

[Registration No.: 201301003302 (1033141-H)]
(Incorporated in Malaysia)

PRESENT:-

SHAREHOLDERS/ PROXIES PRESENT - As per Attendance List

Zainal Arifin Bin Khalid - Independent Non-Executive Director
(Chairman)

Mohammad Shahrizal Bin Mohammad Idris - Non-Independent Non-Executive Director

Tong Jia Wann - Independent Non-Executive Director

Lim Li Heong - Company Secretary

BY INVITATION - As per Attendance Lists

1. **OPENING**

The Chairman, Encik Zainal Arifin Bin Khalid took the Chair and welcomed all present at the Extraordinary General Meeting ("EGM") of the Company.

2. **CHAIRMAN**

The Chairman introduced the members of the Board, the Key Senior Management and the Company Secretary to the members.

3. **QUORUM**

The requisite quorum being present pursuant to Clause 69 of the Company's Constitution, the Chairman declared the Meeting duly convened.

4. **NOTICE OF MEETING**

The Notice convening the Meeting, having been previously circulated to all shareholders and duly advertised in the newspaper on 19 August 2025, was taken as read.

The Chairman then briefed the shareholders on some administrative matters on how to raise questions and vote by poll.

6. **PRESENTATION BY FINANCIAL ADVISOR**

Mr. Kenneth Cheong ("Mr. Kenneth"), the Principal Advisor of the Company, briefed the members on the proposed acquisition of 60,000 ordinary shares in Shapadu Energy Sdn Bhd ("Shapadu Energy") ("Shapadu Energy Shares"), representing 60% equity interest in Shapadu Energy, from Shapadu Corporation Sdn Bhd ("SPC" or The "Vendor") for a purchase consideration of RM30.00 million to be satisfied entirely via cash ("Proposed Acquisition"), together with a call option granted by GFM for SPC to acquire such number of Shapadu Energy Shares, representing 15% equity interest in Shapadu Energy, from GFM for a purchase consideration of RM10.00 million ("Proposed Call Option") (Collectively, "The Proposals"), details of which were presented as follows: -

a) **Introduction**

- We, UOB Kay Hian (M) Sdn Bhd (formerly known as UOB Kay Hian Securities (M) Sdn Bhd) ("**UOBKH**"), are pleased to present to the shareholders of GFM Services Berhad ("**GFM**" or the "**Company**") on the proposal put forward at this extraordinary general meeting, comprising the following:-

Proposed Acquisition

Acquisition of 60,000 ordinary shares in Shapadu Energy Sdn Bhd ("**Shapadu Energy**") ("**Shapadu Energy Share(s)**"), representing 60% equity interest in Shapadu Energy, from Shapadu Corporation Sdn Bhd ("**SPC**" or the "**Vendor**") for a cash consideration of RM30.00 million ("**Purchase Consideration**") ("**Proposed Acquisition**").

Proposed Call Option

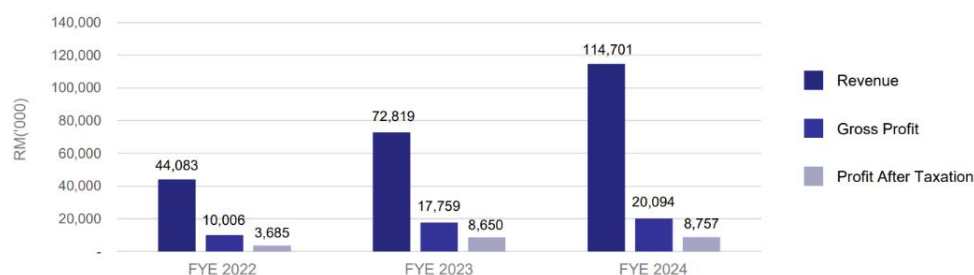
The grant of a call option by GFM to SPC, providing SPC the right to acquire such number of Shapadu Energy Shares, representing 15% equity interest in Shapadu Energy, from GFM for a purchase consideration of RM10.00 million ("**Proposed Call Option**"), exercisable within 24 months from the completion of the Proposed Acquisition.

(Collectively, the "**Proposals**").

