THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, solicitor, accountant, bank manager or other professional advisers immediately.

This Circular has been reviewed by UOB Kay Hian (M) Sdn Bhd, being the Principal Adviser to TCS Group Holdings Berhad ("**TCS**" or the "**Company**") for the Proposals (as defined herein).

TCS
Total Construction Solutions

TCS GROUP HOLDINGS BERHAD
Registration No.: 201901004613 (1313940-W)
(Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS IN RELATION TO THE:-

I. PROPOSED PRIVATE PLACEMENT OF UP TO 152,724,425 NEW ORDINARY SHARES IN TCS, REPRESENTING APPROXIMATELY 20% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED PRIVATE PLACEMENT"); AND

II. PROPOSED DIVERSIFICATION OF THE EXISTING PRINCIPAL ACTIVITIES OF TCS AND ITS SUBSIDIARIES TO INCLUDE PROPERTY DEVELOPMENT ACTIVITIES ("PROPOSED DIVERSIFICATION")

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

Principal Adviser

UOBKayHian

UOB Kay Hian (M) Sdn Bhd
Registration No.: 199001003423 (194990-K)
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The Extraordinary General Meeting ("**EGM**") of TCS will be held at Level 4, No. 1 & 3, Bangunan TCS, Jalan SP 1/1, Bandar Saujana Putra, 42610 Jenjarom, Selangor Darul Ehsan, Malaysia, on Wednesday, 5 August 2026 at 10.00 a.m. or at any adjournment thereof, for the purpose of considering the Proposals. The Notice of EGM together with the Proxy Form for the EGM are enclosed in this Circular.

A member entitled to attend, participate, speak and vote at the EGM is entitled to appoint a proxy or proxies to attend, participate, speak and vote on his/ her behalf. In such event, the completed and signed Proxy Form must be deposited at the Company's Share Registrar, Aldpro Corporate Services Sdn Bhd, at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time stipulated for holding the EGM or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

Last day, date and time for lodging the Proxy Form	:	Monday, 3 August 2026 at 10.00 a.m.
Day, date and time of the EGM	:	Wednesday, 5 August 2026 at 10.00 a.m.

This Circular is dated 15 July 2026

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:-

"Act"	:	Companies Act 2016
"Board"	:	The Board of Directors of TCS
"Bursa Securities"	:	Bursa Malaysia Securities Berhad (Registration No.: 200301033577 (635998-W))
"Circular"	:	This circular to shareholders of TCS dated 15 July 2026 in relation to the Proposals
"Construction Business"	:	The Group's existing business of provision of construction services for buildings infrastructure, civil and structural works and other transportation support activities, which involves the transportation of building materials between the Group's project sites
"Director(s)"	:	The director(s) of TCS and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the Capital Markets and Services Act 2007
"EGM"	:	Extraordinary general meeting of the Company
"EPS"/ "(LPS)"	:	Earnings/ (Loss) per Share
"FPE"	:	Financial period ended
"FYE"	:	Financial year ended
"Listing Requirements"	:	ACE Market Listing Requirements of Bursa Securities
"LPD"	:	3 July 2026, being the last practicable date of this Circular
"Maximum Scenario"	:	Assuming all outstanding 102,960,285 Warrants B are exercised prior to the implementation of the Proposed Private Placement
"Minimum Scenario"	:	Assuming none of the outstanding Warrants B are exercised prior to the implementation of the Proposed Private Placement
"NA"	:	Net assets attributable to owners of the company
"PAT"/ "(LAT)"	:	Profit/ (Loss) after taxation attributable to owners of the company
"PBT"/ "(LBT)"	:	Profit/ (Loss) before taxation
"Placement Share(s)"	:	Up to 152,724,425 new Shares to be issued pursuant to the Proposed Private Placement
"Property Business"	:	The business of property development related activities
"Proposals"	:	The Proposed Private Placement and Proposed Diversification, collectively
"Proposed Diversification"	:	Proposed diversification of the existing principal activities of TCS Group to include the Property Business
"Proposed Private Placement"	:	Proposed private placement of up to 152,724,425 Placement Shares, representing approximately 20% of the total number of issued shares of the Company

"RM" and "sen"	:	Ringgit Malaysia and sen, respectively
"TCS" or the "Company"	:	TCS Group Holdings Berhad (Registration No.: 201901004613 (1313940-W))
"TCSC"	:	TCS Construction Sdn Bhd (Registration No.: 199801010644 (466772-H))
"TCS Group" or the "Group"	:	TCS and its subsidiaries, collectively
"TCS Share(s)" or "Share(s)"	:	Ordinary share(s) in TCS
"UOBKH" or the "Principal Adviser" or the "Placement Agent"	:	UOB Kay Hian (M) Sdn Bhd (Registration No.: 199001003423 (194990-K))
"VWAP"	:	Volume weighted average market price
"Warrant(s) B"	:	102,960,285 outstanding warrants 2024/2029 in TCS as at the LPD. The Warrants B are constituted by the deed poll dated 8 May 2024 and each Warrant B carries the entitlement to subscribe for 1 new Share during the 5-year exercise period up to 20 June 2029 at an exercise price of RM0.18 per Warrant B

All references to "**you**" or "**your(s)**" in this Circular is to the shareholders of the Company who are entitled to attend and vote at the EGM.

Unless specifically referred to, words denoting the singular shall, where applicable, include the plural and vice versa and words denoting incorporating the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include corporations, unless otherwise specified.

Any reference to a time of day and date in this Circular shall be a reference to Malaysian time and date, respectively, unless otherwise specified. Any discrepancy in the figures included in this Circular between the amounts stated, actual figures and the totals thereof are due to rounding adjustments.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted.

TABLE OF CONTENTS

EXECUTIVE SUMMARY

This Executive Summary highlights only the salient information of the Proposals. You are advised to read the Circular in its entirety for further details and not to rely solely on this Executive Summary in arriving at a decision on the Proposals before voting at the forthcoming EGM.

Key information	Description	Reference to Circular
Summary of the Proposals	**<u>Proposed Private Placement</u>** The Company proposes to undertake a private placement of up to 152,724,425 Placement Shares, representing approximately 20% of the total number of issued shares of TCS to third-party investor(s) to be identified later at an issue price to be determined and announced later. The Placement Shares will be issued at an issue price of not more than 20% discount to the 5-day VWAP of TCS Shares immediately preceding the price-fixing date.	**Section 2**
	<u>Proposed Diversification</u> The Proposed Diversification is undertaken in line with TCS Group's strategy to expand its revenue and earnings base, and to reduce dependence on its existing sources of revenue. The Board anticipates that the Property Business may contribute 25% or more of the net profits of the Group and/ or result in a diversion of 25% or more of the NA of the Group towards this business moving forward.	**Section 3**
Utilisation of proceeds	**<u>Proposed Private Placement</u>** The gross proceeds to be raised from the Proposed Private Placement is intended to be utilised in the following manner:-	**Section 2.6**

Details of utilisation	Timeframe for utilisation	Minimum Scenario RM'000	Maximum Scenario RM'000
Working capital for the Group's existing construction projects	Within 24 months	8,807	10,222
Estimated expenses	Upon completion	270	270
Total		**9,077**	**10,492**

Key information	Description	Reference to Circular
Rationale and justifications	**<u>Proposed Private Placement</u>** i. Enables TCS to raise the requisite funds to meet the Group's immediate funding requirements; ii. Enables TCS to raise additional funds without incurring interest costs as compared to conventional bank borrowings; iii. Provides TCS with an expeditious way of raising funds from the capital market as opposed to other forms of fund raising; and iv. Enables TCS to further strengthen its financial position from the enlarged capital base. **<u>Proposed Diversification</u>** The Group's revenue is currently derived from its Construction Business, which has incurred losses in recent financial years. While the Company will continue to focus on enhancing the performance of its Construction Business, the Proposed Diversification aims to expand the earnings base of the Group and enhance long-term shareholders' value, while reducing reliance on the Construction Business.	**Section 4**

Key information	Description	Reference to Circular
Rationale and justifications (cont'd)	The diversification into the Property Business represents a natural progression for the Group, given the complementary nature of its Construction Business and the Property Business. By integrating both the Property Business and Construction Business, TCS is able to create synergistic benefits by leveraging on its existing in-house construction capabilities and resources to improve cost control, project conceptualisation and execution timelines. This may result in improved margins for its development projects, thus creating a competitive advantage for its Property Business. In addition, the Property Business may increase construction activities within the Group, thereby contributing to the revenue base for the Construction Business. The Group intends to utilise its existing manpower and/ or resources from its Construction Business to support its Property Business, where appropriate, while ensuring that such resource sharing must not affect the growth of either segment.	
Risk factors	Pursuant to the Proposed Diversification, the Group would be exposed to the following risks:- i. Business diversification risk; ii. Dependency on key management personnel; iii. Competition risk; iv. Political, economic and regulatory risk; v. Risk of property overhang; and vi. Financing risk.	**Section 6**
Approvals required	The Proposals are subject to the following approvals being obtained:- i. Bursa Securities, the approval of which has been obtained vide Bursa Securities' letter dated 1 July 2026 subject to the conditions as set out in **Section 9** of this Circular; ii. shareholders of TCS at the Company's forthcoming EGM; and iii. any other relevant authority, if required. The Proposed Private Placement and Proposed Diversification are not inter-conditional upon each other. The Proposals are not conditional upon any other proposals undertaken or to be undertaken by the Company.	**Section 9**
Interests of Directors, major shareholders, chief executive and/ or persons connected with them	None of the Directors, major shareholders, chief executive of the Company and/ or persons connected with them have any interest, whether direct or indirect, in the Proposals.	**Section 11**
Board's recommendation	The Board recommends that you **vote in favour** of the resolutions pertaining to the Proposals to be tabled at the forthcoming EGM.	**Section 12**

TCS GROUP HOLDINGS BERHAD
Registration No.: 201901004613 (1313940-W)
(Incorporated in Malaysia)

Registered Office

B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia

15 July 2026

Board of Directors

Dato' Ir. Tee Chai Seng *(Managing Director)*
Dato' Ng Kwang Hua *(Executive Director)*
Wong Choo Leong *(Executive Director)*
Ng Tiat Seng *(Executive Director)*
Sharon Chew Mun Hoong *(Independent Non-Executive Director)*
Quek Ting Chin *(Independent Non-Executive Director)*
Dato' Manikumar A/L Subramanian *(Independent Non-Executive Director)*

To: The shareholders of TCS

Dear Sir/ Madam,

I. PROPOSED PRIVATE PLACEMENT; AND

II. PROPOSED DIVERSIFICATION

(COLLECTIVELY REFERRED TO AS THE "PROPOSALS")

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1. INTRODUCTION

On 11 May 2026, on behalf of the Board, UOBKH announced that the Company proposed to undertake the following:-

i. a private placement of up to 20% of the total number of issued shares of TCS (excluding treasury shares, if any) to third-party investor(s) to be identified later at an issue price to be determined and announced later; and

ii. a diversification of the existing principal activities of TCS Group to include Property Business.

For the avoidance of doubt, the Proposed Private Placement is not undertaken in accordance with the general mandate pursuant to Sections 75 and 76 of the Act, but that the Proposed Private Placement is subject to, amongst others, the specific approval of the shareholders of TCS at an EGM to be convened.

On 2 July 2026, UOBKH had, on behalf of the Board, announced that Bursa Securities had on 1 July 2026, vide its letter, resolved to approve the listing of and quotation for up to 152,724,425 Placement Shares to be issued pursuant to the Proposed Private Placement on the ACE Market of Bursa Securities, subject to the conditions as disclosed in **Section 9** of this Circular.

Further details of the Proposals are set out in the ensuing sections of this Circular.

THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSALS AND TO SEEK YOUR APPROVAL FOR THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM AND THE PROXY FORM ARE ENCLOSED IN THIS CIRCULAR.

YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES CONTAINED HEREIN BEFORE VOTING ON THE RESOLUTIONS PERTAINING TO THE PROPOSALS TO BE TABLED AT THE FORTHCOMING EGM.

2. DETAILS OF THE PROPOSED PRIVATE PLACEMENT

2.1 Placement size

As at the LPD, the Company has a total issued share capital of RM81,575,759.09 comprising 660,661,843 TCS Shares. The Company does not retain any treasury shares. In addition, the Company has 102,960,285 outstanding warrants 2024/2029 in TCS as at the LPD, as constituted by the deed poll dated 8 May 2024. Each Warrant B carries the entitlement to subscribe for 1 new TCS Share during the 5-year exercise period up to 20 June 2029 at an exercise price of RM0.18 per Warrant B.

For illustrative purposes, throughout this Circular, the effects of the Proposed Private Placement shall be illustrated based on the following 2 scenarios:-

Minimum Scenario	:	Assuming none of the outstanding Warrants B are exercised prior to the implementation of the Proposed Private Placement.
Maximum Scenario	:	Assuming all outstanding 102,960,285 Warrants B are exercised prior to the implementation of the Proposed Private Placement.

For illustrative purposes, the total number of Placement Shares that may be issued by TCS pursuant to the Proposed Private Placement under the Minimum and Maximum Scenario is set out below:-

Scenario		**No. of Placement Shares**
Minimum Scenario	:	132,132,368 Placement Shares (representing 20% of the number of issued Shares of 660,661,843 Shares)
Maximum Scenario	:	152,724,425 Placement Shares (representing 20% of the enlarged number of issued Shares of 763,622,128 Shares)

The actual number of Placement Shares to be issued pursuant to the Proposed Private Placement will depend on the total issued shares of the Company on a date to be determined and announced later, after receipt of all relevant approvals for the Proposed Private Placement as set out in **Section 9** of this Circular, where applicable.

2.2 Basis of determining and justification for the issue price of the Placement Shares

The issue price of the Placement Shares will be determined and fixed by the Board at a later date after receipt of all relevant approvals for the Proposed Private Placement.

The Placement Shares will be issued at an issue price of not more than 20% discount to the 5-day VWAP of TCS Shares immediately preceding the price-fixing date, and after taking into consideration prevailing market conditions.

For illustrative purposes, the illustrative issue price of the Placement Shares is assumed at RM0.0687 per Placement Share, which represents a discount of approximately 14.23% to the 5-day VWAP of TCS Shares up to and including the LPD of RM0.0801 per TCS Share.

2.3 Ranking of the Placement Shares

The Placement Shares will, upon allotment and issuance, rank equally and carry the same rights with the existing TCS Shares, save and except that the Placement Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the Placement Shares.

2.4 Listing of and quotation for Placement Shares

Bursa Securities had, vide its letter dated 1 July 2026, approved the listing of and quotation for the Placement Shares pursuant to the Proposed Private Placement on the ACE Market of Bursa Securities. The approval of Bursa Securities is subject to the conditions disclosed in **Section 9** of this Circular.

2.5 Allocation to placees

The Placement Shares will be placed out to third-party investor(s) to be identified at a later stage, where such investor(s) shall be person(s) who/ which qualify under Schedules 6 and 7 of the Capital Markets and Services Act, 2007.

Additionally, the Placement Shares will not be placed out to the following parties:-

i. any director, major shareholder, chief executive of TCS or a holding company of TCS, where applicable ("**Interested Person**");

ii. a person connected with an Interested Person; and

iii. nominee corporations, unless the names of the ultimate beneficiaries are disclosed.

