THIS STATEMENT/CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has not perused the Share Buy-Back Statement in Part A, the Circular on Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature in Part B, prior to its issuance as it is an exempt document pursuant to Practice Note 18 of Bursa Securities' Listing Requirements. Bursa Securities takes no responsibility for the contents of this Statement/Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement/Circular. You should rely on your own evaluation to assess the merits and risks of this Statement/Circular.

KOBAY
TECHNOLOGY BHD
Registration No.: 199401022600 (308279-A)
(Incorporated in Malaysia)

PART A
SHARE BUY-BACK STATEMENT IN RELATION TO PROPOSED RENEWAL OF EXISTING SHARE BUY-BACK AUTHORITY

AND

PART B
CIRCULAR TO SHAREHOLDERS IN RELATION TO PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Important Dates And Time :

The resolutions in respect of the above proposals will be tabled as Special Businesses at the Thirty-Second (32nd) Annual General Meeting ("AGM") of the Company to be held at 4th Floor, Wisma Kobay, No. 42-B, Jalan Rangoon, 10400 George Town, Penang on Friday, 4 December 2026 at 2.30 p.m. or any adjournment thereof.

If you decide to appoint a proxy or proxies for the AGM, you must complete and lodge the Form of Proxy at the Registered Office of the Company at 3rd Floor, Wisma Kobay, No. 42-B, Jalan Rangoon, 10400 George Town, Penang or email to cosec@kobaytech.com not later than forty-eight (48) hours before the time of the meeting. The lodging of the Form of Proxy will not preclude you from attending and voting in person at the meeting if you subsequently wish to do so.

Date of Record of Depositors : Friday, 20 November 2026 at 5.00 p.m.
(for the purpose of determining members entitlement to attend, vote and speak at the AGM)
Last day and time for lodging the Form of Proxy : Wednesday, 2 December 2026 at 2.30 p.m.
Date and time for the AGM : Friday, 4 December 2026 at 2.30 p.m.

This Statement/Circular is dated 30 October 2026

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Statement/ Circular (definitions denoting the singular number shall also include the plural number and vice versa, where applicable):-

Act	:	The Companies Act 2016, as amended from time to time including any re-enactment thereof
AGM	:	Annual General Meeting
ARMC	:	Audit and Risk Management Committee
Board	:	Board of Directors of the Company
Bursa Securities	:	Bursa Malaysia Securities Berhad [200301033577 (635998-W)]
Code	:	The Malaysian Code on Take-overs and Mergers 2016 (including the Rules on Take-overs, Mergers and Compulsory Acquisitions), as amended from time to time and any re-enactment thereof
CMSA	:	The Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
Circular	:	This Statement/Circular to the shareholders of Kobay dated 30 October 2026 in relation to the Proposals
Director/(s)	:	The director/(s) of Kobay and shall have the meaning given in Section 2(1) of the Act and Section 2(1) of the CMSA
EPS	:	Earnings Per Share
FYE	:	Financial year ended/ending, as the case may be
KHSB	:	Kobay Holdings Sdn. Bhd. [199301026180 (280918-D)]
Kobay or **the Company**	:	Kobay Technology Bhd. [199401022600 (308279-A)]
Kobay Group or **the Group**	:	Kobay and its subsidiaries
Listing Requirements	:	The Main Market Listing Requirements of the Bursa Securities and Practice Notes issued thereunder including any amendments thereto that maybe made from time to time
LPD	:	30 September 2026, being the latest practicable date before the printing of this Statement/Circular
Market Day	:	A day on which Bursa Securities is open for trading of securities

DEFINITIONS *(Cont'd)*		
Major Shareholder	:	Includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, has an interest or interests in one or more voting shares in Kobay (or any other corporation which is its subsidiary) and the nominal amount of those shares, or the aggregate of the nominal amounts of those shares, is :- (a) 10% or more of the total number of all the voting shares in the Company; or (b) 5% or more of the total number of all the voting shares in the corporation where such person is the largest shareholder of the Company. For the purpose of the definition, "interest in shares" has the meaning given under section 8 of the Companies Act, 2016
Proposed Share Buy-back	:	The proposed purchase by Kobay of its own shares on the Bursa Securities of up to 10% of the Company's total issued shares at any given point in time during the authorized period
Proposed Renewal of Shareholders' Mandate or Proposed Shareholders' Mandate	:	Proposed Renewal of Shareholders' Mandate to be obtained by Kobay pursuant to Part E, Paragraph 10.09 subparagraph (2) of Chapter 10 of the Listing Requirements in relation to RRPTs that have been approved by shareholders in last AGM
Related Party/(ies)	:	A director or major shareholder of Kobay or person connected with such a director or major shareholder who are interested in the RRPT(s) as defined under Chapter 1.01 of the Listing Requirements
RM and **sen**	:	Ringgit Malaysia and sen respectively
RRPT/(s)	:	Recurrent related party transactions of a revenue or trading nature, which are necessary for the day-to-day operations and in the ordinary course of business of the Kobay Group, entered/to be entered into by Kobay and/or its subsidiary companies, which involves the interest, direct or indirect, of the related parties
SC	:	Securities Commission Malaysia
Substantial Shareholder	:	Having the meaning given under Section 136 of the Act
Share/(s)	:	Ordinary share/(s) in Kobay
Treasury Shares	:	Purchased Shares which are or will be retained in treasury by the Company and shall have the meaning given under Section 127 of the Act
VWAP	:	Volume weighted average market price

All references to "you" and "your" in this Statement/Circular are to the shareholders of the Company.

Words referring to the singular shall, where applicable, include the plural and vice versa and words referring to the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include corporations.

Any reference in this Statement/Circular to any enactment is a reference to that amendment currently enforced and as may be amended from time to time and any re-enactment thereof.

Any discrepancies in the tables between the amounts listed in the tables are the totals in this Statement/Circular are due to rounding.

Any reference to a time of day in this Statement/Circular shall be a reference to Malaysian time, unless otherwise stated.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that Kobay plans and objectives will be achieved.

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KOBAY
TECHNOLOGY BHD
Registration No.: 199401022600 (308279-A)
(Incorporated in Malaysia)

PART A : STATEMENT IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

1. INTRODUCTION

At the Company's Thirty-First (31st) AGM held on 5 December 2025, the Board of Directors of Kobay had obtained its shareholders' approval to renew the authority for the Company to purchase and/or hold its own shares up to a maximum of ten per cent (10%) of the total number issued shares of Kobay through Bursa Securities pursuant to Section 127 of the Act and Para 12.09 of the Listing Requirements. This authority shall lapse at the conclusion of the forthcoming AGM which has been scheduled to be held on 4 December 2026.

On 23 October 2026, the Company has announced to Bursa Securities that it proposes to seek a renewal of the authorisation for the Proposed Share Buy-back from its shareholders at the forthcoming AGM.

The purpose of this Statement is to provide you with the information on the proposed renewal of the existing Share Buy-back Authority and to seek your approval for the ordinary resolution pertaining to the renewal of the Proposed Share Buy-back Authority to be tabled at the Thirty-Second (32nd) AGM of the Company to be convened at 4th floor, Wisma Kobay, No. 42-B, Jalan Rangoon, 10400 George Town, Penang on Friday, 4 December 2026 at 2.30 p.m.

The Notice of 32nd AGM and the Form of Proxy are set out in the 2026 Annual Report of Kobay, which is available on Kobay's website at www.kobaytech.com.

YOU ARE ADVISED TO READ THIS STATEMENT TOGETHER WITH THE APPENDICES BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF EXISTING SHARE BUY-BACK AUTHORITY.

2. DETAILS OF THE PROPOSED SHARE BUY-BACK

2.1 Proposed Share Buy-back

2.1.1. Kobay is proposing to renew the existing Share Buy-back Authority to purchase its own shares up to a maximum of ten per cent (10%) of the total number issued shares at the forthcoming AGM subject to compliance with the provisions of the Act and any prevailing laws, rules, regulations, guidelines and requirements issued by relevant authorities at any time of the purchase.

2.1.2. Pursuant to the Listing Requirements, if the Proposed Share Buy-back Authority, being renewed, it will be continued in force until :-

(i) the conclusion of the next AGM of the Company at which time the authority shall lapse unless by ordinary resolution passed at that general meeting, the authority is renewed either unconditionally or subject to conditions;
(ii) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Sections 340(1) & 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
(iii) revoked or varied by ordinary resolution passed by Kobay's shareholders in a general meeting,

whichever occurs first.

2.1.3. As at LPD, Kobay has 326,180,803 ordinary shares issued whereby 6,000,000 ordinary shares purchased in the past are held as treasury shares. The maximum number of shares can be purchased under the Proposed Share Buy-back Authority, if renewed, will be 26,618,080 ordinary shares or 10% of the Company's total number of issued shares minus the 6,000,000 treasury shares held with the assumption that the treasury shares will be held throughout the renewed period.

2.1.4. Treatment of Purchased Shares

In accordance with Section 127 of the Act, the Board may, at its discretion, deal with the purchased Kobay shares in the following manner :-

(i) cancel Kobay shares so purchased;
(ii) retain Kobay shares so purchased as treasury shares; or
(iii) retain part of Kobay shares so purchased as treasury shares and cancel the remainder.

Where the purchased Kobay shares are held as treasury shares, the Board may :-

(a) cancel all or part of the shares so purchased; and/or
(b) retain the shares so purchased as treasury shares for distribution as dividends to the shareholders and/or resell the treasury shares on stock market of Bursa Securities in accordance with the relevant rules of Bursa Securities; and/or
(c) retain part of the shares so purchased as treasury shares and cancel the remainder of the shares so purchased; and/or
(d) transfer the treasury shares, or any of the said shares as purchase consideration and/or in any other manner as prescribed by the Act, rules, regulations and order made pursuant to the Act and the Listing Requirement and any other relevant Authorities for the time being in force.

Pursuant to Section 127(5) of the Act, the purchased Kobay shares unless held in treasury, shall be deemed to be cancelled immediately on purchase. Further, Section 127(8) of the Act provides that the holder of treasury shares shall not confer :

(1) the right to attend and vote at meetings and any purported exercise of such rights is void; and
(2) the right to receive dividends or other distribution, whether cash or otherwise of Kobay's assets including any distribution of assets upon winding-up of Kobay.

Kobay shall make an immediate announcement to Bursa Securities of any purchase/resale or cancellation of treasury shares. In the event Kobay wishes to purchase its own shares, Kobay is required to lodge a declaration of solvency to Bursa Securities and release an immediate announcement on the day the purchase is made.

The actual treatment of the purchased shares would depend on, inter-alia, the prevailing equity market conditions and the financial position of Kobay and decision will be made by the Board at the appropriate time.

2.1.5. Pricing of Share Purchase

In accordance to Para 12.17 of the Listing Requirements, Kobay may only purchase its own shares listed on Bursa Securities at a price which is not more than 15% above the VWAP of the shares for the five (5) Market Days immediately before the date of the purchase(s).

Pursuant to Paragraph 12.18 of the Listing Requirements, Kobay may only resell the treasury shares held on Bursa Securities at a price which is :-

a. not less than the VWAP for Kobay shares for the five (5) Market Days immediately before the date of the resale; or
b. at a discounted price of not more than 5% discount to the VWAP for the treasury shares for the five (5) Market Days immediately before the resale provided that the resale takes

place not earlier than 30 days from the date of purchase and the resale price is not less than the cost of purchase of the shares being resold.

2.1.6. Funding

The funding for the purchase by the Company of its own shares is expected to be internally generated. The Board will determine the allocation of an appropriate amount of the Group's internally generated funds for the purchase and the amount shall not exceed the aggregate balance standing in the retained profits account of the Company.

The actual number of shares to be purchased and the timing of such purchase(s) would depend on, inter-alia, market conditions, retained profits account of the Company as well as the availability of financial resources/funds necessary to give effect to such purchase(s).

Depending on the quantum and the purchase price, the Proposed Share Buy-back may reduce the working capital and cash balance of Kobay.

The amount allocated for the Proposed Share Buy-back shall not exceed the retained profits account of the Company. The audited retained profits account of the Company as at 30 June 2026 was RM79,143,483. The retained profit account of the Company in the management account as at 30 September 2026 was RM87,509,732.

2.2 Purchase, Resale and/or Cancellation of Treasury Shares

During the last FYE 30 June 2026, the Company did not purchase any of its own shares. The Company, as at the LPD, holds a total of 6,000,000 Kobay shares as treasury shares as of the end of financial year 2026. There is no related resell or cancel during the financial year.

2.3 Rationale of the Proposed Share Buy-back And Potential Advantages of the Proposed Share Buy-Back

The Proposed Share Buy-back would enable Kobay to utilise its financial resources, which are not immediately required, for the purpose of purchasing its own shares, if deemed fit and expedient by the Board. The Proposed Share Buy-back may enhance the EPS of the Company, which, in turn may enhance the value of shareholder wealth. It will also allow the Company to take preventive measures against speculation particularly when its Shares are undervalued which would in turn, stabilise the market price of Kobay Shares and hence, enhance investors' confidence.

In addition, the purchased shares can be held as treasury shares and/or be resold on Bursa Securities to reap potential capital appreciation without affecting the issued share capital of the Company. Should any treasury shares be distributed as share dividends, this would serve to reward the shareholders of the Company.

2.4 Potential Disadvantages of the Proposed Share Buy-back

The potential disadvantages of the Proposed Share Buy-back to the Company and its shareholders are as follows:-

(i) the Proposed Share Buy-back will reduce the financial resources of the Group and may result in the Group forgoing better investment opportunities that may emerge in the future; and
(ii) as the Proposed Share Buy-back can only be made out of retained profits account of the Company, it may result in the amount available for distribution to shareholders as dividends in the immediate future.

The Board shall be mindful of the Company's and its shareholders' interests in undertaking the Proposed Share Buy-back and in the subsequent resale of treasury shares on Bursa Securities, if any.

3. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK

The effects of the Proposed Share Buy-back are illustrated below.

3.1 Share capital

The Kobay shares that may be purchased pursuant the Proposed Share Buy-back would have the following effect on the issued share capital of the Company if the shares purchased are cancelled entirely:-

	No. of Kobay Shares
Issued share capital as at LPD	326,180,803
Assuming treasury shares held as at LPG are cancelled	(6,000,000)
Assuming maximum number of shares to be purchased under the Proposed Share Buy-back are cancelled	(26,618,080)
Reduced issued share capital in the event that the purchased shares are cancelled	293,562,723

However, there will be no effect on the issued share capital of the Company if the shares so purchased are retained as treasury shares, resold, and/or distributed to shareholders as dividend.

3.2 Directors' and Substantial Shareholders' shareholdings

The effects of the Proposed Share Buy-back on the shareholdings of the Directors and Substantial Shareholders of Kobay would depend on the timing and the number of shares so purchased, if any. However, for illustration, the Proposed Share Buy-back would have the following effect on the percentage of the shareholdings of the Directors and Substantial Shareholders, assuming that a maximum number of 26,618,080 shares are purchased from the public:

3.2.1. Directors

Name of Director	**As at LPD ^**		**After Proposed Share Buy-back @**	
	Direct	**Indirect**	**Direct**	**Indirect**
Dato' Seri Koay Hean Eng	-	120,710,484* (37.70%)	-	120,710,484* (41.12%)
Koay Zee Ee	65,000 (0.02%)	120,645,484& (37.68%)	65,000 (0.02%)	120,645,484& (41.10%)
Koay Wooi Seong	-	12,698,894$ (3.97%)		12,698,894$ (4.33%)
Koay Cheng Lye	-	14,783,507 # (4.62%)	-	14,783,507# (5.04 %)
Sharifah Faridah Binti Dato' Syed Mahadzar Jamalullil	-	-	-	-
Lim Siew Wee	-	-	-	-
Koay Pei Feng	140,650 (0.04%)	-	140,650 (0.05%)	-

Note :

* *Deemed interest by virtue of Dato' Seri Koay Hean Eng's substantial shareholdings in GXR Capital Sdn. Bhd. [Registration No.: 201401032329 (1108413-U)] and in KHSB, for which KHSB is a substantial shareholder of Kobay, and his son Koay Zee Ee's direct interest.*

& *Deemed interest by virtue of Mr. Koay Zee Ee substantial shareholdings in KHSB, a substantial shareholder of Kobay, and his substantial shareholding in GXR Capital Sdn. Bhd..*

$ *Deemed interest by virtue of Mr. Koay Wooi Seong's substantial shareholdings in Premiergrow Capital Sdn. Bhd. [Registration No. 200001023083 (525691-H)], a shareholder of Kobay.*

\# *Deemed interest by virtue of Mr. Koay Cheng Lye's substantial shareholding in Inna Capital Sdn. Bhd. (Registration No. 9501014448 (343649-H)], a shareholder of Kobay.*

^ *The percentage of shareholding is calculated based on 320,180,803 after deducting 6,000,000 treasury shares (retained by the Kobay as per Record of Depositors) from the fully issued share capital of Kobay as at LPD.*

@ *The percentage of shareholding is calculated based on 293,562,723 shares after deducting 26,618,080 shares (being purchased from the public shareholders) and 6,000,000 existing treasury shares retained by Kobay on the assumption that the treasury shares are cancelled from the fully issued share capital of Kobay as stated in section 3.1 above*

3.2.2. Substantial Shareholders

	As at LPD^		After Proposed Share Buy-back @	
	Direct	**Indirect**	**Direct**	**Indirect**
KHSB	114,247,940 (35.68%)	-	114,247,940 (38.92 %)	-
Norinv Kapital Sdn. Bhd.	59,714,100 (18.65 %)	-	59,714,100 (20.34 %)	-

Note :

^ *The percentage of shareholding is calculated based on 320,180,803 after deducting 6,000,000 treasury shares (retained by the Kobay as per Record of Depositors) from the fully issued share capital of Kobay as at LPD.*

@ *The percentage of shareholding is calculated based on 293,562,723 shares after deducting 26,618,080 shares (being purchased from the public shareholders) and 6,000,000 existing treasury shares retained by Kobay on the assumption that the treasury shares are cancelled from the fully issued share capital of Kobay as stated in section 3.1 above.*

3.3 Earnings

The Proposed Share Buy-back is not expected to have any material impact on the earnings of the Group. However, the resultant reduction in the number of Kobay shares in issue would be expected to correspondingly increase the EPS of Kobay, at Company and Group levels, if the shares so purchased are cancelled or retained as treasury shares.

3.4 Dividends

The Proposed Share Buy-back will reduce the amount of distributable reserves of the Company available for payment of dividends if the retained profits have been utilised to facilitate the Proposed Share Buy-back.

3.5 Net Assets

The Proposed Share Buy-back may increase or decrease the net assets of Kobay and the Group depending on various factors which include the treatment of the shares purchased, i.e. to cancel or retain as treasury shares, the timing, purchase price and the number of shares so purchased, if any, and the eventual treatment of any treasury shares arising.

The Proposed Share Buy-back will reduce the net assets per share of Kobay Group when the purchase price exceeds the net assets per share of Kobay Group at the relevant point in time. On the contrary, the net assets per share of Kobay Group will be increased when the purchase price is less than the net assets per share of Kobay Group at the relevant point in time.

3.6 Working capital

Although the Proposed Share Buy-back would reduce the working capital of the Group to the extent of the amount of funds utilized for the purchase of the Company's shares, it is not expected to have an adverse material effect on the working capital of the Group.

4. PUBLIC SHAREHOLDINGS SPREAD

As at LPD, the public shareholding spread of the Company was 34.95%. The public shareholding spread is expected to be reduced to 27.51% assuming the Proposed Renewal of Existing Share Buy-Back Authority is implemented in full and all the Shares so purchased are cancelled. However, the Company will ensure that prior to any share buyback exercise, the public shareholding spread of at least 25% is maintained.

5. IMPLICATIONS RELATING TO THE CODE

Based on the shareholdings as set out in Section 3.2 above, should the Company acquire the full amount of shares representing ten per cent (10%) of its number of shares issued in the maximum scenario, the total direct and indirect equity interests of the substantial shareholder, namely KHSB and person deemed acting in concert, Dato' Seri Koay Hean Eng would increase by approximately 3.42% from 37.70 % to 41.12% whereas for person connected to Dato' Seri Koay Hean Eng whom are Mr. Koay Zee Ee, Mr. Koay Wooi Seong and Mr. Koay Cheng Lye would increase by approximately 4.2% from 46.29% to 50.49% respectively.

Pursuant to Note 9 to Paragraph 4.01 under Part B, Rule 4 (Mandatory Offer) of the Code, a mandatory offer obligation arises when as a result of a buy-back scheme by the company:-

(a) a person obtains controls in a company; or
(b) a person holding more than 33% but not more than 50% of the voting shares or voting rights of a company, increases his holding of the voting shares or voting rights of the company by more than 2% in any 6-months period.

Therefore, KHSB and the said four (4) Directors would be obliged to undertake a mandatory offer for the remaining shares in the Company not held by them. It is not the intention of the Company to cause any shareholder to trigger an obligation to undertake a mandatory take-over offer under the Code.

KHSB and parties deemed acting in concert will seek a waiver from the obligation to undertake a mandatory take-over offer for the remaining Shares not already owned by them under Paragraph 4.15 under Part B, Rule 4 (Mandatory Offer) of the Rules at an appropriate time.

6. HISTORICAL SHARE PRICE

The monthly highest and lowest prices of Kobay Shares traded on Bursa Securities for the last 12 months from October 2025 to September 2026 are as follows:-

	High	**Low**
	RM	**RM**
2025		
October	1.55	1.18
November	1.72	1.30
December	1.83	1.54
2026		
January	1.91	1.55
February	1.80	1.51
March	1.63	1.32
April	2.26	1.38
May	2.79	2.14
June	2.63	2.38
July	2.37	2.25
August	2.46	2.33
September	2.27	2.21

The last transacted market share price on the LPD being the closing price of Kobay Shares at the latest practicable date prior to printing of this Statement was RM2.21

(Source:https://www.bursamalaysia.com/trade/trading_resources/listing_directory/company-profile?stock_code=6971)

7. APPROVALS REQUIRED

The Proposed Renewal of existing Share Buy-back Authority is subject to and conditional upon shareholders' approval at the forthcoming AGM.

The Proposed Renewal of existing Share Buy-back Authority is not conditional or inter-conditional upon any other corporate exercise being or proposed to be undertaken by the Company.

8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

Save for the inadvertent increase in the percentage shareholdings and/or voting rights of the shareholdings as a consequence of the renewal for the Proposed Share Buy-back, none of the Directors and major shareholders of Kobay or any other companies which is its subsidiary and/or persons connected with them has any interest, whether direct or indirect, in the Proposed Renewal of existing Share Buy-back Authority.

9. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board of Directors having considered all aspects of the Proposed Renewal of existing Share Buy-back Authority, is of the opinion that the renewal of the Proposed Share Buy-back Authority is in the best interest of the Company and it is fair and reasonable and is not detrimental to the Company and its shareholders.

Accordingly, the Board of Directors recommends that you vote in favour of the resolution relating to the Proposed Renewal of existing Share Buy-back Authority to be tabled at the forthcoming AGM.

10. AGM

The AGM will be held at 4th Floor, Wisma Kobay, No. 42-B, Jalan Rangoon, 10400 George Town, Penang on Friday, 4 December 2026 at 2.30 p.m..

If you are unable to attend and vote at the AGM in person, please complete, sign and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible and in any event, so as to arrive at the Registered Office of the Company at 3rd Floor, Wisma Kobay, No. 42-B, Jalan Rangoon, 10400 George Town, Penang not later than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

11. FURTHER INFORMATION

Shareholders are advised to refer to the attached Appendices of this Statement for further information.

This Statement is dated 30 October 2026.

KOBAY
TECHNOLOGY BHD
Registration No.: 199401022600 (308279-A)
(Incorporated in Malaysia)

Registered office :
3rd Floor, Wisma Kobay,
No. 42-B Jalan Rangoon,
10400 George Town, Penang.

Date : 30 October 2026

Board of Directors :-
Sharifah Faridah Binti Dato' Syed Mahadzar Jamalullil *(Chairman / Independent and Non-executive Director)*
Dato' Seri Koay Hean Eng (*Managing Director / Chief Executive Officer)*
Koay Wooi Seong *(Executive Director / Chief Operating Officer)*
Koay Zee Ee *(Executive Director / Chief Operating Officer)*
Koay Cheng Lye (*Non-independent and Non-executive Director*)
Lim Siew Wee *(Senior Independent and Non-executive Director)*
Koay Pei Feng *(Independent and Non-executive Director)*

To : Our Shareholders

Dear Sir/Madam,

PART B: PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE")

1. INTRODUCTION

The Board of Kobay had on 23 October 2026 announced to the Bursa Securities that the Company proposed to seek from its shareholders a mandate in accordance with Paragraph 10.09 of the Listing Requirements in relation to the Proposed Renewal of Shareholders' Mandate on Recurrent Related Parties Transactions ("RRPTs") as set out in Part B Section 2.4 of this Circular.

The Proposed Shareholders' Mandate, if approved by our shareholders, will take effect from the passing of the relevant ordinary resolution at our Thirty-Second (32nd) AGM and is subject to annual renewal.

The purpose of this Circular is to provide you with relevant details of the Proposed Shareholders' Mandate for recurrent related party transactions of a revenue or trading nature together with our Board's recommendations thereon and to seek your approval for the ordinary resolution to be tabled at our forthcoming AGM.

The Notice of AGM and the Form of Proxy are set out in the 2026 Annual Report of Kobay, which is available on Kobay's website at www.kobaytech.com.

YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR TOGETHER WITH THE APPENDICES OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED SHAREHOLDERS' MANDATE.

2. PROPOSED SHAREHOLDERS' MANDATE

2.1 Introduction

Under Paragraph 10.09 and the Practice Note 12 of the Listing Requirements, the Company may seek shareholders' mandate in respect of RRPTs subject to the following:-

(a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;

(b) the shareholders' mandate is subject to annual renewal and disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under subparagraph (1) of 10.09 of Listing Requirements;

(c) the listed issuer's circular to shareholders for the shareholders' mandate shall include the information as set out in Annexure PN12-A of Practice Note 12;

(d) in a meeting to obtain shareholders' mandate, the interested director, interested major shareholder or interested person connected with a director or major shareholder and where it involves the interest of an interested person connected with a director or major shareholder, such director or major shareholder must not vote on the resolution approving the transactions. An interested director or interested major shareholder must ensure that persons connected with him abstain from voting on the resolution approving the transactions; and

(e) the listed issuer immediately announces to the Exchange when the actual value of a RRPTs entered into by the listed issuer, exceeds the estimated value of the RRPTs disclosed in the circular by 10% or more and must include the information as may be prescribed by the Exchange in its announcement.

Where the listed issuer has procured a shareholders' mandate pursuant to paragraph 10.09(2) of the Listing Requirements, the provisions of paragraph 10.08 of the Listing Requirements will not apply during the validity period of the shareholders' mandate.

The Board is seeking your mandate which would allow Kobay Group to enter into the RRPT/(s) which are necessary for its day-to-day operations with the Related Parties as disclosed in Section 2.4 of this Circular in the ordinary course of business carried out on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not detrimental to its minority shareholders.

2.2 Principal activities of the Kobay Group

Kobay is an investment holding company and providing management services to its subsidiary companies whilst the principal activities of our subsidiaries and associates as at the LPD are as detailed in Appendix 1 of this Circular.

The principal activity of its subsidiary which is/will be dealing with the transacting parties is as follows:-

Subsidiary companies	**Country of incorporation**	**Effective equity interest**	**Principal activities**
Paradigm Metal Industries Sdn. Bhd. ("PMI")	Malaysia	100%	Manufacturing of precision metal stamping, sheet metal and die casting parts
Paradigm Precision Components Sdn. Bhd. ("PPC")	Malaysia	100%	Manufacturing of precision machined components

Subsidiary companies	Country of incorporation	Effective equity interest	Principal activities
Kobay UA Sdn Bhd. ("Kobay UA")	Malaysia	100%	To carry out business as contract manufacturer and electronic manufacturing services provider for various industries
Kual Technologies Sdn. Bhd. ("Kual")	Malaysia	51%	Manufacturing of extrusion aluminium, formation and surface treatment for parts manufactured to all industries

2.3 Classes of related parties

The Proposed Renewal of Shareholders' Mandate will apply to the following classes of Related Parties:-

(i) Directors and/or Major Shareholders; and
(ii) Person Connected to Directors and/or Major Shareholders.

2.4 Details of the Proposed Shareholders' Mandate

The RRPTs which are carried out with the Related Parties are mainly for its day-to-day operations. The Related Parties are reliable suppliers/customers of goods and services required by the Kobay Group.

All the RRPTs to be entered into are conducted on an arm's length basis on Kobay's normal commercial terms and are not prejudicial to the shareholders nor they are on terms more favorable to the Related Parties than those generally available to the public and are also not to the detriment of the minority shareholders of the Company. Such RRPTs will be subject to the review procedures as set out Section 2.8 of this Circular.

The Company is seeking the shareholders' mandate for transactions to be entered into with Related Parties from the date of the forthcoming AGM up to the date of the next AGM as set out of this Circular.

The details of the nature and estimated annual value of the RRPT in respect of which the Company is seeking renewal and new mandate from its shareholders as contemplated under the Proposed Shareholders' mandate are as follows:-

No.	Transacting Parties		Nature of Recurrent Related Transactions	Interested Related Party	Value approved in the 31st AGM held on 5 December 2025 RM	Actual value transacted from the date on which existing mandate was obtained up to LPD RM	*Estimated aggregate value from date of the forthcoming AGM to the date of the next AGM RM
	Transacting companies in Kobay Group	Transacting Related Party					
1	Kobay UA	PenAI Industries Sdn. Bhd. [Registration No.: 202501005697 (1607111-T)] ("PenAI")	Kobay UA provides contract manufacturing services for electronic and electrical to PenAI	Dato' Seri Koay Hean Eng, Koay Zee Ee and person connected Dennycia Koay Zee Wei. (a)	60,000,000	47,708,855	80,000,000
2	Kobay UA	GXR Assets Sdn. Bhd. [Registration No.: 199901020852 (495752-P)] ("GXR Assets")	Renting of warehouse space to Kobay UA by GXR Assets	Dato' Seri Koay Hean Eng, Koay Zee Ee and person connected Koay Wei Keong and Dennycia Koay Zee Wei (b)	2,500,000	819,830	-
3	Kual	UA Materials Sdn. Bhd. [Registration No.: 200001020131 (522738-P)] ("UA")	Sales of extruded aluminium and other materials by Kual to UA	Dato' Seri Koay Hean Eng, Koay Zee Ee and person connected Koay Wei Keong and Dennycia Koay Zee Wei (c)	5,000,000	8,242,618 *(Note 1)*	15,000,000
4	PMI	UA Materials Sdn. Bhd. [Registration No.: 200001020131 (522738-P)] ("UA")	Purchase of aluminium and other materials by PMI from UA	Dato' Seri Koay Hean Eng, Koay Zee Ee and person connected Koay Wei Keong and Dennycia Koay Zee Wei (d)	1,000,000	1,292,690 *(Note 2)*	6,000,000

No.	Transacting Parties		Nature of Recurrent Related Transactions	Interested Related Party	Value approved in the 31st AGM held on 5 December 2025 RM	Actual value transacted from the date on which existing mandate was obtained up to LPD RM	Estimated aggregate value from date of the forthcoming AGM to the date of the next AGM RM
	Transacting companies in Kobay Group	Transacting Related Party					
5	PPC	UA Materials Sdn. Bhd. [Registration No.: 200001020131 (522738-P)] ("UA")	Purchase of aluminium and other materials by PPC from UA	Dato' Seri Koay Hean Eng, Koay Zee Ee and person connected Koay Wei Keong and Dennycia Koay Zee Wei (d)	1,000,000	1,067,394 *(Note 3)*	5,000,000
TOTAL					69,500,000	59,131,387	106,000,000

Nature of relationship of the Interested Parties:-

(a) Dato' Seri Koay Hean Eng and Mr. Koay Zee Ee are Directors in Kobay Group. They are deemed interested by virtue of their substantial indirect interest in Kobay via KHSB, the major shareholder of Kobay. Dato' Seri Koay Hean Eng holds 100% equity interest in PenAi and Ms. Dennycia Tan Zee Wei, his daughter is Director of PenAi.

(b) Dato' Seri Koay Hean Eng and Mr. Koay Zee Ee are both Directors in Kobay Group and both are also Director and shareholder in GXR Assets. They are deemed interested by virtual of their substantial indirect interest in Kobay via KHSB, the major shareholder of Kobay. Mr. Koay Wei Keong and Ms. Dennycia Koay Zee Wei are Directors and Shareholders in GXR Assets where both are person connected to Dato' Seri Koay Hean Eng and Mr. Koay Zee Ee.

(c) Dato' Seri Koay Hean Eng and Mr. Koay Zee Ee are both Directors in Kobay Group and also Directors and shareholders in UA. They are deemed interested by virtual of their substantial indirect interest in Kobay via KHSB, the major shareholders of Kobay and direct interest in UA. Person connected to them, Mr. Koay Wei Keong and Ms. Dennycia Koay Zee Wei, are both Directors in Kual and UA. Dato' Seri Koay Hean Eng and Mr. Koay Wei Keong are shareholders of UA, holding 50% equity interest each.

(d) Dato' Seri Koay Hean Eng and Mr. Koay Zee Ee are both Directors in Kobay Group and also Directors and shareholders in UA. They are deemed interested by virtual of their substantial indirect interest in Kobay via KHSB, the major shareholders of Kobay and direct interest in UA. Person connected to them, Mr. Koay Wei Keong and Ms. Dennycia Koay Zee Wei, are both Directors in UA. Dato' Seri Koay Hean Eng and Mr. Koay Wei Keong are shareholders of UA, holding 50% equity interest each.

Notes :-

1. The actual transacted amount exceeded the mandated amount of RM5,000,000 by 64.85%. The deviation was mainly attributable to a surge in demand from UA for aluminium extruded bars and the Company has made the necessary announcements in relation to the deviation under Paragraph 10.09(2) prior to the LPD.
2. The actual transacted amount exceeded the mandated amount by 29.27%. The deviation was mainly attributable to a surge in sales orders and an increase in demand for aluminium sheets from PMI, driven by its higher aluminium material requirements to support its operational and production activities. These requirements exceeded the assumptions adopted in the initial forecast. The Company has made the necessary announcement in relation to the deviation prior to LPD.
3. The actual transacted amount exceeded the estimated aggregate value by 6.74%. The deviation was mainly attributable to a surge in demand from UA for aluminium ingot, which exceeded the assumptions adopted in the initial forecast. No announcement was required because the deviation was within the applicable 10% threshold as the date of the LPD.

The estimated aggregate values for the period from the date of the forthcoming AGM up to the date of the next AGM are based on the information available at the point of estimation which includes business trend, agreement, orders, project estimate cost and sales forecast. Due to the nature of the transactions, the actual value of transactions may vary from the estimated value disclosed above.

All Recurrent Related Party Transactions within Kobay Group of which have not included in this Proposed Shareholders' Mandate and exceeding the threshold set in Paragraph 10.09 of the Listing Requirements are subject to make immediate announcement to Bursa Securities pursuant to the Listing Requirements.

2.5 Validity Period

The Proposed Shareholders' Mandate, if approved by you at the forthcoming AGM, applies in respect of the RRPT/(s) to be entered into as set out in Section 2.4 of this Circular and shall take effect from and including the date of our forthcoming AGM, and shall continue to be in force until :

(a) the conclusion of the next AGM of the Company at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
(b) the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to Sections 340 (1) & (2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
(c) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is earlier.

2.6 Rationale for and benefit of the Proposed Shareholders' Mandate

The Group enters into RRPTs to enhance business efficiency through competitive pricing, shorter delivery times, reliable sourcing of materials, goods and services as well as strategic alliance in providing goods and/or services to our customers. These transactions also align with the Group's ongoing strategy to optimise internal resources, improve operational effectiveness, and leverage the specialised expertise of related parties in specific areas of work.

Kobay aims to source material locally under its sustainability efforts besides achieving financial goal of higher profit and quality in its products to satisfy its customers. Hence, Kobay continuously encourages its subsidiaries to align in maintaining the Group's sustainability in Economic, Environmental and Social issues.

All RRPTs with related Transacting Parties are conducted in the ordinary course of business and are recurring in nature. As these transactions may arise frequently and be time-sensitive or confidential, it would be impractical to seek shareholders' approval on a case-by-case basis. Hence, the Proposed Renewal of Shareholders' Mandate allows the Group to carry out such transactions on an arm's length basis and normal commercial terms that are fair, reasonable, and not detrimental to the interests of minority shareholders.

Engaging with related Transacting Parties also enables the Group to make more informed commercial decisions due to the familiarity with their background, financial standing, and business practices. A mutual understanding of operational needs enhances cooperation and creates a platform for mutually beneficial outcomes.

As the related Transacting Parties are involved in businesses that are complementary to the Group's activities, these transactions are aligned with the day-to-day operational requirements of both parties. Given their recurring and revenue-generating nature, RRPTs are expected to occur frequently.

The Proposed Shareholders' Mandate is intended to streamline the Group's operations by facilitating necessary transactions with related parties on terms that reflect standard market practices, are consistent with the Group's policies, and are not prejudicial to the interests of the Company's shareholders, particularly minority shareholders.

2.6.1 Basic of Pricing/Terms

The Company has, after evaluated the scope of work and benchmarked against the prevailing market rates and compare with third-party subcontracting arrangements for which the Group has ventured in similar trade before, concluded the pricing and the transacting to ensure that the prices were in arms-length and those terms are fair, reasonable, and not detrimental to the interests of the minority shareholders.

2.7 Financial effects of the Proposed Shareholders' Mandate

The Proposed Shareholders' Mandate will not have any effect on the issued share capital and major shareholders' shareholdings of Kobay, and are not expected to have any effect on the earnings and net assets of Kobay for the financial year ending 30 June 2027.

2.8 Review Procedures

To ensure that the RRPTs are undertaken on arm's length basis and on normal commercial terms, which are consistent with Kobay's usual business practices and policies (taking into consideration the prevailing market rate/prices of products/services rendered, preferential rates and discounts for bulk purchases by Related Parties) and are on terms not more favourable to the Related Parties than those extended to third parties/the public and are not to the detriment of the minority shareholders of Kobay, before entry into or renewal of an RRPT, the originating business unit shall identify the related party, obtain independent comparable quotations or documented alternative benchmarks, record the commercial rationale, and refer the transaction for approval by disinterested authorised personnel. Interested persons shall not approve their own transactions.

The Audit and Risk Management Committee ("ARMC") has been tasked with the review and approval of such transactions and currently comprises of :-

Name	Directorate/Position in ARMC
Lim Siew Wee (f)	Senior Independent Non-executive Director/Chairman
Koay Pei Feng (f)	Independent Non-executive Director/Member
Koay Cheng Lye	Non-independent Non-executive Director/Member

To monitor the RRPTs, the following review procedures have been implemented by the Company:-

(i) transaction prices of such RRPTs to be entered into will always take into account the level of service (ie. in terms of the complexity of jobs), quality of service (ie. in terms of on time delivery and quality of products) and on competitive pricing in the open market and are not more favourable to the Related Parties than those generally available to the public and will not be detrimental to minority shareholders. Whenever possible, at least two other contemporaneous transactions with unrelated third parties for similar products/services will be used as comparison to determine whether the price and terms offered by Related Parties are fair and reasonable. In the event that quotation or comparative pricing from unrelated third parties cannot be obtained (for instance, if there are no unrelated third party vendors/customers of similar products or services, or if the product/service is a proprietary item), the pricing of products/services will be determined in accordance with the Group's usual business practices, policies and commercial terms in line with the industry practices for the same or substantially similar type of transactions made by the Group with unrelated third parties and the RRPTs are not detrimental to Kobay Group, and the RRPTs will be subjected to the same approval thresholds as per Group Financial Policies and Procedures applicable for the other non-related parties transactions;

(ii) all members of the Board and ARMC who are directly or indirectly interested in any RRPTs shall declare their interest and abstain from deliberations and voting in respect of these RRPTs;

(iii) a central RRPT register captured the approved estimated values, cumulative actual values, contract terms, related-party relationships, credit balances and exceptions records will be maintained by the Company;

(iv) records, agreements, contracts and other relevant documents on all RRPTs will be made available to the ARMC for review;

(v) Management and Head of Accounts of respective transacting parties shall monitor the utilisation of each mandate monthly and escalate anticipated or actual deviations not more than 10% within 3 business days to the Company Secretary for the Company Secretary to prepare necessary approval by ARMC or the Board of Directors for announcement and other compliance action;

(vi) the internal auditor will review the terms of the RRPTs as part of the annual audit activities and report to the ARMC during the quarterly meeting of the Board/Board Committee;

(vii) the ARMC will review quarterly, the RRPTs that may arise within the Group to ensure that such transactions will be carried out at arm's length, and on normal commercial terms, and the terms are not more favourable than those generally available to the public and are not to the detriment of the minority shareholders.; and

(viii) the ARMC shall periodically review and ascertain that the procedures established is adequate to monitor RRPTs have been complied therewith.

2.9 Thresholds for Approval of RRPTs

All RRPTs and Related Party Transactions (RPTs) must strictly adhere to a documented Delegated Approval Matrix based on transaction value and type:

i. Transactions below 1% of Share Capital of the Company are approved in accordance with Group Finance Policy; and

ii. Transactions reaching or exceeding 1% of Share Capital of the Company are subject to mandatory review and recommendation by the ARMC prior to Board approval, and require immediate Bursa Malaysia disclosure/shareholder approval where applicable under Paragraph 10.09 of the Main Market Listing Requirements.

Where the RRPT has not obtained the shareholders' mandate or has exceeded the shareholders' mandate by 10% or more of the value approved, an announcement shall be made to Bursa Securities. Our ARMC and the Board are aware of and will diligently ensure due compliance with all the prescribed requirements under Paragraph 10.09(1) of the Listing Requirements.

2.10 Amount Due and Owing by Related Parties

As at LPD, there is no amount due or owing by the related parties pursuant to the RRPTs that has exceeded the credit limit.

2.11 Statement by the Audit and Risk Management Committee

The ARMC of Kobay has considered the review procedures mentioned in Section 2.8 above and is of the view that the said procedures and process are adequate to ensure that all RRPTs will be identified, tracked, monitored and carried out at arm's length basis, and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

The ARMC may, at its discretion adopt new review and disclosure procedures and/or amend the existing procedures to ensure that the RRPTs are at all times, on the terms consistent with the Group's practices.

2.12 Disclosure in Annual Report

Disclosure will be made in the Company's Annual Report of the breakdown of the aggregate value of transactions conducted, types of transactions made, names of related parties involved and their relationship with the Company pursuant to the approved Shareholders' Mandate during the financial year, and in the Annual Reports for subsequent financial years that the Proposed Shareholders' Mandate continues to be in force.

2.13 Interests of Directors, major shareholders and/or persons connected with them

The direct and indirect interest of Directors and Major Shareholders of Kobay who are interested in the Proposed Shareholder's Mandate as at LPD are as follows: -

	As at LPD ^	
	Direct	**Indirect**
Interested Directors :		
Dato' Seri Koay Hean Eng	-	120,710,484* (37.70%)
Koay Zee Ee	65,000 (0.02%)	120,645,484@ (37.68%)
Koay Cheng Lye $	-	14,783,507 (4.62%)
Koay Wooi Seong #	-	12,698,894 (3.97%)
Interested Major Shareholders :		
KHSB	114,247,940 (35.68%)	-
Person Connected :		
Koay Wei Keong+	10,600 (<0.01%)	-
Dennycia Koay Zee Wei +	-	-

Note :

* *Deemed interest by virtue of Dato' Seri Koay Hean Eng's substantial shareholdings in GXR Capital Sdn. Bhd. [Registration No.: 201401032329 (1108413-U)] and in KHSB, for which KHSB is a substantial shareholding of Kobay and his son, Koay Zee Ee's direct interest.*

@ *Deemed interest by virtue of Mr. Koay Zee Ee substantial shareholdings in KHSB, a substantial shareholder of Kobay, and his substantial shareholding in GXR Capital Sdn. Bhd., both are shareholders of Kobay*

^ *The percentage of shareholding is calculated based on 320,180,803 after deducting 6,000,000 treasury shares (retained by the Kobay as per Record of Depositors) from the fully issued share capital of Kobay as at LPD.*

$ *Mr. Koay Cheng Lye is brother of Dato' Seri Koay Hean Eng and uncle of Mr. Koay Zee Ee, Mr. Koay Wei Keong and Ms. Dennycia Koay Zee Wei.*

\# *Mr. Koay Wooi Seong is nephew of Dato' Seri Koay Hean Eng and Mr. Koay Cheng Lye and cousin to Mr. Koay Zee Ee, Mr. Koay Wei Keong and Ms. Dennycia Koay Zee Wei.*

\+ *Ms. Dennycia Koay Zee Wei and Mr. Koay Wei Keong are children to Dato' Seri Koay Hean Eng and siblings to Mr. Koay Zee Ee.*

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The interested Director and/or person connected to the interested Directors who are deemed to be interested in the Proposed Shareholders' Mandate have to abstain and will continue to abstain from all Board deliberations and voting on the RRPTs at the relevant Board of Directors' Meetings. All major shareholders and/or person connected to major shareholders who are deemed to be interested in the Proposed Shareholders' Mandate will also abstain from voting in respect of their direct and/or indirect shareholdings in Kobay on the resolution pertaining to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM of the Company.

The interested Directors and/or major shareholders have undertaken to ensure that persons connected to them shall abstain from voting on the resolution relating to the Proposed Shareholders' Mandate at the forthcoming AGM.

Save as disclosed above, no other Directors and/or major shareholders of Kobay and/or persons connected with them have any interest, direct or indirect in the RRPTs.

3. DIRECTORS' RECOMMENDATION

The Board of Directors, other than the interested Director is of the opinion that the Proposed Shareholders' Mandate, is in the best interest of the Company. Accordingly, the aforesaid Directors recommend that you vote in favour of the resolution relating to the Proposed Shareholders' Mandate to be tabled at the forthcoming AGM.

4. AGM

The AGM will be held at 4th Floor, Wisma Kobay, No. 42-B, Jalan Rangoon, 10400 George Town, Penang on Friday, 4 December 2026 at 2.30 p.m.

If you are unable to attend and vote at the AGM in person, please complete, sign and return the Form of Proxy in accordance with the instructions printed thereon as soon as possible and in any event, so as to arrive at the Registered Office of the Company at 3rd Floor, Wisma Kobay, No. 42-B, Jalan Rangoon, 10400 George Town, Penang or email to cosec@kobaytech.com not later than forty-eight (48) hours before the time appointed for holding the AGM or any adjournment thereof. The lodging of the Form of Proxy does not preclude you from attending and voting in person at the AGM should you subsequently wish to do so.

5. FURTHER INFORMATION

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

Yours faithfully
For and on behalf of the Board of
Kobay Technology Bhd.

Sharifah Faridah Binti Dato' Syed Mahadzar Jamalullil
Independent Non-executive Chairman

Subsidiaries of Kobay	Interest held	Principal activities
Manufacturing Division		
Kobay Industries Sdn. Bhd.	100%	Investment Holding
Paradigm Aerospace Sdn. Bhd.[#]	100%	To carry on the business as producer and manufacturer of parts, articles, frameworks and structural products fabricated using metal or any other materials for aerospace industries.
Paradigm Precision Components Sdn. Bhd. [#]	100%	Manufacturing of precision machined components
Paradigm Metal Industries Sdn. Bhd.[#]	100%	Manufacturing of precision metal stamping and sheet metal parts.
Micro Surface Treatment Sdn. Bhd. [#]	90%	Precision plating and surface treatment.
KT Microhandling Sdn. Bhd. [#]	100%	Manufacturer, fabricators, designers, importers, exporters, distributors, wholesalers, dealers of all types of semiconductor assembly, testing equipment, material handling equipment, test handling machines, parts and components.
Polytool Technologies Sdn. Bhd.[#]	100%	Manufacturing of industrial equipment, machinery parts and tooling, encapsulation moulds, trim and form dies and progressive tooling for lead frames.
Bend Weld Engineering Sdn. Bhd.[#]	100%	Manufacturing of metal work and structures, modules and parts for oil & gas production and extraction equipment.
Innospec Sdn. Bhd.	100%	To provide electronic manufacturing services, product development and manufacturing services for PCB assembly, cable assembly, electromechanical assembly and test.
Kual Technologies Sdn. Bhd.	51%	Carry out business of aluminium extrusion, formation and surface treatment for parts manufactured to all industries.
Kobay UA Sdn. Bhd.	100%	Carry out business as contract manufacturer and electronic manufacturing services provider for various industries.
Property Development & Hospitality Division		
Kobay G Sdn. Bhd.	100%	Marketing & project management services for property developers.
LD Global Sdn. Bhd.	100%	Project and property developer cum management.
Premierview Property Sdn. Bhd.	100%	Property development.
Super Tropica Development Sdn. Bhd.[#]	100%	Property development.
Kobay SB Sdn. Bhd.	100%	Property development

Subsidiaries of Kobay	Interest held	Principal activities
Property Development & Hospitality Division		
Kobay Land Sdn. Bhd.	100%	Project and property developer cum management property development.
Kobay Project Venture Sdn. Bhd.	100%	Property development.
Ultimate Sanctuary Sdn. Bhd.	100%	Construction of buildings property development.
Lavanya Resorts Sdn. Bhd.	100%	To carry on business as hotel operator and property management.
Asset Management		
Kobay Assets Sdn. Bhd.	100%	Letting of properties.
Lodge 18 Sdn. Bhd.	100%	To provide accommodation rental services, letting of accommodation space or room and related services therefrom.
Pharmaceutical & Healthcare Division		
Avelon Healthcare Group Sdn. Bhd.	70%	Investment holding company.
Avelon Healthcare Sdn. Bhd.*	100%	Principally involved in the wholesale and retail sale of pharmaceutical and all kinds of healthcare products.
Avelon Arise Sdn. Bhd.*	100%	Principally involved in retail sale of pharmaceutical and all kinds of healthcare products.
Arise Healthcare Sdn. Bhd.*	100%	Principally involved in retail sale of pharmaceutical and all kinds of healthcare products.
Galaxis Healthcare Sdn. Bhd.*	100%	Principally involved in selling of all kinds sale of healthcare products under the brand name "Biobay".
Medicwave (M) Sdn. Bhd.*	70%	Distributor of medical products and devices to public and private hospitals, specialist and general practice clinics in Malaysia operating from its place of business located at Selangor.
Others		
Kobay Management Services Sdn. Bhd.	100%	Providing management services.
Kewjaya Sdn. Bhd.	100%	Licensed money lending and leasing business.
Masset Capital Sdn. Bhd.	100%	Investment holding company.
Maker Technologies Sdn. Bhd. #	100%	Electronic manufacturing services, product development and manufacturing for pcb / cable / electromechanical assembly and test.

Note : # Subsidiary of Kobay Industries Sdn. Bhd.
* Subsidiary of Avelon Healthcare Group Sdn. Bhd.

1. RESPONSIBILITY STATEMENT

The Directors have seen and approved the Statement/Circular of the proposals and they have collectively and individually accepted full responsibility for the accuracy of the information in this Statement/Circular. They have confirmed that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which, if omitted, would make a statement in this Statement/Circular false or misleading.

2. MATERIAL CONTRACT

Save as disclose below, Kobay and its subsidiaries have not entered into any material contract in the ordinary course of business, within the past two (2) years immediately preceding the date of this Statement/Circular:

(b) Sales and Purchase Agreement dated 24 January 2025 entered into between Galaxis Healthcare Sdn. Bhd., a wholly-owned subsidiary of Avelon Healthcare Group Sdn. Bhd. (which is in turn a 70%-owned subsidiary of Kobay), for the acquisition of trademarks together with the copyrights and design associated therewith from Ms. Chong Huei Shin, the registered proprietor of the trademarks, at a total consideration of RM2.2 million.

3. MATERIAL LITIGATION

Neither the Company nor the subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, which has a material effect on the financial position or business of the Group. All ongoing litigation falls within the applicable materiality threshold. The Company is not aware of any proceedings, pending or threatened, or of any facts likely to give rise to any proceedings which may materially affect the financial position or business, as at the date of this Circular/Statement .

4. MATERIAL COMMITMENTS

The Board is not aware of any material commitments incurred or known to be incurred by the Group that has not been provided for which, upon becoming enforceable, may have a material impact on the financial results/ position of the Group.

5. CONTINGENT LIABILITIES

As at the LPD, the Board is not aware of any contingent liabilities incurred or known to be incurred which, upon becoming enforceable, may have a material impact on the financial results/ position of the Group.

6. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office at 3rd Floor, Wisma Kobay, No. 42-B, Jalan Rangoon, 10400 George Town, Penang, Malaysia during office hours on Mondays to Fridays (except public holidays) from the date of this Statement/Circular up to and including the date of the forthcoming EGM:

(i) The audited consolidated financial statements for the past two (2) years for FYE 30 June 2025 and FYE 30 June 2026; and
(ii) Material contract referred to in Section 2 above.

EXTRACT OF THE RESOLUTIONS TO BE TABLED AS SPECIAL BUSINESSES AT THE FORTHCOMING THIRTY SECOND AGM

ORDINARY RESOLUTION
PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

"THAT subject to the compliance by the Company with all applicable laws, regulations and guidelines pursuant to the Act, the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant authorities, the Company be and is hereby authorized to purchase and/or hold such amount of ordinary shares in the Company ("shares") as may be determined by the Directors of the Company from time to time through the Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company PROVIDED THAT the maximum number of aggregate shares purchased or treasury shares held pursuant to this resolution does not exceed ten per cent (10%) of the total number of issued shares of the Company at any given point in time and that the maximum amount of fund allocated by the Company for the purpose of purchasing the shares shall not exceed the retained profits account of the Company.

THAT authority be and is hereby given to the Directors to treat the shares so purchased by the Company pursuant to this Proposed Share Buy-back Authority in accordance with the provision of the Act, which allows a Company that has purchased its own shares to either retain part of or entire shares as treasury shares or cancel part of or entire shares, or a combination of both. The shares so retained as treasury shares by the Company may, either be distributed as share dividends to shareholders or resell on Bursa Securities or in any manner pursuant to the Act, Bursa Securities Listing Requirements or any other relevant authority for the time being in force.

THAT such authority from the shareholders would be effective immediately upon passing of this resolution and would continue to be in force until:-

a. the conclusion of the next AGM of the Company following the AGM at which such resolution was passed, at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions; or

b. the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to sections 340(1) & 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act, 2016); or

c. revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting.

whichever occurs first.

AND THAT authority be and is hereby given to the Directors to take all such steps as are necessary or expedient to implement or to give effect of the Proposed Share Buy-back Authority with full powers to assent to any conditions, modifications, re-valuations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time.

AND THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be authorised to deal with the shares purchased in their absolute discretion in the following manner : (i) to cancel all or part of the shares so purchased; and/or (ii) to retain the shares so purchased as treasury shares for distribution as dividends to the shareholders and/or resell the treasury shares on the stock market of Bursa Securities in accordance with the relevant rules of Bursa Securities; and/or (iii) to retain part of the shares so purchased s treasury shares and cancel the remainder of the shares so purchased; and/or (iv) to transfer the treasury shares, or any of the said shares for the purposes of or under an employees' share scheme; and/or (v) transfer the shares, or any of the shares as purchase consideration and/or in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirement and any other relevant authorities for the time being in force. AND THAT the Director of the Company be authorised to give effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any modification s and/or amendments as may be required by the relevant authorities."

ORDINARY RESOLUTION
PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

"THAT pursuant to paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a mandate of the shareholders be and is hereby granted to allow recurrent related party transactions of a revenue or trading nature ("RRPTs"), which are necessary for the day-to-day operations of the Company and/or its subsidiary companies ("Kobay Group"), to be entered into by the Kobay Group in the ordinary course of business, PROVIDED THAT such transactions are entered into at arm's length basis and on normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company, the particulars of such transactions are set out in Part B Section 2.4 of the Circular to Shareholders of Kobay dated 30 October 2026 ("Proposed Shareholders' Mandate");

THAT disclosure of the breakdown of the aggregate value of transactions conducted will be made based on the type of RRPTs made, names of the related parties involved in each type of the RRPTs made and their relationship with the Company, in the annual report of the Company during the current financial year and in the annual report for the subsequent financial year during which the Proposed Shareholders' Mandate is in force;

THAT the authority conferred by this resolution shall commence immediately upon the passing of this Ordinary Resolution and shall continue to be in force until:-

a. the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

b. the expiration of the period within which the next AGM of the Company after the date it is required to be held pursuant to sections 340(1) & 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to section 340(4) of the Act); or

c. revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is earlier.

AND THAT the Directors of the Company and/or any of them be and are hereby authorised to give effect to the Proposed Shareholders' Mandate with full powers to deal with all matters relating thereto and to complete and do all acts and things (including executing such documents as may be required) in connection with the Proposed Shareholders' Mandate."