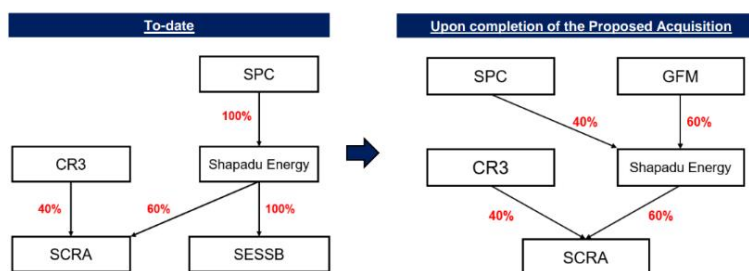
- In addition to the above, GFM, SPC and Shapadu Energy have also entered into a shareholders' agreement between each other for the purpose of regulating their relationship upon completion of the Proposed Acquisition.
- The Purchase Consideration of the Proposed Acquisition is to be satisfied by way of 2 components:-
 - **Deposit component** – RM3.00 million was paid to SPC's solicitors on 2 July 2025; and
 - **Balance purchase consideration** – RM27.00 million payable to SPC's solicitors upon completion of the Proposed Acquisition.

b) Information on Shapadu Energy & SCRA

- The subject matter of the Proposals is Shapadu Energy which holds the entire beneficial interest in Shapadu CR Asia Sdn Bhd ("**SCRA**"), a company involved in the extraction of crude petroleum oils as well as the provision of maintenance, turnaround and support services essential to the extraction and production of oil & gas ("**O&G**").
- SCRA's maintenance activities include routine inspections, fault diagnosis, component repairs, etc. These maintenance activities are primarily conducted on equipment such as pumps, compressors, turbines, heat exchangers, valves and piping systems.
- SCRA is presently a holder of the Integrated Turnaround Main Mechanical & Maintenance Mechanical Static ("**TA4MS**") contract, which is a contract executed with Pengerang Petrochemical Company Sdn Bhd and Pengerang Refining Company Sdn Bhd (collectively referred to as "**PRefChem**") which are two joint venture companies formed between Petroliaam Nasional Berhad and Saudi Aramco. Holders of the TA4MS contract are allowed to provide plant turnaround services to PRefChem as and when required by PRefChem during the duration of the TA4MS contract.
- A summary of the financial performance of SCRA for the past 3 financial years up to the financial year ended 31 December ("**FYE**") 2024 is set out below:-



- SCRA operates solely in Malaysia and derives its revenue solely from customers in Malaysia.
- For shareholder clarity, Shapadu Energy also holds 100% equity interest in Shapadu Energy Services Sdn Bhd ("**SESSB**").
- However, vide the terms of the share sale agreement for the Proposed Acquisition ("**SSA**"), Shapadu Energy shall dispose SESSB as a condition precedent of the SSA prior to the completion of the Proposed Acquisition.
- Accordingly, the shareholding structure of Shapadu Energy to-date and after the Proposed Acquisition is as follows:-



- As such, upon completion of the Proposed Acquisition, GFM shall own 60% equity interest in Shapadu Energy, which shall have only 1 wholly-owned subsidiary, namely SCRA.

c) Details of the Purchase Consideration

The Purchase Consideration was arrived at on a willing-buyer willing-seller basis after taking into consideration the appraisal by Asia Equity Research Sdn Bhd ("**AER**" or the "**Independent Valuer**") on the following:-

i. Free Cash Flow to Equity ("FCFE") approach

The fair value of 60% equity interest in Shapadu Energy is approximately RM30.52 million to RM32.71 million, after taking into consideration the projected future financials of Shapadu Energy for 5 financial years from the FYE 2025 to FYE 2029. Pursuant thereto, the Purchase Consideration of RM30.00 million for 60% equity interest in Shapadu Energy represents a discount of between 1.70% to 8.28% of the fair value of Shapadu Energy as assessed by AER.