In the event the Board is unable to identify sufficient placees to subscribe for the entire portion of the Placement Shares in one tranche, the Proposed Private Placement may be implemented in multiple tranches within 6 months from the date of approval of Bursa Securities for the Proposed Private Placement or any extended period as may be approved by Bursa Securities.

2.6 Utilisation of proceeds

Based on the illustrative issue price of RM0.0687 per Placement Share, the Proposed Private Placement is expected to raise gross proceeds of up to RM10.49 million. The gross proceeds are intended to be utilised by TCS Group in the following manner:-

Details of utilisation	**Timeframe for utilisation from the receipt of placement funds**	**Minimum Scenario RM'000**	**%**	**Maximum Scenario RM'000**	**%**
Working capital for the Group's existing construction projects[*1]	Within 24 months	8,807	97.03	10,222	97.43
Estimated expenses[*2]	Upon completion	270	2.97	270	2.57
Total		**9,077**	**100.00**	**10,492**	**100.00**

Notes:-

*1 *The Board intends to utilise up to RM10.22 million of the gross proceeds to be raised from the Proposed Private Placement to fund the working capital requirements of the Group's existing construction projects. Details of such construction projects are set out below:-*

Project name and description	***Commencement/ Estimated completion date***	***Date of award***	***Project owner***	***Estimated remaining construction cost as at LPD[(1)] RM'000***	***Sources of funding for the remaining construction cost[(1)]***	***Contract sum as at the LPD RM'000***	***Remaining contract sum as at the LPD RM'000***	***Percentage of completion %***
Setia Bayuemas								
Main building & related infrastructure works for 561 units of Rumah Selangorku Type E located at Setia Bayuemas on PT 159300 (Lot Lama Sebahagian PT 128205), Persiaran Bayu Damai/ KS9, Kota Bayuemas, Mukim Klang, Daerah Klang, Klang Bandar Diraja, Selangor Darul Ehsan	*October 2024/ February 2027*	*September 2024*	*I&P Kota Bayuemas Sdn Bhd*	*44,846*	*Combination of proceeds from the Proposed Private Placement, available project financing facilities and internally generated funds*	*116,580*	*48,985*	*77.0*
Elmina Business Park								
Construction and completion of the 60 units of 2-storey semi-detached factories on part of PT 50170, Mukim Rawang, Daerah Gombak, Majlis Perbandaran Selayang, in Elmina Business Park, Selangor	*December 2024/ December 2026*	*November 2024*	*Sime Darby Property Berhad*	*59,056*	*Combination of proceeds from the Proposed Private Placement, available project financing facilities and internally generated funds*	*86,380*	*63,035*	*45.6*

Project name and description	Commencement/ Estimated completion date	Date of award	Project owner	Estimated remaining construction cost as at LPD[(1)] RM'000	Sources of funding for the remaining construction cost[(1)]	Contract sum as at the LPD RM'000	Remaining contract sum as at the LPD RM'000	Percentage of completion %
Federal Avenue Phase 1C								
Main building works for 2 blocks of 48 storeys serviced apartments (Phase 1C) consists of 751 units on part of Lot 72047, GRN 340958 (PT36), Lebuhraya Persekutuan Batu Tiga, Subang Jaya, Mukim Damansara, Daerah Petaling, Selangor Darul Ehsan	*August 2025/ June 2028*	*May 2025*	*Impiana Impresif Sdn Bhd*	*177,422*	*Combination of proceeds from the Proposed Private Placement, available project financing facilities and internally generated funds*	*216,900*	*190,776*	*6.4*

(1) The specific manner to fund the remaining construction cost cannot be determined at this juncture as it depends on the progress of these projects, and the Group's operating and financing requirements at that point in time. If there are, amongst others, any termination of and/ or delays in these projects, any surplus arising from such events will be adjusted to fund the Group's other existing and/ or future construction projects.

An indicative breakdown of the utilisation of proceeds for working capital of the abovementioned construction projects is as follows:-

Details of utilisation	Indicative percentage allocation %	Indicative amount allocation Minimum Scenario RM'000	Indicative amount allocation Maximum Scenario RM'000
Purchase of construction materials including, amongst others, concrete, steel bar, reinforced wire, quarry products and cement	*45.0*	*3,963*	*4,600*
Payment to subcontractors for, amongst others, provision of labour, piling works, mechanical and electrical engineering works as well as piping and plumbing works	*45.0*	*3,963*	*4,600*
Operational overheads and miscellaneous expenses including, amongst others, stamp duties, commissions, rental expenses of machinery and equipment, site management costs and utilities	*10.0*	*881*	*1,022*
Total	***100.0***	***8,807***	***10,222***

The actual breakdown of the utilisation of proceeds for the working capital requirements of the Group's existing construction projects is subject to the Group's operational requirements at the time of utilisation and as such can only be determined at a later stage. Any balance or shortfall required to fund the working capital of these project(s) will be financed through the Group's internally generated funds and/ or bank borrowings.

In the event that any proceeds earmarked as working capital for the Group's existing construction projects are not utilised for the abovementioned construction projects, such proceeds will be reallocated towards other existing and/ or future construction projects of the Group. For shareholders' information, as at the LPD, the Group has a total outstanding order book of RM1.00 billion (including the abovementioned construction projects).

For clarity, if any payment for the abovementioned projects are due and payable prior to the completion of the Proposed Private Placement, the Company may advance the funds required from internally generated cash and/ or borrowings. In this case, the proceeds received after completion of the Proposed Private Placement would be allocated instead to repay such advances and/ or borrowings, if any.

*2 *The proceeds earmarked for estimated expenses in relation to the Proposals will be utilised in the following manner:-*

Descriptions	***RM'000***
Professional fees (i.e. advisers, placement agent, independent market researcher and share registrar)	*185*
Regulatory fees	*55*
Other incidental expenses in relation to the Proposals (i.e. printing, advertising and convening of our EGM)	*30*
	270

Pending utilisation of the abovementioned proceeds, the proceeds will be placed in deposit(s) with licensed financial institution(s) or short-term money market instrument(s). The interests derived from the deposit(s) with licensed financial institution(s) or any gains arising from the short-term money market instrument(s) will be used as additional working capital for the Group as described in note (*1) above, the breakdown of which cannot be ascertained at this juncture but will be determined by the Board at a later stage.

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2.7 Other fund raising exercises in the past 5 years

Save as disclosed below, the Company has not undertaken any other fund raising exercises in the 5 years prior to the date of this Circular:-

i. Private placement exercise announced on 9 July 2021

On 9 July 2021, the Company proposed to undertake a private placement of up to 20% of total number of issued shares of the Company to third-party investors ("**Private Placement 2021**").

Private Placement 2021 was approved by the Bursa Securities vide its letter dated 16 July 2021. It was undertaken in two tranches and deemed completed on 15 July 2022 as follows:-

Listing Date	No. of Shares issued	Issue price per Share RM	Gross proceeds raised RM'000
3 August 2021	18,000,000	0.41	7,380
29 October 2021	12,000,000	0.41	4,920
Total	**30,000,000**		**12,300**

Subsequently on 28 January 2022, the Company announced that it was granted an extension of time of 6 months from 16 January 2022 to 15 July 2022 to complete Private Placement 2021.

Through Private Placement 2021, the Company had issued 30,000,000 new Shares, which raised total gross proceeds of approximately RM12.30 million. The proceeds raised have been fully utilised for the following purposes:-

Utilisation of proceeds	Proposed Utilisation RM'000	Actual Utilisation RM'000
Working capital of construction projects[*1]	12,230	12,178
Estimated expenses for Private Placement 2021	70	122
Total	**12,300**	**12,300**

Note:-

[*1] *The proceeds were utilised to fund the working capital requirements of the following construction projects:-*

Project name and description	*Total contract value RM'000*	*Date of award*	*Project owner*	*Status/ Percentage of completion*
J. Satine				
*Main building works for a mixed-use development comprising 3,600 units of Residensi Wilayah apartments, 661 units of small office/ home office ("**SOHO**"), and 42 commercial units in Setapak, Kuala Lumpur*	*555,000*	*June 2021*	*Jayyid Land Sdn Bhd*	*52.23%*

Project name and description	*Total contract value RM'000*	*Date of award*	*Project owner*	*Status/ Percentage of completion*
WCE 7B				
Infrastructure works comprising geotechnical, drainage and road works for Section 7, Part 2 of 2 of West Coast Expressway, which runs from Banting, Selangor to Taiping, Perak	*177,190*	*April 2021*	*KEB Builders Sdn Bhd*	*Letter of award terminated in August 2022*

ii. **Private placement exercise announced on 14 July 2023**

On 14 July 2023, the Company proposed to undertake a private placement exercise which entailed the issuance of up to 10% of the total number of issued Shares to third-party investors ("**Private Placement 2023**") in accordance with the general mandate pursuant to Sections 75 and 76 of the Act.

Private Placement 2023 was approved by the Bursa Securities vide its letter dated 8 August 2023. It was undertaken in two tranches and deemed completed on 7 February 2024 as follows:-

Listing Date	**No. of Shares issued**	**Issue price per Share RM**	**Gross proceeds raised RM'000**
17 August 2023	20,000,000	0.1994	3,988
1 September 2023	19,000,000	0.1998	3,796
Total	**39,000,000**		**7,784**

Through Private Placement 2023, the Company had issued 39,000,000 new Shares, which raised total gross proceeds of approximately RM7.78 million. The proceeds raised have been fully utilised for the following purposes:-

Utilisation of proceeds	**Proposed Utilisation RM'000**	**Actual Utilisation RM'000**
Working capital of construction projects[*1]	7,741	7,613
Estimated expenses for Private Placement 2023	43	171
Total	**7,784**	**7,784**

Note:-

[*1] *The proceeds were utilised to fund the working capital requirements of the following construction projects:-*

Project name and description	*Total contract value RM'000*	*Date of award*	*Project owner*	*Status/ Percentage of completion*
Helix 2				
Main building works for a residential development comprising 500 units of service apartments and 12-storey car park in Petaling Jaya, Selangor	*119,607*	*November 2022*	*Messrs. Eupe PJ South Development Sdn Bhd*	*Completed with Certificate of Practical Completion ("**CPC**") on 16 October 2026*

Project name and description	*Total contract value RM'000*	*Date of award*	*Project owner*	*Status/ Percentage of completion*
J. Satine				
Main building works for a mixed-use development comprising 3,600 units of Residensi Wilayah apartments, 661 units of SOHO, and 42 commercial units in Setapak, Kuala Lumpur	*555,000*	*June 2021*	*Jayyid Land Sdn Bhd*	*52.23%*

iii. Rights issue with warrants announced on 26 December 2023

On 26 December 2023, the Company announced the proposed renounceable rights issue of up to 243,600,000 new TCS Shares ("**Rights Shares**") at an issue price of RM0.12 per Rights Share on the basis of two Rights Shares for every five existing TCS Shares held by the ordinary shareholders of the Company as at the close of business on the entitlement date, together with up to 146,160,000 Warrants B on the basis of three Warrants B for every five Rights Shares subscribed for ("**Rights Issue with Warrants**").

A total of 171,600,476 Rights Shares together with 102,960,285 Warrants B were listed on 26 June 2024, which resulted in the gross proceeds of RM20.59 million raised from the subscription of Rights Shares. As at the LPD, no Warrants B were converted into TCS Shares.

The proceeds raised have been fully utilised for the following purposes:-

Utilisation of proceeds	**Proposed Utilisation RM'000**	**Actual Utilisation RM'000**
Working capital for construction projects[*1]	19,255	19,188
Estimated listing expenses	1,337	1,404
Total	**20,592**	**20,592**

Note:-

*[*1] The proceeds were utilised to fund the working capital requirements of the following construction projects:-*

Project name and description	*Total contract value RM'000*	*Date of award*	*Project owner*	*Status/ Percentage of completion*
Helix 2				
Main building works for a residential development comprising 500 units of service apartments and 12-storey car park in Petaling Jaya, Selangor	*119,607*	*November 2022*	*Messrs. Eupe PJ South Development Sdn Bhd*	*Completed with CPC on 16 October 2026*

Project name and description	*Total contract value RM'000*	*Date of award*	*Project owner*	*Status/ Percentage of completion*
J. Satine				
Main building works for a mixed-use development comprising 3,600 units of Residensi Wilayah apartments, 661 units of SOHO, and 42 commercial units in Setapak, Kuala Lumpur	*555,000*	*June 2021*	*Jayyid Land Sdn Bhd*	*52.23%*

iv. **Private placement exercise announced on 18 July 2025**

On 18 July 2025, the Company proposed to undertake a private placement exercise which entailed the issuance of up to 10% of the total number of issued Shares to third-party investors ("**Private Placement 2025**") in accordance with the general mandate pursuant to Sections 75 and 76 of the Act.

Private Placement 2025 was approved by the Bursa Securities vide its letter dated 30 July 2025. It was undertaken in one tranche and deemed completed on 30 January 2026 as follows:-

Listing Date	**No. of Shares issued**	**Issue price per Share RM**	**Gross proceeds raised RM'000**
18 August 2025	60,060,167	0.1042	6,258
Total	**60,060,167**		**6,258**

Through Private Placement 2025, the Company had issued 60,060,167 new Shares, which raised total gross proceeds of approximately RM6.26 million. The proceeds raised have been fully utilised for the following purposes:-

Utilisation of proceeds	**Proposed Utilisation RM'000**	**Actual Utilisation RM'000**
Working capital for construction projects[*1]	6,178	6,094
Estimated expenses for Private Placement 2025	80	164
Total	**6,258**	**6,258**

Note:-

*[*1] The proceeds were utilised to fund the working capital requirements of the following construction projects:-*

Project name and description	*Total contract value RM'000*	*Date of award*	*Project owner*	*Status/ Percentage of completion*
Setia Bayuemas				
Main building & related infrastructure works for 561 units of Rumah Selangorku Type E located at Setia Bayuemas in Klang Bandar Diraja, Selangor	*116,580*	*September 2024*	*I&P Kota Bayuemas Sdn Bhd*	*77.0%*

Project name and description	*Total contract value RM'000*	*Date of award*	*Project owner*	*Status/ Percentage of completion*
Elmina Business Park				
Construction and completion of the 60 units of 2-storey semi-detached factories on part of PT 50170, Mukim Rawang, Daerah Gombak, Majlis Perbandaran Selayang, in Elmina Business Park, Selangor	*86,380*	*November 2024*	*Sime Darby Property Berhad*	*45.6%*
Pan Borneo Sabah Highway Phase 1B (WP32)				
Proposed construction of new highway and road upgrading works along an 18.2 kilometre stretch between Telupid and Kampung Lumou Baru to a dual carriageway highway including 4 new bridges	*611,298*	*November 2024*	*Jabatan Kerja Raya Sabah*	*34.4%*
Federal Avenue Phase 1c				
Main building works for 2 blocks of 48 storeys serviced apartments (Phase 1C) consists of 751 units on part of Lot 72047, GRN 340958 (PT36), Lebuhraya Persekutuan Batu Tiga, Subang Jaya, Mukim Damansara, Daerah Petaling, Selangor Darul Ehsan.	*216,900*	*May 2025*	*Impiana Impresif Sdn Bhd*	*6.4%*

The breakdown of the actual use of proceeds earmarked for working capital for construction projects are as follows:-

Utilisation of proceeds	***Actual Utilisation RM'000***
Working capital for construction projects	***6,094***
- Setia Bayuemas	*4,078*
- Elmina Business Park	*1,610*
- Pan Borneo Sabah Highway Phase 1B (WP32)	*-*
- Federal Avenue Phase 1c	*406*

For avoidance of doubt, save for the Elmina Business Park project, which experienced a delay during the earlier stages of construction due to the site access road not being fully completed, which consequently affected the transportation of major building materials to the project site, the progress of the remaining projects, namely the Setia Bayuemas project, Pan Borneo Sabah Highway Phase 1B (WP 32) project and Federal Avenue Phase 1C project, is currently on track for completion in accordance with their respective project schedules. For information purposes, none of the proceeds raised from the Private Placement 2025 has been utilised to fund any liquidated ascertained damages, and the intended proceeds from the Proposed Private Placement will not be utilised for such purpose as well.

