parties to Pos Malaysia (estimated expenses value of RM20.30 million).
- **Grouping 3:** Core operational transactions necessary for operational efficiency and business continuity (estimated revenue of RM216.4 million and expenses of RM63.2 million, totalling approximately RM279.6 million).

The Presiding Chairman explained that the Proposed Shareholders' Mandate, when approved, would enable Pos Malaysia Group to enter into the RRPTs, which are necessary for the day-to-day operations of Pos Malaysia Group and seize all business opportunities with related parties in a timely fashion to generate revenue for the Group, reduce administrative time, and avoid the inconvenience as well as costs associated with the convening of shareholders' meetings for these transactions. This new mandate shall continue to be in force and shall lapse at the conclusion of the next AGM unless authority for the renewal is obtained from shareholders at a general meeting.

The Interested Directors and shareholders had abstained from voting in respect of their direct and indirect shareholdings and had also undertaken to ensure that the person(s) connected to them had abstained from voting on this resolution.

The Presiding Chairman then requested a shareholder to propose Ordinary Resolution 8. Mohammed Amin bin Mahmud, a proxy, proposed Ordinary Resolution 8. Deva Dassan Solomon, a shareholder, seconded the resolution.

With that, the Presiding Chairman handed the Chair back to the Chairman.

17. QUESTIONS AND ANSWERS SESSION

Upon tabling all the resolutions, the Chairman then proceeded with the Questions and Answers Session.

The Chairman notified that the Company had received numerous questions from the shareholders and proxies both prior to and during the Meeting.

The Meeting deliberated on the pertinent questions raised by the shareholders and/or proxies. The questions and responses are summarised in **Attachment 3** appended to the Minutes of this Meeting.

18. ON-SITE ELECTRONIC POLL

The Chairman reminded the shareholders who had yet to cast their votes to do so using their own devices or the polling kiosks available at the venue before the voting session closed.

19. END OF POLLING SESSION AND VERIFICATION OF THE POLL RESULTS

At 12.30 p.m., the Meeting was adjourned for 30 minutes, i.e., 10 minutes to allow the shareholders and proxies to cast their votes via e-polling, followed by another 20 minutes for the Scrutineers to verify and validate the poll results.

20. ANNOUNCEMENT OF POLL RESULTS

The Chairman called the Meeting to order at 12.58 p.m. for the announcement of the poll results that were verified by the Scrutineers.

Based on the Poll Results, annexed herewith as **Attachment 4**, a majority of the shareholders had voted in favour of Ordinary Resolutions 1 to 8, and accordingly, the Chairman declared that all the resolutions tabled at the 34th AGM were carried.

The detailed poll results and the Resolutions **RESOLVED** at the Meeting are as follows:-

(A) ORDINARY RESOLUTION 1
RE-ELECTION OF DATO' DR. MOHD ALI BIN MOHAMAD NOR AS A DIRECTOR
PURSUANT TO ARTICLE 116 OF THE CONSTITUTION OF THE COMPANY

The poll voting result in respect of Ordinary Resolution 1 was as follows:-

Resolution	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1	425,611,150	99.8598	597,638	0.1402

The following Ordinary Resolution 1 was carried:-

“**THAT** Dato' Dr. Mohd Ali bin Mohamad Nor, the Director retiring by rotation in accordance with Article 116 of the Constitution of the Company, be hereby re-elected as Director of the Company.”

(B) ORDINARY RESOLUTION 2
RE-ELECTION OF DATO' JEZILEE BIN MOHAMAD RAMLI AS A DIRECTOR
PURSUANT TO ARTICLE 116 OF THE CONSTITUTION OF THE COMPANY

The poll voting result in respect of Ordinary Resolution 2 was as follows:-

Resolution	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 2	425,611,150	99.8598	597,638	0.1402

The following Ordinary Resolution 2 was carried:-

“**THAT** Dato’ Jezilee bin Mohamad Ramli, the Director retiring in accordance with Article 116 of the Constitution of the Company, be hereby re-elected as Director of the Company.”

**(C) ORDINARY RESOLUTION 3
RE-ELECTION OF DATUK ABDUL HALIM BIN HAMZAH AS A DIRECTOR PURSUANT TO ARTICLE 111(2) OF THE CONSTITUTION OF THE COMPANY**

The poll voting result in respect of Ordinary Resolution 3 was as follows:-

Resolution	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 3	425,581,241	99.8597	598,008	0.1403

The following Ordinary Resolution 3 was carried:-

“**THAT** Datuk Abdul Halim bin Hamzah, the Director retiring in accordance with Article 111(2) of the Constitution of the Company, be hereby re-elected as Director of the Company.”

**(D) ORDINARY RESOLUTION 4
RE-ELECTION OF DATUK SHAZRIL IMRI BIN MOKHTAR AS A DIRECTOR PURSUANT TO ARTICLE 111(2) OF THE CONSTITUTION OF THE COMPANY**

The poll voting result in respect of Ordinary Resolution 4 was as follows:-

Resolution	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 4	425,581,141	99.8597	598,108	0.1403

The following Ordinary Resolution 4 was carried:-

“**THAT** Datuk Shazril Imri bin Mokhtar, the Director retiring in accordance with Article 111(2) of the Constitution of the Company, be hereby re-elected as Director of the Company.”

**(E) ORDINARY RESOLUTION 5
PAYMENT OF DIRECTORS’ FEES TO THE NEDs UP TO AN AMOUNT OF RM965,000.00**

The poll voting result in respect of Ordinary Resolution 5 was as follows:-

Resolution	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 5	425,197,861	99.7637	1,006,927	0.2363

The following Ordinary Resolution 5 was carried:-

“**THAT** the payment of the Directors’ Fees to the Non Executive Directors of the Company up to an amount of RM965,000.00 from 23 May 2026 until the next AGM of the Company, be hereby approved.”

(F) ORDINARY RESOLUTION 6
PAYMENT OF DIRECTORS' BENEFITS PAYABLE (EXCLUDING DIRECTORS' FEES) TO THE NEDs UP TO AN AMOUNT OF RM277,000.00

The poll voting result in respect of Ordinary Resolution 6 was as follows:-

Resolution	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 6	425,201,947	99.7638	1,006,827	0.2362

The following Ordinary Resolution 6 was carried:-

"THAT the payment of Directors' benefits (excluding Directors' fees) to the Non Executive Directors of the Company up to an amount of RM277,000.00 from 23 May 2026 until the next AGM of the Company, be hereby approved."

(G) ORDINARY RESOLUTION 7
RE-APPOINTMENT OF KPMG PLT AS AUDITORS OF THE COMPANY FOR THE ENSUING YEAR

The poll voting result in respect of Ordinary Resolution 7 was as follows:-

Resolution	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 7	425,283,191	99.8655	572,597	0.1345

The following Ordinary Resolution 7 was carried:-

"THAT KPMG PLT be hereby re-appointed as Auditors of the Company and to hold office for the ensuing year at a remuneration to be determined by the Directors."

(H) ORDINARY RESOLUTION 8
PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR EXISTING RRPTs OF A REVENUE OR TRADING NATURE AND PROPOSED NEW SHAREHOLDERS' MANDATE FOR ADDITIONAL RRPTs OF A REVENUE OR TRADING NATURE

The poll voting result in respect of Ordinary Resolution 8 was as follows:-

Resolution	FOR		AGAINST	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 8	6,890,406	92.3197	573,232	7.6803

The following Ordinary Resolution 8 was carried:-

"THAT subject always to the provisions of the Companies Act 2016 ("CA 2016"), the Constitution of the Company and the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), approval be hereby given to the Company and its subsidiaries (collectively known as "Pos Malaysia Group") to enter into any of the recurrent related party transactions of a revenue or trading nature as set out in the Circular to Shareholders dated 23 April 2026, which are necessary for the day-to-day operations of

Pos Malaysia Group, **PROVIDED THAT** such transactions are entered into in the ordinary course of business and on normal commercial terms which are not more favourable to the related parties than those generally available to the public, undertaken on an arm's length basis, and are not detrimental to the minority shareholders of the Company.

AND THAT the Proposed Shareholders' Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting; 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 CA 2016 (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the CA 2016); or
- (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever is the earlier;

~~AND THAT the Directors of the Company be hereby empowered and authorised to complete and do all such acts (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the Proposed New Shareholders' Mandate."~~

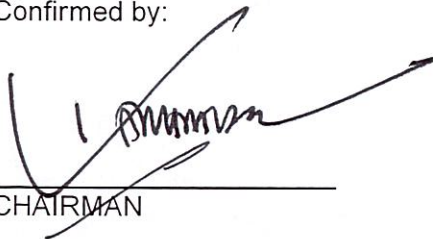
21. CLOSE OF MEETING

The Chairman informed the Meeting that the Company Secretary confirmed that the Company had not received any notice for transaction of any other business for which due notice has been given in accordance with the Companies Act 2016.

There being no further business to be transacted, the Chairman thanked the shareholders and proxies for their attendance and participation in the 34th AGM and declared the Meeting closed at 1.00 p.m.

Dated this

Confirmed by:



CHAIRMAN

Date : 6 July 2026



DELIVERING A

**BETTER
TOMORROW**

TOGETHER!



CHARLES BREWER

Group Chief Executive Officer





2025

AT A GLANCE



POS
MALAYSIA

DELIVERING A

BETTER
TOMORROW
TOGETHER!



Evolving into a diversified logistics provider

Our Purpose: We are passionate about building trust to connect lives and businesses for a better tomorrow



1900

1957

1980s

2016

Today



Mail



Retail



International



Parcel



Full



PUS Aviation



PUS Logistics



PUS Affluence



PUS Delivery



Data PUS

**As the industry evolves, Pos Malaysia is advancing with it.
We have to be at the 'front of the wave'!**



Autonomous Vehicles

"Autonomous & Contactless"

- Autonomous vehicles and delivery pods
- Greener and cleaner
- Autonomous Mobile Robots (AMRs) navigate warehouses seamlessly
- And maybe, drones!