ii. Relative valuation approach

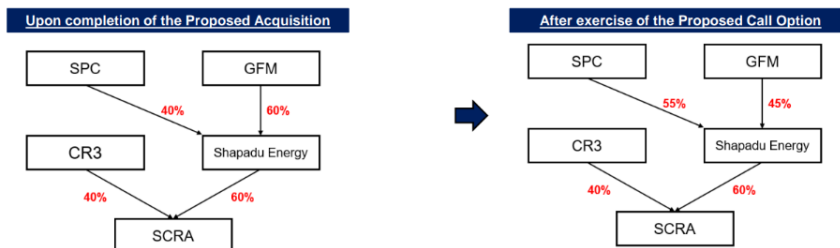
AER has used this as the secondary approach to cross-check the results of the FCFE approach, the fair value range for 60% equity interest in Shapadu Energy of between RM30.52 million and RM32.71 million translates to an implied price to earnings ("**PE**") ratio of 5.81 times to 6.22 times, and implied enterprise value/ earnings before interest, taxes, depreciation and amortisation ("**EV/EBITDA**") of 4.19 times to 4.50 times. The comparison of the implied multiples against comparable companies are as shown below:-

Companies	Implied PE (times)	Implied EV/EBITDA (times)
GFM Services Berhad (through Highbase Strategic Sdn Bhd)	6.25	4.79
AWC Berhad	9.64	4.52
UEM Edgenta Berhad	11.62	2.02
Low	6.25	2.02
High	11.62	4.79
Simple Average	9.17	3.78
Shapadu Energy's implied multiples	5.81 – 6.22	4.19 – 4.50
	<i>Purchase Consideration is within the sample range and below simple average</i>	<i>Purchase Consideration is within the sample range and slightly above simple average</i>

d) Details of the Call Option

Post-completion of the Proposed Acquisition

- The call option confers SPC the right to purchase 15% equity interest in Shapadu Energy for a cash consideration of RM10.00 million, exercisable within a period of 24 months from the completion of the Proposed Acquisition, subject to the terms of the Call Option Agreement. As such, in the event SPC exercises the Proposed Call Option, **Shapadu Energy shall become a 45% associate company of GFM.**



- For information purposes, the consideration of RM10.00 million to reacquire 15% in Shapadu Energy pursuant to the Proposed Call Option is at a higher valuation than the price that GFM has paid for the Proposed Acquisition, as shown in the table below:-

	Proposed Acquisition	Proposed Call Option
Consideration Sum	RM30.00 million for 60% equity interest in Shapadu Energy	RM10.00 million for 15% equity interest in Shapadu Energy
Valuation of 100% equity interest	RM50.00 million for 100% of Shapadu Energy	RM66.67 million for 100% of Shapadu Energy

- The consideration from the Proposed Call Option to be received by GFM, in the event the Proposed Call Option is exercised, are expected to fund the future working capital requirements of the Group, subject to the operational requirements of the Group at the point of utilisation.

e) Rationale for the Proposals

1

Expansion of the Group's O&G facilities management business.

The Group's wholly-owned subsidiary, Highbase Strategic Sdn Bhd ("HSSB") is also a TA4MS contract holder, and the inclusion of Shapadu Energy is expected to expand the operations and order book of the Group's O&G facilities management business.

2

Synergies between HSSB and SCRA

• **Increased market presence**

HSSB and SCRA may strategically collaborate to have an increased market presence within the TA4MS contract holder business, thereby enabling the enlarged Group to potentially secure larger scale projects.

• **Shared resources and cost saving**

HSSB and SCRA may be able to share certain resources, such as manpower and equipment, which may enable the enlarged Group to rationalise the costs required for operating its O&G facilities management business. This may improve the Group's profit margins and overall financial performance.

3

Consolidation of Shapadu Energy's financials

The Group will recognise Shapadu Energy and SCRA as subsidiary companies, and will accordingly consolidate the financial performance and profits of Shapadu Energy and SCRA, thereby improving GFM Group's earnings per share and financial performance.

f) Financial effects of the Proposals

1 Issued share capital and substantial shareholders' shareholdings

- The Proposals will not have any effect on the issued share capital and the substantial shareholders' shareholdings of the Company as the Proposals do not involve any issuance of GFM Shares.