3. DETAILS OF THE PROPOSED DIVERSIFICATION

The Group has been principally involved in the provision of construction services for buildings infrastructure, civil and structural works and other transportation support activities, wherein the Construction Business has historically been the sole revenue contributor of the Group.

The Group's Construction Business is mainly for buildings, infrastructure, civil and structural works in Malaysia. Over the years, the Group has completed various types of residential buildings such as terrace houses, bungalows, high rise apartments and condominium, as well as commercial buildings such as shop offices, shopping complexes, factory buildings and purpose-built buildings. Its services also include civil works such as roads, water and sewerage treatment plants, electrical substations, water tanks and reticulation systems for townships.

A summary of the Group's financial performance based on the audited consolidated financial statements of TCS for the past 3 years up to the FYE 31 December 2025 and the latest unaudited 3-months FPE 31 March 2026 are as follows:-

	<-------------Audited FYE 31 December------------>			Unaudited 3-months FPE 31 March
	2023	**2024**	**2025**	**2026**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	374,481	392,874	355,780	116,641
Gross profit	(17,184)	13,763	15,231	3,270
PBT/ (LBT)	(31,745)	1,493	2,331	252
PAT/ (LAT)	(32,853)	1,434	2,217	287

As shown in the table above, the Group incurred losses in FYE 31 December 2023. The Group's loss-making position was mainly attributable to rising costs of raw materials resulting from supply chain disruptions in the building materials industry caused by the pandemic. In addition, certain ongoing projects at the time have just advanced beyond the initial phase, and the corresponding profits had yet to be recognised.

However, the Group achieved a turnaround in FYE 31 December 2024, recording a PAT of RM1.43 million, mainly attributable to higher progress billings on the back of more advanced stage of construction from the Group's ongoing projects during the financial year, namely M Arisa, Helix2, and KLK Coalfields Retail Park. This was further supported by the stabilisation of input cost, which contributed to improved profitability.

The Group's revenue in FYE 31 December 2025 decreased slightly compared to the preceding financial year due to the completion of projects such as M Arisa, IOI Moxy Hotel and Tropicana Miyu, while progress on several other construction projects was still at an early stage. Nevertheless, the Group's PAT improved during FYE 31 December 2025, largely driven by better cost efficiency, improved gross profit margins of ongoing projects namely, Setia Bayuemas, Elmina Business Park and Arcadia Residences and lower finance costs.

While the Group continues to focus on enhancing the performance of its Construction Business, it has been the Group's strategy to continuously expand the Group's revenue and earnings base, and to reduce dependence on its existing source of revenue. The Group has been seeking strategic opportunities and/ or business ventures that could improve shareholders' value in the long run. Accordingly, based on the Group's background and experience in the Construction Business, the Company is of the opinion that the Property Business is expected to facilitate the Group's diversification efforts, given the complementary nature of the Construction Business and the Property Business. The Proposed Diversification is a natural progression by the Group to expand its earnings base, taking into consideration the synergies between both segments of businesses.

At present, the Group does not intend to restrict the Property Business to any specific state in Malaysia as each investment/ property project will be evaluated by the Board on its own merits. As the Property Business is a new segment for the Group, the Group intends to initially focus on smaller scale projects before progressively undertaking larger scale developments. Additionally, the Group may explore joint ventures, partnerships and/ or collaborations with landowners and/ or other property developers as and when the opportunity arises. The decision as to whether a project will be undertaken by the Group independently or in collaboration with other parties will be determined by the Board after taking into consideration various factors, such as the nature and scale of the project, amount of investment required and risks associated with such project.

For clarity, the Group has yet to partake in the tendering of any property development projects and does not currently own any land intended to be used for the Property Business. Nevertheless, the Group intends to pursue suitable property development opportunities as part of its broader strategy to diversify and expand its earnings base. Accordingly, the Proposed Diversification is undertaken to provide the Group with the flexibility to pursue such opportunities as and when they arise, including through joint ventures, partnerships and/ or collaborations, subject to the Group's evaluation of the commercial viability and associated risks of each opportunity.

The Property Business will be spearheaded by the key management personnel as set out in **Section 3.1** of this Circular.

In view of the above, the Board anticipates that, barring any unforeseen circumstances, the Property Business is expected to result in either:-

i. the contribution of 25% or more of the net profits of the Group; or

ii. the diversion of 25% or more of the NA of the Group to an operation which differs widely from those operations previously carried on by the Group.

As such, the Board proposes to seek the approval from the shareholders of TCS for the Proposed Diversification pursuant to Rule 10.13(1) of the Listing Requirements at an EGM to be convened. Notwithstanding the Proposed Diversification, the Board intends to continue with the existing business segments of the Group in the same manner and the Board will review the Group's business operations from time to time with the intention to further improve the Group's financial performance.

3.1 Key management personnel relating to the Property Business

i. Ng Tiat Seng ("Mr Winston")

Mr Winston, a Malaysian aged 60, is currently the Group's Executive Director of TCS Group. He was appointed by TCS to spearhead the Group's Property Business and is responsible for overseeing the business development and management of the Property Business and set the overall strategic direction of the Group's Property Business. Mr Winston obtained his Diploma in Building Technology in 1989 from Tunku Abdul Rahman College and a Master degree in Project Management in 1992 from the University of Manchester. He brings with him over three decades of extensive experience in construction, property development, and project management.

In 1992, Mr Winston began his career as a Project Executive with Soilchem Sdn Bhd, a subsidiary of the John Holland Group, where he rapidly progressed through roles that involved contract management and technical coordination. In 1994, he joined Malaysian Drillers Construction Sdn Bhd, a Class A construction company, where he served as General Manager and was later appointed as director. During this period, he was instrumental in securing and delivering several notable infrastructure projects such as the Pedu resorts, KLIA, Putrajaya, student accommodations and institutional buildings like the faculty blocks at University Malaya and Universiti Utara Malaysia.

From 1999 to 2023, Mr Winston served as Project Director across multiple development companies including Hadfields Land Developments Sdn Bhd, Golden State Development Sdn Bhd, Ideal City Development Sdn Bhd, and subsidiaries of Kobay Berhad, such as Main Uptown Sdn Bhd and 12 Avenue Sdn Bhd. Under his direction, these companies successfully executed a wide variety of projects, including high-rise apartments, gated residential communities, commercial complexes and office tower.

Mr Winston also possesses regional Project Management experience, having been involved in affordable housing projects in Bangkok, Thailand, where he contributed to the successful delivery of more than 4,000 residential units across several locations. His involvement in hospitality developments includes boutique hotels and commercial shoplots in Ipoh, Perak.

In 2022, Mr Winston was appointed Chief Operating Officer of Paramount Venture Sdn Bhd, a wholly owned subsidiary of Stella Holdings Berhad, where he was involved in the restructuring of operational teams and spearheaded project feasibility assessments and engaged with state government agencies for joint venture initiatives.

On 14 April 2025, he joined the Group as an Executive Director, where he is responsible for business development and to jointly manage the daily operational activities of the Group together with the Managing Director of the Group.

Mr Winston has over 30 years of extensive experience in the construction and property development industries, and has been involved in the delivery and management of numerous development and construction projects across infrastructure, residential, commercial, and hospitality sectors, contributing to projects with substantial development value across Malaysia and the region. The Group believes that Mr Winston's experience in project management, contract management and property development, will be beneficial in supporting the strategic development and commercial growth of the Group's Property Business throughout its initial phase and its day-to-day operations thereafter.

ii. Dato' Ng Kwang Hua ("**Dato' Frankie**")

Dato' Frankie, a Malaysian aged 56, is currently the Executive Director of TCS Group. He was appointed by TCS to jointly spearhead the Group's Property Business and is jointly responsible to oversee the business development and management of the Property Business and set the overall strategic direction of the Group's Property Business.

Dato' Frankie had over 30 years of expertise in the eyewear retail industry. He began his career as Branch Manager at Brilliant Optical Sdn Bhd from 1989 to 1990, and again from 1992 to 1995. During the interim period, he broadened his experience as Branch Manager at England Optical Sdn Bhd from 1991 to 1992. In 1995, he formed a partnership to set up his first optical retail store in Rawang.

In 1996, Dato' Frankie became a registered optician in Malaysia, further solidifying his credentials within the industry. He is the founder and chairman of Metro Optical Group (MOG). In 2020, Dato' Frankie achieved a significant milestone by leading MOG to become listed on the Hong Kong Stock Exchange's main board.

Dato' Frankie then served as Chairman and Director of MOG Digitech Holdings Limited (HKSE: 1942) from 2019 to 2023, where he played a pivotal role in the company's strategic direction, contributing to its growth and success in the global market.

On 7 April 2025, he joined the Group as an Executive Director, where he is responsible for business development and setting strategic direction for the Group. The Group believes that Dato' Frankie's experience in strategic business expansion, including successfully growing MOG into a leading optical retail chain and leading its listing on the Main Board of the Hong Kong Stock Exchange, demonstrates his capabilities in strategic planning, business development and execution of growth strategies, which is expected to be beneficial in supporting the strategic development and commercial growth of the Group's Property Business throughout its initial phase and thereafter its day-to-day operations.

For clarification purpose, notwithstanding that Dato' Frankie does not have direct experience in the property development industry, his experience in business development and strategic planning as the Executive Director of the Group provides him with the capabilities to provide strategic leadership and oversee the overall development of the Group's Property Business. Furthermore, for the implementation of the Group's Property Business, he will be assisted by other technical personnel whom the Board intends to appoint to ensure a smooth implementation and growth of this new business segment.

Additionally, given the complementary nature between the Construction Business and the Property Business, the Group plans to utilise the existing manpower from the Construction Business to undertake certain functions for the Property Business, such as finance, human resources, procurement and other administrative operations. Nonetheless, the Group may expand the Property Business personnel in the future, taking into consideration the size, complexity and number of property development projects undertaken at such point in time, to ensure adequate staff resources are available to support the Property Business.

3.2 Additional financial commitment required

As at the LPD, the Group has not secured or entered into any development projects. Accordingly, the Proposed Diversification is not expected to result in any material immediate capital expenditure as the Group intends to leverage its existing operational infrastructure, personnel and supplier network in the initial phase of implementation.

Nevertheless, as and when the Property Business scale over time and the Group undertakes more development projects in the future, it will be required to incur additional financial commitment to undertake and complete such projects. The quantum of such financial commitments will depend on, amongst others, the scale and number of projects secured, procurement volumes, credit terms negotiated with suppliers and customers, and prevailing market conditions.

The Group intends to fund these additional financial commitments through a combination of internally generated funds and/ or bank borrowings. The Board will ensure that the Group maintains a prudent capital structure and sufficient liquidity to support the expansion of the Property Business.

4. RATIONALE AND JUSTIFICATIONS FOR THE PROPOSALS

4.1 Proposed Private Placement

The Proposed Private Placement is undertaken by the Company to raise the requisite funds to meet the Group's immediate funding requirements as set out in **Section 2.6** of this Circular.

After due consideration of the various methods of fund raising, the Board is of the view that the Proposed Private Placement is the most appropriate avenue of fund raising as the Proposed Private Placement enables the Company to raise additional funds without incurring interest costs or servicing additional principal payments as compared to conventional bank borrowings, which may expose the Company to further risk of indebtedness and interest servicing obligation.

Additionally, the Proposed Private Placement represents an expeditious way of raising funds from the capital market as opposed to other forms of fund raising, in view that the placement funds will be paid within 5 market days from the price-fixing date. Upon completion of the Proposed Private Placement, the Company's enlarged capital base is also expected to strengthen the financial position of the Company and improve the gearing level of the Group. For information purposes, as at the end of the latest unaudited FPE 31 March 2026, the Group had a cash and bank balances of RM3.36 million.

4.2 Proposed Diversification

As set out in **Section 3** of this Circular, the Group's revenue is currently derived from its Construction Business, which has incurred losses in recent financial years. While the Company will continue to focus on enhancing the performance of its Construction Business, the Proposed Diversification is part of the Group's strategic plan to diversify into other viable businesses to expand the earnings base of the Group in the long-term, with the aim to continuously improve shareholders' value. The potential earnings contribution from the Property Business will also reduce the Group's reliance on its Construction Business.

Further, the diversification into the Property Business represents a natural progression for the Group, given the complementary nature of its Construction Business and its Property Business. By integrating both the Property Business and Construction Business, TCS is able to create synergistic benefits where the Property Business can leverage on its existing in-house construction capabilities and resources, thereby providing greater control over development cost, project conceptualisation and execution timelines. This may result in the Group achieving improved margins for its development projects, thus creating a competitive advantage for its Property Business.

In addition, the Property Business may increase construction activities within the Group, thereby contributing to the revenue base for the Construction Business. The Group intends to utilise its existing manpower and/ or resources from its Construction Business to support its Property Business. Nevertheless, the Company is mindful that such resource sharing must not affect the growth of either segment. Accordingly, the Company will continuously monitor and progressively increase its manpower requirements, where necessary.

As the Proposed Diversification involves the Group venturing into the Property Business which differs from the existing principal activities of the Group, the Group is required to undertake the Proposed Diversification pursuant to Rule 10.13 of the Listing Requirements.

Pursuant thereto, the Board opines that it is in the best interest of the Group to expand its earnings base by diversifying into the Property Business, in order to reduce its reliance on its existing Construction Business. In addition, by leveraging on the experience and expertise of Mr Winston and Dato' Frankie as highlighted in **Section 3.1** of this Circular and also recruiting additional management personnel with relevant experience to undertake various roles in the Property Business, as and when required, the Board believes that the Group will have the capacity, capability and resources to diversify into this business.

Notwithstanding the Proposed Diversification, the Board intends to continue with the Group's existing principal activities in the same manner and the Board will review the Group's business operations from time to time with the intention to further improve the Group's financial performance. Barring any unforeseen circumstances, the Board believes that the Proposed Diversification will potentially contribute positively to the Group's future earnings potential moving forward.

