

KEY ASIC BERHAD
[200501024949 (707082-M)]
(Incorporated in Malaysia)

MINUTES OF THE TWENTIETH ANNUAL GENERAL MEETING OF KEY ASIC BERHAD (“KEY ASIC” OR “COMPANY”) CONDUCTED PHYSICALLY AT GREENS III, SPORTS WING, TROPICANA GOLF & COUNTRY RESORT, JALAN KELAB TROPICANA, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON WEDNESDAY, 12 NOVEMBER 2025 AT 9.00 A.M.

- Present : Mr. Eg Kah Yee (Chairman/Chief Executive Officer)
Datuk Md Zubir Ansori Bin Yahaya (Independent Non-Executive Director)
Prof. Low Teck Seng (Independent Non-Executive Director)
- Absent with apologies : Mr. Benny T. Hu @ Ting Wu Hu (Non-Independent Non-Executive Director)
Ms Chen, Chia-Yin (Independent Non-Executive Director)
- In Attendance : Puan Nur Shahfaiza Binti Md Yusoff (Company Secretary)
Ms Elizabeth Allison De Zilva (Company Secretary)
- By Invitation : Mr. Ooi Chi Yee – Audit Partner, Morison LC PLT
Ms Lim Ann Tian - Representative from Morison LC PLT
Mr. Thong Kooi Pin – Senior Financial Controller
Mr. Cheong Yi Heng - Representative from Tricor Corporate Services Sdn. Bhd.

The attendance of members, proxies and corporate representatives is as per the Attendance List.

1. CHAIRMAN

On behalf of the Board, Mr. Eg Kah Yee, the Chairman of the meeting, welcomed all members, proxies, and attendees present physically at the Company’s Twentieth Annual General Meeting (“20th AGM”) to consider the businesses as set out in the Notice of Meeting dated 30 September 2025.

The Chairman then introduced the Board members, Company Secretary and the External Auditors of the Company to the meeting.

2. QUORUM

The Chairman informed that the Company’s Constitution required the presence of at least two (2) members or proxies or corporate representatives to form a quorum. Upon confirming that there was a requisite quorum present at the meeting pursuant to the Company’s Constitution, he called the meeting to order at 9.00 a.m.

3. NOTICE

There being no objection, the notice convening the meeting, having been issued and circulated earlier to all the members of the Company within the prescribed period, was taken as read.

Before proceeding to the items on the agenda, the Chairman informed that all resolutions set out in the Notice of the 20th AGM would be voted by poll in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The polling process would be conducted after all agenda items had been discussed.

The Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. (“Tricor”) as the Poll Administrator to verify the poll results and Vaersa Advisory Sdn. Bhd. had been appointed as the Independent Scrutineer to validate the poll results.

The Chairman reminded that the attendance at the meeting was restricted to shareholders, proxies and authorised representatives of corporate shareholders, who had registered to participate at the meeting and requested that all mobile phones and electronic devices be switched to silent mode for the duration of the meeting and any recording of the meeting was strictly prohibited unless prior written consent had been obtained from the Company before the meeting.

The meeting then proceeded with the businesses set out in the Notice of the 20th AGM, followed by the Questions and Answers session.

4. TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MAY 2025 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON

The Audited Financial Statements for the financial year ended 31 May 2025, together with the Reports of the Directors and Auditors, having been circulated to all the members of the Company within the statutory period, were tabled before the meeting.

The Chairman informed that the Audited Financial Statements for the financial year ended 31 May 2025, together with the Reports of the Directors and Auditors thereon, were meant for discussion only and would not be put forward for voting.

The Chairman declared that the Audited Financial Statements for the financial year ended 31 May 2025, together with the Reports of the Directors and Auditors thereon, were received and noted by the meeting.

