GENETEC TECHNOLOGY BERHAD
Registration No.: 199701030038 (445537-W)

Questions and Answers at the 27th Annual General Meeting held on 25 November 2025

No.	Question	Answer
1.	The cash position of the Group as at the financial year end was RM10.3 million compared with RM41.0 million of the last financial year. Does the Company have any intention to undertake a fundraising exercise?	The Company does not have any intention to undertake any fundraising exercise at this point in time. Any private placement is subject to the requirements of CAPEX and major corporate exercises.
2.	The cash used in operating activities amounted to RM96.0 million in the 4th quarter, resulting in a cash outflow from working capital of RM102.0 million compared to a cash inflow to working capital of RM42.0 million at the end of the last financial year. Has the RM96.0 million been recovered in the subsequent quarter?	Based on the 4th quarter results, the total trade receivables and contract assets stood at approximately RM299.0 million. Subsequent to the quarter end, the Company has collected approximately RM90.0 million, representing more than 50% of the trade receivable of RM145.0 million. In addition, contract assets amounting to RM176.0 million will be converted into trade receivables upon project completion.
3.	In the 4th quarter results, the Company incurred a loss of RM46.0 million. Which particular month in the last quarter incurred such a huge loss?	The loss in the 4th quarter was primarily due to 3 factors that were beyond our control:- i) High logistic costs of about RM20.0 million • Heavily relied on air freight to meet delivery timelines • Logistic constraints arising from fluctuation in U.S. tariffs ii) One-off operational costs charged to the car assembly project • Design and development expenses • Engagement of external expertise to meet stringent safety requirements (estimated RM10.0 to RM12.0 million) iii) Weakening of the U.S. dollar • The Company's business is almost 100% for export • The USD/MYR exchange rate declined from 4.7 to 4.2 by the end of the quarter
4.	The Company recently repurchased 1 million shares at share price ranging from 42 sen to 47 sen, while the current share price is about 30 sen. What is the guiding principle for the share buy-back? It seems to benefit the short-selling.	The Company assesses the share buy-back from time to time. Our consideration for the share buy-back is based on liquidity conditions and market valuation. We assess whether the prevailing share price reflects the Company's intrinsic value and also our cash flow position. These considerations form part of our overall strategy in managing the share buy-back.

No.	Question	Answer
5.	Further to the earlier question regarding the hiring of external expertise. Why doesn't the Company train the local expertise? Is the certification done by a local or foreign professional body?	Certain projects carry highly specific technical, regulatory, or client-mandated requirements that necessitate the engagement of external specialist with niche expertise. In addition, some international projects impose country-specific domestic content or localisation requirements, which require the Company to engage qualified local experts in those jurisdictions to ensure compliance. With respect to certification, this is conducted by internationally accredited and globally recognised professional bodies to ensure that the standards applied are consistent with customer, regulatory, and industry expectations across the markets in which the Company operates.
6.	Further to the earlier question on spending RM20 million on air freight. Is the air freight an ordinary plan or a last-minute arrangement to meet the delivery timeline? If there were no disruptions, what would the cost have been?	It was not the Company's initial plan to utilise air freight. However, certain disruptions, such as port congestion and tariff-related constraints, necessitated the shift to air freight. Based on the shipment schedule, the estimated costs were between RM3 million and RM4 million. For clarity, our disclosures and assessments will be based on actual project conditions, costs incurred, and information available at the relevant time.
7.	The 4th quarter prospects were described as "cautious yet optimistic". Based on the statement, is the wording over-cautious given the circumstances?	The description reflects the directors and management's assessment and expectations at the time of writing, based on prevailing operating conditions, external factors, and other factors that may affect the business. The Company adopts a prudent and measured approach in its outlook to account for inherent uncertainties and to manage stakeholder expectations responsibly.
8.	Is the private placement prepared for contingency?	As mentioned earlier, a private placement would be necessary to fund CAPEX or major projects. At this stage, no such requirements have been identified.
9.	It is suggested that the Company offer e-wallets to those attending the AGM, either as a gesture of appreciation or to compensate for travel costs, considering the venue's distance from the city centre.	As advised in our Administrative Guide, there will be no distribution of vouchers or e-wallets for attending the AGM. However, the Company has taken note of the request and will review this matter next year, including the location of the AGM.