2 Net assets and gearing

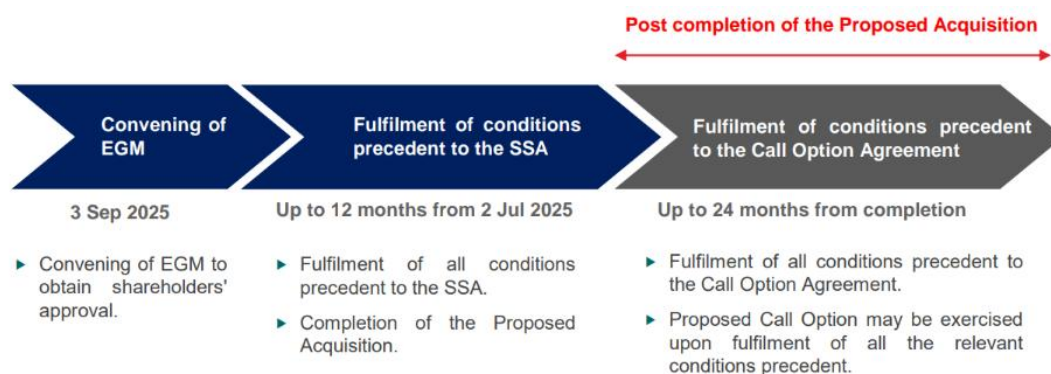
- The Proposals are not expected to have any material effect on the net assets and gearing of the Group, save for the estimated expenses of RM0.26 million in relation to the Proposed Acquisition and the RM10.00 million consideration payable by SPC to GFM for the Proposed Call Option.

3 Earnings and earnings per share

- Upon completion of the Proposed Acquisition, Shapadu Energy will become a 60% owned subsidiary of GFM and accordingly, the future net profits of Shapadu Energy (and SCRA) will be consolidated into the Group's financial statements.
- However, in the event the Proposed Call Option is exercised, Shapadu Energy will become a 45% associate company of GFM. Accordingly, GFM will recognise its share of Shapadu Energy's result as an associate (including the consolidated performance of SCRA, by virtue of SCRA being a subsidiary company of Shapadu Energy) under GFM Group's consolidated financial statements.
- For illustrative purposes only, assuming that the Proposals had been effected at the beginning of the FYE 2024, the pro forma effects of the Proposals on the earnings and EPS of the Group are as follows:-

	Audited FYE 2024 RM	I After the Proposed Acquisition RM	II After I and assuming exercise of the Proposed Call Option RM
Profit after taxation ("PAT") attributable to owners of the Company	23,706,553	29,000,438	27,868,217
Recognition of PAT from Shapadu Energy and SCRA	-	5,548,885	4,161,664
Less: Estimated expenses of the Proposed Acquisition	-	(255,000)	-
Total profit after taxation	23,706,553	29,000,438	27,868,217
Weighted average no. of shares	747,010,682	747,010,682	747,010,682
Basic earnings per share (sen)	3.17	3.88	3.73

g) Indicative Timeline



After the presentation by Mr. Kenneth, the Chairman continued with the formal business of the Meeting.

7. ORDINARY RESOLUTION

TO APPROVE THE PROPOSED ACQUISITION OF 60,000 ORDINARY SHARES IN SHAPADU ENERGY SDN BHD (“SHAPADU ENERGY”) (“SHAPADU ENERGY SHARES”), REPRESENTING 60% EQUITY INTEREST IN SHAPADU ENERGY, FROM SHAPADU CORPORATION SDN BHD (“SPC” OR THE “VENDOR”) FOR A PURCHASE CONSIDERATION OF RM30.00 MILLION TO BE SATISFIED ENTIRELY VIA CASH (“PROPOSED ACQUISITION”), TOGETHER WITH A CALL OPTION GRANTED BY GFM FOR SPC TO ACQUIRE SUCH NUMBER OF SHAPADU ENERGY SHARES, REPRESENTING 15% EQUITY INTEREST IN SHAPADU ENERGY, FROM GFM FOR A PURCHASE CONSIDERATION OF RM10.00 MILLION (“PROPOSED CALL OPTION”) (COLLECTIVELY, THE PROPOSALS”)

The Chairman tabled Ordinary Resolution in relation to the proposed acquisition of 60,000 ordinary shares in Shapadu Energy Sdn. Bhd., representing 60% equity interest in Shapadu Energy, from Shapadu Corporation Sdn. Bhd. for a purchase consideration of RM30.00 million to be satisfied entirely via cash, together with a call option granted by GFM for SPC to acquire such number of Shapadu Energy shares, representing 15% equity interest in Shapadu Energy, from GFM for a purchase consideration of RM10.00 million.