5. INDUSTRY OVERVIEW, OUTLOOK AND FUTURE PROSPECTS OF THE GROUP

5.1 Overview and outlook of the Malaysian economy

Malaysia's economy remains strong, having grown by a steady 4.4% in the first six months of the year. Growth is projected to continue within the range of 4% – 4.8% in 2025 and 4% – 4.5% in 2026. These projections are consistent with the International Monetary Fund (IMF) in the World Economic Outlook Update, July 2025, which forecasts Malaysia's growth at 4.5% for 2025 and 4% for 2026. The growth will mainly be underpinned by strong domestic demand, moderate inflation, favourable labour market and proactive policies undertaken by the Government. The performance will also be supported by the ASEAN-Malaysia Chairmanship 2025 and Visit Malaysia 2026 ("**VM2026**"). The economy continues to be steered by the Ekonomi MADANI framework and the Government remains committed to positioning Malaysia as an attractive destination for quality investments. At the same time, ongoing improvements in the wage-setting mechanism and rising business efficiency are expected to strengthen the wage structure, thus contributing to a higher labour income share.

Headline inflation is projected to range between 1.3% and 2% in 2026, reflecting a continued environment of manageable price growth. The outlook is shaped by steady domestic demand, stable labour market conditions as well as policies that support household purchasing power and market stability. Price pressures are anticipated to remain contained, supported by ongoing improvements in supply chains and productivity, with producer-price movements gradually passing through to consumers. Risks to the outlook are broadly balanced with upside risks include potential adjustments to domestically administered prices or higher global commodities. However, downside risks stemming from a stable ringgit, ongoing policy measures and any further easing in global food and energy prices would temper inflation.

In 2026, domestic demand is expected to register a growth of 5.4%, steered by sustained private sector expenditure at 5.7%. Strong consumption and investment activities will keep the private sector's contribution significant at 4.5 ppt to GDP growth. Meanwhile, public expenditure is anticipated to rise by 4.4%, contributing 0.8 ppt to overall growth.

Private investment is anticipated to register a growth of 7.8% in 2026, driven by increased capital spending on structures and machinery & equipment in technology-intensive manufacturing and services sectors. The large volume of approved investments is expected to be realised, particularly in semiconductors, renewable energy and data centres. This outlook is reinforced by the strong implementation track record, with the execution of 85.1% manufacturing projects approved between 2021 and June 2025. Strong global demand for electrical and electronic (E&E), coupled with automation and digitalisation is expected to further stimulate investment in high-value and innovation-led activities. At the same time, ongoing initiatives such as GEAR-uP and the rollout of national masterplans will strengthen investor confidence and Malaysia's position as a competitive investment destination.

Malaysia's economy is expected to maintain resilient growth trajectory, anchored by a diversified economic structure and sound policy management against heightened global uncertainties, stemming from unsettled trade tariffs and prolonged geopolitical tensions. While Malaysia's export-oriented markets remain vulnerable, domestic demand will continue to provide a solid foundation, supported by a strong labour market and vibrant private consumption. The upcoming VM2026 is strategically positioned to act as a lever for the economy. With the target of attracting 47 million foreign visitors, VM2026 is set to boost the services sector including retail, transportation and hospitality, while the manufacturing sector and trade remain supportive. The combination of a robust domestic economy, enhanced trade diversification and a major tourism impetus, positions Malaysia to navigate global headwinds and sustain the nation's growth momentum.

(Sources: Economic Outlook 2026, Ministry of Finance of Malaysia)

5.2 Overview and outlook of the construction industry in Malaysia

The construction sector expanded strongly by 13.1% in the first half of 2025, supported by solid performance across all subsectors. The non-residential buildings subsector recorded robust expansion, driven by acceleration and realisation of private investment in industrial facilities, commercial complexes and data centres, reflecting sustained business activities and rising digitalisation. The residential buildings subsector also posted a steady growth, supported by continued demand for affordable housing and government initiatives to promote home ownership. In addition, the specialised construction activities subsector recorded stable growth, driven by telecommunications infrastructure projects and coastal reclamation activities. The civil engineering subsector sustained its positive performance, underpinned by ongoing works on infrastructure projects, such as the Pan Borneo Highway Sabah and Rapid Transit System Link (RTS Link).

For the rest of 2025, the sector is expected to grow by 7.3%. The civil engineering subsector is anticipated to expand, supported by continued rollout of large-scale public infrastructure projects towards the end of the Twelfth Malaysia Plan, 2021 – 2025 ("**Twelfth Malaysia Plan**") period. Ongoing projects, including the Sarawak Sabah Link Road (SSLR), will continue to drive momentum in the subsector. The non-residential buildings subsector will continue to gain from investment in commercial and industrial facilities, including data centres development in Johor and Selangor. In addition, the residential buildings subsector growth is expected to be bolstered by new launches in the affordable and mid-market housing as well as integrated township development in key growth corridors amid favourable financing conditions. Overall, the construction sector is projected to record a steady growth of 10.1% for 2025.

The construction sector is expected to remain stable in 2026 by recording a growth of 6.1%, underpinned by positive performance across all subsectors. The realisation of approved strategic investments under national policies and commencement of projects under the Thirteenth Malaysia Plan, 2026 – 2030 ("**Thirteenth Malaysia Plan**"), will further support the sector's performance. Within the subsectors, major infrastructure and utilities development such as LRT Mutiara Line, Hybrid Hydro Floating Solar (HHFS) and ASEAN Power Grid will steer the civil engineering subsector's performance. In addition, the non-residential buildings subsector is anticipated to be driven by sustained demand for industrial facilities, logistics hubs and data centres, in line with the expansion of high technologies as well as digitalisation. Meanwhile, the residential buildings subsector is expected to benefit from government-led affordable housing programmes and targeted home ownership initiatives supported by policy measures under the Thirteenth Malaysia Plan as well as new projects by private sectors. On the other hand, specialised construction activities subsector is projected to grow in tandem with other subsectors' performance supported by sustained demand for site preparation, mechanical and electricals, as well as finishing works.

(Source: Economic Outlook 2026, Ministry of Finance of Malaysia)

Of the RM46.4 billion in work done value recorded in the fourth quarter of 2025, RM16.2 billion or 34.9 per cent was attributed to the civil engineering sub-sector, primarily in the construction of utility projects (RM8.8 billion) and roads and railways (RM5.8 billion). Meanwhile, the value of work done for non-residential buildings and residential buildings sub-sectors was RM14.0 billion (30.1%) and RM10.5 billion (22.6%), respectively. The special trade activities sub-sector contributed RM5.7 billion (12.4%), largely in sites preparation (RM1.5 billion); plumbing, heat and air-conditioning installation (RM1.2 billion); and electrical installation (RM1.1 billion) activities.

The private sector remained the main driver of growth in this quarter, contributing RM29.3 billion or 63.2 per cent of the total value of work done. The private sector recorded positive momentum of 8.6 per cent, supported mainly by the special trade activities sub-sector, which rose 23.8 per cent, and the non-residential buildings sub-sector, which rose 10.5 per cent. Meanwhile, the value of work done by the public sector, contributing RM17.1 billion or 36.8 per cent of the total, recorded a double-digit growth of 13.4 per cent (Q3 2025: 6.1%). The growth was driven mainly by the non-residential buildings sub-sector, which increased 56.7 per cent, rebounding from a contraction in the previous quarter (Q3 2025: -6.5%).

Summarising the performance of the construction work done in 2025, the sector recorded a value of RM178.6 billion, registering a growth of 12.5 per cent as compared to 20.2 per cent in the preceding year. The growth was driven by increases in special trade activities (22.8%), non-residential buildings (16.3%) and residential buildings (13.9%) sub-sectors. Meanwhile, the civil engineering sub-sector posted a more moderate growth of 5.9 per cent (2024: 17.3%). Overall, Malaysia's construction sector in 2025 continued to expand, supported by positive performance across all sub-sectors, albeit at a more measured pace compared to 2024.

*(Source: Quarterly Construction Statistics, Fourth Quarter 2025, Department of Statistics Malaysia ("**DOSM**"))*

5.3 Overview and outlook of the property development industry in Malaysia

Malaysia's property development industry has in recent years, experienced a property supply-demand imbalance driven by an oversupply of non-affordable residential properties and vacant commercial spaces, alongside a persistent shortage of affordable housing. To combat the situation, the Malaysian Government has implemented various measures such as the construction of affordable housing, the Home Ownership Campaign (lapsed on 31 December 2025), the Rent-to-Own schemes, as well as allocations for Program Perumahan Rakyat, Program Rumah Mesra Rakyat, and civil servant housing.

Meanwhile, the demand for industrial properties is primarily driven by Malaysia's economic conditions, level of industrial activities, and growth in investments. Accordingly, initiatives under the various Malaysia Plans, the New Industrial Master Plan ("**NIMP**"), and annual national budgets, including incentives, tax breaks, infrastructure development, and other measures, aim to stimulate activity in Malaysia's manufacturing, logistics, and other industrial sectors. Under Budget 2026, various measures have been introduced by the Malaysian Government to strengthen Malaysia's industrial ecosystem, including the implementation of the NIMP Tax Incentive Framework and an allocation of RM180.0 million for the NIMP Industry Development Fund to finance industry development programmes in high-impact sectors such as pharmaceuticals, semiconductors, artificial intelligence, digitalisation, and sustainability. These initiatives are complemented by ongoing infrastructure improvements and logistics enhancements, including developments at Port Klang initiated under the Twelfth Malaysia Plan and under the Thirteenth Malaysia Plan, amongst others.

The performance of the Malaysian property development industry has a direct correlation with the levels of real estate construction (the construction of residential and non-residential buildings) activities in the country. In 2025, while a 1.0% contraction in transaction volume (2025: 416,413 units; 2024: 420,545 units) was witnessed, total transaction value expanded 4.1% from RM232.30 billion in 2024 to RM241.87 billion in 2025. However, over the period from 2021 to 2025 (base year: 2020), the compound annual growth rate ("**CAGR**") for transaction volume stood at 7.1%. Residential properties accounted for the largest share of the market in 2025, both in terms of transaction volume and value, with 256,512 transactions (61.6% of total transaction volume) worth RM108.27 billion (44.8% of total transaction value). While residential property transaction volume decreased by 1.5% in 2025, the transaction value increased by 1.3%. This can partly be attributed to the increase in number and value of properties priced above RM1 million that was transacted in 2025. Industrial and commercial properties recorded modest growth in transaction volume, both increasing approximately 1.4% in 2025 to reach 8,910 industrial properties (2024: 8,793 properties) and 46,649 commercial properties (2024: 45,985 properties). Nonetheless, the commercial property transaction value increased marginally by 1.1%, from RM58.06 billion in 2024 to RM58.70 billion in 2025, while the industrial property transaction value increased 21.3% to reach RM33.80 billion in 2025 (2024: RM27.86 billion).

In 2024, the property development industry grew by 16.2% to reach RM29.46 billion, driven by robust construction activities in the residential and non-residential sectors, in tandem with strong economic activity and increasing demand for housing. The industry further expanded in 2025 to reach RM33.61 billion, supported by resilient economic performance whereby the national GDP expanded by 5.2% as compared to 5.1% in the previous year. Other broader macroeconomic and policy factors that influenced industry momentum in 2025 include RM426.74 billion in approved investments (domestic and foreign) across the Malaysian manufacturing, services, and primary sectors. This represents an increase of 11.0% as compared to the RM384.38 billion in approved investments in 2024, reflecting growing investor confidence in Malaysia's economic prospects, which augurs well for the property development industry. Furthermore, BNM reduced the Overnight Policy Rate from 3.00% to 2.75% in July 2025, which is expected to encourage demand for properties by lowering financing costs for both developers and buyers. Nevertheless, external headwinds such as the trade tariffs imposed by the USA as well as ongoing geopolitical conflicts may partially weigh on domestic GDP growth, and consequently the pace of expansion in the property development industry. Moving forward, the local property development industry is forecast to reach RM36.66 billion in 2026 and expand at a CAGR of 6.5% to reach RM46.10 billion in 2030.

(Source: Protégé Associates)

5.4 Future prospects of TCS Group

TCS Group, through its subsidiaries, is principally engaged in the provision of construction services for buildings infrastructure, civil and structural works in Malaysia.

Looking ahead, the construction industry outlook remains positive, supported by stable material prices and an increase in project activity from both the public and private sectors. Malaysia's construction industry continues to demonstrate resilience with an expansion of 12.5% in 2025 with the value of work done hitting RM178.6 billion according to the DOSM. The expansion was largely driven by the strong performance of the special trade activities and non-residential buildings sub-sectors.

Furthermore, the Twelfth Malaysia Plan provides a strategic framework to attract increased investment into the country, further supporting the development of the property and construction industry. For 2026, the Ministry of Finance estimates GDP growth of between 4.0% and 4.5%, supported by both government-led initiatives such as the Thirteenth Malaysia Plan, which allocated RM430 billion in development expenditure to focus on infrastructure projects like flood mitigation works, rural roads, and industrial parks, while also supporting the property sector with affordable housing initiatives and promoting modern construction technologies, and private sector investments. This provides a continued positive outlook for the local construction industry as well as TCS. Against this backdrop, TCS Group sees opportunities and is actively bidding for projects in residential and commercial buildings, infrastructure projects, and institutional buildings.

Some of the ongoing projects of the Group as at the LPD include, but not limited to, the following:-

i. Arcadia Residences

On 30 July 2024, TCSC, a wholly-owned subsidiary of the Company, accepted a Letter of Award ("**LOA**") awarded by Saujana Permai Development Sdn Bhd for the execution and completion of a serviced apartment located at Lot 74115 (originally PT 43052), Mukim Tanjung Dua Belas, Daerah Kuala Langat, Selangor Darul Ehsan. This project has a contract value of approximately RM130.15 million for a period of 36 months, commencing on 30 July 2024, with an estimated completion date of 30 July 2027.

This project involves the building works and related external works for the proposed construction and completion of 630 serviced apartment units in a 31-storey building comprising:-

a. Block A – 315 service apartment units across 21 storeys;

b. Block B – 315 service apartment units across 21 storeys;

c. 1 floor of facilities which includes a playground, surau (prayer room), swimming pool, gym, multipurpose hall, management office, cafeteria, laundry room, and restrooms on level 9;

d. 7 levels of multi-storey car park;

e. 36 commercial units on the ground and first floors, 9 affordable shop units on the first floor, a kindergarten and 2 electrical substation units on the ground floor;

f. 1 refuse chamber unit; and

g. underground mechanical spaces (changes to the building facade and interior).

However, the scope of work of TCSC only comprises the main building works and related external works for 630 units of serviced apartments known as Arcadia Residences.

ii. **Setia Bayuemas project**

On 30 September 2024, TCSC, a wholly-owned subsidiary of the Company, accepted a LOA awarded by I&P Kota Bayuemas Sdn Bhd, a subsidiary of S P Setia Berhad, a returning client, for the appointment of TCSC as the contractor for the proposed building & related infrastructure works for affordable housing for the Setia Bayuemas project. Setia Bayuemas is a 545-acre freehold mixed development located in Klang, Selangor. This project has a contract value of approximately RM116.58 million for a period of 28 months from 14 October 2024, with an estimated completion date of 13 February 2027.

