

# KRONOLOGI ASIA BERHAD

201301037868 (1067697-K)

(Incorporated in Malaysia)

Minutes of the Eleventh Annual General Meeting (“Meeting” or “11<sup>th</sup> AGM”) of KRONOLOGI ASIA BERHAD (“Kronologi” or “the Company”) held at Astor Room 2 & 3, Lobby Level, The St. Regis Kuala Lumpur, 6, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Wilayah Persekutuan on Tuesday, 24 June 2025 at 10:00 a.m.

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## **Present**

Directors	:	Mr. Geoffrey Ng Ching Fung Mr. Edmond Tay Nam Hiong Mr. Tan Jeck Min Mr. John Chin Shoo Ted Mr. Kok Cheang-hung Ms. Lai Ching Thing
Company Secretaries	:	Ms. Tea Sor Hua, Doreen Ms. Lee Xiang Yee, Elizabeth
Assistant Company Secretary	:	Mr. Lim Ee Zheng
Auditors	:	Ms. Sharinah Binti Datuk Haji Mohamed Iqbal Ms. Ashviniea Veeriah (PKF Malaysia PLT)
Poll Administrator	:	Ms. Lim Lay Kiow Ms. Siti Zalina Osmin (Tricor Investor & Issuing House Services Sdn. Bhd.)
Scrutineer	:	Mr. Chuah Poo Sian (Coopers Professional Scrutineers Sdn. Bhd.)

The attendance of Shareholders/Corporate Representatives/Proxies (collectively referred to as “Shareholders”), Management and invitees as per the Attendance List.

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## **OPENING REMARKS BY THE CHAIRMAN**

Mr. Geoffrey Ng Ching Fung (“the Chairman” or “Mr. Geoffrey Ng”) was in the chair. He welcomed all present to the 11<sup>th</sup> AGM of the Company.

The Chairman informed the Meeting that the purpose of the Meeting is to consider and, if thought fit, to approve the proposed resolutions as set out in the Notice convening the Meeting dated 30 May 2025 (“Notice of Meeting”).

Following that, the Chairman proceeded to introduce himself and his fellow members of the Board of Directors (“Board”), including the Company Secretary and the Auditors, who were present at the Meeting.

## **QUORUM**

With the requisite quorum being present pursuant to the Company's Constitution, the Chairman declared the Meeting duly convened.

## **PROXIES**

The Chairman informed the Meeting that the Company had received proxy forms from 25 shareholders for a total of 340,656,570 ordinary shares representing 38.26% of the total number of issued ordinary shares of the Company within the prescribed time for convening the Meeting.

It was brought to the attention of the Meeting that the Chairman had been appointed by certain shareholders who were unable to participate in the Meeting, to vote on their behalf. Accordingly, he would be voting as their proxy in accordance with their voting instructions.

## **NOTICE OF MEETING**

The Notice of Meeting having been circulated within the prescribed period, was taken as read.

## **VOTING PROCEDURES**

The Chairman confirmed with the Shareholders that they had received their "Voting Slips" at the registration counter earlier.

He briefed the Meeting on the voting procedures, which were summarised below:-

- (a) Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Company's Constitution, all resolutions as set out in the Notice of Meeting would be voted by poll.
- (b) The Company has appointed Tricor Investor & Issuing House Services Sdn. Bhd. as the Poll Administrator for the Meeting, whereas the results of the poll would be verified and validated by Coopers Professional Scrutineers Sdn. Bhd., the Scrutineer appointed by the Company.
- (c) To ensure the efficiency of the proceedings of the Meeting, the poll voting shall only be conducted after consideration of all the items on the Agenda.
- (d) Photography or any form of audio or video recording is not allowed during the conduct of the Meeting.

The Chairman reminded the Meeting that photography or any form of audio or video recording is not allowed during the conduct of the Meeting.

## **PRESENTATION OF THE QUESTIONS RAISED BY THE MINORITY SHAREHOLDERS WATCH GROUP ("MSWG")**

The Chairman informed the Meeting that the Company had received a list of questions from the Minority Shareholders Watch Group ("MSWG") on 18 June 2025.

He then invited Mr. Tan Jeck Min (“Mr. Tan”), the Executive Director and Chief Operating Officer of the Company, to present the questions submitted by MSWG along with the Company’s corresponding responses, as set out in “**Appendix I**” attached herewith.

After addressing the MSWG queries, the Chairman thanked Mr. Tan for the responses.

Several questions were raised by the Shareholders and duly responded to by Mr. Tan. A summary of the relevant questions and answers is provided in **Part 1 of “Appendix II”** attached herewith.

## **PRESENTATION BY THE EXECUTIVE DIRECTORS**

The Chairman then extended an invitation to Mr. Edmond Tay Nam Hiong (“Mr. Edmond”), the Executive Director cum Chief Executive Officer of the Company, to provide a presentation on the financial performance and prospects of the Company, as well as its subsidiaries (“Group”).

In his presentation, Mr. Edmond reported on various operational aspects of the Group’s business, highlighting key achievements, ongoing projects, and strategic initiatives that have contributed to the Group’s growth.

Following the presentation, an interactive Question & Answer (“Q&A”) session was held, during which Shareholders posed questions that were duly addressed. The discussion provided valuable insights and clarifications, further enhancing shareholders’ understanding of the Group’s performance and strategic direction.

A summary of the relevant questions and responses is set out in **Part 2 of “Appendix II”** attached herewith.

Following Mr. Edmond’s presentation on the Group’s business vision and strategy, Mr. Tan presented the financial results and performance of the Group for the financial year 2025, covering revenue trends, profitability, and fiscal highlights. Mr. Edmond then proceeded to provide an update on the Group’s business development.

After addressing all questions and noting the comments raised by the Shareholders, the Chairman proceeded with the following businesses at hand.

