

**CORAZA INTEGRATED TECHNOLOGY BERHAD**

Registration No.: 202001039065 (1395386-M)]

(Incorporated in Malaysia)

**Minutes of Annual General Meeting****Appendix 1 – Question and Answers for the Third Annual General Meeting held on 16 May 2024**

<b>NO.</b>	<b>QUESTION</b>	<b>ANSWER</b>
1.	<b>Shareholder 1:</b>  Given the Group incurred a loss last year, what are the additional benefits of RM50,000 to be paid to the Directors?	<b>Chairman, Mr. Lim Yook Yuen:</b>  During the second AGM, the Company (or Coraza) sought a mandate of RM345,000, solely covering Directors' Fees and the Directors & Officers Liability Policy, without any meeting allowance. The proposed additional Directors' benefit of RM50,000 is for allowances for the Directors to attend general meetings, sub-committee meetings, and Board of Directors' meetings held during the period from 1 June 2023 to 31 May 2024.
2.	<b>Shareholder 2:</b>  Please provide guidance on the overall situation in the semiconductor equipment market. What is the outlook and order trend, especially related to Artificial Intelligence ("AI")?	<b>Chairman, Mr. Lim Yook Yuen:</b>  Semiconductor companies including those in AI-driven and memory sectors, are expanding their capacity. While the front-end segment is experiencing a recovery, the back-end segment remains slow for now.  <b>Non-Independent Non-Executive Director, Mr. Paul Heng Paul Heng Weng Seng:</b>  The semiconductor industry is in the recovery stage, though somewhat impacted by geopolitical factors. However, it is believed that by 2025 and 2026, the semiconductor sector will experience a very strong recovery. Beyond semiconductors, other industries, such as electronics, are not experiencing a slowdown. In fact, the data center market is growing rapidly, driven by AI.  The Company is capitalizing on opportunities arising from the China-US trade war while simultaneously developing/growing other sectors such as

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		<p>aerospace and instrumentation, beyond semiconductors. Although the aerospace industry offers stable sales projections, its development is lengthy, tedious, and complex. Despite some soft performance, with ongoing capacity expansion and engineering advancements, Coraza is well-prepared to seize opportunities in the semiconductor upswing and effectively serve emerging sectors like aerospace.</p> <p><b>Managing Director, Mr. Lim Teik Hoe:</b></p> <p>Guidance from the customer front-end indicates that by 2030, the semiconductor industry will be a trillion-dollar business. At Coraza, we are seeing signs of recovery as some customers are depleting their stocks and start placing orders.</p>
3.	<p><b>Shareholder 2:</b></p> <p>Please advise the status of the newly acquired factory, also known as ex-Huhtamaki. What is the progress of the renovation, and when can the said factory expected to commence operations?</p>	<p><b>Managing Director, Mr. Lim Teik Hoe:</b></p> <p>The renovation is completed. The factory is dedicated to two business segments: frame and structure, and surface finishing. The surface finishing equipment is ready at the supplier's location and will be brought in for installation, followed by commissioning. Simultaneously, Coraza is working to ensure that all necessary environmental compliance measures are met, as we take compliance very seriously. Additionally, Coraza has new product introductions (“NPI”) in frame and structure, and actively involved in the NPI processes. Coraza is making good progress in NPI.</p>
4.	<p><b>Shareholder 2:</b></p> <p>Does it mean the factory has already started to generate revenue? Can it</p>	<p><b>Chairman, Mr. Lim Yook Yuen:</b></p>

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	expect to achieve full compliance around Quarter 3?	No. The expected timeframe for full compliance is around Quarter 4 rather than Quarter 3
5.	<b>Shareholder 2:</b>  What is the mix in terms of the Company's order books? On a scale of 100, what percentage is in the front end and what percentage is in the back end?	<b>Managing Director, Mr. Lim Teik Hoe:</b>  The Company didn't segregate in terms of front end and back end, but in terms of product mix, semiconductors comprise between 60% and 70%.  <b>Chairman, Mr. Lim Yook Yuen:</b>  At a broad picture level, there is likely a higher proportion in the back end than in the front end. Coraza anticipates new logo at the front end.
6.	<b>Shareholder 2:</b>  Does the front-end business give the Company a higher profit margin?	<b>Chairman, Mr. Lim Yook Yuen:</b>  The Company's profit margin is about the same; the front end is where the growing market is, with the CHIP (Creating Helpful Incentives to Produce Semiconductors) and Science) Act in place.
7.	<b>Shareholder 2:</b>  Could you provide some insight into whether the Company is doing business with one of the largest front-end wafer fab manufacturers located in Batu Kawan?	<b>Chairman, Mr. Lim Yook Yuen:</b>  Our Company has signed non-disclosure agreements with both direct and indirect customers, prohibiting it from disclosing any details.
8.	<b>Shareholder 2:</b>  How soon could the Company receive orders from its aerospace segment?	<b>Chairman, Mr. Lim Yook Yuen:</b>  Qualification takes a long time. It starts with building the first article and involves many rounds of review and certification before getting qualified. We are unable to share the specific timeline, but we

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		<p>currently have a lot of NPI activities in the factory.</p> <p><b>Non-Independent Non-Executive Director, Mr. Paul Heng Paul Heng Weng Seng:</b></p> <p>Reaching the NPI stage doesn't mean the Group only engaged with customers last month. In fact, we have been working 2 to 3 years to achieve NPI. Achieving NPI is a significant accomplishment, and we are expediting in every way possible.</p> <p><b>Chairman, Mr. Lim Yook Yuen:</b></p> <p>The number one priority in aerospace is still quality.</p>
9.	<p><b>Shareholder 3</b></p> <p>I would like to know more about aerospace. What potential contributions can aerospace make to the top and bottom lines?</p>	<p><b>Managing Director, Mr. Lim Teik Hoe:</b></p> <p>Currently, aerospace contributes less than 5%, which is insignificant. COVID-19 has also set us back a few years, despite our efforts in the aerospace sector for quite some time. In terms of significance, the Group have engaged in a few NPI projects with three customers. The NPI process requires a gestation period as it involves certain processes and depends on how quickly we can navigate these processes.</p>
10.	<p><b>Shareholder 4:</b></p> <p>Pertaining to Coraza's new capacity in weldment, roughly speaking, out of 500 non-executive staff, what percentage are welders? Are they equipped with the necessary</p>	<p><b>Managing Director, Mr. Lim Teik Hoe:</b></p> <p>Coraza is not in the orbital welding segment. Coraza is involved in welding, but not in the orbital segment. Coraza focus is primarily on frame and structure. Our</p>

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	certificates to perform specific jobs like orbital welding for front-end semiconductor equipment?	Company has a few certified welders who meet internal standards.
11.	<b>Shareholder 4:</b>  How many welders do Coraza have?	<b>Managing Director, Mr. Lim Teik Hoe:</b>  At the moment, Coraza has 60 welders.
12.	<b>Shareholder 4:</b>  To achieve Coraza aspirations moving forward, do the Company need to equip welders with the necessary skills?	<b>Managing Director, Mr. Lim Teik Hoe:</b>  For frame and structure, it's not just about weldment but also about meeting other tolerances required to build the structure. Coraza is preparing itself and possesses the necessary skills. In fact, Coraza has submitted several NPIs, some of which have been approved.