The proposed works for this project include the following:-

a. Block A – 274 units of Rumah Selangorku Type "E" (1000KP), 23 storeys, including reading room, mail room, management office, control and fire safety room on the ground floor;

b. Block B – 287 units of Rumah Selangorku Type "E" (1000KP), 24 storeys, including a mail room on the ground floor;

c. Block C – a 5-storey car park building including 2 TNB electrical substations, genset room, MDF room, water pump room & domestic/ fire water tanks, 2 refuse chamber units, and a pedestrian bridge;

d. Facilities comprising:-

(i) 1 single-storey surau (prayer hall);

(ii) 1 single-storey community hall; and

(iii) 1 single-storey kindergarten;

e. 1 single-storey guardhouse (1.8m x 1.8m); and

f. 12 affordable shop units (located on the ground floor of Block C).

The scope of work of TCSC comprises of the main building & related infrastructure works for 561 units of Rumah Selangorku Type E located at Setia Bayuemas on PT 159300 (Lot Lama Sebahagian PT 128205), Persiaran Bayu Damai/ KS9, Kota Bayuemas, Mukim Klang, Daerah Klang, Klang Bandar Diraja, Selangor Darul Ehsan.

iii. **Elmina Business Park**

On 5 November 2024, TCSC, a wholly-owned subsidiary of the Company, accepted a LOA awarded by Sime Darby Property Berhad, another returning client, for the appointment of TCSC as the contractor for the proposed construction and completion of building & related infrastructure works. This project has a contract value of approximately RM86.38 million for a period of 24 months from 5 December 2024, with an estimated completion date of 4 December 2026.

The proposed works are carried out on part of PT 50170, Mukim Rawang, Daerah Gombak, Majlis Perbandaran Selayang, Selangor Darul Ehsan, which includes the following:-

a. 32 units 2-storeys semi-detached factories with mezzanine including 1 unit refuse chamber (Type A);

b. 28 units 2-storeys semi-detached factories with mezzanine including 1 unit refuse chamber (Type B); and

c. 4 units double chamber substation.

The scope of work of TCSC includes the construction and completion of the 60 units of 2-storey semi-detached factories in Elmina Business Park, Selangor.

iv. Pan Borneo Sabah Highway Phase 1B (WP32)

On 19 November 2024, TCSC, a wholly-owned subsidiary of the Company, accepted a LOA from Jabatan Kerja Raya Sabah for the appointment of TCSC as the contractor for the proposed construction of new highway and road upgrading works for Pan Borneo Sabah Highway Phase 1B along an 18.2 kilometre stretch between Telupid and Kampung Lumou Baru to a dual carriageway highway, including 4 new bridges, for a total contract sum of approximately RM611.30 million. The duration of this project is 42 months, commencing from 20 December 2024 with expected completion by 19 June 2028.

v. Federal Avenue Phase 1C

On 19 May 2025, TCSC, a wholly-owned subsidiary of the Company had accepted a LOA from Impiana Impresif Sdn Bhd for the appointment of TCSC as the contractor for the proposed construction and completion of building and related infrastructure works for serviced apartments. This project has a contract value of approximately RM216.90 million for a period of 35 months, commencing from 1 August 2025 with estimated completion by 30 June 2028.

The proposed works involved proposed construction of 2 blocks of 48-storey commercial serviced apartments (Phase 1C) to be carried out on part of Lot 72047, GRN 340958 (PT 36), Lebuhraya Persekutuan Batu Tiga, Subang Jaya, Mukim Damansara, Daerah Petaling, Selangor Darul Ehsan, which comprised of the following:-

a. 10-storeys of podium car park at Level 1 to Level 10;

b. 1-storey of facilities at Level 11;

c. Block A – 36-storeys of serviced apartment (358 units) at Level 12 to Level 47 and 1 storey of rooftop with landscape and services space at Level 48; and

d. Block B – 36-storeys of serviced apartment (393 units) at Level 12 to Level 47 and 1 storey of rooftop with landscape and services space at Level 48.

vi. **EG10 Sales Gallery**

On 15 October 2025, TCSC, a wholly-owned subsidiary of the Company had accepted a LOA from Harbour View Development Sdn Bhd for the appointment of TCSC as the contractor for the proposed construction and completion of a sales gallery at Plot EG10, City of Elmina. This project has a contract value of approximately RM3.35 million for a period of 6 months, commencing from 3 November 2025 with estimated completion by 2 May 2026. The Company has applied for Extension of Time ("**EOT**") for the completion date to be further extended until 15 October 2026 due to delays in confirmations on the materials and design drawings. The EOT application is currently pending approval. As at the LPD, the construction works are ongoing and have achieved approximately 39.3% completion.

The proposed works involved the main building, mechanical and electrical services and external works for the proposed construction of a sales gallery office and show units for the Rumah Selangorku Harapan 2 apartments (2 storeys) on a portion of No. 14 (Lot PT. 53777), Jalan Casuarina U17/57, Elmina, Section U17, 40160 Shah Alam, Mukim Sungai Buloh, Daerah Petaling, Selangor Darul Ehsan, for Tetuan Harbour View Development Sdn. Bhd.

To further enhance the Group's financial performance, the Group is undertaking the Proposed Diversification. The Group will focus on the integration of the Construction Business and the Property Business in order to yield the synergistic benefits. These include incorporating the knowledge from its Construction Business into its property development projects in terms of cost efficiency, improved project delivery and enhanced quality control which will provide the Group with a competitive advantage in the Property Business.

Premised on the above and barring any unforeseen circumstances, the Group remains focused on improving its positioning in the construction industry, executing its existing order book and ongoing projects while upholding high standards of safety, quality and integrity, while progressively growing its Property Business with the support from its Construction Business. The positive long-term view on the Group's prospects is underpinned by its healthy order book of RM1.00 billion, alongside the opportunities ahead. Meanwhile, the Group remains actively engaged in pursuing new opportunities and participating in more tenders, while also closely monitoring the fluctuations in raw material prices and the latest developments in the operating environment.

(Source: Management of TCS)

6. RISK FACTORS

6.1 Business diversification risk

Pursuant to the Proposed Diversification, the Group's business will be subject to risks inherent in the property development industry. These include, but are not limited to, competition from existing and established property developers, changes in the demand and supply of properties and changes in laws, regulations or policies affecting the property development industry.

Notwithstanding the above, the Board is of the view that the risks associated with the Proposed Diversification can be mitigated through the engagement of professionals with relevant expertise and the adoption of efficient operational controls. The Group also intends to monitor market conditions, regulatory developments, and project performance closely to ensure that its activities are aligned with prevailing industry trends and requirements.

However, there can be no assurance that the Group will be able to successfully mitigate the various risks inherent in the property development industry. If the Group is unable to do so, the business operation and financial performance of the Group may be adversely affected.

6.2 Dependency on key management personnel

The success of the Proposed Diversification will depend, to a significant extent, on the abilities, experience, competency and continued efforts of the key management personnel appointed to oversee the Property Business. The Group is reliant on these key management personnel to provide technical capabilities and operational oversight. The loss of any such personnel without suitable and timely replacement could materially affect the Group's ability to expand its Property Business and consequently, the Group's revenue and profitability.

Recognising the importance of retaining qualified and experienced key management personnel, the Group intends to adopt appropriate measures to attract and retain such individuals, including offering competitive remuneration packages and maintaining a conducive and professional working environment to promote loyalty and productivity.

Notwithstanding the above, there can be no assurance that the Group will be able to retain or replace its key management personnel in a timely manner. The loss of any such personnel, or the inability to attract and retain additional qualified individuals, may have an adverse effect on the Group's Property Business and financial performance.

6.3 Competition risk

The property development industry in Malaysia is highly competitive and comprise numerous established developers with varying levels of financial resources, technical capabilities and industry track records. As the Group expands its involvement in this sector, it may face competition from both new entrants and existing players in securing projects and/ or strategic landbanks, as well as in maintaining commercially competitive pricing.

There can be no assurance that the Group will be able to secure projects and/ or landbanks on commercially favourable terms or maintain its competitive position in the industry. Increased competition may adversely affect the Group's revenue, margins and overall financial performance. Nevertheless, the Group will take proactive measures to remain competitive in the Property Business by, among others, constantly keeping abreast with the latest market conditions and making efforts in maintaining a competitive edge in terms of cost efficiency, service quality, product quality and reliability.

6.4 Political, economic and regulatory risk

Any adverse developments in the political, economic and regulatory conditions in Malaysia could materially affect the financial and prospects of the Property Business. These risks include, amongst others, the risks of economic downturn, unfavourable monetary and fiscal policy changes, and introductions of new rules or regulations affecting the property development industry, which are generally beyond the management's control and affects all the players in the property development industry.

In mitigating such risks, the Group will continue to monitor the key developments in the political, economic and regulatory conditions mentioned above and continue to review its business strategies and engage professional adviser, if required. Nevertheless, there can be no assurance that any change to these factors would not have any material adverse impact on the Group's Property Business and financial performance.

6.5 Risk of property overhang

The Group may face the risk of property overhang, commonly caused by oversupply and low demand for properties and other factors such as economic downturns and unfavourable financial conditions. There may be a possibility of property overhang at the time of completion of development projects in the future, of which is inevitable. This will affect the sale of the properties that the Group may develop in the future and in turn affect the Group's financial performance.

In mitigating such risks, the Group will closely monitor the developments in the property market as well as take careful management planning prior to finalisation and/ or launches of any property development projects. Nevertheless, there can be no assurance that any change to these factors would not have any material adverse impact on the Group's Property Business and financial performance.

6.6 Financing risk

The Property Business is highly capital intensive and requires substantial funding for, among others, land acquisition, development costs and related working capital requirements. The Group intends to fund the Property Business and future property development projects via a combination of internally generated funds, external borrowings and/ or other fundraising exercise, depending on the funding requirements, prevailing market conditions and the Group's financial position at the relevant time. The ability of the Group to obtain external borrowing or raise additional capital, as well as the terms of such financing, are dependent on various factors, including prevailing economic, political, and market conditions in Malaysia, interest rates movements, credit availability from banks or other lenders and investor sentiment.

There can be no assurance that the necessary financing will be available in a timely manner or on terms acceptable to the Group. In addition, the Group could potentially be exposed to fluctuations in interest rates on such external financing obtained, which would lead to higher borrowing costs which may adversely affect the Group's future financial performance.

Nevertheless, the Board is mindful of the financing risk and shall continuously review the Group's debt portfolio, which includes taking into consideration the Group's gearing level, interest costs as well as cash flows to achieve and maintain an optimal capital structure of the Group.

7. EFFECTS OF THE PROPOSALS

7.1 Issued share capital

The pro forma effects of the Proposed Private Placement on the Group's issued share capital are as follows:-

	Minimum Scenario		Maximum Scenario	
	No. of Shares	**RM**	**No. of Shares**	**RM**
Issued share capital as at the LPD	660,661,843	81,575,759	660,661,843	81,575,759
Assuming full exercise of Warrants B	-	-	102,960,285	18,532,851[*1]
Reversal of warrant reserve pursuant to the full exercise of Warrants B	-	-	-	11,438,888
Issued share capital	**660,661,843**	**81,575,759**	**763,622,128**	**111,547,498**
After the Proposed Private Placement	132,132,368	9,077,494[*2]	152,724,425	10,492,168[*2]
Enlarged issued share capital	**792,794,211**	**90,653,253**	**916,346,553**	**122,039,666**

Notes:-

*1 *Assuming all outstanding 102,960,285 Warrants B are exercised into new Shares at the exercise price of RM0.18 per Warrant B*

*2 *Computed based on the illustrative issue price of RM0.0687 per Placement Share*

The Proposed Diversification will not have any effect on the issued and paid-up share capital of the Company as the Proposed Diversification does not involve any issuance of securities.

7.2 NA per Share and gearing level

Based on the latest audited statements of financial position of the Group as at 31 December 2025, the pro forma effects of the Proposed Private Placement on the NA per Share and gearing level of the Group are set out as follows:-

Minimum Scenario

	Audited as at 31 December 2025 RM	After the Proposals RM
Share capital	81,575,759	90,653,253*1
Warrant reserve	11,438,888	11,438,888
Merger deficit	(24,065,424)	(24,065,424)
Retained earnings	18,121,697	17,851,697*2
Shareholders' funds/ NA	**87,070,920**	**95,878,414**
No. of Shares	660,661,843	792,794,211
NA per Share	0.13	0.12
Total borrowings	40,461,304	40,461,304
Gearing ratio (times)	0.46	0.42

Notes:-

*1 *After the issuance of 132,132,368 Placement Shares at an illustrative issue price of RM0.0687 per Placement Share*

*2 *After deducting estimated expenses of RM0.27 million in relation to the Proposals*

Maximum Scenario

	Audited as at 31 December 2025 RM	I Assuming full exercise of Warrants B RM	II After I and the Proposals RM
Share capital	81,575,759	111,547,498*1	122,039,666*2
Warrant reserve	11,438,888	-	-
Merger deficit	(24,065,424)	(24,065,424)	(24,065,424)
Retained earnings	18,121,697	18,121,697	17,851,697*3
Shareholders' funds/ NA	**87,070,920**	**105,603,771**	**115,825,939**
No. of Shares	660,661,843	763,622,128	916,346,553
NA per Share	0.13	0.14	0.13
Total borrowings	40,461,304	40,461,304	40,461,304
Gearing ratio (times)	0.46	0.38	0.35

Notes:-

*1 *Assuming all 102,960,285 Warrants B are exercised into new Shares at the exercise price of RM0.18 per Warrant B under the Maximum Scenario*

*2 *After the issuance of 152,724,425 Placement Shares at the illustrative issue price of RM0.0687 per Placement Share*

*3 *After deducting estimated expenses of RM0.27 million in relation to the Proposals*

Barring any unforeseen circumstances, the Proposed Diversification is not expected to have any immediate material effect on the NA and gearing level of TCS Group for the FYE 31 December 2026. However, the earnings to be derived from the Property Business may have a positive impact on the future NA of TCS Group.

7.3 Earnings and EPS

The Proposals are not expected to have any immediate material effect on the earnings of the Group for the FYE 31 December 2026.

Upon completion of the Proposed Private Placement, the EPS is expected to be correspondingly diluted due to the increase in the number of Shares in issue arising from the Proposed Private Placement.

Nevertheless, barring any unforeseen circumstances, the Proposals are expected to contribute positively to the future earnings and EPS of TCS Group upon the realisation of the benefits to be derived from the utilisation of the proceeds to be raised from the Proposed Private Placement, as set out in **Section 2.6** of this Circular, as well as the anticipated growth of the Property Business.

7.4 Convertible securities

Save for the outstanding 102,960,285 Warrants B as set out in **Section 2.1** of this Circular, the Company does not have any outstanding convertible securities.

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7.5 Substantial shareholders' shareholdings

The Proposed Diversification will not have any effect on the substantial shareholders' shareholdings in the Company as it does not involve the issuance of new TCS Shares.