The Chairman then put the motion to vote by poll.

8. QUESTIONS AND ANSWERS SESSION

The Chairman proceeded to the Questions and Answers session.

The questions raised by the members present at the meeting and answers by the Board of Directors are as stated below:

- 1) **Muniandy Karishman: Following the acquisition of a 60% equity interest in Shapadu Energy, how soon can we expect to see tangible benefits, whether reflected in financial figures or other measurable outcomes?**

Upon completion of the transaction and full settlement of payment, GFM is expected to begin realizing benefits immediately.

- 2) **Muniandy Karishman: What is the rationale behind the call option agreement?**

The call option agreement is conditional upon the completion of the share sale agreement (“SSA”) and shall be effective on the date on which completion of the SSA takes place.

GFM irrevocably grants to SPC the right, exercisable at any times during the period of 24 months from the completion of the SSA (“Option Period”), for SPC to acquire and purchase such number of ordinary shares equivalent to fifteen percent (15%) of the total paid-up capital of Shapadu Energy held by GFM (“Option Shares”) from GFM (“Call Option”) in accordance with the Call Option Agreement.

The Call Option:

- i. may only be exercised upon the occurrence of a Listing;
- ii. may only be exercised during the Option Period;
- iii. shall be exercisable by SPC upon issuance of an exercise notice to GFM; and
- iv. shall lapse if not exercised within the Option Period.

- 3) **Muniandy Karishman: Will GFM shareholders gain any direct benefits from the IPO of Shapadu Energy?**

It's still early to determine the specific benefits for GFM shareholders at this stage. The terms of the call option span 24 months, and we have yet to finalise the details relating to the IPO. That said, the call option was part of a mutually negotiated agreement between GFM and SPC.

- 4) **Ng Kok Kiong: What is the rationale for including a call option if the company intends to pursue an IPO?**

Initially, we entered into a Heads of Agreement to acquire a 45% stake in Shapadu Energy for RM30 million. During the course of negotiations, we were able to revise the terms and acquire a 60% stake for the same consideration. In return, SPC requested certain rights, which led to the inclusion of the call option.

The call option serves as a mechanism to align both parties' interests, particularly in the event of a future IPO. It allows for flexibility, whether the IPO is initiated by GFM or SPC, and encourages SPC's active participation and cooperation in the listing process.

- 5) **Ng Kok Kiong: Following the acquisition of Shapadu Energy, what is the estimated order book?**

Post-acquisition, the estimated order book is approximately RM700 million. In terms of scale, SCRA is about 1.5 times larger than GFM.

- 6) **Ng Kok Kiong: How can GFM repay the borrowing as GFM gearing is high?**

The acquisition of Shapadu Energy is being fully funded by GFM in cash and does not require additional borrowings. SCRA itself is debt-free and unencumbered.

At this stage, we do not foresee the need to raise further debt to complete the transaction. However, should future funding needs arise, particularly in relation to the oil and gas segment, we will evaluate them based on strategic priorities and financial prudence.

- 7) **Mr. Ng: Does the inclusion of the call option indicate a long-term commitment from GFM? And how does it safeguard the interests of minority shareholders?**

If the IPO does not materialise, GFM continues to hold a 60% controlling stake in Shapadu Energy. If the IPO proceeds successfully, GFM's investment could be converted into listed equity at a valuation potentially exceeding the current acquisition multiple of approximately five times earnings.

- 8) **Mr. Ng: With GFM currently carrying RM200 million in debt, how does the company intend to fund the Proposed Acquisition?**

While GFM has approximately RM200 million in debt, it's important to note that 90% of this gearing is ring-fenced against two specific projects, one of which operates under a concessionary arrangement and is backed by government guarantees.

- 9) **Muniandy Karishman: Does the acquisition of Shapadu Energy present a good growth prospect for GFM? Following the acquisition, can the Board expect the share price to increase?**

We hope that the acquisition will contribute to an improved share price in due course. However, the Board emphasizes that sustained share price growth depends on consistently making sound business decisions and maintaining strong company fundamentals.

