



Mykris Limited  
Level 7, 12-26 Swanson Street,  
PO Box 1314, Shortland Street,  
Auckland, New Zealand. 1140.  
Phone +64 9 304 0145  
Fax +64 9 358 3858

## **NZX RELEASE – POST MYKRIS ANNUAL MEETING**

15 August 2014

Mykris Ltd held its 3<sup>rd</sup> annual meeting in Auckland today.  
The meeting was chaired by independent director Mr Brent King.

The main speaker was the Executive Chairman Mr Chew Choo Soon, who gave the meeting a very positive report outlining the company's strong performance for the year under review and future prospect of the Group.

The major points in Mr Chew's presentation were

### **Financial Performance for year to 31 March 2014**

- Total Revenue           \$7,328,612
- NPAT                     \$ 96,974
- EBITDA                 \$1,570,903
- Revenue
  - 84.03% (\$6,158,549) from Managed Internet Services
  - 8.21% (\$601,908) from Project Sales
  - 7.34% (\$537,787) from IT-based Products and Services
  - 0.42% (\$30,368) from Royalties Fees
- Managed Internet Services revenue continue to grow
- The Statement of Financial Position shows minimal debt of \$80,577
- The Statement of Financial Position shows healthy cash deposits of \$1,148,215
- Significant increase in Human Resource & R&D costs and Network expansion of \$396,592 and \$608,021, respectively.
- Significant Non Cash Item ITDA : \$1,476,829
- Significant Impact of Exchange Rate: Malaysian currency worth 20% less

### **Operation Review**

- Successfully deployed hybrid infrastructure Wired (Fibre) and Wireless to give customers "best of both worlds" benefits
- Won major contract for its managed network solution over Wide Area Network covering 74 branches throughout Malaysia for Courts Mammoth
- Designed and built E-Commerce portal for cloud service "Software as a Service" (SaaS) to capitalize on E-Commerce trends.
- Designed and Built Location Based Service for cloud base "Platform as a Service" (PaaS) to tap on NZ\$4.8 billion of potential market
- Successfully pass the ISO9001 yearly assessment audit.

- Embarked on 5S (Sort, Systematize, Shine, Standardize and Self-Discipline) program to improve quality of service

### **Industry Trends and Development**

- Malaysia Government pledged further support on High Speed Broadband (HSBB) with additional NZ\$1.21B investment
- Demand for data services, particularly high-speed Intranet in urban areas, is expected to grow in tandem
- Strong demand of Intranet/Internet data services further spurred and stimulated by Cloud base services and E-Commerce

### **Product Development**

- Maturing of Location Based Service (LBS) eco system opens up large windows of opportunity.
- Location aware services that ride on our location based service platform via any GPS enabled device, mobile devices and location aware services
- Cloud based "Platform as a Service" model for specific services in different industries
- Successful pilot run on the Child Monitoring and Safety application in 2013
- Emerged as the best LBS solution platform after evaluating by one of Malaysia largest mobile operators
- Mykris started to venture into E-Commerce as early as 2008 and operated an email from 2008-2010
- E-Commerce market place is an upcoming trend with vast potential to be tapped
- Mykris E-Commerce solution is a cutting edge social commerce multi-vendor shopping cart software
- Mykris is currently working with one of the biggest Chinese media company to customize the solution
- Rollout of the E-Commerce is envisaged to take place in November 2014
- Mykris will offer the solution based on "Software as a Service" SaaS cloud strategy

### **Prospect for the Group**

- Demand of quality data services will continue to grow spurred by E-Commerce and Cloud Computing. Telekom Malaysia, the incumbent Telco forecasted the data services market in Malaysia to exceed NZ\$1 billion for year 2014-2015.
- Mykris business strategies to band on Hybrid Internet/Intranet "best of both worlds" reaffirmed by the winning of Courts project
- Continue with marketing branding programs to create market awareness. Hybrid approach (Online + traditional media) to increase market penetration
- Strategic business unit to increase market share by focusing on One-stop Managed Converged triple-play service collaborating with one of the top notch satellite content provider.
- Continue looking for synergistic partners in New Zealand so that we can explore strategic and synergistic alliances and possible Merger and Acquisition (M&A) exercise to acquire good companies to complement Mykris business and to bring our technology to New Zealand market

In response to questions Mr Chew advised

- The subsidiary company Mykris Net (MSC) Sdn Bhd has been granted MSC status by the Malaysian government. This status provided to high tech IT companies promotes research and development and grants the company tax free status for 5 years.
- The managed internet and network services provided by the group allows the provision of full turnkey solutions to the hospitality industry for the provision and management Voice communication, Data, Satellite TV. The wireless solution is very flexible and this solution at the Sama Sama Hotel enable the MH370 Media Centre to be set up with the immediate tripling the normal band available to the hotel and media agencies. This solution would not be available in normal fibre solutions. Large corporates are willing to pay a premium for these managed solutions.
- The Malaysian government has spent approximately \$1B on the first stage rollout a high speed network. The second stage is currently in progress at a cost \$1.2B. This network will be available to service providers to lease for their customers. However because the service provider does not own the network they cannot control the resolution of problems within the network. Mykris is able to fully manage its own wireless network and provide high levels of service to customers who are willing to pay a premium for a premium service.
- The Mykris business is to use the Malaysian Telecom fibre network in locations where its owned wireless network is not available. The company is also considering opportunities in both Myanmar and New Zealand.

The slides from Mr Chew's presentation are attached.

The results of the meeting are as follows:

**Resolution 1** - To receive and consider the Annual Report, including the audit report and financial statements, for the year ended 31 March 2014. "That the Annual Report be received" - carried

**Resolution 2** – To record that the Company's Auditors, Crowe Horwath New Zealand Audit Partnership, are automatically reappointed as auditors pursuant to section 200 of the Companies Act 1993 and to consider, and if thought fit, to pass the following ordinary resolution. "That the directors of the Company be authorised to fix the remuneration of the auditors of the Company for the ensuing year." - carried

**Resolution 3** - To consider and, if thought fit, to pass the following ordinary resolution: "That Huei Min Lim, who retires by rotation and is eligible for re-election, be elected as a director of the Company." – carried

**Resolution 4** - To consider and, if thought fit, to pass the following ordinary resolution: "That Mr Chew Choo Soon, who retires by rotation and is eligible for re-election, be elected as a director of the Company." – carried

On behalf of the Board of Directors

Chew Choo Soon  
Chief Executive Officer / Executive Chairman

15 August 2014

For further information please contact:

MyKRIS Corporate Enquiries  
+603-5879 0188 or [www.mykris.net](http://www.mykris.net)

Alternatively, New Zealand contact:

Mr Brent King  
Director  
021 632 660  
[brent.king@irg.co.nz](mailto:brent.king@irg.co.nz)