Autonomous vehicles in action



Robotics

"Automated & Predictive"

- Robotic sorters
- Load and unload
- Agent AI
- Predictive analytics
- Fleet and asset utilisation
- And much, much more



Robotics in action



Humanoids

"Smarter, Safer, Faster"

- Humanoids manage picking, packing, lifting, loading and unloading, and soon delivery
- Collaborative/ companion robots (co-bots) supporting tasks requiring precision



Humanoids in action

Outcome: Higher Productivity, Lower cost

Scaling AI across our core workflows — **Better Reliability, Faster Service, Lower Cost!**



Automating delivery and collection processes



AI enables us to provide improved customer service

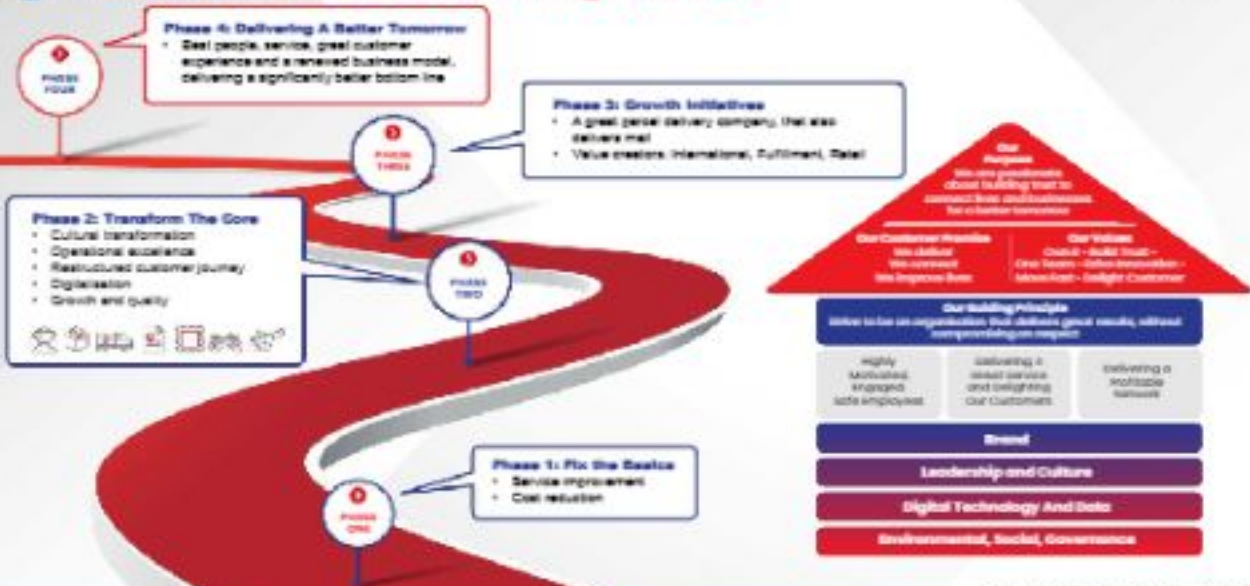


Predict demand patterns, helping us avoid service delays and maintain reliability



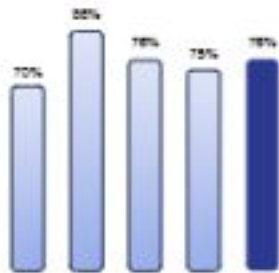
Driving improvements in our productivity and efficiency across the business

We embarked on a business transformation plan in August 2021 and are accelerating Phase 4



#1: Highly motivated, engaged and safe employees

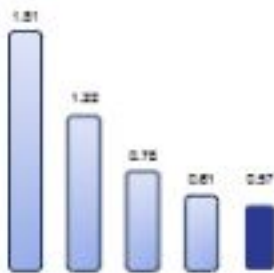
Employee Engagement



2021 2022 2023 2024 2025

Source:
Pox Malaysia Employee Survey and Kijanese

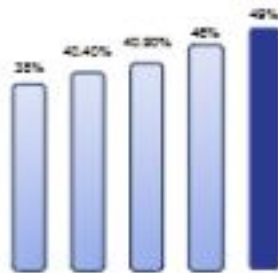
Lost Time Injury Frequency Rate



2021 2022 2023 2024 2025

Source:
Pox Malaysia OSH report

Women in Leadership

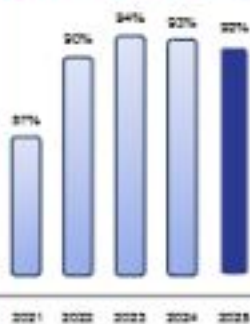


2021 2022 2023 2024 2025

Source:
Pox Malaysia People Statistics

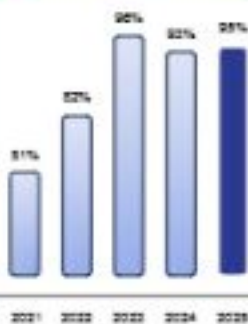
#2: Delivering a great service and delighting our customers

Parcel Next-Day
Delivery Service Level



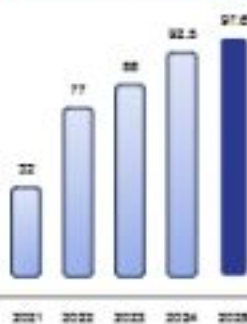
Source: Pos Malaysia Finance Malaysia

Mail Delivery Service
Level



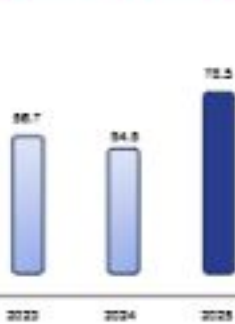
Source: Pos Malaysia Teal Letter Monitoring System (TLMS) Report

Retail Net Promoter
Score



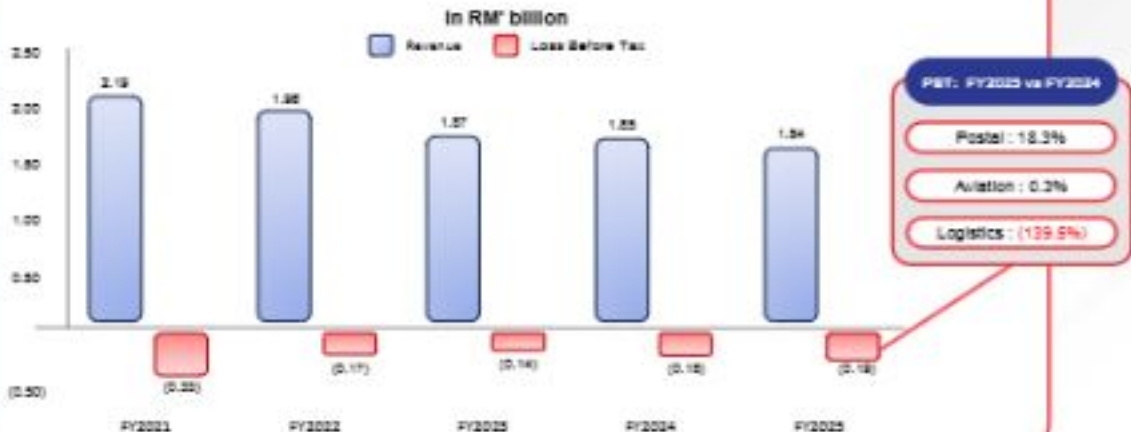
Source: Pos Malaysia Customer System

Delivery Net Promoter
Score



Source: Pos Malaysia Customer System
Note: Delivery NPS measurement commenced in April 2023

#3: Delivering a profitable network



In FY2025, postal performance showed improvement, while the Group's overall results were affected by business challenges in Pos Logistics

We continue to face significant structural headwinds

Mail and retail are structural and irreversible, parcel growth remains constrained by in-sourcing, masking and pricing pressure, and the cost to deliver the USO continue to rise

Mail



Source: UPU and France Vaseville 2022

- Mail volume decline driven by digital substitution
- And the cost to deliver continues to increase; increasing number of addresses to deliver too, labor cost

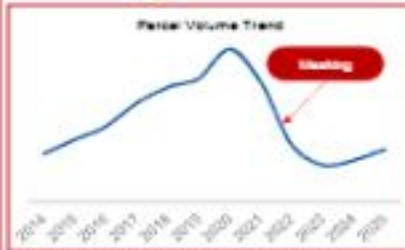
Retail



Source: CBRE (data available from 2018 onwards)

- Footfall decline driven by digital substitution and platform 'masking'
- And the cost to provide a physical footprint continues to increase; labor cost

Parcel



Source: ParcelKeele, Rajon 2022 and France Vaseville 2022

- Highly competitive with >100 licenses
- ~80% of parcels originate from three 'platforms', and ~70% of the 80% Insourced
- 'Platform' masking started in 2021
- Predatory pricing and declining yields

Structural challenges are global, but support frameworks differ

Postal Operators Reporting Losses & Profit Declines

Canada Post's Record \$1.57B Loss: What It Means for Your Mail, Your Bills, and Your Tax Dollars

Canada Post's record loss of \$1.57 billion in 2024 is a significant challenge for the postal operator. The loss is attributed to a combination of factors, including a sharp decline in letter volumes, increased operational costs, and a restructuring of the company. This has led to a 75.2% drop in FY2025 net profit, raising concerns about the future of the postal service in Canada.

Australia Post's letter volumes continue to decline

Australia Post's letter volumes continue to decline, contributing to a 75.2% drop in FY2025 net profit. The company is facing significant challenges, including a restructuring of the company and a sharp decline in letter volumes. This has led to a 75.2% drop in FY2025 net profit, raising concerns about the future of the postal service in Australia.