## **TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2025 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON (“AUDITED FINANCIAL STATEMENTS”)**

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The Chairman informed the Meeting that the first item on the Agenda was to receive the Audited Financial Statements, which had been circulated to all shareholders within the prescribed period. The Audited Financial Statements were tabled and laid before the Meeting for discussion only and would not be put forward for voting.

The Chairman invited questions from the floor regarding the Audited Financial Statements.

There was no question raised by the Shareholders on this resolution, the Chairman declared that the Audited Financial Statements be noted and received.

**ORDINARY RESOLUTION 1**

**TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS OF UP TO RM600,000 FOR THE PERIOD COMMENCING FROM THE DATE IMMEDIATELY AFTER THIS 11TH AGM UNTIL THE DATE OF THE NEXT ANNUAL GENERAL MEETING ("AGM") OF THE COMPANY**

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The Chairman informed the Meeting that Ordinary Resolution 1 was to approve the payment of Directors' fees and benefits of up to RM600,000 for the period commencing from the date immediately after this 11<sup>th</sup> AGM until the next AGM of the Company.

The Chairman invited questions from the floor regarding this resolution.

As there were no questions raised by the Shareholders, the Meeting proceeded accordingly.

**ORDINARY RESOLUTIONS 2 AND 3**

**TO RE-ELECT THE FOLLOWING DIRECTORS WHO RETIRE BY ROTATION PURSUANT TO CLAUSE 85 OF THE COMPANY'S CONSTITUTION:**

- |                                    |                                |
|------------------------------------|--------------------------------|
| <b>I. MR. EDMOND TAY NAM HIONG</b> | <b>(ORDINARY RESOLUTION 2)</b> |
| <b>II. MS. LAI CHING THING</b>     | <b>(ORDINARY RESOLUTION 3)</b> |
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The Meeting continued to consider Ordinary Resolutions 2 and 3 pertaining to the re-election of Mr. Edmond Tay Nam Hiong and Ms. Lai Ching Thing (collectively referred to as "Retiring Directors"), who retire by rotation pursuant to Clause 85 of the Company's Constitution.

The Chairman informed the Meeting that the Retiring Directors, being eligible for re-election, have offered themselves for re-election.

The Chairman then invited questions from the floor regarding this resolution.

As there were no questions raised by the Shareholders, the Meeting proceeded accordingly.

**ORDINARY RESOLUTION 4**

**TO RE-APPOINT PKF PLT AS AUDITORS OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT AGM AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

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The Meeting continued to consider Ordinary Resolution 4 on the re-appointment of PKF PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

The Chairman informed the Meeting that PKF PLT had indicated their willingness to continue in office.

The Chairman then invited questions from the floor regarding this resolution.

As there were no questions raised by the Shareholders, the Meeting proceeded accordingly.

**SPECIAL BUSINESS – ORDINARY RESOLUTION 5**

**RETENTION OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR**

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The Chairman informed the Meeting that Ordinary Resolution 5 was to seek the shareholders' approval to retain Mr. John Chin Shoo Ted as the Senior Independent Non-Executive Director of the Company.

The Chairman informed the Meeting that:

- (a) Pursuant to the Malaysian Code on Corporate Governance (“Code”), the shareholders’ approval would be sought through a two-tier voting process for Ordinary Resolution 5 concerning the retention of Mr. John Chin Shoo Ted who has served as the Senior Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as the Senior Independent Non-Executive of the Company.
- (b) Under the two-tier voting process, shareholders’ votes will be cast in the following manner:
  - Tier 1: Only the Large Shareholder of voting shares in the Company.
  - Tier 2: Shareholders other than the Large Shareholder.
- (c) The Largest shareholder of the Company is Mr. Tan Jeck Min, who would vote under Tier 1, and all the other shareholders would vote under Tier 2.
- (d) The decision for this resolution would be determined based on the vote of Tier 1 and a simple majority of Tier 2. This resolution would be deemed to be defeated if the vote between the two tiers differs or where Tier 1 voter abstained from voting.

The Chairman then invited questions from the floor regarding this resolution.

As there were no questions raised by the Shareholders, the Meeting proceeded accordingly.

**SPECIAL BUSINESS – ORDINARY RESOLUTION 6  
GENERAL AUTHORITY FOR THE DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT  
TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

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The Meeting continued to consider Ordinary Resolution 6 which was to seek a general mandate from the Shareholders for the Directors to issue and allot shares not exceeding ten per centum (10%) of the total number of issued shares of the Company for the time being pursuant to Sections 75 and 76 of the Companies Act 2016 (“10% General Mandate”).

The Chairman informed the Meeting that:

- (a) The 10% General Mandate, unless revoked or varied by the Company at a general meeting, would expire at the conclusion of the next AGM of the Company or the expiration period within which the next AGM is required by law to be held, whichever is earlier.
- (b) The 10% General Mandate is sought to provide flexibility to the Company for the issuance and allotment of new Shares for any possible fund-raising activities, including but not limited to further placement of shares, for the purpose of funding current and/or future project(s), working capital, acquisitions, investments and/or for issuance of shares as a form of settlement of purchase consideration or such other applications as the Directors may deem fit and expedient in the best interest of the Company.

The Chairman then invited questions from the floor regarding this resolution.

A Shareholder recommended that the Board consider exercising the 10% General Mandate only when necessary and advised caution regarding the potential dilution of shareholdings. The Board acknowledged the recommendation and took note of the concerns raised.

As no further questions were raised by the Shareholders, the Meeting proceeded accordingly.

**SPECIAL BUSINESS – ORDINARY RESOLUTION 7  
PROPOSED RENEWAL OF THE AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN  
SHARES OF UP TO TEN PERCENT (10%) OF ITS TOTAL NUMBER OF ISSUED SHARES**

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The Meeting went on to consider Ordinary Resolution 7, which was to seek the Shareholders' approval for the Proposed Renewal of the authority for the Company to purchase its own shares of up to 10% of the total number of issued shares of the Company ("Proposed Renewal of Share Buy-Back Authority").

The Chairman informed the Meeting that:

- (a) This Proposed Renewal of Share Buy-Back Authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company.
- (b) Further details of the Proposed Renewal of Share Buy-Back Authority could be found in the Share Buy-Back Statement dated 30 May 2025.

The Chairman then invited questions from the floor regarding this resolution.

As there were no questions raised by the Shareholders, the Meeting proceeded accordingly.

**TO TRANSACT ANY OTHER BUSINESS OF WHICH DUE NOTICE SHALL HAVE BEEN GIVEN**

The Chairman informed the Meeting that there was no notice of any other business being received by the Company.

**VOTING PROCEDURES**

The Chairman then proceeded with the formalities of taking a poll. He declared that the registration for attendance at the Meeting was closed.

The Chairman explained to the Shareholders the procedures for conducting the poll.

After the explanations, the Shareholders proceeded to cast their votes in respect of the resolutions as tabled by completing their voting slips.

The Chairman further informed the Meeting that, upon the close of voting, the Poll Administrator would require approximately 20 minutes to tabulate the results, which would subsequently be verified by the Scrutineer.

The Meeting was temporarily adjourned at 11.40 a.m. The Shareholders and Invitees were invited to enjoy a coffee break in the foyer outside the meeting room while awaiting the announcement of the polling results.

**DECLARATION OF POLLING RESULTS**

The Meeting resumed at 12:17 p.m. upon the completion of the polling and validation process for the announcement of poll results.

The Chairman called the Meeting to order. He announced the polling results of the resolutions based on the total votes cast verified by the Scrutineer, as per “**Appendix III**” annexed herewith.

Based on the voting results, the Chairman declared that all the following resolutions as set out in the Notice of Meeting were duly **CARRIED**:-

**ORDINARY RESOLUTION 1**

**TO APPROVE THE PAYMENT OF DIRECTORS’ FEES AND BENEFITS OF UP TO RM600,000 FOR THE PERIOD COMMENCING FROM THE DATE IMMEDIATELY AFTER THIS 11TH AGM UNTIL THE DATE OF THE NEXT AGM OF THE COMPANY**

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*“THAT the Directors’ fees and benefits of up to RM600,000 for the period from the date immediately after this 11<sup>th</sup> AGM until the date of the next AGM of the Company, be approved for payment.”*

**ORDINARY RESOLUTIONS 2 AND 3**

**TO RE-ELECT THE FOLLOWING DIRECTORS WHO RETIRE BY ROTATION PURSUANT TO CLAUSE 85 OF THE COMPANY’S CONSTITUTION:**

- |                                    |                                |
|------------------------------------|--------------------------------|
| <b>I. MR. EDMOND TAY NAM HIONG</b> | <b>(ORDINARY RESOLUTION 2)</b> |
| <b>II. MS. LAI CHING THING</b>     | <b>(ORDINARY RESOLUTION 3)</b> |
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*“THAT Mr. Edmond Tay Nam Hiong who retires by rotation pursuant to Clause 85 of the Company’s Constitution, be and is hereby re-elected as Director of the Company.”*

*“THAT Ms. Lai Ching Thing who retires by rotation pursuant to Clause 85 of the Company’s Constitution, be and is hereby re-elected as Director of the Company.”*

**ORDINARY RESOLUTION 4**

**TO RE-APPOINT PKF PLT AS AUDITORS OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

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*“THAT PKF PLT be and are hereby re-appointed as the Auditors of the Company to hold office until the conclusion of the next AGM at a remuneration to be agreed between the Directors and the Auditors.”*

**ORDINARY RESOLUTION 5**

**RETENTION OF SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR**

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*“THAT Mr. John Chin Shoo Ted who has served as the Senior Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, be and is hereby retained as the Senior Independent Non-Executive Director of the Company.”*

**SPECIAL BUSINESS – ORDINARY RESOLUTION 6**

**GENERAL AUTHORITY FOR THE DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (“ACT”)**

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*“THAT subject always to the Constitution of the Company, the Act, the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental/ regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new ordinary shares in the Company (“Shares”) to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point in time (“the Mandate”) AND the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND the Mandate shall continue in force until the conclusion of the next AGM of the Company held next after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is earlier.*

*AND THAT the new Shares to be issued pursuant to the Mandate, shall, upon issuance and allotment, rank pari passu in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new Shares.”*

**SPECIAL BUSINESS – ORDINARY RESOLUTION 7**

**PROPOSED RENEWAL OF THE AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO TEN PERCENT (10%) OF ITS TOTAL NUMBER OF ISSUED SHARES**

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*“THAT subject always to the Act, the provisions of the Constitution of the Company, the Listing Requirements of Bursa Securities and all prevailing laws, rules, regulations, orders, guidelines and requirements for the time being in force, approval and authority be and are hereby given to the Directors of the Company (“Directors”), to the extent permitted by law, to purchase and/or hold such number of ordinary shares of the Company (“Kronologi Shares”) as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the best interest of the Company, provided that:-*

- (i) the maximum aggregate number of Kronologi Shares which may be purchased and/or held as treasury shares does not exceed ten per centum (10%) of the total number of issued shares in the Company at any point in time subject to compliance with the provisions of the Act, the Listing Requirements of Bursa Securities and/or any other relevant authorities;*
- (ii) the maximum amount of funds to be allocated for the Proposed Renewal of Share Buy-Back Authority shall not exceed the aggregate of the retained profits of the Company; and*
- (iii) the Kronologi Shares purchased pursuant to the Proposed Renewal of Share Buy-Back Authority are to be treated in any of the following manners:-*
  - (a) cancel the purchased Kronologi Shares; or*
  - (b) retain the purchased Kronologi Shares as treasury shares for distribution as share dividends to the shareholders of the Company and/or resell in accordance with the relevant rules of Bursa Securities and/or cancelled subsequently and/or transfer under an employees’ share scheme and/or transfer as purchase consideration; or*
  - (c) retain part of the purchased Kronologi Shares as treasury shares and cancel the remainder.*

*AND THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until: -*

- (i) the conclusion of the next AGM of Kronologi following the general meeting at which this resolution is passed, at which time it shall lapse, unless by ordinary resolution passed at the next AGM, is renewed, either unconditionally or subject to condition; or*
- (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or*
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting of the Company,*

*whichever occurs first, but not so as to prejudice the completion of the purchase(s) of the Kronologi Shares by the Company before the aforesaid expiry date and made in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by any other relevant government and/or regulatory authorities.*

*AND FURTHER THAT the Directors be and are hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to effect the Proposed Renewal of Share Buy-Back Authority with full powers to assent to any conditions, modifications, resolutions, variations and/or amendments (if any) as may be imposed by the relevant authorities and to do all such acts and things as they may deem fit and expedient in the best interest of the Company to give effect to and to complete the purchase of the Kronologi Shares.”*

**CONCLUSION**

The Chairman concluded the Meeting and thanked all present. The Meeting was concluded at 12:20 p.m. with a vote of thanks to the Chair.

**CONFIRMED AS A CORRECT RECORD BY,**

.....  
**CHAIRMAN**  
GEOFFREY NG CHING FUNG

DATED: 23 JULY 2025

## **APPENDIX I**

### **Eleventh Annual General Meeting of Kronologi Asia Berhad held on 24 June 2025 (“11<sup>th</sup> AGM”)**

#### **Questions raised by the Minority Shareholders Watch Group**

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##### **Operational & Financial Matters**

1. **At the 10th AGM, the Group mentioned that part of their strategy is to convert PPE from CAPEX to OPEX. The Group anticipated that the transition to be completed within Q2'25.**

**What proportion of existing CAPEX model customers have converted to the OPEX model to date? Has the conversion rate met the Group's internal target?**

##### **Answer**

As part of the management efforts to enhance shareholder value – this transition is an internal exercise of the Group's PPE, moving from a CAPEX to OPEX model with regards to our existing inventory. This transition will improve our operating expenses for PPE-related requirements, via greater efficiency in capital deployed, especially for one of our two core business segments<sup>1</sup> – the Cloud and Hybrid As-A-Service (“EDM AAS”).

This has resulted in an improvement in our Group's return on equity. This internal exercise has been completed in FY2025.

*Notes:*

<sup>1</sup>*Our two core business segments:*

*(a) Enterprise Data Management Infrastructure Technology (“EDM IT”)*

*(b) Enterprise Data Management Cloud and Hybrid As-A-Service (“EDM AAS”)*

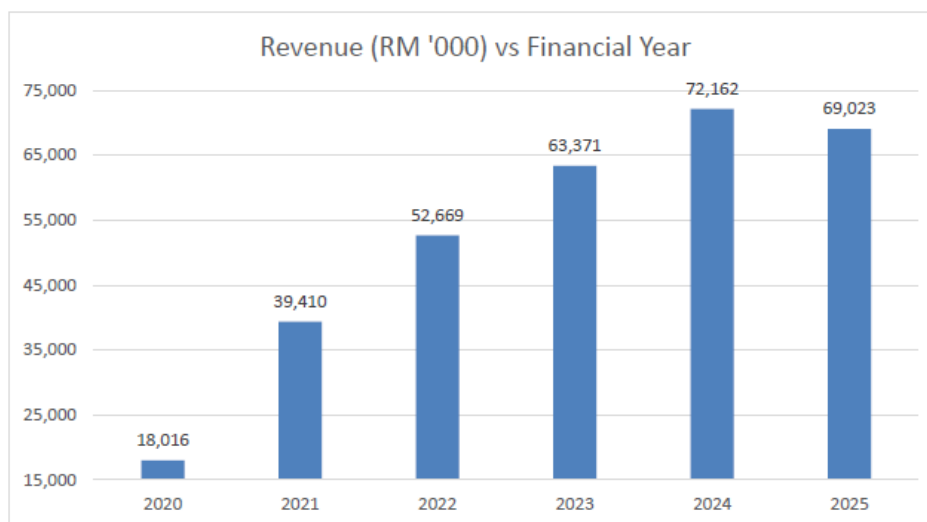
2. **Revenue from the Enterprise Data Management (EDM) As-a-Service (AAS) segment declined by 4% despite being a key strategic focus in FY2025. (Source: Pages 124-125 of AR2025)**

**What were the key factors behind the AAS segment's revenue decline, and how will the Group reverse this trend in FY2026?**

##### **Answer**

The 4% year-on-year Revenue decline was mainly due to the expiry of certain AAS services, and the timing of new subscriptions and services.

The Company has not seen indications that this current revenue drop is the start of market weakness in demand within this business segment. This view is also reinforced by the fact that the FY2025 Revenue is still substantially higher than when compared to the previous 5-year trend:



The Company will continue to build on our existing business strategies and our value-added Cloud and Hybrid proposition – to grow the AAS segment for both potential higher revenue and profitability contribution.

3. **Margins for both EDM Infrastructure Technology and AAS segments declined in FY2025, although the AAS segment remains structurally more profitable. (Source: Pages 124-125 of AR2025)**

**What were the primary reasons behind the margin compression in both segments? How does the Group plan to improve margins in FY2026?**

**Answer**

Financial Year	Margin (%)	% Change	Margin (%)	% Change
	EDM IT		EDM AAS	
2025	2.9	- 2.6	6.8	0.7
2024	5.5	- 2.9	6.2	- 2.1

Based on segmental net Profit/(Loss) for the year, it was actually an increase of 0.7% margin for the AAS segment.

The margin compression for EDM IT was mainly due to a different product solutions mix (which resulted in lower margin), and a competitive market environment.

As our customers are always at the core of everything we do, we believe that over time, our successful long-term track record and customer-centric solutions will enable the Group’s capabilities in meeting the rigorous demands of our customers.

Therefore, the Group will continue with the existing programme we have put in place. In addition, we also have bespoke customer-centric solutions and services. This will further enhance our margins, while we continuously seek new solutions for additional diversification in revenue.

4. Under Note 4 of Property, Plant and Equipment, the Group recorded a RM131.6 million addition under the Cloud Solutions Centre and a significant RM122.5 million disposal under Infrastructure Equipment.

#### 4. PROPERTY, PLANT AND EQUIPMENT

	Infrastructure equipment RM	Office equipment RM	Furniture and fittings RM	Renovation RM	Motor vehicles RM	Leasehold building RM	Cloud solutions centre RM	Total RM
<b>Group</b>								
<b>Cost</b>								
At 1 February 2023	119,856,065	1,174,750	527,042	1,308,825	612,586	7,367,019	-	130,846,287
Additions	41,604,133	172,399	-	-	-	23,156,250	18,445,423	83,378,205
Disposals	(67,357)	(72,809)	-	-	-	-	-	(140,166)
Written off	(793,878)	(447,533)	(254,625)	(968,324)	-	(4,613,905)	-	(7,078,265)
Lease modification	-	-	-	-	-	(60,187)	-	(60,187)
Foreign currency translation differences	13,810,260	96,215	47,238	104,057	64,743	1,151,257	508,889	15,782,659
At 31 January 2024	174,409,223	923,022	319,655	444,558	677,329	27,000,434	18,954,312	222,728,533
Additions	2,411,021	137,778	-	349,259	-	2,361,242	131,612,333	136,871,633
Disposals	(122,455,068)	-	-	-	-	-	-	(122,455,068)
Written off	(2,300,659)	(133,945)	(7,379)	(104,090)	(281,878)	(2,533,335)	-	(5,361,286)
Lease modification	-	-	-	-	-	56,552	-	56,552
Foreign currency translation differences	(8,307,920)	(63,602)	(18,811)	(33,110)	(36,297)	(1,673,118)	(3,520,343)	(13,653,201)
At 31 January 2025	43,756,597	863,253	293,465	656,617	359,154	25,211,775	147,046,302	218,187,163

(Source: Page 97 of AR2025)

**What were the nature and rationale of these huge transactions?**

#### **Answer**

This was the result of the CAPEX to OPEX PPE conversion exercise which was announced last year to enhance our shareholder value (with reference to question 1). Namely:

- i) The amount of RM122.455 million was the disposal of PPE under CAPEX.
- ii) Under the accounting standards, RM131.612 million was the additional ROU2 capitalised for the OPEX model.

#### **Sustainability Matters**

5. The Group recognises the importance of giving back to the local communities, especially those vulnerable groups. However, there has been no contribution since FY2024. (Source: Pages 27 of AR2024 and 25 of AR2025).

The last CSR contribution was by Quantum Storage India Pvt. Ltd., which contributed “RM45,211” (INR950,124) to the Sathaka Foundation in March 2022. (Source: Page 27 of AR2023)

**Why were there no community outreach initiatives in FY2024 and FY2025? Will the Group reinstate these efforts in FY2026?**

**Answer**

The Group had not identified any collaborative partners or initiatives in the last two years. The Group is continuing with efforts in the search and looking forward to contributing towards community outreach initiatives and/or charities in FY2026.

Notwithstanding the above, the Group has always placed emphasis on social justice by advocating fair treatment and equity for all our stakeholders. This includes fair labour practices, promoting opportunities and a workforce that takes into account diverse backgrounds and perspectives.

## APPENDIX II

### Eleventh Annual General Meeting of Kronologi Asia Berhad held on 24 June 2025 (“11<sup>th</sup> AGM”)

#### Questions raised by the Shareholders at the 11<sup>th</sup> AGM

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##### Part 1

- Q1. For the benefit of shareholders, could the Company provide some explanation on how the adoption of the operating expenditure (“OPEX”) model for Property, Plant and Equipment is better than the capital expenditure (“CAPEX”) model?**

The conversion from the CAPEX model to OPEX model is primarily aimed at reducing inefficiencies related to holding PPE. Under the CAPEX model, assets are capitalised and depreciated over a relatively short period, which may not align with the rapid pace of technological change.

By adopting the OPEX model, the Company gains greater flexibility. It allows for longer lease tenure and the ability to upgrade or replace equipment as needed, without the burden of owning fixed assets. This approach helps reduce capital commitments on the balance sheet and enables the Company to continuously refresh the infrastructure to meet the evolving needs of the cloud business.

- Q2. Please clarify whether the adoption of the OPEX model will result in a lower overall depreciation charge compared to the CAPEX model, or whether it remains the same or has increased.**

The total depreciation charge on PPE will certainly decrease as the PPE balance is reduced. However, during the initial phase, particularly in the first year of implementation, there will be a higher charge due to the accounting treatment under the Right-of-Use (“ROU”). This is driven by increased in lease liabilities and capitalisation of ROU assets. From the financial year 2025 onwards, the Company observed a reduction in the overall depreciation and lease liabilities interest..

- Q3. Please confirm whether the lease liability is anticipated to decline in the following years as a result of adopting the OPEX model.**

Yes, that is correct. The adoption of the OPEX model is expected to result in a reduction of lease liabilities in the subsequent years.

## **Part 2**

- Q1. With regard to the Enterprise Data Management (“EDM”) IT segment, could the Company clarify whether the services are provided on a project basis, meaning they are charged as a one-time fee? What is the typical tenure of such contracts – in term of months or years? How many resources have been allocated to continuously secure new contracts to ensure a healthy replacement rate? Additionally, does this segment no longer generate recurring income?**

The EDM IT segment primarily involves infrastructure-based projects and customer-specific buy-ins. The allocation of resources by the Company depends on the nature and scale of each project. Larger projects generally have longer durations and require more resources, whereas smaller projects are typically completed within one or two quarters.

- Q2. How does the Company ensure the continuity or sustainability of project tenants?**

The Company has a strong installed base of customers. As part of the Sales Expansion Program, the Company continues to engage with these customers by understanding how they manage their growing data needs. The Company assesses the evolving business requirements and aligns with the solutions accordingly to ensure a continuous flow of business from existing customers, as well as from new customers who have come on board due to emerging data demands.

- Q3. Has the Company managed to maintain a 100% replacement or replenishment rate?**

The Company does not refer to it as a “replacement rate”, but the Company has been able to retain the customers very well. The Company continues to secure contracts on an ongoing basis, and the customer retention remains strong, consistently well above 95%. The customers typically stay with the Company for a considerable period. Reflecting the stability and strength of the business relationships.

- Q4. Is the EDM Managed Service offered exclusively through the subsidiaries operating in Malaysia, Singapore, and Hong Kong? If so, does this mean the service is limited to these three (3) markets?**

No, the EDM Managed Service is not limited to the three (3) markets. It is also offered through another subsidiary, SANDZ Solutions., which operates in the Philippines. The delivery model of managed services differs from traditional enterprise IT solutions, as each market has its own distinct customer requirements and purchasing behaviours. As such, our subsidiaries, Kronicles and SANDZ Solutions, are strategically positioned to cater to different markets and customer segments based on local needs and demand.

- Q5. Did the Company offer EGM Managed Services to the Chinese market?**

The Company has not offered the said services through a dedicated entity in China, as it has in the Philippines. However, the solution remains available and can be adopted by the Chinese market, should there be interest or demand.

- Q6. The Company aims to grow earnings by 3 times. However, based on the Annual Report 2025, the EBITDA margin has declined by approximately 50% since 2023. Could the Company clarify how it intends to achieve this growth, given the current margin levels?**

The stated target represents a long-term growth aspiration, aiming to double revenue or triple EBITDA over time. It was acknowledged that EBITDA performance may fluctuate, as seen during the COVID-19 period. However, the Company is committed to implementing strategic programs designed to restore performance to previous levels and achieve further growth. It was also emphasised that this target is not a formal financial guidance, but rather a long-term vision aligned with the initiatives previously communicated.

**Q7. Could the Company provide further explanation regarding the disposal of PPE/infrastructure equipment, whereby the assets were sold to recover cash and subsequently leased back, resulting in the recognition of lease liabilities in the financial statements? What will be the financial impact in future years in terms of lease payments?**

The transaction involved the disposal of assets, for which the full proceeds were received by 2025. Due to the specialised and complex nature of the equipment, which includes custom-built systems, it is not typical for conventional leasing companies to assume such leases.

As part of this arrangement, the Company entered into a lease-back structure. The resulting lease liabilities are reflected in the financial statements, and a portion of the disposal proceeds was used to offset these lease obligations to complete the exercise.

It should also be noted that the recognised ROU assets include not only PPE but also office lease components.

In summary, under the Company's transition from a CAPEX to OPEX model, the figures presented comprise both the proceeds from asset disposals and the corresponding lease liabilities. This reflects a broader strategy involving both equipment and office lease arrangements.

**Q8. Referring to page 114 of the Annual Report 2025, under the section on lease liabilities, Note 2 states that the lease liabilities bear interest rates ranging from 2.95% to 9.91%. However, in 2024, the highest recorded rate was only 5.93%. Could the Company explain the reason for the maximum rate being as high as 9.91%? Are such higher rates expected to continue for future lease liabilities?**

The interest rates applied to lease liabilities are derived from the respective country bank borrowing rates used to calculate the discount rate for ROU assets. The increase in the maximum rate reflects changes in financing terms specific to certain lease arrangements. Future rates will depend on prevailing market conditions and the applicable borrowing rates at the time new lease contracts are entered into.

**Q9. Will the 9.91% interest rate continue to be incurred, or is there an option for the Company to restructure or revise the rate?**

The 9.91% rate is a theoretical rate derived for accounting purposes under the ROU asset recognition requirements and does not represent the actual interest paid on operational leases. The Company is not incurring lease payments at that rate and the figure is used solely for compliance with accounting standards, not as a reflection of actual financing cost.

**Q10. When the Company acquired the China business, there was strong optimism that it would become a major growth driver. However, based on current revenue performance, growth appears relatively flat. The revenue improvement seems to have been driven primarily by the Philippines, while Singapore has showed a decline. Could the Company elaborate on the potential in the China market? Additionally, operations in India—which were also expected to grow—only contributed approximately RM17.0 million in revenue. What is the factor holding back the performance in China, and the outlook for both China and India?**

There are no specific internal constraints limiting progress in the China market. However, the slower progress is primarily attributed to the country's uneven economic recovery following the COVID-19 pandemic. While the Chinese government continues to implement measures to stimulate growth, the pace of recovery has been impacted by several external factors, including regulatory and macroeconomic challenges.

The Company remains confident in the long-term potential of the Chinese market. Given its size and scale, any positive shift in momentum can yield substantial returns. The Company continues to maintain a strategic presence in China to ensure readiness to capitalise on growth opportunities as market conditions improve.

With respect to India, the Company similarly views it as a high-potential, long-term market. Although current revenue contributions are relatively modest, India is regarded as a strategic priority, likely to become the second-largest market in the region. Growth has been tempered by political and structural complexities, but the Company believes that, with time and the right positioning, India will deliver meaningful returns.

In summary, the Company's approach in both China and India is grounded in long-term strategic positioning. Maintaining a presence in these markets is essential to ensuring regional competitiveness and enabling sustainable growth across Asia as economic conditions stabilise.

**Q11. Based on the recent disclosures and leasing activities over the past year, the Company's cash positions has not shown significant improvement in terms of cash flow or cash retention. Sought clarification on how the Company plans to address this going forward, noting that a strong cash position is critical for reinvestment, expansion, or potential returns to shareholders.**

**In addition, noted that the Company's business presence in China appears to be concentrated in coastal Tier 1 and Tier 1+ cities. However, recent economic data indicates that lower-tier cities are experiencing faster GDP growth and significantly higher data consumption rates, with some reports citing growth of 20 to 30% over the past 4 to 5 years. In light of this, the shareholder suggested that the Company consider prioritizing these fast-growing lower-tier cities instead of focusing on India, where progress appears comparatively slower.**

Due to the highly specialised and customised nature of its PPE, traditional leasing models are not always applicable for CAPEX-to-OPEX conversion. Nonetheless, the Company has been able to structure arrangements where the proceeds from the disposal of PPE are utilised to offset lease liabilities. While this approach may not significantly increase reported cash balances, it enhances operational and financial flexibility. It also allows the Company to refresh and upgrade its infrastructure more efficiently, which in turn supports long-term business sustainability.

Regarding the Company's presence in China, it was clarified that the business strategy is not strictly limited to Tier 1 or Tier 1+ cities. Rather, the Company follows the location of customer demand, particularly where purchasing decisions are made. Although some Tier 2 and Tier 3 cities demonstrate strong GDP growth, such growth is often driven by factors like housing or cost-of-living advantages, which may not align directly with the Company's enterprise-focused business model.

The Company acknowledged trends such as the migration of data centre operations to regions like Inner Mongolia, due to the availability of power and physical space. The Company is actively supporting customers who have relocated operations to such areas, even though decision-making authority may still reside in Tier 1 cities.

Additionally, the Company sees substantial opportunity in the Greater Bay Area (GBA) – the "9+2" region comprising Hong Kong, Macau, and nine (9) key cities in Guangdong province. This region continues to be a focal point for strategic expansion due to its high concentration of enterprise demand and infrastructure maturity.

In conclusion, the Company adopts a demand-driven, customer-centric strategy, following investment decisions rather than relying solely on geographic classifications. This ensures the Company remains aligned with genuine commercial opportunities and market dynamics, both in China and across the region.

**Q12. In past AGMs, the Company had outlined several strategic initiatives with an optimistic outlook. However, from a shareholder's perspective, the actual performance has not aligned with expectations. The share price has experienced notable depreciation, and there appears to be a decline in institutional investor interest.**

**Given this, could the Company provide clarity on the following:**

- 1. Beyond accounting-related changes such as the conversion from CAPEX to OPEX model, what are the concrete growth drivers that the Company is pursuing, and how will these translate into sustainable earnings improvement?**
- 2. What is the Company's strategy for effectively monetising its infrastructure and data management services to generate long-term shareholder value?**
- 3. What steps are being taken to address the decline in revenue from major customers, and how is the Company working to secure new and stable revenue streams?**
- 4. As a Malaysia-based company, why has the Company not been more visibly involved in capitalizing on the increasing investment in Malaysia's digital infrastructure and data centre development?**
- 5. Lastly, the shareholder suggested that the Company consider adopting more shareholder-friendly arrangements for future AGMs, particularly in terms of venue accessibility and associated costs.**

The Board expressed appreciation for the feedback and clarified that the AGM venue was selected based on prior shareholder requests for improved hospitality, and that it was secured at a favourable rate. It was also noted that the Directors are staying in cost-effective accommodations, and the Company continues to manage expenses prudently.

In terms of business performance, it was highlighted that despite external challenges such as the COVID-19 pandemic and ongoing trade tensions, the Group has maintained a stable revenue range of RM250 million to RM300 million over the past five (5) to six (6) years, and has delivered improved profitability in the most recent financial year.

Regarding Malaysia's growing data centre sector, the Company explained that although some global technology players (e.g., Microsoft) have scaled back plans due to geopolitical considerations, local developments—particularly in Johor—are still in the early stages. The Company confirmed that it is actively engaged in this space and is well-positioned to support such initiatives as they progress.

**Q13. Referred to page 126 of the Annual Report 2025, what does it mean of the dash ("-") ? Does it indicate a value of zero? And the clarification on the classification of "Customer A".**

The dash ("-") signifies that no individual customer contributed 10% or more of the Group's total revenue for the reporting period, in accordance with the relevant disclosure threshold. It does not indicate a zero revenue figure, but rather that no single customer met the minimum requirement for individual disclosure.

With respect to "Customer A," the Company explained that it represents a customer who, in previous reporting periods, individually met the 10% disclosure threshold. However, in the current financial year, none of these customers individually contributed 10% or more of the Group's revenue. This classification is used solely for disclosure purposes and does not imply the loss of these customers or their revenue contributions. It simply reflects that, for the year under review, no individual customer exceeded the 10% disclosure threshold.

**Q14. It appears that the Company may be overly reliant on “Customer A”. In addition, the geographical segment disclosures in the Annual Report 2025 present only revenue by country without any indication of profitability, making it difficult to assess performance and budgeting across regions.**

**In Malaysia, although some global players have scaled down their initial projections, many continue to invest significantly in the market. Is the Company in a position to secure participation in these large-scale projects, or is there a risk of being bypassed as these players manage their own infrastructure?**

The Company remains actively engaged in both local and international data centre projects. While some hyperscalers have scaled back earlier plans, many projects are still moving forward at different stages and scales. The Company supplies critical infrastructure that enables these centres to serve their own end-users. As customer demand grows, the Company's role and service capacity also expand.

It was also noted that the Company typically acts as a delivery partner, supporting project managers or system integrators, rather than taking the lead as a primary developer.

On the segment disclosures, the Board acknowledged the comment and will consider enhancing future reporting to provide clearer insights into regional performance and budget allocation.

**Q15. Goodwill continues to represent a significant portion of the Company's non-current assets, exceeding half of the total. Many companies implement mechanisms to amortise or assess the impact of goodwill on their financials. Could Management explain how goodwill is assessed? What are the implications if it remains at this level over time, and how might it affect the Company's forecasts and financial position?**

The Goodwill is assessed annually based on business projections over 5 year period, taking into account forecasted revenue and profitability growth. This evaluation is conducted as part of the annual audit process, during which the projections are thoroughly reviewed by the auditors to determine whether any impairment is necessary.

Since the acquisitions were made, the Group has not recognised any impairment on goodwill. This reflects Management's confidence in the continued growth and financial performance of the acquired businesses.

For further information, shareholders can refer to the "Valuation of Goodwill" section on page 68 of the Annual Report 2025.

**Q16. Is there a timeline or roadmap for the Company to transfer to the Main Market of Bursa Malaysia Securities Berhad?**

The Independent Directors acknowledged that while the prospect of transferring to the Main Market remains under consideration, the timing must be appropriate. In recent years, the Company has faced challenges in achieving its full profitability potential. As such, the Board will revisit the matter once the Company's financial performance has strengthened sufficiently to support such a move. Any transfer to the Main Market will be pursued only when it aligns with the Company's long-term growth strategy and value creation objectives.

**Q17. Shareholders have expressed concerns over the Company’s repeated focus on data, Artificial Intelligence (“AI”), and data centre initiatives, which have yet to translate into positive share price performance. While peers in the sector have experienced upward momentum, Kronologi’s share price has continued to decline, nearing all-time lows since 2019. Specifically:**

- 1. What is the current status of the Google data centre project that was highlighted last year?**
- 2. What tangible outcomes have resulted from the Company’s activities in China amid the uneven recovery there?**
- 3. Despite acquisitions and private placements that boosted revenue, why has profitability—particularly earnings per share (“EPS”)—not improved in tandem?**
- 4. When does the Company expect to achieve its long-term revenue and EBITA targets? Can more concrete timelines or interim milestones be provided, rather than indefinite goals?**

The Directors express their sincere appreciation for shareholders’ continued support and constructive feedback.

Regarding the Company’s share price, it is recognised that market dynamics, investor sentiment and broader macroeconomic conditions are factors beyond the Company’s direct control. Nevertheless, Management and the Board remain committed to strengthening the Company’s core fundamentals by driving sustainable revenue growth, enhancing profitability and ensuring continued financial stability.

Updates on the progress of the Google data centre initiative and the Company’s operations in China will be provided through appropriate disclosures in due course. The Board remains actively engaged in key markets and strategic projects, though the pace and scale of outcomes may differ depending on regional market conditions.

The long-term aspirations, such as doubling revenue and tripling EBITDA, represent the Company’s strategic vision rather than immediate guidance. However, the Board acknowledge the importance of setting measurable short- and medium-term targets to enhance transparency for investors. The Board will explore incorporating these milestones in future communications to provide clearer insights into the Company’s progress.

**Q18. This marks the third consecutive year that shareholders have raised similar concerns regarding the Company’s strategic direction and overall performance. While Management continues to emphasise long-term strategies and programmatic efforts, shareholders are increasingly seeking tangible results.**

**Revenue has declined, and although there has been some improvement in profit, the gains appear modest. This has led to concerns about whether the Company is facing deeper structural challenges. Specifically:**

- 1. Are the current strategies effective?**
- 2. What concrete short-term plans are being undertaken?**
- 3. How does the Management plan to transition the Company from its current stagnation and into a clear and sustainable growth path?**

The Board appreciates the candid feedback and acknowledges the concerns raised. Based on the FY2025 results, the Company achieved a year-on-year increase of over 10% in net profit compared to FY2024. While the growth may appear modest, it reflects the positive impact of the strategic initiatives implemented over the past year.

The Board respectfully disagrees with the view that the improvement is marginal, as it signifies meaningful progress, especially given the current challenging economic landscape. Nonetheless, we recognise the importance of delivering more visible and impactful financial outcomes and remain focused on achieving this moving forward.

**Q19. Considering the level of investment made, the returns appear minimal. It's unclear whether there has truly been a 10% improvement. Are you certain of this figure? Shareholders are seeking clarity on actual performance, yet even Management appears uncertain about the exact outcomes.**

Based on the audited financial results, the Company's net profit increased from RM8.6 million in FY2024 to RM11 million in FY2025, representing a growth of over 10%. The Board believes this is a meaningful improvement, especially in light of the operational challenges and broader market conditions during the period.

**APPENDIX III**

No.	Resolutions	Vote For			Vote Against		
		Voters	No. of shares	%	Voters	No. of shares	%
1.	Ordinary Resolution 1  To approve the payment of Directors' fees and benefits of up to RM600,000 for the period commencing from the date immediately after this 11th AGM until the date of the next Annual General Meeting ("AGM") of the Company.	48	338,663,122	98.0707	13	6,662,400	1.9293
2.	Ordinary Resolution 2  To re-elect Mr. Edmond Tay Nam Hiong as Director of the Company.	55	291,041,722	99.0607	6	5,755,920	1.9393
3.	Ordinary Resolution 3  To re-elect Ms. Lai Ching Thing as Director of the Company.	55	339,041,722	98.3306	6	5,755,920	1.6694
4.	Ordinary Resolution 4  To re-appoint PKF PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.	57	339,063,722	98.3359	5	5,737,920	1.6641
5.	Ordinary Resolution 5 – Tier 1  To retain Mr. John Chin Shoo Ted as the Senior Independent Non-Executive Director of the Company.	1	119,564,526	100.00	0	0	0.0000
6.	Ordinary Resolution 5 – Tier 2  To retain Mr. John Chin Shoo Ted as the Senior Independent Non-Executive Director of the Company.	49	219,412,756	97.4159	11	5,820,360	2.5841
7.	Ordinary Resolution 6  To approve the general authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.	51	339,020,202	98.1741	11	6,305,440	1.8259
8.	Ordinary Resolution 7  To approve the Proposed Renewal of the Authority for the Company to purchase its own shares of up to ten per centum (10%) of its total number of issued shares.	57	338,908,102	98.2919	5	5,889,560	1.7081