

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

20 August 2013

Mykris Ltd held its 2<sup>nd</sup> annual meeting in Auckland today. The meeting was chaired by independent director Ms Lyn Lim.

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 2013**

- Total Revenue           \$8,878,771
- NPAT                       \$1,286,722
- EBITDA                   \$2,632,897
- Revenue
  - 59.78% (\$5,307,504) from Managed Internet Services
  - 32.48% (\$2,883,479) from Project Sales
  - 4.20% (\$372,779) from IT-based Products and Services
  - 3.54% (\$315,009) from Royalties Fees
- The revenues are growing and a large portion is subject to contract and is locked in
- The Statement of Financial Position shows significant cash deposits of \$1,747,956
- Total dividend paid for the year to 1.5cps per share

### **Operation Review**

- Successfully deployed numerous one-stop High Speed Internet Access (HSIA) solutions to our hospitality clients. Demand for these services is growing in the industry.
- Won major contract for its 'triple-play' network solution includes designing, building and deploying a complete Unified Communications Network (including IP-TV, Digital Signage and Video on Demand solutions) for a 5-star hotel at Kuala Lumpur International Airport.
- Awarded the International Organisation for Standardisation (ISO) highest and most comprehensive level of ISO 9000 certification, ISO 9001:2008.
- Developed a high interference resistance wireless antenna to improve on our wireless communication.

### **Industry Trend and Development**

- World Bank study, a 10.0% increase in household broadband penetration in 2012 contributed in increased Gross Domestic Product (GDP) growth by more than 1.0%.
- Data services in Malaysia, which mainly comprise of Leased services, Internet Protocol Virtual Private Network (IP-VPN) and Premium Internet Protocol (IP)

services, grew 9.5% to \$875.8 million (RM2,2 billion) from \$799.7 million (RM2,0 billion) in 2011

- ❑ Strong projection for Large Business internet users in Malaysia according to International Data Corporation (IDC) December 2012 report, which shown strong demand from 2012 to 2016.

### **Product Development**

- ❑ I-Locare is a Location Based Service (LBS) platform for an IP/GPS capable mobile device that requires knowledge of where about the mobile device is.
- ❑ Location aware services that ride on our location based service platform via any GPS enabled device, mobile devices and location aware services.
- ❑ First trial and pilot testing on the Child Monitoring and Safety application in Q1 2013.
- ❑ Extended the development of this solution on the mobile android enabled devices to allow parents to have real-time monitoring.

### **Prospect for the Group**

- ❑ Malaysia economy is strong and organisations will deploy technology to drive growth as there has been a shift in focus from operational efficiency and cost reduction to a stronger emphasis on growth, customers, and innovation.
- ❑ All-out to increase our market share by focusing on the growing Managed Internet Services, One-stop High Speed Internet Access (HSIA), new products and solutions development, and recruiting a pool of talent while strengthening our position in the Managed Broadband Solutions market.
- ❑ Our products and services work well for large hotels and for companies with significant internet usage who wishes to manage that capacity.
- ❑ We are actively looking for partnership and opportunity in New Zealand so that we can bring our technology to New Zealand market.
- ❑ To explore strategic alliances and possible Merger and Acquisition (M&A) exercise to acquire good companies to complement our growing business to serve our customers better.

In response to questions Mr Chew advised

Q How is the political stability in Malaysia affecting Mykris's business activities.

A In May 2013, the existing ruling party, Barisan Nasional was re-elected for a further 5 year term. It is expected that the political situation will remain stable and will not have a significant impact on our business. Our clients are mainly corporates and we expect our business to continue to grow.

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 2013 - carried

**Resolution 2** – To consider and, if thought fit, to pass the following ordinary resolution in accordance with sections 196 and 197 of the Companies Act 1993: “That Crowe Howarth (Formerly WHK Auckland) be re-appointed as auditors of the Company” - carried

**Resolution 3** - To consider and, if thought fit, to pass the following ordinary resolution: “That Chang Wai Hoong, 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 Siow Hock Lee, who retires by rotation and is eligible for re-election, be elected as a director of the Company.” – carried

For further information please contact:

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