Swiss Post profits sink despite parcels growth

Swiss Post profits sink despite parcels growth, as the company faces a 75.2% drop in FY2025 net profit. The company is facing significant challenges, including a restructuring of the company and a sharp decline in letter volumes. This has led to a 75.2% drop in FY2025 net profit, raising concerns about the future of the postal service in Switzerland.

US Postal Service seeks reforms as it reports \$9 billion yearly loss

Regulators & Operators Driving Structural Reform

New postal law results in changes at PostNord Denmark

The transformation to restore and renew Canada's postal service is now underway. We're working hard for Canadians because they deserve a postal service that is strong, viable and fits their needs. The path forward is clear as we re-establish Canada Post as a vital institution focused on serving an evolving Canada.

REGULATION: 22 November 2024

New EU Delivery Act – EU to reform postal rules

Royal Mail to scrap second-class post on Saturdays

Swiss Post to Work with BfM in Ensuring Long-Term Sustainability of the Postal Services

Global Peers Receive Structured Government Support

Spain — Correos
€1.28bn paid in advance for 2011–2020 USD net cost.

France — La Poste
€200m paid by the State in 2024.

Poland — Poczta Polska
€200m per year paid (2019–2024).

Norway — Posten
€171m per year paid via national budget allocation for 2025.

Lithuania — Lietuvos paštas
€3.99m for 2022, paid in 2023 from state budget.

Croatia — Hrvatska pošta
€14.9m paid for 2024 (paid every year 2020–2024).

Czech Republic — Česká pošta
€21.2m paid for 2023, €20.9m for first half of 2024.

Source: Colten International

Our strategic response to our structural headwinds is progressing, with USO funding a priority



Mail:
Volume decline is structural



Retail:
Footfall decline is structural



Parcel:
Growth opportunity constrained by in-courting, marking and pricing



ADDRESSING OUR TWO COORDINATED HEADWINDS



Regulatory 'Asks'



MCMC

Secure USO funding and PSA/PSF reform



MCMC

Mandated floor pricing to protect sustainable parcel economics



MyCC

Address unmarking and self-preferencing in the parcel market

New Business Models



Network Optimisation

Merging Mail and Parcel operations



Mail Delivery

Delivering mail on alternate days



Retail Network

Building a retail agent network

The immediate priority is to secure USO funding and an appropriate PSA framework for 'tomorrow'

2026 Outlook: Positioned to Be Better

Group Revenue VS PBT/(LBT)
RM 'million



2026 - Delivering a Better Tomorrow - Together!



We have a clear plan and are making steady progress



Our focus remains on sustainable profitability and long-term shareholder value creation



We are re-modelling our network, leveraging tomorrow's capabilities today



We remain committed to our ESG priorities and Net Zero pathway

Thank You

pos.com.my

PEERMOHAMED BIN IBRAMSHA

Group Chief Financial Officer

MSWG Questions & Answers



Operational and Financial Matters

Question 1

A major business and financial media outlet recently reported that a privatisation is in the offing for Pos Malaysia. Please confirm the veracity of the report and confirm whether the Company is considering any privatisation proposal or other major corporate exercise involving changes in shareholding.

Answer

Pos Malaysia is not in a position to comment on media speculation or market rumour. As a public listed company, the Company is subject to its continuous disclosure obligations under Bursa Malaysia's Listing Requirements and will make all material announcements to Bursa Malaysia in accordance with the applicable regulatory framework.

Pos Malaysia wishes to confirm that, as at the date of this response, the Company has not received any formal privatisation proposal, nor has the Company been deliberating on any corporate exercise that would involve a change in the Company's listing status on the Main Market of Bursa Malaysia Securities Berhad.

Should any development of a material nature arise that requires disclosure pursuant to the Company's obligations under the Bursa Malaysia Listing Requirements, the Company will make the necessary announcements promptly. The Company reaffirms its commitment to timely and transparent disclosure to all shareholders

Operational and Financial Matters

Question 2 (part 1 of 2)

As of 31 December 2025, Pos Malaysia shareholders' equity decreased to RM82.5 million due to higher accumulated losses of RM988.9 million. Meanwhile, the total share capital amounted to RM1.07 billion. These numbers raised concerns that Pos Malaysia might slip into Practice Note 17 (PN17) status if the loss-making condition persists.

- a) Given the net losses position, rising accumulated losses and depleting shareholders' equity, what are the viable strategies to ensure long-term business continuity and sustainability of Pos Malaysia?

Answer

The Company acknowledges the seriousness of the financial position and shares shareholders' concern regarding the trajectory of accumulated losses and the erosion of equity. The Company is acutely aware of the PN17 thresholds prescribed under Bursa Malaysia's Listing Requirements and the importance of avoiding that status.

To address the potential PN17 status, Pos Malaysia has established a RM1.0 billion Perpetual Sukuk Wakalah Programme in March 2026 and the first tranche of RM300 million was issued from the Programme in March 2026 to Pos Malaysia's parent company. Issuances from the Programme to the parent company are considered as shareholders' equity and as such, the PN17 issue has been resolved in the short to medium term.

The Company noted that its financial position cannot be assessed in isolation and wishes to draw shareholders' attention to the following key factors, as previously shared:

Operational and Financial Matters

Answer (cont.)

- **USO Cost Burden:** *Unfunded Universal Service Obligation (USO): Pos Malaysia is designated as the sole USO provider in Malaysia, mandated to maintain universal postal connectivity — including over 1,000 post offices and delivery to more than 11 million addresses nationwide, 5 days a week. The incremental cost of fulfilling this obligation, which no private competitor is required to bear, constitutes a material and persistent drag on the Group's financial performance. Management estimates that the uncompensated cost of the USO is the primary driver of the Group's accumulated losses.*
- **Structural Headwinds:** *Structural mail volume decline: The transition from physical mail to digital communication channels has been accelerating globally and in Malaysia. This secular trend compresses the revenue base of the Postal segment — which remains the Group's largest revenue contributor — and it is not unique to Pos Malaysia. It is a challenge facing every incumbent national postal operator worldwide.*
- **Parcel Margin Compression:** *Competitive dynamics in parcels: While parcel volumes grew 9% year-on-year to 32.8 million items in FY2025, both volume and margin improvement is been constrained by a) ~75% of volume originating from 'platforms, b) ~75% of that volume is in-sourced to the 'platforms' own delivery network, c) masking, preventing the Malaysian consumer from being able to select the carrier of their choice and d) continued predatory pricing primarily by foreign carriers and the 'platforms'. The Company has been and continues to actively engage the relevant regulatory bodies on these practices.*

Operational and Financial Matters

Answer (cont.)

Pos Malaysia's path to sustainable profitability is achievable provided that the regulatory environment is appropriately recalibrated to reflect the true cost of the Company's public service obligations. The Company does not regard its current financial position as a consequence of management failure, but as an outcome of a structural imbalance between the obligations placed on it and the compensation received. Against this backdrop, the Company has identified the following viable strategies to ensure long-term business continuity:

- 1. Regulatory:** *Postal Service Fund, USO funding and Postal Services Act reform: The single most consequential lever for Pos Malaysia's financial recovery is the establishment of a proper framework for USO compensation. The Postal Services Fund (PSF) is yet to be established by the MCMC and the initial funding of RM50 million represents an important first step. However, the Company's submitted USO compensation claims for 2023 and 2024 remain under review.*

Separately, the modernisation of the Postal Services Act is expected to establish a sustainable framework, including durable, transparent framework for USO funding, tariff revision, and competitive regulation. The Company is actively participating in the legislative consultation process led by the MCMC.

- 2. Transformation Programme:** *The Company continues to execute its Business Transformation Plan, focused on sustainable revenue streams, new and optimised operating models, and digital capability building. Specific initiatives include network optimisation, alternate day delivery, retail, and the deployment of both robotics and artificial intelligence aimed at providing a significantly lower end to end cost of delivery.*

Operational and Financial Matters

Answer (cont.)

3. **Capital discipline and portfolio management:** *The Company continues to apply strict capital allocation discipline, directing investment to highest-return activities and actively managing the asset base. Non-core and loss-making activities are being reviewed. The Pos Aviation segment continues to be a profitable contributor and is being scaled further.*

4. **Balance sheet management:** *The Company is in ongoing engagement with its financing partners to manage its debt obligations in a manner consistent with its transformation timeline. The Company will continue to evaluate all options available to it to strengthen the balance sheet, including rigorous regulatory review and organic capital generation.*

Operational and Financial Matters

Question 2 (part 2 of 2)

- b) Pos Malaysia embarked on a Business Transformation Plan in August 2021 (BTP 2021) with four phases outlined. The Company is currently at Phase 4 of implementation – Delivering a Better Tomorrow, focusing on pursuing sustainable revenue streams, engaging with the government on regulatory matters, including Universal Service Obligation (USO) compensation and changes to the Postal Services Act, and improving cost efficiency through operating model optimisation (page 21 of Annual Report 2025):
- i. What are the key initiatives to be carried out under Phase 4 of BTP based on the three key focus areas? Please disclose the operational key performance indicators (KPI) and regulatory milestones to be achieved.

Answer

Phase 4 of the Business Transformation Plan — Delivering a Better Tomorrow — is organised around three strategic focus areas: (i) Pursuing Sustainable Revenue Streams; (ii) Regulatory Engagement and USO Reform; and (iii) Operating Model Optimisation. The key initiatives and measurable outcomes under each focus area are as follows:

i. Sustainable Revenue Streams

- *Scale Mel Plus as an B2B and e-commerce door-to-door postal solution, primarily focused on the SME sector.*
- *Deepen parcel volume share with major e-commerce platform partners, but at that right price, leveraging the Company's unmatched last-mile reach.*
- *Expand Pos Fulfil fulfilment services across additional sites beyond the current 8 facilities in Peninsular Malaysia.*
- *Expand our international portfolio, focused on cross-border for the SME sector.*

Operational and Financial Matters

Answer (cont.)

- *Grow Pos Aviation's engineering, cargo handling and VIP services businesses alongside recovery in air travel volumes.*
- *Scale Pos Logistics into higher-margin specialised segments — automotive, industrial, and regulated logistics.*

ii. **Regulatory Engagement**

- *Progress Establish the Postal Services Fund and disbursement framework with the MCMC.*
- *Advocate for adoption of the internationally accepted compensation methodology as the basis for USO compensation computation.*
- *Review the Postal Services Act.*
- *With KPDN and MyCC, address both predatory pricing and 'masking' practices.*
- *Pos Malaysia is engaging with the MCMC to mandate the existing Reference Price Guidelines for courier services to ensure fair competition and a healthier industry ecosystem.*

iii. **Operating Model Optimisation**

- *National roll-out of alternate day delivery for mail.*
- *Transition the post office network to distinguish between commercially viable and USO-mandated touchpoints.*
- *Accelerate robotics and automation to reduce the end-to-end cost of delivery.*
- *Expand both the electrification and type of the electric vehicle to reduce transport operating costs.*
- *Continue organisational rightsizing.*

Operational and Financial Matters

Answer (cont.)

Key Operational KPIs and Regulatory Milestones for Phase 4:

Metric	FY2025 Actual	FY2026 Target
Parcel next-day delivery SLA	92%	≥93%
Mail on-time delivery SLA	95%	≥95% (sustain)
Parcel volume growth	+9% YoY	+10–12% YoY
EBITDA	–RM2.9M	Return to positive
Employee engagement	76%	≥78%
LTIFR (safety rate)	0.57	≤0.50
EV fleet deployment	1,531 units	2,000+ units
New Business Model decision	Q4 2025 (launched)	H2 2026
PSF disbursement commencement	—	2027 (expected)
Revised Postal Services Act	Consultation stage	Tabling expected 2026/ 2027

Operational and Financial Matters

Question 2 (part 2 of 2 cont.)

- ii. Notwithstanding the improved metrics, i.e., mail service reliability at 95%, parcel service levels improved to 92%, since the inception of BTP2021, shareholders have yet to see corresponding improvements in the Company's financial performance. Net loss widened to RM209.26 million (FY2024: -RM202.66 million), on the back of muted topline at RM1.84 billion (FY2024: RM1.85 billion). Meanwhile, EBITDA, a measure of a company's core operating performance, turned negative at RM2.9 million compared to a positive RM29.4 million in FY2024, suggesting weakening operational profitability despite the improved KPIs.

In short, there is a divergence between improved metrics and profitability despite the final implementation phase of BTP2021. Why have the improvements in service reliability and operational KPIs not translated into stronger revenue growth and profitability?

To what extent are the improved service metrics commercially meaningful if they are not translating into better margins, customer monetisation, or revenue growth?

Answer

The Company acknowledges this as a legitimate and important question. The apparent divergence between improving operational metrics and continuing financial losses reflects a structural gap between what is within management's control and what is not — and it is important for shareholders to understand this distinction clearly.

Operational and Financial Matters

Answer (cont.)

Factors within management's control — improving:

- ***People:*** For example, diversity, safety, employee engagement.
- ***Service:*** For example, on time delivery for mail and parcel, NPS for delivery, retail, customer service.
- ***Customer:*** For example, target customers, margins, retention.

Factors outside management's direct control — structural headwinds:

- ***Mail:*** the decline is structural and irreversible
- ***Parcel:*** masking, insourcing (self-referencing), predatory pricing.
- ***Cost of Delivering the USO:*** No amount of operational efficiency improvement can fully offset the financial impact of maintaining over 1,000 post offices and serving more than 11 million addresses at regulated tariff rates, no amount of operational efficiency improvement can offset the decline in footfall across the retail footprint, and the increasing cost to serve both. This is the single most significant factor in the Company's continuing losses
- ***One-off events:*** The prolonged breakdown of the Pos Logistics bulk carrier PL1 for most of FY2025 resulted in a RM64.8 million loss in the logistics segment. This was an operational setback, not indicative of structural deterioration in that segment.

The Company has established, and continues to strengthen, the appropriate operational foundation, and emphasises that its financial sustainability remains critically dependent on regulatory reforms and funding support.

Operational and Financial Matters

Question 2 (part 2 of 2 cont.)

- iii. What immediate priorities and strategies does management have to restore EBITDA positivity and achieve sustainable profitability?

Answer

Management's priorities for restoring EBITDA positivity are centred on three concurrent tracks:

- **Track 1 — Revenue:** Revenue optimisation: accelerating domestic parcel volume growth at the right price, driving higher-margin fulfilment revenues through Pos Fulfil and accelerated cross-border volumes. Management targets domestic parcel volume growth of 10–12% in FY2026.
- **Track 2 — Cost:** Cost optimisation: Reducing cost per parcel through automation; reducing transport costs through EV fleet expansion; continuing organizational rightsizing; and implementing new operating business models.
- **Track 3 — Regulatory:** Regulatory relief: The most significant single driver of EBITDA recovery will be the commencement of PSF disbursements and the resolution of the USO compensation methodology. The Company expects that regulatory progress in 2026 will have a direct and material positive impact on the Group's reported results.

The Company does not regard EBITDA restoration as a distant objective. In FY2025, the Group's EBITDA was –RM2.9 million — a relatively small negative number in the context of a RM1.84 billion revenue base. The margin to EBITDA positivity is narrow and achievable through the combination of the three tracks noted above, particularly if regulatory progress materialises as anticipated in 2026.

Operational and Financial Matters

Question 2 (part 2 of 2 cont.)

- iv. With BTP2021 nearing completion, does the Board consider the transformation programme to be on track in delivering its intended financial objectives?

Answer

The BTP2021 has been substantially successful in delivering its operational objectives, while the intended financial outcomes have been materially constrained by factors external to the programme itself. As examples and certainly not a complete list, the transformation has delivered:

1. People

- A fundamental shift in workforce culture — employee engagement improved from below 70% in 2021 to 76% in 2025.*
- Leadership and diversity transformation — female leadership increased from below 38% in 2021 to 49% in 2025.*
- Improvement in workplace safety — LTIFR reduced from 1.81 to 0.57.*

2. Service

- Service quality uplift towards world-class benchmarks.*
- Parcel D+1 SLA improved from approximately 57% in 2021 to 92% in 2025.*
- Mail SLA improved from approximately 51% in 2021 to 95% in 2025.*
- Customer experience strengthened — Retail NPS exceeded 97, while Delivery NPS improved significantly from 54.5 to 78.5 in 2025*

Operational and Financial Matters

Answer (cont.)

3. **Customer**

- *Stronger brand position and customer trust.*
- *Ranked #1 in brand equity, share of voice, PR and PR value.*
- *Ranked #2 in brand preference.*
- *Continued focus on improving the customer journey and experience.*

4. **Financial**

- *Tangible progress in financial discipline and operational efficiency.*
- *Approximately RM12 million in monthly 'run' costs removed.*
- *Last-mile productivity improved by over 100%.*
-

5. **Others (Digital and ESG)**

- *Accelerated digital transformation — >90% of applications migrated to the cloud.*
- *Enhanced customer platforms — revamped website, Pos Mobile App, new digital solutions (e.g. SendParcel Pro)*
- *Stronger data and operational capabilities — upgraded track & trace (AXIS), enhanced analytics*
- *ESG progress — Net Zero 2050 commitment, fleet electrification (1,252 eBikes & 274 eVans), solar rollout across 18 sites*

Operational and Financial Matters

Answer (cont.)

On the financial dimension, the Company acknowledges that the programme has not yet delivered profitability, reflecting the key reality that the BTP2021 was designed to transform the business on the assumption that the regulatory environment — specifically market access and regulatory reform, including USO compensation — would be concurrently addressed. This has taken longer than anticipated, and without it, the operational improvements alone cannot overcome the structural cost of delivering the USO.

Pos Malaysia considers 2026 and 2027 to be the pivotal years in which the financial results of BTP2021 will become visible — specifically as regulatory reform materialises and the operational improvements deliver

Question 3 (part 1 of 3)

Structural challenges, including the continued decline in traditional mail volumes and intense market competition, continue to weigh on the financial performance of Pos Malaysia. That said, we note several potentially positive developments on the regulatory front. In October last year, the Government, through the Malaysian Communications and Multimedia Commission (MCMC), announced the establishment of the Postal Services Fund (PSF), a RM50 million fund aimed at supporting the long-term sustainability of postal services, particularly in rural and underserved areas served by Pos Malaysia pursuant to its Universal Service Obligation (USO). In parallel, Pos Malaysia is working with the regulator on the development of a modernised Postal Services Act (PSA), including a framework to compensate the designated USO provider.

- a) What is the current status of the PSF disbursement by MCMC? What conditions or performance criteria must Pos Malaysia satisfy to qualify for the funding? In addition, how will the PSF itself be funded and sustained over the longer term to ensure continued support for Pos Malaysia's USO responsibilities?

Answer

The Postal Services Fund (PSF) has yet to be established by MCMC. However, in October 2025, the Ministry confirmed RM50 million funding, representing the government's recognition that delivering the USO imposes a genuine and quantifiable cost burden on the designated service provider that must be appropriately compensated. The RM50 million should be understood as an advance payment pending the formal resolution of Pos Malaysia's USO compensation claims for 2023 and 2024. These claims are currently under review by the regulator. The Regulator conducted a limited public review in order to obtain feedback from the industry on what should and shouldn't be included in the Postal Service Fund. That review is ongoing. The exact mechanics of how the fund will be established, when or how it will be funded have yet to be concluded or communicated by the MCMC.

