



M N C WIRELESS BERHAD

200301033463 (635884-T)
(Incorporated in Malaysia)

SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTY FIRST ANNUAL GENERAL MEETING (“21ST AGM”) OF M N C WIRELESS BERHAD (“MNC” OR “THE COMPANY”) HELD AT LEVEL 9, TOWER 11, AVENUE 5, NO. 8, JALAN KERINCHI, BANGSAR SOUTH, 59200 KUALA LUMPUR, WILAYAH PERSEKUTUAN ON TUESDAY, 10 FEBRUARY 2026 AT 10:30 A.M.

REPLY TO QUESTIONS FROM THE MINORITY SHAREHOLDERS WATCH GROUP (“MSWG”)

Datuk Tan Chor How Christopher (“Datuk Christopher”), the Chief Executive Officer cum Executive Director of the Company, presented the Board’s feedback to the questions received from the MSWG as summarised below:-

Operational & Financial Matters

Q1. The Group recorded a higher revenue of RM23.2 million in FPE2025, driven by sustained activity and progressive contract fulfilment within the core Wireless and Digital Services segment. (Source: Page 12 of Annual Report (AR) 2025).

- a) The core segment turnaround from a loss of RM2.3 million in FYE2024 to a slight profit of RM156,817 in FPE2025; however, this level of profitability remains insufficient to absorb the recurring amortisation of approximately RM3–5 million annually. (Source: Pages 121 and 123 of AR2025)**

What is management’s plan to ensure the long-term sustainability of the core segment, and when does the Board expect the segment to turn profitable in totality?

The Group has undertaken accelerated impairment of its digital platform solution offerings to better reflect the respective assets' carrying value vis-à-vis its performance and market acceptance. This strategic realignment is intended to reduce future earnings drag and improve the transparency of underlying operating assets' performance.

As part of the Management’s continuing efforts to offer digital solutions for commercial scalability and growth potential, the company is embarking on the provision of documentation solution platforms, namely e-SIJIL digital platforms, in addition to capturing advertising markets via mobile advertisement platforms, to better serve the market, whilst continuing to grow its bulk SMS business.

- b) The Mobile Application segment moved from a profit of RM159,609 in FYE2024 to a loss of RM5,648 in FPE2025. What were the key factors behind this major deterioration?**

The Mobile Applications segment operates a mobile content services business, which enables third-party content providers to distribute premium mobile content to mobile phone users via Short Message Services (“SMS”) and Multimedia Messaging Service (“MMS”), which remain challenging in the face of ever-increasing content creation offering in the market. Having said that, the Company continues to work closely with its business partners to further improve its offering to the ever-discerning market users.

Q2. MNC entered a MOU with Sanichi Property Sdn. Bhd. (SPSB) in 2018 to provide online leasing or short-term rental services for the Marina Point development in Melaka. The Group previously stated that the definitive agreement was expected to be finalized upon completion of the project in 1Q2025. (Source: Page 30 of EGM Circular dated 5 December 2024)

Has the definitive agreement with SPSB been signed? If not, what is the key issue of delaying finalisation?

The definitive agreement negotiations on commercial terms and operational scope of said MOU are on-going, on the back of improving market conditions vis-à-vis the tourism growth of Melaka as a heritage city and global tourist destination in line with Visit Malaysia 2026, in addition to pending the completion and commercial readiness of said development.

Q3. The Group outlined multiple infrastructure upgrades for the Bulk SMS, Premium Mobile Content, and Online Property Management platforms, all scheduled for completion by 3Q2025. (Source: Pages 30-31 of EGM Circular dated 5 December 2024)

a) Have the infrastructure upgrades for all three platforms — Bulk SMS, Premium Mobile Content, and Online Property Management — been completed as planned by 3Q2025? If not, which upgrades are still outstanding and why?

Main upgrading works for said platforms have been completed.

b) What is management's expected revenue contribution in FY2026 from each of the three platforms following completion of the upgrades?

Notwithstanding challenges, Management continues to work with stakeholders to increase the participation rates and performance of these platforms, as it continues to provide digital solutions to its customers and users of the platforms. Primary focus is to secure encouraging commercial traction with strategic and aggressive marketing efforts to drive its performance. All of which is to ultimately contribute positively to the long-term profitability of the Company.

Q4. Despite ongoing upgrades, the Group recognised RM3.4 million impairment losses relating to the Premium Mobile Content Platform and RM0.7 million relating to the Home Booking and Rental Platform. (Source: Note 4, Page 97 of AR2025)

What changes in commercial assumptions, market conditions, or platform performance triggered the impairment assessment, and how do these impairments reconcile with management's continued infrastructure investments and enhancements for these platforms?

