WAH SEONG CORPORATION BERHAD
Registration No. 199901020946 (495846-A)
(Incorporated in Malaysia)

KEY MATTERS DISCUSSED AT THE TWENTY-FIRST ANNUAL GENERAL MEETING ("AGM") OF THE COMPANY CONDUCTED THROUGH LIVE STREAMING AND ONLINE REMOTE PARTICIPATION USING REMOTE PARTICIPATION AND VOTING ("RPV") FACILITIES AS A FULLY VIRTUAL GENERAL MEETING AT THE BROADCASTING VENUE HELD AT BOARDROOM, SUITE 19.01, LEVEL 19, THE GARDENS NORTH TOWER, MID VALLEY CITY, LINGKARAN SYED PUTRA, 59200 KUALA LUMPUR, WILAYAH PERSEKUTUAN, MALAYSIA ON FRIDAY, 21 MAY 2021 AT 11.00 A.M.

1. With rising orderbook, can the company share the tender book amount and prospects for orders replenishment? And specifically on Qatar, understand that the company is actively involved there, can the company share what's the latest progress?

   Mr. Giancarlo Maccagno ("**Mr. Maccagno**") informed that the Group's order books had improved since the last couple of quarters as the Group had secured several projects across the globe especially in the oil and gas division. The Group's current order book stood at approximately RM1.2 billion.

   In relation to the question on Qatar, Mr. Maccagno informed that the Group had invested resources in Qatar a couple of years ago in order to take advantage of the potential opportunity which might be available when the government of Qatar announced the investment in the major gas projects. He further updated that a letter of intent was received for a project in Qatar and he was optimistic that the Group would secure the said project. It was a project in applying concrete coating to the first pipeline which would commence in the last quarter of the year and targeted to be completed in the first quarter of 2022. Mr. Maccagno added that there were ample of opportunities in Qatar for the next 2 to 3 years as the Group had set up a plant there to provide for logistic support.

2. Despite improving oil prices, our losses in the O&G segment was huge; please give us details about the prospects of this segment and how & when profitability could return?

   And what is the reason for the RM75.051m disposal of plant and equipment and its impact?

   Where/what are your new growth areas going forward?

   Mr. Giancarlo informed that there were losses in the third quarter of 2020 and was duly announced to Bursa Securities. The losses were mostly due to the impairment for property, plant and equipment in the oil and gas segment. In spite of the drop in revenue and profitability in the oil and gas division, the Group had always recorded positive Earning Before Interest, Taxes, Depreciation and Amortization ("**EBITDA**") and generated positive cash flow attributable to the good EBITDA margin from the Nord Stream project. Nevertheless, the financial position of the oil and gas segment of the Company had turned into positive in the fourth quarter of 2020 and the first quarter of 2021 and the trend was expected to continue due to the strong improvement in the order book and tender book. He added further that the Company had good track records of securing projects and delivering profits.

Mr. Maccagno explained that it might take a while for things to turn bright in the future as the oil and gas industry had been badly hit thrice for a span of 13 years namely in 2008, 2014/5 and 2020. The crisis had caused major disruption to the oil and gas industry whereby capital expenditures were substantially reduced or frozen by the oil and gas companies and thus impacting the Group's businesses. Nonetheless, the Group had weathered the storm by right sizing the organization to seize the opportunity emerged and had always maintained a positive EBITDA margin.

Mr. Maccagno further elaborated that the impairment of the assets which were used for the Nord Stream project had greatly impacted the financial results of the Group in the third quarter of 2020. The plant and equipment were acquired by Wasco Coatings Europe B.V., an indirect wholly-owned subsidiary of the Company, and fully paid by the customer and hence, no impact on the Group's cash flow. As the coating plant was built specifically for the pipe coating project of large scale whereby the demand for such products in the region had dropped, therefore an impairment of the plant and equipment was inevitable. The demobilized plant and equipment were now stored in the warehouse. Nevertheless, such assets could be used for other projects in the future and in fact some were deployed to the Qatar plant.