The pro forma effects of the Proposed Private Placement on the substantial shareholders' shareholdings of the Company as at the LPD are set out below:-

Minimum Scenario

	Shareholdings as at the LPD				After the Proposed Private Placement			
	<----------Direct---------->		<---------Indirect-------->		<-----------Direct--------->		<---------Indirect-------->	
Substantial shareholders	**No. of Shares**	**%[*1]**	**No. of Shares**	**%[*1]**	**No. of Shares**	**%[*2]**	**No. of Shares**	**%[*2]**
Dato' Ir Tee Chai Seng	148,073,727	22.41	-	-	148,073,727	18.68	-	-
Datin Koh Ah Nee	-	-	148,073,727[*3]	22.41	-	-	148,073,727[*3]	18.68
James Liew Vun Tak	71,500,000	10.82	-	-	71,500,000	9.02	-	-
Dato' Ng Kwang Hua	116,124,366	17.58	-	-	116,124,366	14.65	-	-
Dato' Ong King Seng	75,000,867	11.35	-	-	75,000,867	9.46	-	-

Notes:-

[*1] *Based on the total issued Shares of 660,661,843 as at the LPD*

[*2] *Based on the total issued Shares of 792,794,211 after the Proposed Private Placement*

[*3] *Deemed interested through the shareholdings of her spouse, Dato' Ir Tee Chai Seng's interest in the Company*

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Maximum Scenario

	Shareholdings as at the LPD				I Assume all Warrants B are exercised			
	<---Direct--->		<---Indirect--->		<---Direct--->		<---Indirect--->	
Substantial shareholders	**No. of Shares**	**%*1**	**No. of Shares**	**%*1**	**No. of Shares**	**%*2**	**No. of Shares**	**%*2**
Dato' Ir Tee Chai Seng	148,073,727	22.41	-	-	148,073,727	19.39	8,717,860*4	1.14
Datin Koh Ah Nee	-	-	148,073,727*5	22.41	8,717,860	1.14	148,073,727*5	19.39
James Liew Vun Tak	71,500,000	10.82	-	-	71,500,000	9.36	-	-
Dato' Ng Kwang Hua	116,124,366	17.58	-	-	121,138,614	15.86	-	-
Dato' Ong King Seng	75,000,867	11.35	-	-	75,000,867	9.82	-	-

	II After I and the Proposed Private Placement			
	<---Direct--->		<---Indirect--->	
	No. of Shares	**%*3**	**No. of Shares**	**%*3**
Dato' Ir Tee Chai Seng	148,073,727	16.16	8,717,860*4	0.95
Datin Koh Ah Nee	8,717,860	0.95	148,073,727*5	16.16
James Liew Vun Tak	71,500,000	7.80	-	-
Dato' Ng Kwang Hua	121,138,614	13.22	-	-
Dato' Ong King Seng	75,000,867	8.18	-	-

Notes:-

*1 *Based on the total issued shares of 660,661,843 in TCS as at the LPD*

*2 *Based on the total issued shares of 763,622,128 in TCS assuming all Warrants B are exercised*

*3 *Based on the total issued shares of 916,346,553 in TCS after the Proposed Private Placement*

*4 *Deemed interested through the shareholdings of his spouse, Datin Koh Ah Nee's interest in the Company*

*5 *Deemed interested through the shareholdings of her spouse, Dato' Ir Tee Chai Seng's interest in the Company*

8. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of TCS Shares for the past 12 months preceding the date of this Circular are as follows:-

	High RM	Low RM
2025		
July	0.140	0.115
August	0.135	0.110
September	0.125	0.120
October	0.140	0.120
November	0.135	0.115
December	0.125	0.105
2026		
January	0.115	0.100
February	0.110	0.095
March	0.095	0.080
April	0.090	0.080
May	0.095	0.080
June	0.090	0.075
Last transacted market price as at the 8 May 2026 (being the latest trading day prior to the announcement on the Proposals)		0.095
Last transacted market price as at the LPD		0.085

(Source: Bloomberg)

9. APPROVALS REQUIRED/ OBTAINED

The Proposals are subject to the following approvals being obtained:-

i. Bursa Securities, for the listing of and quotation for the Placement Shares to be issued pursuant to the Proposed Private Placement on the ACE Market of Bursa Securities, the approval of which has been obtained vide Bursa Securities' letter dated 1 July 2026 subject to the following conditions:-

No.	Condition(s)	Status of compliance
1.	TCS and UOBKH must fully comply with the relevant provisions under the Listing Requirements pertainng to the implementation of the Proposed Private Placement;	To be complied
2.	TCS and UOBKH to inform Bursa Securities upon the completion of the Proposed Private Placement;	To be complied
3.	TCS to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Private Placement is completed;	To be complied
4.	TCS to furnish Bursa Securities with the certified true copy of the resolution passed by the shareholders in general meeting approving the Proposals; and	To be complied
5.	Additional listing fee payable together with a copy of the details of the computation of the amount of listing fees payable (where applicable).	To be complied (where applicable)

ii. shareholders of TCS at the EGM to be convened, for the Proposals and the waiver of their pre-emptive rights under Section 85(1) of the Act read together with Clause 61 of the Constitution of the Company to be offered new TCS Shares to be issued pursuant to the Proposed Private Placement, which will result in a dilution of their shareholding percentage in the Company; and

iii. any other relevant authority, if required.

The Proposed Private Placement and Proposed Diversification are not inter-conditional upon each other. The Proposals are not conditional upon any other corporate proposals undertaken or to be undertaken by the Company.

10. PROPOSALS ANNOUNCED BUT PENDING COMPLETION

Save for the Proposals (which is the subject matter of this Circular), there are no outstanding proposals which have been announced but not yet completed as at the LPD.

11. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVES AND/ OR PERSONS CONNECTED WITH THEM

None of the Directors, major shareholders, chief executive of TCS and/ or persons connected with them have any interest, whether direct or indirect, in the Proposals.

12. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, having considered all aspects of the Proposals, including but not limited to the rationale, risk factors and the pro forma effects of the Proposals, is of the opinion that the Proposals are in the best interest of the Company.

Accordingly, the Board recommends that you **vote in favour** of the resolutions pertaining to the Proposals to be tabled at the Company's forthcoming EGM.

13. ESTIMATED TIMEFRAME FOR COMPLETION

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Private Placement is expected to be completed by the third quarter of 2026 and the Proposed Diversification shall take immediate effect upon obtaining the approval of the shareholders of TCS at the forthcoming EGM.

14. EGM

The EGM, the notice of which is enclosed in this Circular, will be held at Level 4, No. 1 & 3, Bangunan TCS, Jalan SP 1/1, Bandar Saujana Putra, 42610 Jenjarom, Selangor Darul Ehsan, Malaysia, on Wednesday, 5 August 2026 at 10.00 a.m. or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modification, the resolutions to give effect to the Proposals.

A member entitled to attend, participate, speak and vote at the EGM is entitled to appoint a proxy or proxies to attend, participate, speak and vote on his/ her behalf. In such event, the completed and signed Proxy Form must be deposited at the Company's Share Registrar, Aldpro Corporate Services Sdn Bhd, at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time stipulated for holding the EGM or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.

15. FURTHER INFORMATION

Shareholders are advised to refer to the Appendices set out in this Circular for further information.

Yours faithfully,
For and on behalf of the Board
TCS GROUP HOLDINGS BERHAD

DATO' NG KWANG HUA
Executive Director

1. Financial performance and financial position of TCS Group

The audited financial information of TCS Group for the past 3 financial years up to the FYE 31 December 2025 and the latest unaudited 3-months FPE 31 March 2026 is set out below:-

	<----Audited FYE 31 December---->			Unaudited 3-months FPE 31 March	
	2023	2024	2025	2025	2026
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	374,481	392,874	355,780	42,389	116,641
Gross profit	(17,184)	13,763	15,231	2,702	3,270
PBT/ (LBT)	(31,745)	1,493	2,331	369	252
PAT/ (LAT)	(32,853)	1,434	2,217	386	287
Earnings/ (Loss) per Share (sen)	(7.73)	0.28	0.36	0.06	0.04
Cash and bank balances	4,131	13,244	9,400	12,407	3,358
Total borrowings	52,667	37,518	40,461	29,532	49,229
Shareholders' equity/ NA	57,034	78,596	87,071	78,981	87,358
Net cash from/ (used in) operating activities	(16,287)	9,101	(6,903)	6,516	(13,350)
Number of Shares in issue ('000)	429,000	600,602	660,662	600,602	660,662
NA per Share (RM)	0.13	0.13	0.13	0.13	0.13
Gearing ratio (times)	0.92	0.48	0.46	0.37	0.56
Current ratio (times)	1.15	1.31	1.29	1.39	1.29

FYE 31 December 2023 vs FYE 31 December 2024

For the FYE 31 December 2024, the Group recorded an increase in revenue to RM392.87 million from RM374.48 million in the preceding year, representing an increase of RM18.39 million or approximately 4.91%. The improvement was mainly attributed to higher progress billings on the back of more advanced stage of construction from the Group's ongoing projects.

The Group recorded a PAT of RM1.43 million in FYE 31 December 2024 compared to a LAT of RM32.85 million in the preceding year, representing an increase of RM34.28 million or approximately 104.35%. The turnaround was mainly due to the increase in contributions by the construction services segment from the Group's ongoing projects, namely Helix2, KLK Coalfields Retail Park and J. Satine.

FYE 31 December 2024 vs FYE 31 December 2025

For the FYE 31 December 2025, the Group recorded a decrease in revenue to RM356.05 million from RM392.87 million in the FYE 31 December 2024, representing a decrease of RM36.82 million or approximately 9.37%. This was mainly due to completion of previous projects such as M Arisa, IOI Moxy Hotel and Tropicana Miyu, and that progress of ongoing construction projects such as Arcadia Residences, Setia Bayuemas, Elmina Business Park and Pan Borneo Sabah Highway Phase 1B (WP32), were still picking up.

The Group recorded a PAT of RM2.22 million in FYE 31 December 2025 compared to a PAT of RM1.43 million in the FYE 31 December 2024, representing an increase of RM0.79 million or approximately 55.24%. This was largely driven by improved gross profit margins of ongoing projects and lower finance costs from reduced borrowings.

3-months FPE 31 March 2025 vs 3-months FPE 31 March 2026

For the 3-months FPE 31 March 2026, the Group recorded an increase in revenue to RM116.64 million from RM42.39 million in the 3-months FPE 31 March 2025, representing an increase of RM74.25 million or approximately 175.16%. This was mainly due to higher progress billings from our ongoing projects namely, Pan Borneo Sabah Highway Phase 1B (WP32), Setia Bayuemas, Elmina Business Park and Arcadia Residences.

The Group recorded a PAT of RM0.29 million in the 3-months FPE 31 March 2026 compared to a PAT of RM0.39 million in the 3-months FPE 31 March 2025, representing a decrease of RM0.10 million or approximately 25.64%. This was due to a one-off reversal on impairment loss on financial assets amounting to RM0.33 million in the 3-months FPE 31 March 2025.

2. Value creation and impact of the Proposals to the Group and its shareholders

As outlined in **Section 4** of this Circular, the Board, after due consideration of various fund raising methods, is of the view that the Proposed Private Placement is the most appropriate avenue for raising funds after considering the following:-

i. the Proposed Private Placement will enable TCS to raise funds to cater for the working capital requirements of its existing projects, as well as strengthen its financial position to facilitate the completion of existing projects, including but not limited to the Setia Bayuemas, Elmina Business Park and Federal Avenue Phase 1C projects;

ii. the Proposed Private Placement will allow TCS to raise additional funds to fund the Group's working capital for its existing construction projects as highlighted in **Section 2.6** of this Circular without incurring interest costs or servicing additional principal payments, thereby minimising potential cash outflows related to interest servicing costs and principal repayments; and

iii. the Proposed Private Placement will strengthen the financial position of the Group by increasing the capital base of the Company, thereby enabling it to capitalise on new growth opportunities and maintain financial resilience.

As set out in **Section 7.1** of this Circular, the Proposed Private Placement will result in an enlarged share capital of 792,794,211 Shares under the Minimum Scenario, or 916,346,553 Shares under the Maximum Scenario, representing an increase from the 660,661,843 issued Shares as at the LPD. Based on the illustrative issue price of RM0.0687 per Placement Share, TCS' issued share capital is expected to increase from RM81.58 million to RM90.65 million (under the Minimum Scenario) or RM122.04 million (under the Maximum Scenario) upon completion of the Proposed Private Placement.

The Proposed Private Placement is also expected to improve the Group's NA position and gearing level. Based on the Group's audited financial statements as at 31 December 2025, the Group's NA is expected to increase from RM87.07 million to RM95.88 million (under the Minimum Scenario) or RM115.83 million (under the Maximum Scenario) upon completion of the Proposed Private Placement. Accordingly, the Group's gearing ratio is anticipated to improve from 0.46 times to 0.42 times (under the Minimum Scenario) or 0.35 times (under the Maximum Scenario).

While the Proposed Private Placement is not expected to have a material effect on the earnings of the Group for the FYE 31 December 2026, the EPS of the Group is expected to be diluted due to the increase in the number of issued Shares arising from the Proposed Private Placement. Nevertheless, and barring any unforeseen circumstances, the proceeds from the Proposed Private Placement are expected to contribute positively to the Group's future earnings when utilised for the purposes set out in **Section 2.6** of this Circular.

Further, the Board is of the view that it is in the best interest of the Group to expand its earnings base by diversifying into the Property Business, in order to reduce its reliance on its existing Construction Business. Given the complementary nature of the Group's Construction Business and Property Business, TCS is able to create synergistic benefits by leveraging on its existing in-house construction capabilities and resources. In addition, by leveraging on the experience and expertise of Mr Winston and Dato' Frankie as highlighted in **Section 3.1** of this Circular, and also recruiting additional management personnel with relevant experience to undertake various roles in the Property Business, as and when required, the Board believes that the Group will have the capacity, capability and resources to diversify into this business, which is expected to contribute positively to the Group's future earnings potential moving forward.

The Proposed Diversification will not have any effect on the issued and paid-up share capital of the Company as the Proposed Diversification does not involve any issuance of securities. Further, the Proposed Diversification is not expected to have any immediate material effect on the NA, gearing level and earnings of TCS Group for the FYE 31 December 2026. Nevertheless, and barring any unforeseen circumstances, the earnings to be derived from the Property Business may have a positive impact on the future NA and earnings of TCS Group.

3. Adequacy of the Proposals in addressing the Group's financial concerns

The Board is of the view that the primary financial concerns of TCS Group are the funding requirements of the Group as highlighted in **Section 2.6** of this Circular. The Proposed Private Placement will enable the Group to achieve the following objectives:-

i. provide an interim measure to meet the Group's immediate funding needs for its working capital requirements for construction projects, including the implementation of the Setia Bayuemas, Elmina Business Park and Federal Avenue Phase 1C projects;

ii. enhance the financial position of the Group, as illustrated in **Section 7.2** of this Circular; and

iii. maintain flexibility over the Group's cash flow funding for its business operations without being over reliant on bank borrowings.

At this juncture, the Board is of the opinion that the Proposed Private Placement is sufficient to address the immediate financial needs and specific funding gaps of the Group. As set out in **Section 2.6** of this Circular, the proceeds raised from the Proposed Private Placement is intended to fund the working capital requirements of the Group's existing construction projects. Such use of proceeds may include purchase of construction materials from suppliers, payments to subcontractors for their services, as well as operational overheads and miscellaneous expenses. Additionally, the management of the Company will review and assess the Group's working capital requirements from time to time to further strengthen its financial position. The proceeds raised from the Proposed Private Placement is expected to further reduce the Group's reliance on bank borrowings so as to not incur additional interest costs or service additional principal payments, which may affect its financial performance moving forward.