9. **ANY OTHER BUSINESS**

The Company Secretary confirmed that no notice was received to transact any other business at the Meeting.

10. **POLLING / VOTING SESSION**

The Chairman informed the shareholders that the Company had appointed Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator and Usearch Corporate Services Sdn. Bhd. as the Independent Scrutineer to verify the poll results of the meeting.

The Poll Administrator briefed the shareholders on the polling procedures and shareholders were asked to cast their votes.

The Chairman announced that the meeting was then adjourned at 10.38 a.m. for counting of votes and will resume once the counting of the votes are completed.

11. **ANNOUNCEMENT OF POLL RESULTS**

The Chairman called the Meeting to order at 10.54 a.m. for the declaration of the poll results. The Chairman informed the Meeting that he had received the poll results which have been verified by the Independent Scrutineers.

The poll results which were verified by the Independent Scrutineers, Usearch Corporate Services Sdn. Bhd., were presented to the members as follows:-

Resolutions	Voted For		Voted Against		Results
	No. of Shares	%	No. of Shares	%	
<u>Ordinary Resolution</u> To approve the proposed acquisition of 60,000 ordinary shares in Shapadu Energy Sdn. Bhd., representing 60% equity interest in Shapadu Energy, from Shapadu Corporation Sdn. Bhd. for a purchase consideration of RM30.00 million to be satisfied entirely via cash, together with a call option granted by GFM for SPC to acquire such number of Shapadu Energy shares, representing 15% equity interest in Shapadu Energy, from GFM for a purchase consideration of RM10.00 million.	258,914,769	99.9992	2,174	0.0008	Carried

Based on the poll results, the Chairman declared that the Ordinary Resolution as set out in the Notice was duly carried.

It was **RESOLVED:-**

ORDINARY RESOLUTION

TO APPROVE THE PROPOSED ACQUISITION OF 60,000 ORDINARY SHARES IN SHAPADU ENERGY SDN BHD (“SHAPADU ENERGY”) (“SHAPADU ENERGY SHARES”), REPRESENTING 60% EQUITY INTEREST IN SHAPADU ENERGY, FROM SHAPADU CORPORATION SDN BHD (“SPC” OR THE “VENDOR”) FOR A PURCHASE CONSIDERATION OF RM30.00 MILLION TO BE SATISFIED ENTIRELY VIA CASH (“PROPOSED ACQUISITION”), TOGETHER WITH A CALL OPTION GRANTED BY GFM FOR SPC TO ACQUIRE SUCH NUMBER OF SHAPADU ENERGY SHARES, REPRESENTING 15% EQUITY INTEREST IN SHAPADU ENERGY, FROM GFM FOR A PURCHASE CONSIDERATION OF RM10.00 MILLION (“PROPOSED CALL OPTION”) (COLLECTIVELY, THE PROPOSALS)

THAT subject to the approvals of all relevant authorities and/ or parties being obtained, approval be and is hereby given to the Company to acquire 60,000 Shapadu Energy Shares, representing 60% equity interest in Shapadu Energy, from SPC for a purchase consideration of RM30.00 million to be satisfied entirely via cash, with a call option granted by the Company for SPC to acquire such number of Shapadu Energy Shares from GFM, to be held by the Vendor after the completion of the Proposed Acquisition, representing 15% equity interest in Shapadu Energy, for a purchase consideration of RM10.00 million, in accordance with the terms and conditions of the conditional share sale agreement and conditional call option agreement dated 2 July 2025 entered into between the Company and the Vendor pursuant to the Proposals;

AND THAT the Board be and is hereby authorised to sign and execute all documents, do all acts, deeds and things as may be required to give effect to and to complete the Proposals with full power to assent to any conditions, variations, modifications and/ or amendments in any manner as may be required or permitted by any relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts, deeds and things in any manner as they may deem fit or necessary or expedient to implement, finalise and give full effect to the Proposals.

12. **TERMINATION**

There being no other business to be transacted, the Meeting terminated at 10.55 a.m. with a vote of thanks extended to the Chair.

**CONFIRMED AS THE CORRECT RECORD
OF THE PROCEEDINGS THEREAT**

CHAIRMAN

Date: