

**K-ONE TECHNOLOGY BERHAD**  
**[Registration No. 200101004001 (539757-K)]**  
(Incorporated in Malaysia)

Minutes of the Twenty-Second Annual General Meeting of the Company held fully virtual via online meeting platform in accordance with the Guidance Note issued by the Securities Commission Malaysia, from the Broadcast Venue at Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur on Monday, 29 May 2023 at 9.00 a.m.

Present online	:	Shareholders	
Present at Broadcast Venue	:	Ir. Edwin Lim Beng Fook Dato' Martin Lim Soon Seng Mr Loi Kim Fah Mr Goh Chong Chuang Ms Anita Chew Cheng Im Dato' Azlam Shah bin Alias Mr Edward Ka Yen Chee Mr Bjorn Braten  Mr Goo Kok Khian Mr Choi Keng Mun	- Executive Chairman - Chief Executive Officer - Independent Non-Executive Director - Independent Non-Executive Director - Independent Non-Executive Director - Independent Non-Executive Director - Independent Non-Executive Director - Non-Independent Non-Executive Director - Chief Operating Officer ("COO") - Senior Finance Director
Present online	:	Mr Andrew Choong Ms Zoey Tan	- External Auditors from Messrs Baker - Tilly Monteiro Heng PLT
In Attendance at Broadcast Venue	:	Ms Wong Youn Kim	- Company Secretary

**1. CHAIRMAN, QUORUM AND NOTICE OF MEETING**

The meeting was convened with Ir. Edwin Lim Beng Fook in the Chair who welcomed everyone to the Twenty-Second Annual General Meeting ("22<sup>nd</sup> AGM") of the Company.

Upon confirmation by Ms Wong Youn Kim, the Company Secretary that a quorum was present at the commencement of the meeting pursuant to Clause 67 of the Company's Constitution, the Chairman called the meeting to order and declared the meeting duly convened as the Notice of the AGM dated 28 April 2023 had been announced on 27 April 2023, published in the newspaper on 28 April 2023 and circulated to all members of the Company in accordance with the Company's Constitution.

The Chairman then declared that the Notice of the meeting was taken as read and proceeded to introduce the Board of Directors, COO, Senior Finance Director, Company Secretary and External Auditors.

Before proceeding with the Agenda of the AGM, the Company Secretary was called upon to explain the proceedings of the meeting and online voting procedures to the shareholders.

She informed the shareholders that the businesses to be transacted in the AGM involved the moving and passing of 7 proposed Ordinary Resolutions and that each of the proposed Ordinary Resolutions would require the approval of a simple majority of the members or their proxies present and voting in the meeting.

She said each motion would require one proposer and a seconder before the motions were put forward for poll voting, and that in order to facilitate the flow of the meeting, the Chairman who is a member and also proxy holder and Mr Choi Keng Mun who is a member of the Company have offered themselves to be the Proposer and Secunder for all the motions.

She informed that the Company has appointed Acclime Corporate Services Sdn Bhd as the Poll Administrator to conduct the polling process and USearch Management Services as the Independent Scrutineer to verify the poll results.

Shareholders were encouraged to participate at the AGM by submitting typed questions in real time and in order to have smooth proceedings, the Q&A session would be conducted after the polling.

2. **AUDITED FINANCIAL STATEMENTS, DIRECTORS' AND AUDITORS' REPORTS FOR THE YEAR ENDED 31 DECEMBER 2022**

The Chairman informed the meeting that the provision of Section 340(1)(a) of the Companies Act 2016 requires the Audited Financial Statements for the financial year ended 31 December 2022 together with and the Reports of the Directors and Auditors thereon be laid before the Company at the AGM. As such, the agenda was for discussion only and not a business that would require a resolution to be put to vote by members.

The Chairman declared that the Audited Financial Statements for the financial year ended 31 December 2022 together with the Directors' and Auditors Reports were taken as laid before the shareholders pursuant to Section 340(1)(a) of the Companies Act 2016.

3. **PAYMENT OF DIRECTORS' FEES TO THE NON-EXECUTIVE DIRECTORS OF UP TO RM236,000 FROM 29 MAY 2023 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY, TO BE PAID MONTHLY IN ARREARS AFTER EACH MONTH OF COMPLETED SERVICE**

Ordinary Resolution 1 – Approval of payment of Directors' fees to the Non-Executive Directors of up to RM236,000 from 29 May 2023 until the next Annual General Meeting of the Company, to be paid monthly in arrears after each month of completed service ("Payment of Directors' fees") was tabled before the meeting.

Upon Ordinary Resolution 1 being duly proposed and seconded, the motion to approve the Payment of Directors' fees of up to RM236,000 would be voted by way of poll.

It was noted that all the Non-Executive Directors, being the interested parties in this resolution, had abstained from deliberation and voting on the resolution.

4. **PAYMENT OF DIRECTORS' ALLOWANCES TO THE NON-EXECUTIVE DIRECTORS OF UP TO RM30,000 FROM 29 MAY 2023 UNTIL THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY**

Ordinary Resolution 2 – Approval of payment of Directors' allowances to the Non-Executive Directors of up to RM30,000 from 29 May 2023 until the next Annual General Meeting of the Company ("Payment of Directors' allowances") was tabled before the meeting.

Upon Ordinary Resolution 2 being duly proposed and seconded, the motion to approve the Payment of Directors' allowances of up to RM30,000 would be voted by way of poll.

It was noted that all the Non-Executive Directors, being the interested parties in this resolution, had abstained from deliberation and voting on the resolution.

Upon Ordinary Resolution 2 being duly proposed and seconded, the motion to approve the Payment of Directors' allowances of up to RM30,000 would be voted by way of poll.

It was noted that all the Non-Executive Directors, being the interested parties in this resolution, had abstained from deliberation and voting on the resolution.

**5. RE-ELECTION OF DIRECTORS**

Ordinary Resolution 3 – Re-election of Ir. Edwin Lim Beng Fook was tabled before the meeting.

Upon Ordinary Resolution 3 being duly proposed and seconded, the motion to re-elect Ir. Lim Beng Fook who was retiring by rotation pursuant to Clause 106 of the Company's Constitution would be voted by way of poll.

Ordinary Resolution 4 – Re-election of Dato' Azlam Shah bin Alias was tabled before the meeting.

Upon Ordinary Resolution 4 being duly proposed and seconded, the motion to re-elect Dato' Azlam Shah bin Alias who was retiring by rotation pursuant to Clause 106 of the Company's Constitution would be voted by way of poll.

Ordinary Resolution 5 – Re-election of Mr Ka Yen Chee was tabled before the meeting.

Upon Ordinary Resolution 5 being duly proposed and seconded, the motion to re-elect Mr Ka Yen Chee who was retiring pursuant to Clause 93 of the Company's Constitution would be voted by way of poll.

**6. RETIREMENT OF DIRECTORS**

It was noted that Mr Goh Chong Chuang and Mr Loi Kim Fah have informed the Board of Directors of their wishes to retire at the conclusion of the Twenty-Second Annual General Meeting of the Company. This is also in line with Bursa Malaysia Securities Berhad's enhanced Listing Requirements that limits an independent director's cumulative tenure to 12 years and that all long serving independent directors are to retire or be re-designated as non-independent directors with effect from 1 June 2023.

The Board of Directors has accepted Mr Goh Chong Chuang's and Mr Loi Kim Fah's wishes to retire and expressed and recorded a special note of appreciation and gratitude to both of them for their unwavering dedication and invaluable contributions during their tenure in office.

The Board of Director wished them well in their future endeavours.

**7. RE-APPOINTMENT OF AUDITORS**

Ordinary Resolution 6 – Re-appointment of Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company for the financial year ending 31 December 2023 and to authorise the Directors to fix their remuneration was tabled before the meeting.

Upon Ordinary Resolution 6 being duly proposed and seconded, the motion to re-appoint Messrs Baker Tilly Monteiro Heng PLT who have indicated their willingness to continue in office as Auditors of the Company for the financial year ending 31 December 2023 at a remuneration to be fixed by the Directors would be voted by way of poll.

## **SPECIAL BUSINESS**

### **8. Authority to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**

Ordinary Resolution 7 – Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 was tabled before the meeting.

Upon Ordinary Resolution 7 being duly proposed and seconded, the motion to authorise the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 as set out in the notice of meeting would be voted by way of poll.

The Chairman informed the shareholders that as the Company did not receive any notice to transact any other business, the meeting would proceed with the poll for all Ordinary Resolutions as set out in the Notice of AGM and that submission of votes would close at 9.30 a.m.

### **9. QUESTIONS AND ANSWERS SESSION (“Q&A SESSION”)**

The meeting then proceeded with the Q&A Session.

The questions posed by shareholders/proxyholders at the AGM and answers provided by the Executive Chairman in response to those questions are as stated below:

Q1. When would the NASA-JPL ventilator be expected to be approved and launched to the market? With the COVID-19 subsided, is there still a good market demand for the ventilators?

A1. The NASA-JPL ventilator is currently undergoing final clinical tests by 2 local university hospitals/laboratories to produce the required clinical test reports for submission to the Medical Device Authority (“MDA”) under the Ministry of Health, Malaysia for their evaluation and approval. The clinical tests are expected to be completed in the next 2 months for submission to MDA which may take a few months to evaluate and approve if the results of the clinical tests are acceptable. Upon obtaining approval from MDA which is expected by end 2023, the ventilator will be launched. The Company acknowledged that the submission/approval of the said ventilator has taken a bit of time as it wanted to ensure that the product is safe for use by patients.

The NASA-JPL licensed ventilator has been enhanced and irrespective whether COVID-19 has subsided or not, it is still needed as a critical hospital equipment to treat patients suffering from breathing difficulties caused by other diseases or injuries such as acute pneumonia, stroke, brain injury, etc. which will continue to happen post-COVID-19.

Q2. What are the Group's strategies in facing competition in the Cloud market and how well the Group had performed in overcoming the competition?

A2. The Group has employed defensive competitive strategies such as stepping up service level; competitive pricing to defend turf and secure strategic potential customers, as well as provide other specialized services such as cybersecurity, artificial intelligence and machine learning which are witnessing significant business potential to enhance customers' loyalty.

The Group has also employed offensive competitive strategy by expanding into Indonesia and Vietnam where the Cloud markets are enormous and fast growing.

- Q3. Revenue from electronic products increased from RM57 million in FY2021 to RM77 million in FY2022. What factors had fuelled such increases?
- A3. EMS encompasses manufacturing and design/development. Hence, in 2021, total revenue from EMS was RM74 million instead of RM57 million whilst in 2022, it was RM97 million instead of RM77 million.

The increase in revenue from EMS was driven by sturdy demand of industrial equipment, floorcare products and the launch of new models of electronic headlamps.

Factors that fuelled such increase include pent-up demand due to global lockdowns in 2021; availability of labour capacity in running production and easing of logistic issues in 2022 as compared to the constraints experienced/imposed in 2021, which included prevalence of materials shortages (especially electronic chips), logistic hiccups and supply chain disruptions.

- Q4. It is stated that the Group is expected to turnaround this year. Can the Board please provide further guidance as to the performance outlook of the Group in FY2023?
- A4. On an overall basis and amidst the uncertain and volatile global economic environment, the performance outlook of the Group in FY2023 with EMS and Cloud contributing 60% and 40% respectively towards total sales, are as follows:

EMS:

- (i) Sales growth is expected in the medical/healthcare segment for the OEM/ODM business as it is recession resilient. Sales for consumer electronics, industrial and IoT sectors are expected to scale higher with new product launches by customers, although working against a fragile and volatile global economic environment.
- (ii) Potential opportunities in US/European tech companies relocating manufacturing from China to K-One in Malaysia (hopefully the preferred choice) in light of the ongoing and intensifying US/China conflict.
- (iii) Medical supplies business taking traction for medical consumables such as wound-care products and acne patches with K-One acting as Authorised Representative and for hygiene-care products, K-One has been appointed by Diversey as its exclusive distributor in Malaysia. The hygiene-care products have been getting good response from the local hospitals and hospitality fraternities.

Cloud:

- (i) Sales growth is expected in the local market as both private and public enterprises continue to adopt Cloud. Furthermore, the New Normal - work-from-home, virtual meeting, online buying and e-learning are here to stay post -pandemic, although less intense. These activities promote Cloud usage which augurs well for the Group.
- (ii) The rapid global rollout of 5G and the increasing adoption of IoT, AI and machine learning which enable more data and new types of data to be streamed from the Cloud will boost Cloud spending.
- (iii) Business growth is expected to be accelerated with the recent undertakings to raise the equity interest in P.T. G-Asia Pasific Indo (“GAP Indo”) from 15% to 51% and the establishment of a joint venture in Vietnam, which will be 51% owned by the Group.

To summarise, barring any unforeseen circumstances and provided the USD exchange rate remains strong, the Group is expected to turnaround in 2023 with increased sales.

- Q5. How soon will the two acquisitions - GAP Indo and G-AsiaPacific (Vietnam) LLC (“GAP VN”) expected to contribute profits to the Group, and how much contributions in top line and bottom line that the Group is forecasting from these two entities?
- A5. Definitive agreements pertaining to the said two corporate exercises were executed in April 2023 and these two corporate activities are targeted to be completed on or before 2Q’23.

The Cloud markets in Indonesia and Vietnam are enormous and fast growing, driven by their accelerating digital transformation. Thus, it is expected that these two markets will contribute positively to the top and bottom lines of the Cloud business in 2023. GAP Indo was established in September 2019 and its growth throughout these years have been encouraging. Thus, it is expected that GAP Indo will contribute positively to the top and bottom line of the K-One Group in 2023.

As GAP VN is still a “new kid on the block” in Vietnam, there will be a gestation period but the Group is hopeful that it will breakeven in as short a period as possible as the local partner which will hold 49% of GAP VN, is a market leader in the cybersecurity industry in Vietnam. With such complementary business, it is promising that it will help to shorten the time to generate sales and profit.

## 10. ANNOUNCEMENT OF RESULTS

The results of the poll voting were announced by the Executive Chairman as follows:

Resolutions	Votes For/Favour		Votes Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1	247,792,198	99.9833	41,282	0.0167
Ordinary Resolution 2	247,785,878	99.9796	50,602	0.0204
Ordinary Resolution 3	282,912,216	99.9858	40,120	0.0142
Ordinary Resolution 4	282,912,214	99.9858	40,122	0.0142
Ordinary Resolution 5	282,912,216	99.9858	40,120	0.0142
Ordinary Resolution 6	282,951,216	99.9996	1,120	0.0004
Ordinary Resolution 7	282,914,094	99.9865	38,242	0.0135

The Chairman declared that all seven (7) Ordinary Resolutions were approved by the shareholders.

### Ordinary Resolution 1

It was resolved that the payment of Directors’ fees to the Non-Executive Directors of up to RM236,000 from 29 May 2023 until the next Annual General Meeting of the Company, to be paid monthly in arrears after each month of completed service be and is hereby approved.

### Ordinary Resolution 2

It was resolved that the payment of Directors’ allowances to the Non-Executive Directors of up to RM30,000 from 29 May 2023 until the next Annual General Meeting of the Company be and is hereby approved.

### Ordinary Resolution 3

It was resolved that Ir Lim Beng Fook who is retiring by rotation pursuant to Clause 106 of the Company’s Constitution be re-elected as Director of the Company.

**Ordinary Resolution 4**

It was resolved that Dato' Azlam Shah bin Alias who is retiring by rotation pursuant to Clause 106 of the Company's Constitution be re-elected as Director of the Company.

**Ordinary Resolution 5**

It was resolved that Mr Ka Yen Chee who is retiring by rotation pursuant to Clause 93 of the Company's Constitution be re-elected as Director of the Company.

**Ordinary Resolution 6**

It was resolved that Messrs Baker Tilly Monteiro Heng PLT who have indicated their willingness to continue in office as Auditors of the Company be and are hereby re-appointed as Auditors of the Company for the financial year ending 31 December 2023 at a remuneration to be fixed by the Directors.

**Ordinary Resolution 7**

It was resolved that subject always to the Companies Act 2016 ("Act"), Constitution of the Company, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and approvals of the relevant governmental/regulatory bodies (if applicable), the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Act to issue new shares in the Company from time to time and upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued during the preceding twelve (12) months pursuant to this resolution, does not exceed 10% of the total number of the issued shares (excluding treasury shares) of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

AND THAT pursuant to Section 85 of the Act read together with Clause 51(1) of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Act AND THAT the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company.

AND THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company, or at the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given, unless revoked or varied by an ordinary resolution of the Company at a general meeting, whichever is the earlier.

11. **TERMINATION OF MEETING**

There being no other business, the meeting ended at 9.45 a.m. with a vote of thanks to the chair.

**CONFIRMED AS THE CORRECT RECORD  
OF THE PROCEEDINGS THEREAT**

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**IR. EDWIN LIM BENG FOOK**  
**EXECUTIVE CHAIRMAN**