Further, as set out in **Section 3** of this Circular, the Group's revenue is currently derived from its Construction Business, which had made losses in recent financial years. The Proposed Diversification helps to expand and strengthen the earnings base of the Group in the long-term, whereby the potential earnings contribution from the Property Business may provide an additional income stream, which will reduce the Group's reliance on the contribution from its Construction Business.

By integrating the Property Business with its existing Construction Business, TCS is able to create synergistic benefits where the Property Business can leverage on the Group's existing in-house construction capabilities and resources, thereby providing greater control over development cost, project conceptualisation and execution timelines. Through such resource sharing, the Group may achieve improved margins for its development projects. In addition, the Property Business is expected to increase construction activities within the Group, thereby contributing to the revenue base for the Construction Business.

Premised on the above and after taking into consideration the proposed use of proceeds from the Proposed Private Placement, the outlook for the construction and property development industries in Malaysia as highlighted in **Sections 5.2 and 5.3** of this Circular, as well as the effects of the Proposals as highlighted in **Section 7** of this Circular, the Board is of the view that the Proposed Private Placement is the most appropriate avenue of fund raising at this juncture to address the Group's short-term financing needs and it will continue to explore and evaluate other suitable funding for the Group's long-term financial requirements should the need arises.

4. Steps or actions taken to improve the financial condition of the Group

TCS Group, through its subsidiaries, is involved in the provision of construction services for buildings infrastructure, civil and structural works.

During the financial years under review, the Group's financial performance was impacted by ongoing challenges primarily stemming from the competitive business landscape, raw material costs fluctuations and macroeconomic uncertainties. These factors had collectively impact procurement and profitability.

In an effort to improve the financial performance of the Group, TCS has implemented comprehensive measures and contingency plans to proactively manage the elevated raw material costs situation, mitigate supply chain risks and counterbalance cost volatility, while prioritising quality execution and timely delivery of the Group's projects.

Simultaneously, TCS Group is actively pursuing new project opportunities in various sectors, including residential and commercial buildings, infrastructure and institutional building construction. As highlighted in **Section 5.4** of this Circular, the Group has several ongoing projects as at LPD aimed at positioning itself for long-term growth, which include but not limited to the following:-

Project name	*Commencement/ estimated completion date*	*Details of project/ contract scope*	*Amount RM'000*
Arcadia Residences	*30 July 2024/ 30 July 2027*	*On 30 July 2024, TCSC had accepted a LOA awarded by Saujana Permai Development Sdn Bhd for the main building works and related external works for 630 units of serviced apartments known as Arcadia Residences.*	*130,150*
Setia Bayuemas project	*14 October 2024/ 13 February 2027*	*On 30 September 2024, TCSC had accepted a LOA awarded by I&P Kota Bayuemas Sdn Bhd, for the appointment of TCSC as the contractor for the proposed building & related infrastructure works for 561 units of Rumah Selangorku Type E at Setia Bayuemas.*	*116,580*
Elmina Business Park	*5 December 2024/ 4 December 2026*	*On 5 November 2024, TCSC had accepted a LOA awarded by Sime Darby Property Berhad for the appointment of TCSC as the contractor for the proposed construction and completion of 60 units of 2-storey semi-detached factories in Elmina Business Park, Selangor.*	*86,380*
Pan Borneo Sabah Highway Phase 1B (WP32)	*20 December 2024/ 19 June 2028*	*On 19 November 2024, TCSC had accepted a LOA from Jabatan Kerja Raya Sabah for the appointment of TCSC as the contractor for the proposed construction of new highway and road upgrading works for Pan Borneo Sabah Highway Phase 1B along an 18.2 kilometre stretch between Telupid and Kampung Lumou Baru to a dual carriageway highway including 4 new bridges.*	*611,298*
Federal Avenue Phase 1C	*1 August 2025/ 30 June 2028*	*On 19 May 2025, TCSC had accepted a LOA from Impiana Impresif Sdn Bhd for the appointment of TCSC as the contractor for the proposed construction and completion of building and related infrastructure works for serviced apartments known as Federal Avenue.*	*216,900*

Project name	***Commencement/ estimated completion date***	***Details of project/ contract scope***	***Amount RM'000***
EG10 Sales Gallery	*3 November 2025/ 2 May 2026*	*On 15 October 2025, TCSC had accepted a LOA from Harbour View Development Sdn Bhd as the contractor for the proposed construction and completion of a sales gallery at Plot EG10, City of Elmina.*	*3,350*
Total			***1,164,658***

To complement these efforts, the Group continues to explore and evaluate other strategic partnerships and alliances that could further strengthen its financial position and market presence. These partnerships are expected to bolster the Group's ability to secure and execute large-scale projects. The Group will also continue to maintain and strengthen existing business relationships and establish relationship with new customers to expand its network. Further, as part of the Group's strategic plan to diversify into other viable businesses to expand the earnings base of the Group in the long-term, the Proposed Diversification is expected to improve shareholders' value as the contribution from the Property Business is expected to strengthen the Group's earnings base while reducing the Group's reliance on its Construction Business. The Board is of the opinion that these efforts are expected to improve the Group's financial condition.

Barring any unforeseen circumstances, the Board is of the view that the Proposals and the abovementioned steps may improve the Group's financial performance moving forward, and place the Group on a stronger financial footing and support its strategic goals. Nevertheless, the Board will continue to evaluate the Group's financial performance, and will consider undertaking future corporate exercises if there is a need/ opportunity that arises. Should the Board identify any suitable and viable corporate exercises, the Board shall make the requisite announcements and/ or seek shareholders' approval in accordance with the Listing Requirements.

(Source: Management of TCS)

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board, and the Directors collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading.

2. CONSENT

UOBKH, being the Principal Adviser for the Proposals and Placement Agent for the Proposed Private Placement, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

Protégé Associates Sdn Bhd, being the Independent Market Researcher for the Proposed Diversification, has given and has not subsequently withdrawn its written consent to the inclusion in this Circular of its name and all references thereto in the form and context in which they appear in this Circular.

3. DECLARATION OF CONFLICT OF INTERESTS

UOBKH has given its written confirmation that there is no situation of conflict of interests that exists or is likely to exist in relation to its role as the Principal Adviser and Placement Agent to the Company for the Proposals.

Protégé Associates Sdn Bhd has given its written confirmation that there is no situation of conflict of interests that exists or is likely to exist in relation to its role as the Independent Market Researcher for the Proposed Diversification.

4. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

Save as disclosed below and as at the LPD, the Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the Board is not aware and has no knowledge of any proceedings pending or threatened against the Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of the Group:-

i. Civil Suit No. BA-22C-27-07/2021 between its wholly-owned subsidiary, TCSC and Dato' Ir. Tee Chai Seng ("Dato' Tee") (as plaintiffs) and MPM Project Management Sdn. Bhd. ("MPM"), KTCC Mall Sdn. Bhd. ("KTCCMSB"), Tang Yeam Soon, Chan Sang Teck, Tan Swee Guan, Loo Hui Kien, Yap Sing and Y.S. Tang Holdings Sdn. Bhd. (as defendants)

By way of a Letter of Acceptance dated 19 September 2018 issued by MPM to TCSC, which incorporated the Agreement and Conditions of PAM Contract 2006 (With Quantities) ("**PAM Contract 2006**") together with the Annexure to the Conditions of Contract as spelled out in the Amplification Notes, Amendment and Modification to the Condition of Contract and other contract documents (hereinafter collectively referred to as "**the Contract**"), TCSC was one of the many contractors engaged by the MPM for a construction project ("**the Project**") for an original contract sum of RM101,000,000.

A dispute arose between the parties, and the plaintiffs (TCSC and Dato' Tee) initiated the High Court suit against the defendants to recover the outstanding sum owed and/or damages caused to the plaintiffs in relation to the Project. The amount in dispute is RM10,009,395.

On 13 October 2022, TCSC had filed an application for leave to enter judgement in default against MPM as MPM has failed to file a defence.

On 7 October 2025, MPM filed an Application for Leave ("**Leave Application**") to file its Defence and Counterclaim.

On 17 December 2025, the Court has allowed MPM's Leave Application to file its Defence and Counterclaim and consequently, rejected TCSC's application to enter a judgement in default against MPM. However, MPM was ordered to pay cost of RM5,000 to TCSC.

On 31 December 2025, MPM filed its Counterclaim alongside its Defence, seeking counterclaims from TCSC as purported Liquidated and Ascertained Damages ("**LAD**"), arising from MPM's refusal to issue a CPC as well as MPM's issuance of a Certificate of Non-Completion ("**CNC**") under the Contract. The amount and detail of counterclaims by MPM are as follow:-

In the sum of up to and exceeding:-

a. RM213,000,000 (LAD from 1 December 2019 until 3 October 2025); or

b. RM19,200,000 (LAD from 1 December 2019 until 9 June 2020); or

c. RM5,400,000 (LAD from 1 December 2019 until 21 January 2020).

On 17 September 2025, KTCCMSB, Tang Yeam Soon and Y.S. Tang Holdings Sdn. Bhd. filed an application to determine questions or issues of law as preliminary issues pursuant to Order 14A and/or Order 33 Rule 2 or Rule 5 of the Rules of Court 2012. During the case management on 7 January 2026, the respective solicitors informed the Court that they did not have their clients' instructions to withdraw the application. The Court indicated that it will make the necessary directions at the appropriate juncture. The application has been fixed for case management on 3 July 2026.

TCSC issued subpoenas to Chan Sang Teck, Tan Swee Guan, Loo Hui Kien and Yap Sing to produce documentary evidence for the ongoing trial. Subsequently, on 21 November 2025, Tan Swee Guan, Loo Hui Kien and Yap Sing each filed separate applications to set aside their respective subpoenas, followed by Chan Sang Teck's application on 24 November 2025. The High Court allowed the above applications to set aside the subpoenas addressed to them on 4 February 2026.

On 26 January 2026, MPM issued a draft of the Statement of Agreed Facts between TCSC and MPM for TCSC's review, while TCSC took the view that there was an already-binding Statement of Agreed Facts which had been filed in 2023 ("**Enclosure 183**"), and that there was not necessity to file any further such statement.

On 12 February 2026, MPM filed an application to set aside Enclosure 183, while the application was refused by the High Court on 9 April 2026, and the Court further awarded cost of RM5,000 to TCSC.

The continued trial dates have been fixed to 3 July 2026, 21 September 2026 to 24 September 2026, and 28 September 2026 to 30 September 2026.

ii. Civil Suit No. B-02(C)(A)-130-01/2024 (Appeal 130) [Arising from Civil Suit No. BA-24C-65-10/2022 between TCSC (as plaintiff) and KTCCMSB (as defendant) ("TCSC Section 30 OS")]

This appeal originated from an Adjudication Proceedings pursuant to the Construction Industry Payment and Adjudication Act 2012 ("**CIPAA 2012**") initiated by TCSC against the Main Contractor, MPM. On 29 March 2021, TCSC has commenced statutory adjudication pursuant to the against MPM, for amongst others, the outstanding sum for work done of RM7,422,770.

On 15 September 2022, the Adjudicator had released the Adjudication Decision relating to Adjudication Proceeding bearing registration no. AIAC/D/ADJ-37782021 dated 13 September 2022 pursuant to CIPAA 2012 in favour of TCSC ("**Adjudication Decision**").

Pursuant to the Adjudication Decision, MPM had been ordered to pay to TCSC the sum of RM6,141,558 ("**Adjudicated Sum**"), interests at the rate of 5% per annum on the Adjudicated Sum from 4 July 2020 until the date of full payment, and all costs incurred in relation to the adjudication proceedings in the sum of RM106,289.

MPM had been ordered to pay to TCSC the above sum within 14 days from the date of the Adjudication Decision.

On 21 September 2022, TCSC had served a Notice for Direct Payment to KTCCMSB to pay the Adjudicated Sum with interest and related adjudication cost on behalf of MPM. The Notice for Direct Payment was issued based on a Letter of Undertaking dated 19 September 2018 issued by KTCCMSB to TCSC where KTCCMSB undertakes to settle all outstanding payment on behalf of MPM in the event that MPM defaults in settling the outstanding amount due to TCSC within 14 days from the date of receiving the payment request from TCSC. Alternatively, the Notice for Direct Payment was also made in accordance with Section 30 of CIPAA 2012.

Pursuant to the High Court Order dated 12 January 2024, KTCCMSB shall directly pay TCSC according to the Adjudication Decision dated 13 September 2022 by the Adjudicator, namely:-

a. Adjudicated amount of RM6,141,558;

b. Costs of the adjudication proceedings and TCSC's costs totalling RM106,289;

c. Interests at the rate of 5% per annum on the adjudicated amount of RM6,141,558 from the date due for payment of the TCSC's Progress Claim No.17 (revision), i.e. on 4 July 2020 until the date of full payment;

d. Costs of this application and/ or incidental to this application to be borne by KYCCMSB; and

e. Such further and/ or other relief as the Honourable Court deems fit.

KTCCMSB was also ordered to pay RM10,000 in costs to TCSC, subject to allocator fees.

On 22 January 2024, KTCCMSB has filed a Notice of Appeal against the High Court Order dated 12 January 2024.

On 23 January 2024, KTCCMSB has filed a Notice of Application for stay of execution of the High Court Order dated 12 January 2024 pending disposal of KTCCMSB's appeal in the Court of Appeal ("**Stay of Execution Application**").

On 26 January 2024, the High Court has allowed KTCCMSB's application for an interim stay of execution of the High Court Order dated 12 January 2024, pending disposal of KTCCMSB's Stay of Execution Application.

On 22 August 2024, the Court of Appeal has allowed KTCCMSB's application for execution of the High Court order dated 12 January 2024 to be stayed pending disposal of KTCCMSB's stay at the Court of Appeal.

The Court of Appeal has originally fixed for delivery of its decision on 9 February 2026 but the decision had been vacated by the Court of Appeal, and a new date of 13 May 2026 has been fixed.

On 13 May 2026, the Court of Appeal delivered their decision in respect of the appeals brought by KTCCMSB. The Court of Appeal allowed the appeals, overruling the High Court Judgment dated 12 January 2024.

TCSC is now reviewing the full Grounds of Judgment before submitting their appeal to the Federal Court.

iii. Civil Suit No. B-02(C)(A)-131-01/2024 (Appeal 131) [Arising from Civil Suit No. BA-24C-7-01/2023 between KTCCMSB (as plaintiff) and TCSC (as defendant) ("KTCCMSB Section 30 OS")]

This appeal originated from an Adjudication Proceedings pursuant to the CIPAA 2012 initiated by TCSC against the Main Contractor, MPM. On 29 March 2021, TCSC has commenced statutory adjudication pursuant to the against MPM, for amongst others, the outstanding sum for work done of RM7,422,770.

On 15 September 2022, the Adjudicator has released the Adjudication Decision.

Pursuant to the Adjudication Decision, MPM has been ordered to pay to TCSC the sum of Adjudicated Sum, interests at the rate of 5% per annum on the Adjudicated Sum from 4 July 2020 until the date of full payment, and all costs incurred in relation to the adjudication proceedings in the sum of RM106,289.

MPM had been ordered to pay to TCSC the above sum within 14 days from the date of the Adjudication Decision.