Question 3 (part 2 of 3)

- b) Given the Government's current focus on broader economic challenges and cost-of-living concerns, is there a risk that the proposed revamp of PSA may be deprioritised or delayed? Has the Government or MCMC engaged with Pos Malaysia for consultations or feedback in relation to the proposed legislative changes? What key areas or reforms does management hope to see incorporated into the updated framework?

Answer

The Company acknowledges that legislative reform operates within a broader government agenda and is subject to parliamentary timetabling and policy prioritisation. Pos Malaysia is not aware of any risk of delay.

Key areas of reform that the Company is advocating for inclusion in the revised Postal Services Act:

- A permanent and adequately funded USO compensation mechanism computed using the internationally accepted methodology.*
- A statutory framework enabling periodic tariff review for regulated products to ensure postal pricing reflects the actual cost of service — including indexation for inflation and labour cost movements.*
- Provisions enabling the modernisation of the USO delivery model, including USO network.*
- Regulatory provisions addressing anti-competitive practices in the parcels market, including minimum service quality standards and fair pricing obligations for platform-operated logistics arms.*
- A framework for the PSF that establishes its long-term funding source, governance, and disbursement criteria in statute, rather than through executive discretion.*
- Licensing framework that is not overly liberalised, to safeguard fair competition, service quality, and the long-term sustainability of the local courier industry.*

Operational and Financial Matters

Question 3 (part 3 of 3)

c) As part of Phase 4 of the Transformation Plan, Pos Malaysia launched two Proofs of Concept (POCs) in Q4FY2025 to evaluate alternative approaches to USO delivery.

What is the nature and objectives of these two POCs? How are these initiatives expected to address structural cost pressures associated with USO requirements, particularly amid evolving market dynamics and competitive challenges?

Answer

The two POCs launched in Q4 FY2025 were designed to evaluate operational and financial viability reflecting the need to lower the cost of delivering the USO, meet the needs of Malaysians and deliver on our sustainability roadmap.

In broad terms, the POCs are exploring the following alternative delivery models:

- 1. Agency-based retail: Testing the use of trained Pick Up and Drop Off (PUDO) agents — operating as Pos Malaysia's retail agents to fulfil parcel delivery and drop off and basic postal services in areas where maintaining a dedicated post office is economically unviable.*
- 2. Alternate Day Delivery of Mail: Testing delivering mail on alternate days, as opposed to everyday.*
- 3. Network Optimisation: Fully merging the mail and parcel networks, leveraging our unparalleled reach for our customers at the lowest unit cost.*

The simplified objective of the POCs is to significantly lower the cost of end to end delivery. Early findings are encouraging.

Operational and Financial Matters

Question 4 (part 1 of 4)

Pos Malaysia increased its capital expenditure commitment to RM49.95 million in FY2025, compared to RM18.15 million in FY2024, primarily for investments in property, plant and equipment (page 311, Note 31 – Commitments, AR2025).

a) Which key areas will the investments be directed towards?

Answer

The increase in capital expenditure commitment in FY2025 reflects the Group's deliberate pivot from the stabilisation focus of earlier BTB phases to the capability-building and modernisation requirements of Phase 4. Investments are directed across the following priority areas:

- Processing and sorting automation: Investment in automated sorting and scanning equipment at key processing centres to increase throughput capacity, reduce labour dependency, and lower cost per parcel as volumes scale.*
- Digital infrastructure and AI capability: Investment in technology platforms, data infrastructure and AI tools supporting customer service automation, delivery route optimisation, and operational analytics. This includes the build-out of the Group's AI-first operating model under the mandate of the newly appointed Group CTO.*
- Pos Aviation capacity: Investments in ground handling equipment and engineering tooling to support the growth of Pos Aviation's services in response to increasing airline partnerships and cargo volumes.*
- PNSL vessel repairs: the higher capital commitment included unplanned dry-docking and major repair works (which were capitalised) to maintain the seaworthiness and regulatory compliance of PNSL's vessel, PL1.*
- Facilities maintenance and compliance: Routine investment in maintaining the post office network infrastructure, including safety-compliance upgrades at selected facilities.*

Operational and Financial Matters

Question 4 (part 2 of 4)

- b) Given the Group's current financial challenges, including continued losses and negative operating cash flow, does management foresee any constraints on Pos Malaysia's ability to sustain long-term investments in technology, digitalisation and operational modernisation?

Answer

The Company acknowledges that the current financial position imposes real constraints on the Group's investment capacity and that capital allocation must be managed with discipline.

Management's approach to managing this constraint is as follows:

- Prioritisation of investments by return profile: capital is directed to initiatives with the highest expected operational or financial return — specifically those that reduce unit costs (automation), grow revenue (digital platforms, Mel Plus, fulfil, cross-border) or reduce regulatory risk (USO POCs). Discretionary investments are deferred unless they meet a defined return threshold.*
- Phased deployment: large investments are structured in phases, tied to operational milestones, to preserve flexibility and avoid committing capital ahead of confirmed returns.*
- Financing and leasing arrangements: where appropriate, the Company utilises asset financing and leasing structures — including the EV fleet leasing model — to deploy operational capability without fully committing upfront capital. This approach was recently applied in the EV van procurement exercise.*
- Regulatory relief as an investment enabler: the Company's medium-term investment capacity is directly linked to the resolution of the USO compensation framework. Regulatory relief would not only improve reported results but would also release management bandwidth and financial capacity to accelerate investment in transformation.*

Operational and Financial Matters

Question 4 (part 3 of 4)

- c) What is the Group's expected capital allocation or investment budget for technology and digital transformation initiatives over the next few years?

Answer

Pos Malaysia does not disclose forward-looking capital budgets at a segment or initiative level as a matter of policy, given the commercial sensitivity of such information in a competitive operating environment.

However, the following represent the key directional commitments:

- Technology and digital transformation will represent a growing proportion of total capital expenditure in FY2026 and FY2027, reflecting the Group's strategic intent to build an AI-first operating model.*
- AI and automation investments — particularly in processing centre automation, customer service, and route optimisation — are expected to generate measurable cost savings that offset the capital cost within 3–5 years, based on comparable deployments by peer postal operators.*

Operational and Financial Matters

Question 4 (part 4 of 4)

d) How does management prioritise investment spending while balancing liquidity preservation and operational turnaround objectives?

Answer

The Company applies a structured capital allocation framework that ranks investment priorities as follows:

- *First priority — Liquidity preservation: Maintaining adequate operational liquidity to meet day-to-day obligations and service debt commitments. No discretionary investment is approved if it would materially compromise the Company's liquidity buffer.*
- *Second priority — Cost-reduction investments: Investments that generate a quantifiable and near-term reduction in operating costs — including automation, EV fleet deployment, and network rationalisation — are prioritised, as they directly improve the cash generation position.*
- *Third priority — Revenue-generating investments: Investments in new or scaled revenue streams — Mel Plus, Pos Fulfill, Cross-Border, Pos Aviation expansion — are prioritised based on expected payback period and revenue quality.*
- *Fourth priority — Capability and compliance: Investments in regulatory compliance, safety, and foundational capability (data infrastructure, AI platforms) that do not generate direct financial returns but are essential for the Company's long-term competitiveness and regulatory standing.*

This framework is applied at both the annual budget cycle and on an individual investment approval basis at the appropriate governance level, including Tender Board Committee and Board approval thresholds.

Operational and Financial Matters

Question 5

Note 32 – Material Litigation (page 311 of AR2025). During the financial year, Pos Malaysia entered into a settlement agreement with a customer, for whom the Company was making a claim for outstanding debts, rental, maintenance costs, utilities and loss of profits amounting to RM9.99 million. Under the settlement agreement, the Group agreed to accept RM1 million as full and final settlement of all claims and counterclaims. Pos Malaysia received the said amount in February 2026.

Why did the Group settle for a substantially lower settlement amount of RM1 million relative to the original claim of RM9.99 million?

What is the likelihood of recovering the full claimed amount should the Company continue to pursue legal proceedings, and what were the associated litigation risks or costs?

Answer

The Company confirms that the settlement was approved after careful consideration by the relevant governance bodies, and that the decision to settle was based on commercial and legal merits rather than convenience.

The Company is not in a position to disclose the full details of the negotiations or the identity of the counterparty, as the settlement agreement contains confidentiality provisions that are standard in such commercial matters. Notwithstanding this, the following represent the key items:

Operational and Financial Matters

Answer (cont.)

- *Legal risk assessment: Independent legal counsel advised the Company that, while the quantum of the claim was RM9.99 million, the prospect of recovering the full amount through litigation was materially uncertain. The evidentiary position on certain elements of the claim — particularly the loss of profits component — was assessed as less straightforward to establish in court than the underlying debt and operational cost components.*
- *Counterparty financial capacity: The counterparty's demonstrated ability to satisfy a full judgment in the event of a court award in the Company's favour was assessed as limited, introducing the risk of a Pyrrhic victory — a favourable judgment that could not be enforced at full value.*
- *Litigation cost and management bandwidth: Pursuing the matter to trial would have involved significant legal costs and a material commitment of management time over an extended period, the opportunity cost of which was weighed against the certain receipt of RM1 million under settlement.*
- *Timing of receipt: The RM1 million was received in February 2026 — a certain and immediate cash inflow at a time when the Group's liquidity position requires active management.*

The Company is satisfied that the settlement was reached in the best commercial interests of the Company and its shareholders, after appropriate legal and financial due diligence. The decision is consistent with the pragmatic approach to managing legacy legal exposures, while enabling Management to focus on the Group's core operational and strategic priorities.

Corporate Governance Matters

Question 6

On 1 May 2026, Pos Malaysia announced the appointment of two new directors - Datuk Shazril Imri Mokhtar, currently the Group Technology & Transformation Officer of Al-Bukhary Group, and Datuk Abdul Halim Hamzah, who presently serves as the Secretary-General of the Ministry of Communications. Following these appointments, the Board size has increased to nine directors, returning to the same board size as in FY2024. However, the proportion of independent non-executive directors (INEDs) has correspondingly declined to approximately 33%, compared to 44.44% (4 out of 9) in FY2024. As a result, Pos Malaysia continues to depart from Practice 5.2 of the Malaysian Code on Corporate Governance, which recommends that at least half of a PLC's Board comprises INEDs.

On page 31 of the Corporate Governance Report 2025, the Company had indicated its intention to appoint an additional independent director in due course to move closer towards the adoption of Practice 5.2. However, the latest board appointments have further diluted the proportion of INED representation instead.

What is the rationale for prioritising the appointment of two NINEDs at this juncture, rather than strengthening independent representation on the Board?

Does the Board remain committed to achieving alignment with Practice 5.2 of the MCCG, and if so, what is the expected timeline or roadmap towards improving the Board's independence composition?

Answer
Next slide

Corporate Governance Matters

Answer

The Board Nomination & Remuneration Committee (“BNRC”) has undertaken a review and assessment of the new Directors’ appointments, having considered their relevant experience, skill sets, character, integrity, competence, and commitment of time to ensure the effective discharge of their duties. Pursuant to the Constitution of Pos Malaysia, the Special Shareholder, namely, Minister of Finance (Incorporated) (“MOF Inc”) is entitled to appoint up to two (2) Directors on the Board. In this regard, the appointment of Datuk Abdul Halim Hamzah is to fill the vacancy of MOF Inc representatives.

The Company also takes into consideration Datuk Shazril Imri Mokhtar’s professional background and expertise are expected to assist Pos Malaysia in enhancing its digital capabilities in support of future business transformation. The Company is of the view that, at this critical stage, both the major shareholder and the special shareholder have determined that representation at the Board level is necessary to safeguard their respective interests.

The Company emphasises the importance of maintaining strong Board independence. Upon review by the BNRC, the Company is satisfied that the INEDs continue to demonstrate independence and objectivity in the discharge of their duties and to provide effective oversight, notwithstanding that the current Board composition may not be aligned with recommended best practices. The Board composition remains compliant with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Company further acknowledges that these appointments have resulted in a temporary reduction in the proportion of INEDs and will continue to prioritise the identification and appointment of suitably qualified independent director candidates.

Question 7

Pos Malaysia also departed from Practice 8.2 of the Malaysia Code on Corporate Governance in relation to the disclosure of the top five senior management's remuneration (page 54 of CGR2025).

How much did the Group Chief Executive Officer, Mr Charles Brewer, receive in FY2025 against total key management personnel (KMP) remuneration of RM9.75 million incurred (page 237 of AR2025)?

Kindly disclose Mr Brewer's remuneration from FY2021 – 2025 in the form of a table by element, including salary, bonus, benefits in-kind and other emoluments.

Answer

The Company is of the opinion that the disclosure of senior management remuneration on a named basis would not be in the best interest of the Group, given the highly competitive talent landscape. In view of the risk of talent poaching within the industry, the Group seeks to safeguard its employee retention strategies. Furthermore, information relating to salaries, bonuses, benefits-in-kind and other emoluments is generally classified as personal and sensitive data, as it may directly or indirectly identify an individual.

Nevertheless, the Company, through the BNRC, maintains oversight of the remuneration framework to ensure that senior management are appropriately and fairly compensated. Such remuneration is determined with due consideration to individual performance, level of responsibility, and the overall performance of the Company.



**34TH ANNUAL GENERAL
MEETING 2026**
Questions & Answers

22 May 2026, Friday

Strategy/Operations

No.	Questions	Answers from Board of Directors & Management
1	<p>Global logistics operators are rapidly adopting AI, robotics, automated sorting systems and predictive logistics technologies. Can Management elaborate:</p> <ol style="list-style-type: none"> 1. What proportion of Pos Malaysia’s network has been automated today? 2. What productivity improvements are targeted by 2030? 3. How much capital expenditure is required to modernise the nationwide network? 4. What is the expected ROI from these digital transformation initiatives? 	<p>Answer (part 1 of 2):</p> <p><i>1. Pos Malaysia does not report a single network-wide automation percentage, as automation is deployed across multiple layers of the operating model, including sorting, fleet, last-mile delivery and customer touchpoints.</i></p> <ol style="list-style-type: none"> a) <i>At the sorting layer, automated sorting and scanning are deployed at our Integrated Parcel Centres. At the fleet layer, approximately 2,200 vehicles are equipped with telematics for route optimisation, while 1,531 EVs are in active operation, representing the largest EV logistics fleet in Malaysia.</i> b) <i>At the last-mile layer, our delivery workforce of approximately 8,000 Pos Wiras across Mail and Courier operates on the AXIS digital operations platform, supported by handheld scanning for real-time tracking and delivery visibility.</i>

Strategy/Operations

No.	Questions	Answers from Board of Directors & Management
1	<p>Global logistics operators are rapidly adopting AI, robotics, automated sorting systems and predictive logistics technologies. Can Management elaborate:</p> <ol style="list-style-type: none"> 1. What proportion of Pos Malaysia’s network has been automated today? 2. What productivity improvements are targeted by 2030? 3. How much capital expenditure is required to modernise the nationwide network? 4. What is the expected ROI from these digital transformation initiatives? 	<p>Answer: (part 2 of 2)</p> <p>2. <i>FY2025 capital expenditure commitment increased to RM49.95 million, representing a 175% increase compared with FY2024, with sorting automation, AI and digital infrastructure identified as priority areas. Specific FY2030 productivity improvement and capital expenditure targets have not been disclosed and will be guided by deployment outcomes, business priorities and the evolving regulatory environment.</i></p> <p>3. <i>The return from these digital transformation initiatives is already being reflected through stronger operational and service outcomes, including 92% parcel D+1 SLA, 95% mail on-time delivery, 9% parcel volume growth in FY2025, and a larger EV fleet contributing to lower emissions and fuel cost optimisation.</i></p>

Strategy/Operations

No.	Questions	Answers from Board of Directors & Management
2	<p>The Group continues to face structural declines in traditional mail volumes while parcel competition remains extremely intense and margin dilutive. Can the Board explain clearly what Pos Malaysia’s sustainable long-term business model will look like by 2030? Specifically:</p> <ol style="list-style-type: none"> 1. What percentage of future earnings is expected to come from parcels, aviation, logistics and digital services respectively? 2. Can the postal segment realistically become profitable again? 3. What are the Board’s measurable turnaround KPIs over the next 3 to 5 years? 	<p>Answer (part 1 of 2):</p> <ol style="list-style-type: none"> 1. <i>Pos Malaysia’s 2030 business model will be parcel-led at its core, supported by an unmatched last-mile network reaching more than 11 million addresses in Malaysia. Pos Aviation is expected to be larger, profitable, and growing, Pos Logistics will focus on higher-margin niche sectors such as automotive, industrial, and specialised segments, while digital services including Pos Hijau, Pos DigiCert, and AI platforms are expected to become standalone earnings contributors.</i> 2. <i>Specific segment earnings-mix percentages are not disclosed as forward-looking guidance. Directionally, parcels and aviation are expected to contribute a larger share, mail will be stabilised through regulatory reform, and digital services will become more material.</i>

Strategy/Operations

No.	Questions	Answers from Board of Directors & Management
2	<p>The Group continues to face structural declines in traditional mail volumes while parcel competition remains extremely intense and margin dilutive. Can the Board explain clearly what Pos Malaysia’s sustainable long-term business model will look like by 2030? Specifically:</p> <ol style="list-style-type: none"> 1. What percentage of future earnings is expected to come from parcels, aviation, logistics and digital services respectively? 2. Can the postal segment realistically become profitable again? 3. What are the Board’s measurable turnaround KPIs over the next 3 to 5 years? 	<p>Answer (part 2 of 2):</p> <p>3. <i>Postal profitability is achievable, but it requires concurrent operational and regulatory progress. Operationally, automation, renewed business models, and the scaling of Mel Plus for SMEs are expected to reduce cost while growing revenue. From a regulatory perspective, the Postal Services Fund (PSF), a fair USO compensation methodology, and modernisation of the Postal Services Act (PSA) are expected to address the structural imbalance. International precedents from the UK, Australia, and the EU demonstrate that a national postal operator can be sustainably profitable under a properly designed USO framework.</i></p> <p>4. <i>The Board is committed to measurable turnaround KPIs based on the three strategic pillars, namely: 1) Highly Motivated, Engaged, Safe Employees 2) Delivering A Great Service and Delighting Our Customers; and 3) Delivering A Profitable Network. The Board’s turnaround KPIs remain agile and are reviewed periodically in line with evolving market dynamics, as explained earlier during the MSWG Q&A session. These KPIs continue to focus on sustainable profitability, service performance, operational efficiency, and business resilience, while balancing the Group’s Universal Service Obligation.</i></p>

Financial

No.	Questions	Answers from Board of Directors & Management
3	<p>Given the Group’s prolonged turnaround challenges:</p> <p>1.How does the Audit Committee challenge management assumptions relating to impairment, going concern and future profitability?</p> <p>2.Were there any significant disagreements between Management and External Auditors during FY2025?</p> <p>3.What were the most difficult judgement areas debated during the audit process?</p>	<p>Answer (part 1 of 2):</p> <p><i>1. Board Audit Committee (BAC) challenge process: BAC met multiple times in FY2025. Its three-level oversight comprised: (i) independent review of all significant management assumptions; (ii) private sessions with KPMG without Management present; and (iii) engagement of independent experts where specialist knowledge was required.</i></p> <p><i>2. Key judgement areas actively debated in FY2025: Going concern, asset impairment, deferred tax asset recognition, and parcel revenue cut-off — all of which required significant forward-looking judgement in the current operating environment.</i></p>

Financial

No.	Questions	Answers from Board of Directors & Management
3	<p>Given the Group’s prolonged turnaround challenges:</p> <p>1.How does the Audit Committee challenge management assumptions relating to impairment, going concern and future profitability?</p> <p>2.Were there any significant disagreements between Management and External Auditors duringFY2025?</p> <p>3.What were the most difficult judgement areas debated during the audit process?</p>	<p>Answer (part 2 of 2):</p> <p><i>3. Going concern: Twelve-month cash flow projections were reviewed and stress-tested. BAC concluded with KPMG’s concurrence that no material uncertainty existed, supported by the RM1 billion Sukuk Wakalah, DRB-HICOM holding company support, and expected Postal Services Fund disbursements. KPMG’s FY2025 audit opinion was unmodified with no qualification, no emphasis of matter, and no going concern paragraph.</i></p> <p><i>4. Auditor disagreements: BAC is not aware of any significant disagreement between Management and KPMG. All discussion points were normal in a complex audit and were resolved through evidence and dialogue before the financial statements were authorised for issue on 25 March 2026. KPMG’s independence was maintained throughout.</i></p>

Financial

No.	Questions	Answers from Board of Directors & Management
4	<p>The parcel business continues experiencing strong volume growth but weak margins. Can the Board explain:</p> <p>1. What audit procedures were performed to validate parcel revenue recognition and cut-off accuracy?</p> <p>2. Were any loss-making contracts or onerous contract considerations identified?</p> <p>3. How did auditors assess whether parcel volume growth translates into sustainable economic profitability rather than merely higher operational throughput?</p>	<p><i>1. Audit procedures: KPMG performed transaction-level testing throughout the year, tracing shipment records to billing data, delivery confirmation systems, and cash receipts. Specific year-end cut-off testing confirmed that in-transit parcels as at 31 December 2025 were appropriately deferred. KPMG also tested IT general controls and application controls over parcel management and billing platforms, with volumes reconciled to recognised revenue.</i></p> <p><i>2. Onerous contracts under MFRS 137: BAC and KPMG reviewed platform and customer contracts against the technical threshold, namely whether unavoidable costs exceed expected benefits. No individual contract currently meets this definition. The assessment is made at the smallest identifiable contract group, with shared fixed costs allocated appropriately across the portfolio. BAC has instructed Management to continue monitoring this closely as competitive pricing dynamics evolve.</i></p>

Financial

No.	Questions	Answers from Board of Directors & Management
4	<p>The parcel business continues experiencing strong volume growth but weak margins. Can the Board explain:</p> <p>1. What audit procedures were performed to validate parcel revenue recognition and cut-off accuracy?</p> <p>2. Were any loss-making contracts or onerous contract considerations identified?</p> <p>3. How did auditors assess whether parcel volume growth translates into sustainable economic profitability rather than merely higher operational throughput?</p>	<p><i>3. Economic sustainability: Volume growth alone is not the measure. The key metric is contribution margin per parcel, which is positive. Apparent margin compression reflects the increasing allocation of shared fixed network costs to parcels as mail volumes decline, rather than a deterioration in parcel economics. As parcel volumes scale, automation reduces unit cost, while the Reference Price Guideline issued by MCMC in December 2024 supports healthier industry pricing discipline. The trajectory is towards genuine parcel profitability.</i></p>

Thank You

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**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

LIVE QUESTIONS

No.	Questions	Answers from the Directors / Management	Proxy name
1.	<p>While acknowledging the efforts of the Board and Management in delivering the Directors' responsibilities, a concern was raised from a shareholder's perspective.</p> <p>Pos Malaysia appears to be bearing the financial burden of fulfilling the Universal Service Obligation (“USO”), which is essentially a national responsibility. The shareholder opined that the current arrangement is unfair, as shareholders are financing obligations that should be funded by the Government.</p> <p>In other jurisdictions, certain postal operations are able to maintain profitability, while non-commercial postal services receive subsidies from the respective Governments.</p> <p>In this regard, would Pos Malaysia consider adopting a similar structure, whereby responsibilities imposed by the Government are appropriately funded, instead of being borne by shareholders?</p>	<p>Pos Malaysia continues to carry the national responsibilities of providing postal services across the country, including areas where such services are not commercially viable. Such obligations are mandated under the regulatory framework and remain essential in ensuring nationwide connectivity.</p> <p>At the same time, many of the challenges faced by the Company are structural and largely beyond its direct control. As a listed company with national responsibilities, including fulfilling the USO, Pos Malaysia operates under constraints that other private courier players do not face. The situation creates pressure on the Company's financial performance.</p> <p>The Management is actively and continuously engaging with the Government and the Malaysian Communications and Multimedia Commission (“MCMC”) to advocate for structural reforms, appropriate compensation mechanisms, and a more level playing field within the industry. Management will continue to pursue solutions relating to the regulatory framework.</p> <p>In terms of international comparisons, the Company noted that while some foreign postal operators appear profitable, the USO-related segments are often loss-making and supported by other business segments or different reporting structures.</p>	<p>MOHAMMED AMIN BIN MAHMUD</p>

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Proxy name
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Pos Malaysia remains committed to balancing its role as a listed entity with the national mandate and will continue to actively engage stakeholders through constructive discussions to achieve a more equitable framework.

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Shareholder name
2.	<p>A suggestion was made that sufficient copies of the Annual Report or key financial information be made available during the AGM, as follow-up discussions or the raising of meaningful questions remain difficult for shareholders without direct access to the relevant figures.</p> <p>Based on the Annual Report, the financial performance of Pos Malaysia remained challenging, with continued losses and limited improvement at the bottom line, although the most recent quarterly results showed slight improvement. At present, the key performance indicator appears to focus on reduction of losses rather than achievement of profitability.</p> <p>Given that Pos Malaysia continues to face structural challenges in the postal industry, which are global and long-term in nature, are there any concrete measures that Pos Malaysia can take to address or mitigate these structural issues?</p> <p>In particular, considering that Pos Malaysia undertakes significant social and national</p>	<p>With regard to the Annual Report, the Company has printed a limited number of copies as part of its sustainability initiatives. Management will review this practice on an ongoing basis to ensure alignment with sustainability objectives and stakeholder needs.</p> <p>While the Board was unable to provide forward-looking statements, the Board remains cautiously optimistic about Pos Malaysia’s path towards profitability. Based on the recent performance of Pos Malaysia, particularly for the first quarter ended 31 March 2026 (“Q1 2026”), improvements have been seen, driven purely by operational efforts, with reduced losses achieved without reliance on one-off items. The progress achieved provides confidence that the transformation initiatives undertaken are delivering results.</p> <p>The Company has also taken significant steps to optimise the cost structure. For example, the workforce has been reduced from approximately 19,000 employees in 2021 to about 16,000 currently. As staff costs represent a substantial portion of the total cost base, the measures have contributed positively towards improving efficiency.</p> <p>The Company’s immediate focus is to achieve breakeven. With continued operational improvements coupled with potential regulatory support or reforms, the Company is working towards</p>	LEO ANN PUAT

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Shareholder name
	<p>responsibilities, has Pos Malaysia engaged or considered engaging the Government more actively for support, incentives, or structural reforms? The matter is especially relevant as other private courier operators do not bear similar obligations.</p> <p>Notwithstanding the various transformation initiatives presented by Management over the years, clarification was sought on whether there is a clear and achievable pathway towards profitability. At the current pace, achieving breakeven in the near term appears challenging. In this regard, could the Board provide an indicative outlook on the expected timeline to profitability, as well as any encouraging developments relating to Government support or operational improvements?</p>	<p>restoring profitability.</p> <p>The profitability for Pos Malaysia is driven by two (2) key areas:-</p> <ol style="list-style-type: none"> 1. Regulatory: Ongoing engagement with the relevant authorities to seek the necessary structural and regulatory support. 2. Commercial: Strengthening and diversifying business models, including developing new revenue streams and enhancing operational efficiency. <p>The Board and Management are undertaking concerted efforts to enhance the financial performance of Pos Malaysia and move towards profitability.</p>	

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Shareholder name
3.	<p>It was suggested that the Company should avoid scheduling AGMs on Fridays, taking into account Malaysia’s multicultural context.</p> <p>Key financial indicators, including profit before tax, profit margins, EBITDA, return on assets, and return on equity, have remained negative over several years and appear to be deteriorating. Given the trend, what actions are being taken by the Board and Management to address the situation and prevent further decline?</p> <p>A concern was raised that the current financial position has not shown significant improvement. Clarification was also sought on the nature of the financial support received from the Government, whether it is in the form of a loan, grant, or compensation and whether any repayment obligations.</p> <p>Lastly, Pos Malaysia has not declared dividends for several years. Could the</p>	<p>The Board acknowledged the shareholder’s comment regarding the AGM being scheduled on Friday and the financial performance of Pos Malaysia.</p> <p>It was noted that the financial support received from the Government was not in the form of a loan. Instead, the funding relates to compensation associated with the provision of postal services under the USO. Such compensation was intended to partially offset the cost incurred by Pos Malaysia in fulfilling mandated responsibilities.</p> <p>As the designated USO provider, Pos Malaysia is required to deliver mail to every address in Malaysia at least five (5) days a week, as well as maintain an extensive network of approximately 620 post offices nationwide. These obligations resulted in significant and recurring losses due to the fixed cost structure.</p> <p>Pos Malaysia is not seeking a subsidy or grant, but fair compensation for fulfilling the national service, in line with practices observed globally, where Governments compensate postal operators for non-commercial obligations undertaken under the USO framework.</p>	LEE HEAN AIK

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Shareholder name
	<p>Board clarify when shareholders could reasonably expect a return on shareholder investment?</p>	<p>The Company is working towards ensuring that Pos Malaysia is adequately compensated for delivering the USO. Addressing this issue would significantly improve the financial position of Pos Malaysia and change the overall profitability outlook.</p> <p>It was also noted that certain compensation arrangements remained under discussion and have not been fully recognised in the current financial results. As such, the arrangements did not impact the reported performance for the relevant financial year.</p> <p>Pos Malaysia continues to focus on addressing corporate financial challenges through transformation initiatives, operational improvements, and ongoing engagement with regulators to resolve structural issues.</p> <p>With regard to dividends, it was noted that dividend declarations are subject to statutory requirements i.e., under the Companies Act 2016, including profitability and solvency, which have not been met in recent years; accordingly, Pos Malaysia has not declared dividends.</p> <p>The Company remains committed to improving the financial performance of Pos Malaysia with the objective of restoring shareholders’ returns in the future.</p>	

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Shareholder name
4.	<p>Based on the Annual Report, it was noted that DRB-HICOM Berhad (“DRB-HICOM”) holds a significant stake in Pos Malaysia, and in turn is substantially owned by Tan Sri Dato’ Seri Syed Mokhtar Shah.</p> <p>In this regard, could the Board clarify why financial support for Pos Malaysia appeared to be reliant on Government compensation, rather than being directly provided by the major shareholder? It may be more appropriate for additional capital or financial assistance to be provided directly by the controlling shareholder?</p>	<p>The Board clarified that DRB-HICOM, the major shareholder of Pos Malaysia has been providing financial support to Pos Malaysia. However, the extent and form of such support are determined at the group level, taking into account the financial position and strategic priorities of the wider DRB-HICOM Group.</p> <p>Pos Malaysia has, in the past, received support through various financial instruments, including capital injections and sukuk arrangements subscribed by DRB-HICOM. These arrangements demonstrate the continued support of the major shareholder towards Pos Malaysia.</p> <p>At the same time, the engagement of Pos Malaysia with the Government in relation to the USO funding is a separate matter, as it focuses specifically on compensation for mandated national services.</p>	LIM JIT THIN

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Shareholder name
5.	Clarification was sought on industrial relations within Pos Malaysia. Specifically, whether there was any possibility of postal workers undertaking industrial action, such as strikes, and whether such events have occurred previously in Malaysia.	<p>Pos Malaysia maintains a constructive and collaborative relationship with the employee unions. The unions have been supportive of the operational and transformation initiatives of Pos Malaysia, and engagement with the employee unions is conducted on a regular and transparent basis.</p> <p>As such, industrial relations are stable, and Pos Malaysia does not foresee any immediate risk of disruptive industrial action.</p>	LEE HEAN AIK

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Proxy name
6.	<p>i. Regarding the structural limitations arising from the USO, was there any strategy or plan for Pos Malaysia to transform these limitations into a competitive strength, given the extensive nationwide network coverage?</p> <p>ii. With respect to the compensation discussed with the Government, does Pos Malaysia intend to submit claims on a retrospective basis, and if so, how far back would such claims extend?</p> <p>iii. With regard to corporate governance practices, particularly the disclosure of remuneration for senior management, could the Board clarify whether Pos Malaysia is complying with the relevant requirements under the Main Market Listing Requirements of Bursa</p>	<p>In relation to the USO, Pos Malaysia recognised the inherent value of the nationwide network, which included extensive coverage across urban and rural areas. The network represented a strategic infrastructure asset that is being leveraged for ongoing business initiatives, including parcel delivery, logistics solutions, and value-added retail services. Pos Malaysia continues to explore options to optimise the operational footprint to enhance revenue generation and operational efficiency.</p> <p>With respect to the compensation discussions, Pos Malaysia has engaged with the relevant authorities regarding recent financial years in a measured and prudent manner. Management maintains a balanced and objective approach in the ongoing regulatory dialogues, taking into account equity, long-term industry sustainability, and continuous collaboration with the Government.</p> <p>The Board remains committed to strengthening the position of Pos Malaysia while managing regulatory and operational parameters effectively.</p> <p>It was noted that the Company published the remuneration of Directors on a named basis in the Annual Report and did not adopt the best practice on the disclosure of remuneration of top five (5) senior management as recommended by the MCCG. On corporate governance disclosure, Pos Malaysia will continue to adhere strictly to all regulatory compliance frameworks in this regard.</p>	LIM CIAN YAI (Representative from MSWG)

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Proxy name
	Malaysia, especially in relation to the disclosure of senior management remuneration on a named basis?		

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Shareholder name
7.	<p>While commending Pos Malaysia for the presentation on corporate initiatives, particularly those related to social contributions and community programmes, it was suggested that the Board and Management should place greater emphasis on improving shareholder value.</p> <p>A suggestion was made for Pos Malaysia to consider converting select facilities into collection centres, which are increasingly popular, to better utilise existing space and potentially increase revenue. Flexible operating models, such as alternate scheduling, could also assist in improving efficiency.</p> <p>At the same time, a comment was raised that Pos Malaysia continues to record losses each year. While investments in areas such as automation, robotics, and artificial intelligence remain beneficial, clarity was requested on how Pos Malaysia plans to ensure that such investments translate into improved profitability.</p> <p>In particular, how would Pos Malaysia maximise returns from these investments while addressing the challenges in the core business, which is currently not generating sufficient profit?</p>	<p>The Board thanked the shareholder for the comments and acknowledged the importance of shareholder value.</p> <p>The Board noted the concerns raised regarding the financial performance and share price of Pos Malaysia. The Board and Management were fully aware of the challenges and have undertaken various initiatives aimed at improving operational performance, enhancing efficiency, and strengthening the overall financial position of Pos Malaysia.</p> <p>Pos Malaysia remains committed to executing the corporate transformation plans and addressing structural issues, with the objective of delivering sustainable value to shareholders over the longer term.</p>	<p>MOHAMAD SHAHREL BIN MOHD YUDIN</p>

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Proxy name
8.	<p data-bbox="293 405 927 480">i. Clarification was sought on potential new business opportunities for Pos Malaysia.</p> <p data-bbox="342 517 927 746">Given that the traditional postal business and parcel delivery segments might not be sufficient to generate sustainable profits, has Pos Malaysia considered diversifying into other areas, such as postal banking or the expansion of corporate retail outlets?</p> <p data-bbox="293 791 927 1134">ii. In addition, with Pos Malaysia having an extensive network of post offices and staff, could the assets be further utilised, for example by transforming post offices into collection centres, enhancing retail offerings, or reintroducing services such as road tax and government-related transactions to generate additional income?</p>	<p data-bbox="958 405 1890 560">The Board acknowledged the suggestions of the shareholder and confirmed that Pos Malaysia is actively exploring various opportunities to enhance revenue and maximise the utilisation of existing corporate assets.</p> <p data-bbox="958 596 1890 826">With regards to diversification, Pos Malaysia continuously evaluates potential business models, including financial services and retail expansion. However, such initiatives required careful assessment to ensure commercial viability and alignment with the strategic direction of Pos Malaysia, as certain models may involve significant capital requirements and operational risks.</p> <p data-bbox="958 863 1890 1134">On the utilisation of retail outlets, Pos Malaysia has already implemented initiatives to use post offices as collection points and service centres, including partnerships with e-commerce platforms such as Shopee. These efforts have contributed positively to transaction volumes, and further enhancements are being considered to improve customer experience and revenue generation.</p>	<p data-bbox="1917 405 2069 555">LOW HOK FOONG @ SEE YOKE SIONG</p>

**POS MALAYSIA BERHAD (“POS Malaysia” or “the Company”)
34TH ANNUAL GENERAL MEETING (“AGM”) HELD ON 22 MAY 2026
QUESTIONS AND ANSWERS (“Q&A”)**

No.	Questions	Answers from the Directors / Management	Proxy name
	<p>iii. Furthermore, while Pos Malaysia has invested in technologies such as automation, artificial intelligence, and robotics, how does Management ensure that these investments contribute positively to profitability?</p>	<p>In relation to investments in technology, including automation, artificial intelligence, and robotics, Pos Malaysia has adopted a disciplined approach to ensure that these investments lead to cost savings, efficiency improvements, and long-term operational benefits. The initiatives are primarily aimed at reducing reliance on manual processes and lowering operating costs, rather than generating immediate revenue.</p>	
9.	<p>Given that shareholders take the time to attend and participate in the meeting, would Pos Malaysia consider providing free parking or some form of reimbursement as a gesture of appreciation?</p>	<p>The Board acknowledged the feedback and expressed its appreciation for the continued support and participation of shareholders and will seek to enhance the overall AGM experience where practicable.</p>	OOI CHENG KOOI

Pos Malaysia Berhad

34th Annual General Meeting (“AGM”)

Pos Malaysia, Dewan Sri Pos, Level 3, Dayabumi Complex, 50670 Kuala Lumpur, Malaysia

Friday, 22 May 2026 at 10.00 a.m.

Polling Results

RESOLUTION	Vote FOR			Vote AGAINST			TOTAL Vote
	NO. OF			NO. OF			NO. OF
	RECORDS	SHARES	%	RECORDS	SHARES	%	SHARES
ORDINARY RESOLUTION 1	238	425,611,150	99.8598	39	597,638	0.1402	426,208,788
ORDINARY RESOLUTION 2	238	425,611,150	99.8598	39	597,638	0.1402	426,208,788
ORDINARY RESOLUTION 3	236	425,581,241	99.8597	40	598,008	0.1403	426,179,249
ORDINARY RESOLUTION 4	235	425,581,141	99.8597	41	598,108	0.1403	426,179,249
ORDINARY RESOLUTION 5	218	425,197,861	99.7637	58	1,006,927	0.2363	426,204,788
ORDINARY RESOLUTION 6	219	425,201,947	99.7638	57	1,006,827	0.2362	426,208,774
ORDINARY RESOLUTION 7	249	425,283,191	99.8655	29	572,597	0.1345	425,855,788
ORDINARY RESOLUTION 8	242	6,890,406	92.3197	35	573,232	7.6803	7,463,638



Jamil
22/5/26 @ 12.50pm