These impairments arose from the adoption of more conservative commercial assumptions. With slower-than-anticipated user uptake, regulatory constraints, the rapid evolution of technology trends, and intensifying competition within the market, together with heightened cost pressures. These factors collectively impaired the recoverable amounts of the said platforms.

The recognition of these impairments is deemed strategically necessary to ensure it reflects a prudent and disciplined application of accounting standards, thereby presenting conservative asset carrying values, which are aligned with current economic realities.

Management continues to study the market and strategically plans its marketing efforts, with new offerings to revive the performance of the platforms.

Q5. The Group also made an additional RM1.3 million investment in the Home Booking and Rental Platform in FPE2025. (Source: Note 4, Page 97 of AR2025).

What was the purpose and expected commercial outcome of this additional investment, particularly given the subsequent impairment relating to this platform?

The said additional investment is part of its development costs incurred and capitalised in the previous financial year, rather than an additional investment during the current financial period.

Management assessed the commercial performance of the platform during the financial period and noted that it faced headwinds for customer traction compared to initial projections. Impairment treatments are to better reflect the asset values of the investments. Accordingly, the carrying value of the platform was fully impaired during the financial period to reflect its under-performance and current commercial reality, consistent with prudent and appropriate financial reporting practices, per reply in above Question 4.

Q6. On 28 August 2025, Moblife.TV Sdn. Bhd. increased its paid-up capital by RM10.0 million via capitalisation of amounts due to the holding company. This coincides with the RM10.0 million impairment on investment in subsidiaries recorded during the period. (Source: Pages 88, 101 and 138 of AR2025)

Why was the receivable converted into equity? Also, why the subsidiary was then assessed to have NIL recoverable value? Does the Board expect any recovery or turnaround from Moblife.TV?

The capitalisation and related impairment were undertaken as part of the Group's ongoing capital management and accounting reassessment of its subsidiary, in compliance with applicable financial reporting standards.

The Board continues to monitor the subsidiary's performance and will review its recoverability in line with future developments.

QUESTIONS RAISED BY THE SHAREHOLDERS DURING THE MEETING

There were several questions and comments raised by the Shareholders during the Meeting. These were duly addressed by Datuk Christopher. The relevant Q&A are summarised below:-

Q1. It was suggested that the Company consider delivering a presentation on the Group's business and performance at the forthcoming AGM to provide shareholders with a comprehensive overview of the Company's overall performance.

The Board has taken note of the suggestion and will consider arranging a presentation on the Group's business and performance at the next AGM to provide shareholders with a comprehensive overview of the Company's performance.

Q2. Referring to page 121 of the AR2025, noting that the wireless and multimedia-related services segment recorded an increase in revenue in the financial year ended 31 August 2025, while the Group registered an overall loss, what is the expected timeline for the Group to achieve overall profitability?

Adopting a realistic approach, the investments made in the recent infrastructure platforms will require approximately one year to assess their performance. If these platforms perform in line with projections, positive growth may be expected within the next two to three years; however, if performance does not meet expectations, the necessary measures will be taken accordingly. While the turnaround of the existing segment would be more predictable without new investments, as costs and revenue from existing customers are relatively manageable, the Company is currently investing in new platforms to diversify and increase revenue streams, which involves calculated risks. The utilisation of funds raised previously is being carried out in accordance with the stated plans, and the performance of these investments is being closely monitored. Nevertheless, it is not realistic at this stage to provide a definitive timeline for achieving overall profitability, as this will depend on the performance of the new platforms.

Q3. It was agreed with MSWG's recommendation that the Company present the Group's business and performance at a physical AGM, as this would enable shareholders to gain a better understanding of the Company's operations and overall performance. Given that the AGMs in recent years were conducted fully virtually, and that this is the first physical AGM since the pandemic, it was suggested that the Company take note of this and make the necessary preparations for future meetings.

The Company has taken note of the shareholder's request regarding a presentation on the Group's business and performance and will give it due consideration for the next AGM to facilitate more effective engagement with shareholders.

Q4. Referring to page 139 of the AR2025, it was noted that the list of properties disclosed are existing properties. Is today's meeting being held at a new property recently acquired by the Company?

No, today's meeting venue was rented specifically for the purpose of conducting this AGM.

Q5. Are the Auditors present at today's meeting?

Yes, the representatives from our Auditors, SBY Partner PLT, are present at today's meeting.