On 21 September 2022, TCSC has served a Notice for Direct Payment to KTCCMSB to pay the Adjudicated Sum with interest and related adjudication cost on behalf of MPM. The Notice for Direct Payment was issued based on a Letter of Undertaking dated 19 September 2018 issued by KTCCMSB to TCSC where KTCCMSB undertakes to settle all outstanding payment on behalf of MPM in the event that MPM defaults in settling the outstanding amount due to TCSC within 14 days from the date of receiving the payment request from TCSC. The Notice for Direct Payment was also made in accordance with Section 30 of CIPAA 2012.

On 21 October 2022, KTCCMSB had filed an Originating Summons against TCSC applying for the following orders:-

a. A declaration that KTCCMSB had no obligations to make payment to TCSC on behalf of MPM pursuant to Section 30 CIPAA 2012 and/ or the Letter of Undertaking dated 19 September 2018;

b. A declaration that the TCSC's notice to KTCCMSB dated 21 September 2022 issued pursuant to Section 30 of the CIPAA 2012 is defective;

c. Costs to be borne by TCSC; and

d. Any further or other relief the Honourable Court deems fit and/ or necessary.

This KTCCMSB Section 30 OS was initially filed in the Kuala Terengganu High Court ("**KTHC**"). However, pursuant to the KTHC Order dated 11 January 2023, this KTCCMSB Section 30 OS was transferred to Shah Alam High Court and to be heard together with TCSC Section 30 OS.

Pursuant to the High Court Order dated 12 January 2024, the High Court has dismissed the KTCCMSB Section 30 OS with costs of RM10,000 to be paid by KTCCMSB to TCSC, subject to allocator fees.

On 22 January 2024, KTCCMSB has filed a Notice of Appeal against the High Court Order dated 12 January 2024.

On 12 November 2025, the hearing was held in the Court of Appeal, together with Civil Suit No. B-02(C)(A)-130-01/2024. The decision of the Court of Appeal for this matter is originally scheduled on 9 February 2026 but the decision had been vacated by the Court of Appeal, and a new date of 13 May 2026 has been fixed.

On 13 May 2026, the Court of Appeal delivered their decision in respect of the appeals brought by KTCCMSB. The Court of Appeal allowed the appeals, overruling the High Court Judgment dated 12 January 2024.

TCSC is now reviewing the full Grounds of Judgment before submitting their appeal to the Federal Court.

iv. Civil Suit No. BA-37G-75-05/2024 between TCSC (as plaintiff), KTCCMSB (as defendant) and RHB Bank Berhad (as Garnishees) ("TCSC First Garnishes Application"), and Civil Suit No. BA-37G-80-06/2024 between TCSC (as plaintiff), and KTCCMSB (as defendant) and RHB Bank Berhad and Malayan Banking Berhad (as Garnishees) ("TCSC Second Garnishee Application")

Pursuant to the High Court Order dated 12 January 2024, KTCCMSB shall directly pay TCSC according to the Adjudication Decision dated 13 September 2023 by the Adjudicator, namely:-

a. Adjudicated amount of RM6,141,558;

b. Costs of the adjudication proceedings and TCSC's costs totalling RM106,289;

c. Interests at the rate of 5% per annum on the adjudicated amount of RM6,141,558 from the date due for payment of the TCSC's Progress Claim No.17 (revision), i.e. on 4 July 2020 until the date of full payment; and

d. KTCCMSB was also ordered to pay RM10,000 in costs to TCSC, subject to allocator fees.

On 27 May 2024, TCSC has filed the First Garnishee Application against KTCCMSB and the Garnishees.

On 11 June 2024, TCSC obtained an order to Show Cause against the Garnishees. On 13 June 2024, TCSC has filed the Second Garnishees Application against KTCCMSB and the Garnishees.

Pursuant to the Court of Appeal's Order dated 22 August 2024 which stayed the execution of the High Court Order dated 12 January 2024 pending disposal of the KTCCMSB'S appeal at the Court of Appeal, the Court has fixed the next case management on 12 February 2026 and 16 February 2026, for the parties to update the Court on the outcome of the Civil Suit No. B-02(C)(A)-130-01/2024 and Civil Suit No. B-02(C)(A)-131-01/2024, and for further directions to be given by the Court.

However, as the decision for Civil Suit No. B-02(C)(A)-130-01/2024 and Civil Suit No. B-02(C)(A)-131-01/2024 had been postponed to 13 May 2026, a new case management date on 18 May 2026 had been fixed for both parties to update the Court on the outcome.

At the case management session on 18 May 2026, the Court was updated on the outcome of the s.30 Appeal, whereby the Court of Appeal had allowed the appeal against the High Court's Judgment.

As the High Court Judgement, which is the basis of the abovementioned Garnishee Proceedings, has been overturned by the Court of Appeal, the Court recorded that these Garnishee Proceedings had been withdrawn with leave to file afresh.

This right to file afresh may be exercised in the event if TCSC is successful in a further appeal to the Federal Court against the decision of the Court of Appeal, in which TCSC will submit their appeal to the Federal Court.

5. MATERIAL COMMITMENTS

Save as disclosed below and as at the LPD, there are no material commitments incurred or known to be incurred by TCS Group which, upon becoming enforceable, may have a material impact on the financial results/ position of TCS Group:-

	RM'000
Authorised and contracted for:	
Investment property	1,146
	1,146

6. CONTINGENT LIABILITIES

As at the LPD, there are no contingent liabilities incurred or known to be incurred by the Group which, upon becoming enforceable, may have a material impact on the financial results/ position of the Group.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of TCS at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1 Medan Syed Putra Utara, 59200 Kuala Lumpur, W.P. Kuala Lumpur, during the normal business hours from Monday to Friday (except public holidays) from the date hereof up to the time stipulated for the holding of the EGM:-

i. The constitutions of TCS;

ii. Audited consolidated financial statements of TCS Group for the past 2 financial years up to the FYE 31 December 2025 and the latest unaudited 3-month FPE 31 March 2026;

iii. The letter of consent and declaration of conflict of interests referred to in **Sections 2 and 3 of Appendix II** herein above, respectively; and

iv. The relevant cause papers in respect of the material litigation referred to in **Section 4 of Appendix II** herein above.

TCS GROUP HOLDINGS BERHAD
Registration No.: 201901004613 (1313940-W)
(Incorporated in Malaysia)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an Extraordinary General Meeting ("**EGM**") of TCS Group Holdings Berhad ("**TCS**" or the "**Company**") will be held at Level 4, No. 1 & 3, Bangunan TCS, Jalan SP 1/1, Bandar Saujana Putra, 42610 Jenjarom, Selangor Darul Ehsan, Malaysia, on Wednesday, 5 August 2026 at 10.00 a.m. or at any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolutions, with or without modifications:-

ORDINARY RESOLUTION 1

PROPOSED PRIVATE PLACEMENT OF UP TO 152,724,425 NEW ORDINARY SHARES IN TCS, REPRESENTING APPROXIMATELY 20% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED PRIVATE PLACEMENT")

"**THAT** subject to the passing of Ordinary Resolution 1 and the approvals of all relevant authorities and/ or parties (where required) being obtained, approval be and is hereby given to the Board of Directors of TCS ("**Board**") to issue and allot up to 152,724,425 new ordinary shares in the Company ("**TCS Share(s)**" or "**Share(s)**"), representing approximately 20% of the existing total number of issued shares of TCS ("**Placement Share(s)**") to third-party investor(s) to be identified at a later date, at an issue price to be determined and announced later by the Board ("**Price-Fixing Date**"), upon such terms and conditions as disclosed in the circular to the shareholders of the Company dated 15 July 2026 ("**Circular**").

THAT pursuant to Section 85 of the Companies Act, 2016 ("**Act**") read together with Clause 61 of the Constitution of the Company, approval be hereby given to waive the statutory pre-emptive rights of the existing shareholders of the Company to be offered new Shares ranking equally to the existing issued TCS Shares arising from any allotment and issuance of new Shares pursuant to the Proposed Private Placement.

THAT the issue price of the Placement Shares will be determined based on a discount of not more than 20% to the 5-day volume-weighted average market price of the Shares up to and including the last trading day immediately preceding the Price-Fixing Date.

THAT the Directors be and are hereby authorised to utilise the proceeds to be derived from the Proposed Private Placement for such purposes as set out in the Circular and the Board be and is hereby authorised with full power to vary the manner and/ or purpose of the utilisation of such proceeds from the Proposed Private Placement in the manner as the Board may deem fit, necessary and/ or expedient, subject to the approval of the relevant authorities (where required) and in the best interest of the Company.

THAT such Placement Shares will, upon allotment and issuance, rank equally in all respects with the existing TCS Shares, save and except that the Placement Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the Placement Shares.

THAT the Directors be and are hereby empowered and authorised to do all acts, deeds and things and to execute, sign, deliver and cause to be delivered on behalf of the Company all such documents and/ or arrangements as may be necessary to give effect and complete the Proposed Private Placement and to assent to any conditions, modifications, variations and/ or amendments in any manner as may be required by the relevant authorities or as the Directors may deem necessary in the best interest of the Company and to take such steps as they may deem appropriate, necessary and/ or expedient in order to implement, finalise, give full effect and to complete the Proposed Private Placement.

AND THAT this resolution constitutes a specific approval for the issuance of securities in the Company contemplated herein and shall continue to be in full force and effect until all Placement Shares to be issued pursuant to or in connection with the Proposed Private Placement have been duly allotted and issued in accordance with the terms of the Proposed Private Placement."

ORDINARY RESOLUTION 2

PROPOSED DIVERSIFICATION OF THE EXISTING PRINCIPAL ACTIVITIES OF TCS AND ITS SUBSIDIARIES TO INCLUDE PROPERTY DEVELOPMENT ACTIVITIES ("PROPOSED DIVERSIFICATION")

"**THAT** subject to the approvals of all relevant authorities and/ or parties being obtained, approval be and is hereby given to the Company and its subsidiaries to diversify the existing principal activities to include the Property Business as described in the Circular.

AND THAT the Board of Directors of TCS be and is hereby authorised to sign and execute all necessary documents, do all acts, deeds and things as may be required to give effect to the Proposed Diversification 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 Proposed Diversification."

BY ORDER OF THE BOARD

TAN TONG LANG (MAICSA NO. 7045482) (SSM PC NO.: 202208000250)
ANG WEE MIN (MAICSA NO. 7076022) (SSM PC NO.: 202208000334)
Company Secretaries

Kuala Lumpur
15 July 2026

Notes:-

1. *A member of the Company entitled to participate and vote at the EGM is entitled to appoint one or more proxies to participate and vote in his/ her stead. A proxy may but need not be a member of the Company.*

2. *Where a member appoints more than one proxy, the appointment shall be invalid unless he/ she specifies the proportions of his/ her shareholdings to be represented by each proxy.*

3. *Where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.*

4. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/ her attorney duly authorised in writing, or if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised.*

5. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, may be deposited at the Company's Share Registrar, Aldpro Corporate Services Sdn Bhd, at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time stipulated for holding the EGM or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.*

6. *For the purpose of determining a member who shall be entitled to participate in the EGM, only members whose name appears on the Record of Depositors as at 24 July 2026 shall be entitled to participate in the said EGM or appoint proxies to participate and/ or vote on his/ her behalf.*

7. *Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of a poll.*

Personal data privacy:-

By submitting an instrument appointing a proxy(ies) and/ or representative(s) to attend, participate, speak and vote at this EGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for this EGM and the preparation and compilation of the attendance lists, minutes and other documents relating to this EGM, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Total Construction Solutions

TCS GROUP HOLDINGS BERHAD

Registration No.: 201901004613 (1313940-W)
(Incorporated in Malaysia)

PROXY FORM
(Before completing this form please refer to the notes below)

Number of Ordinary Shares Held	CDS Account No.

I/ We ……..
(FULL NAME)

*NRIC/ Passport No./ Company Registration No.: ………………………………...…..…………Contact No. …………………………

Email Address……………………………..………of…………………………………………………………………………………..
(FULL ADDRESS)

being a member of TCS Group Holdings Berhad (Registration No.: 201901004613 (1313940-W)), hereby appoint:-

*** 1st Proxy**

Full Name (in Block):-	***NRIC/ Passport No:-**	**Proportion of Shareholdings Represented**	
		No. of Shares	**Percentage (%)**
Email Address:-	**Contact No.:-**		

*and/ or

*** 2nd Proxy**

Full Name (in Block):-	***NRIC/ Passport No:-**	**Proportion of Shareholdings Represented**	
		No. of Shares	**Percentage (%)**
Email Address:-	**Contact No.:-**		
			100%

or failing *him/ her, the Chairman of the Meeting, as *my/ our proxy, to attend and vote for *me/ us on *my/ our behalf at the Extraordinary General Meeting ("**EGM**") of the Company to be held at Level 4, No. 1 & 3, Bangunan TCS, Jalan SP 1/1, Bandar Saujana Putra, 42610 Jenjarom, Selangor Darul Ehsan, Malaysia, on Wednesday, 5 August 2026 at 10.00 a.m. or at any adjournment thereof, in the manner indicated below:-

**strike out whichever not applicable*

(Please indicate your voting instruction by placing an "X" in the appropriate box below. If no specific direction is given, the proxy may vote or abstain from voting on the resolution at his/ her discretion.)

My/ our proxy/ proxies shall vote as follows:-

	ORDINARY RESOLUTIONS	**FOR**	**AGAINST**
1.	PROPOSED PRIVATE PLACEMENT		
2.	PROPOSED DIVERSIFICATION		

Signed (and sealed) this _______________ day of ___________________, 2026

…………………………………………………………………
Signature of Member

…………………………………………………………………
Common Seal to be affixed here if
Shareholder is a Corporate Member

Notes:-

1. *A member of the Company entitled to participate and vote at the EGM is entitled to appoint one or more proxies to participate and vote in his/ her stead. A proxy may but need not be a member of the Company.*

2. *Where a member appoints more than one proxy, the appointment shall be invalid unless he/ she specifies the proportions of his/ her shareholdings to be represented by each proxy.*

3. *Where a member of the Company is an exempt authorised nominee as defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.*

4. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/ her attorney duly authorised in writing, or if the appointor is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised.*

5. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, may be deposited at the Company's Share Registrar, Aldpro Corporate Services Sdn Bhd, at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time stipulated for holding the EGM or at any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending, participating, speaking and voting in person at the EGM should you subsequently wish to do so.*

6. *For the purpose of determining a member who shall be entitled to participate in the EGM, only members whose name appears on the Record of Depositors as at 24 July 2026 shall be entitled to participate in the said EGM or appoint proxies to participate and/ or vote on his/ her behalf.*

7. *Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of a poll.*

***Personal Data Privacy**:-*

By submitting an instrument appointing a proxy(ies) and/ or representative(s) to attend, participate, speak and vote at this EGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for this EGM and the preparation and compilation of the attendance lists, minutes and other documents relating to this EGM, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar of
TCS GROUP HOLDINGS BERHAD
(Registration No.: 201901004613 (1313940-W)

c/o ALDPRO CORPORATE SERVICES SDN BHD
(Registration No. 202101043817 (1444117-M))
B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur
Wilayah Persekutuan, Malaysia

1st fold here