5. RESOLUTION 1: TO APPROVE THE PAYMENT OF DIRECTORS’ FEES OF RM144,000 FOR THE PERIOD FROM 13 NOVEMBER 2025 UNTIL THE DATE OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY

The Chairman then proceeded to Resolution 1 on the payment of Directors’ Fees of RM144,000 for the period from 13 November 2025 until the date of the next Annual General Meeting of the Company.

The following motion was put to the meeting for consideration:-

“THAT the payment of Directors’ Fees of RM144,000 for the period from 13 November 2025 until the date of the next Annual General Meeting of the Company be approved.”

**6. RESOLUTION 2:
TO RE-ELECT BENNY T. HU @ TING WU HU WHO RETIRES PURSUANT TO CLAUSE 76(3)
OF THE COMPANY’S CONSTITUTION**

The Chairman then proceeded to Resolution 2 on the re-election of Mr. Benny T. Hu @ Ting Wu Hu, who was retiring pursuant to Clause 76(3) of the Company’s Constitution and being eligible, had offered himself for re-election and his profile was printed on page 4 of the Annual Report.

The following motion was put to the meeting for consideration:-

“THAT Benny T. Hu @ Ting Wu Hu retiring pursuant to Clause 76(3) of the Company’s Constitution, be re-elected as a Director of the Company.”

**7. RESOLUTION 3:
TO RE-ELECT CHEN, CHIA-YIN WHO RETIRES PURSUANT TO CLAUSE 76(3) OF THE
COMPANY’S CONSTITUTION**

The Chairman then proceeded to Resolution 3 on the re-election of Ms Chen, Chia-Yin, who was retiring pursuant to Clause 76(3) of the Company’s Constitution and being eligible, had offered herself for re-election and her profile was printed on page 4 of the Annual Report..

The following motion was put to the meeting for consideration:-

“THAT Chen, Chia-Yin retiring pursuant to Clause 76(3) of the Company’s Constitution, be re-elected as a Director of the Company.”

**8. RESOLUTION 4:
TO RE-APPOINT MORISON LC PLT AS AUDITORS OF THE COMPANY AND TO
AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

The Chairman then proceeded to Resolution 4 on the re-appointment of the External Auditors, Morison LC PLT.

The Chairman informed the meeting that the Company’s External Auditors, Morison LC PLT, had expressed their willingness to continue office.

The following motion was put to the meeting for consideration:-

*“THAT Morison LC PLT be hereby re-appointed as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting **AND THAT** the Directors be authorised to fix their remuneration.”*

**9. RESOLUTION 5: ORDINARY RESOLUTION I
AUTHORITY TO ISSUE AND ALLOT SHARES OF THE COMPANY PURSUANT TO
SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

The Chairman proceeded to Resolution 5 on the authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.

The Chairman informed that the full text of Resolution 5 was set out in the Notice of 20th AGM and with the members' permission was taken as read.

The Chairman informed that Resolution 5, if passed, would authorise the Directors of the Company to allot and issue ordinary shares of not more than 10% of the total number of the Company's issued shares which shall exclude any treasury shares and the Directors would also be given authority to undertake fund raising activities, which may include but not limited to further placement of shares for purpose of funding the Company's current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or issuance of shares as settlement of purchase consideration, or other circumstances which may arise that involve grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such other application as the Directors may deem fit in the best interest of the Company and this authority, unless revoked or varied at a general meeting, would expire at the conclusion of the next Annual General Meeting.

The Chairman then put Resolution 5, the full text of which is set out in the Notice of the 20th AGM, to the meeting for consideration.

**10. RESOLUTION 6: ORDINARY RESOLUTION II
CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

The Chairman then proceeded to Resolution 6 on the continuation in office of Ms Chen, Chia-Yin as an Independent Director of the Company and informed that the Resolution, if passed via a two-tier poll voting, would enable Ms Chen to continue in office as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next AGM of the Company.

The Chairman then put Resolution 6, the full text of which is set out in the Notice of the 20th AGM, to the meeting for consideration.

**11. RESOLUTION 7: ORDINARY RESOLUTION III
PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE FOR
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

The Chairman then proceeded to Resolution 7 on the proposed renewal of the existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and all information in relation to the Proposed Shareholders' Mandate were contained in the Circular to Shareholders dated 30 September 2025 which had been made available to the members.

The Chairman informed that the full text of Resolution 7 was set out in the Notice of 20th AGM and with the members' permission was taken as read.

The Chairman then informed that Resolution 7, if passed would allow the Group to enter into recurrent related party transactions made on an arm's length basis and on normal commercial terms which are not detrimental to the interests of the minority shareholders of the Company.

The Chairman then put Resolution 7, the full text of which is set out in the Notice of the 20th AGM, to the meeting for consideration.

12. ANY OTHER BUSINESS

The Chairman informed that no notice for other business pursuant to the Companies Act 2016 had been received.

13. QUESTIONS AND ANSWERS SESSION

The Chairman then proceeded with the questions and answers session.

The Questions and Answers Session and Summary of Key Matters Discussed at the 20th AGM is attached hereto as "Appendix A".

14. CONDUCT OF POLL

Having dealt with all the items on the agenda and the Questions and Answers Session, the Chairman put the 7 resolutions to a vote by poll and invited the Poll Administrator, Tricor Investor and Issuing House Sdn. Bhd. to brief the meeting on the polling procedures.

The Chairman then announced the commencement of the polling process and adjourned the meeting at 10.30 a.m. for the Poll Administrator and the Independent Scrutineer, Vaersa Advisory Sdn. Bhd. to complete the counting and verification of the votes, respectively. The meeting then proceeded to vote on Resolutions 1 to 7 by poll.

15. POLL RESULTS

Upon completion of the counting of votes by the Poll Administrator and verification of the results by the Scrutineer, the meeting was called to order at 10.45 a.m. for the declaration of the results of the poll. The Independent Scrutineer, Vaersa Advisory Sdn. Bhd., was invited to present the results of the poll (attached hereto as "Appendix B") to the meeting.

Based on the poll results presented at the 20th AGM, Resolutions 1 to 7 were declared carried.

**RESOLUTION 1:
TO APPROVE THE PAYMENT OF DIRECTORS' FEES OF RM144,000 FOR THE PERIOD FROM 13 NOVEMBER 2025 UNTIL THE DATE OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY**

On a poll with 507,517,938 ordinary shares voted in favour and 543,923 ordinary shares voted against the said resolution, it was resolved by a majority:-

"THAT the payment of Directors' Fees of RM144,000 for the period from 13 November 2025 until the date of the next Annual General Meeting of the Company be approved."

**RESOLUTION 2:
TO RE-ELECT BENNY T. HU @ TING WU HU WHO RETIRES PURSUANT TO CLAUSE 76(3) OF THE COMPANY'S CONSTITUTION**

On a poll with 507,568,538 ordinary shares voted in favour and 543,423 ordinary shares voted against the said resolution, it was resolved by a majority:-

"THAT Benny T. Hu @ Ting Wu Hu retiring pursuant to Clause 76(3) of the Company's Constitution, be re-elected as a Director of the Company."

**RESOLUTION 3:
TO RE-ELECT CHEN, CHIA-YIN WHO RETIRES PURSUANT TO CLAUSE 76(3) OF THE COMPANY'S CONSTITUTION**

On a poll with 507,803,138 ordinary shares voted in favour and 308,723 ordinary shares voted against the said resolution, it was resolved by a majority:-

"THAT Chen, Chia-Yin retiring pursuant to Clause 76(3) of the Company's Constitution, be re-elected as a Director of the Company."

**RESOLUTION 4:
TO RE-APPOINT MORISON LC PLT AS AUDITORS OF THE COMPANY AND TO
AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION**

On a poll with 507,803,438 ordinary shares voted in favour and 308,623 ordinary shares voted against the said resolution, it was resolved by a majority:-

“THAT Morison LC PLT be hereby re-appointed as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting **AND THAT** the Directors be authorised to fix their remuneration.”

**RESOLUTION 5: ORDINARY RESOLUTION I
AUTHORITY TO ISSUE AND ALLOT SHARES OF THE COMPANY PURSUANT TO
SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

On a poll with 507,753,338 ordinary shares voted in favour and 358,623 ordinary shares voted against the said resolution, it was resolved by a majority:-

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed General Mandate”).

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- b. the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the Main Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

**RESOLUTION 6: ORDINARY RESOLUTION II
CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

On a poll with 327,469,500 ordinary shares for Tier 1 and 180,283,638 ordinary shares for Tier 2 voted in favour and no ordinary shares voted against for Tier 1 and 308,823 ordinary shares for Tier 2 voted against the said resolution, it was resolved by a majority in both Tier 1 and Tier 2:-

“**THAT** approval be and is hereby given to Chen, Chia-Yin who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as Independent Non-Executive Director of the Company and to hold office until the completion of her twelfth year of service with the Company.”

**RESOLUTION 7: ORDINARY RESOLUTION III
PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS’ MANDATE FOR
RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

On a poll with 145,424,150 ordinary shares voted in favour and 308,623 ordinary shares voted against the said resolution, it was resolved by a majority:-

“**THAT** pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Main Listing Requirements”), the Company and its subsidiaries (“the Group”) be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 1.4 of the Circular to Shareholders dated 30 September 2025 (“Related Parties”) provided that such transactions and/or arrangements are:-

- (a) necessary for the day-to-day operations;
- (b) are undertaken in the ordinary course of business at arm’s length basis and are on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (c) are not detrimental to the minority shareholders of the Company,

(collectively known as “Shareholders’ Mandate”);

THAT such approval, shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time it will lapse, unless by a resolution passed at such AGM, the authority is renewed; or

- (b) the expiration of the period within the next AGM of the Company after that date is required to be held pursuant to Section 340 of the Companies Act, 2016 ("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 ordinary resolution passed by the shareholders of the Company in general meeting,

whichever is earlier;

THAT the estimated aggregate value of the transactions conducted pursuant to the Shareholders' Mandate during a financial year will be disclosed, in accordance with the Listing Requirements, in the Annual Report of the Company for the said financial year;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders' Mandate."

16. CLOSURE

There being no other business, the meeting concluded at 10.50 a.m. with a vote of thanks to the Chair.

**READ & CONFIRMED AS
A CORRECT RECORD BY**

CHAIRMAN

KEY ASIC BERHAD
(“KEY ASIC” or “COMPANY”)
[200501024949 (707082-M)]
(Incorporated in Malaysia)

QUESTIONS AND ANSWERS SESSION AND SUMMARY OF KEY MATTERS DISCUSSED AT THE TWENTIETH ANNUAL GENERAL MEETING (“20TH AGM”) OF KEY ASIC BERHAD (“KEY ASIC” OR “THE COMPANY”) CONDUCTED PHYSICALLY AT GREENS III, SPORTS WING, TROPICANA GOLF & COUNTRY RESORT, JALAN KELAB TROPICANA, 47410 PETALING JAYA, SELANGOR DARUL EHSAN ON WEDNESDAY, 12 NOVEMBER 2025 AT 9.00 A.M.

Questions and Answers arising from the letter from the Minority Shareholders Watch Group (“MSWG”)

A. Operational And Financial Matters

Question 1:

For FYE 2025, the Group recorded a net loss of RM6.79 million, a significant improvement from the net loss of RM10.77 million in FYE 2024. This progress reflects stronger cost discipline, higher-value project mix, and continued focus on advanced technologies with long-term revenue potential. (Source: Page 9 of Annual Report (AR) 2025).

Based on the Group’s past Annual Reports available on Bursa Malaysia website, we note that the Group has been incurring losses annually since FYE 2020 where it registered a net loss of RM17.91 million.

When is the Group expected to turn profitable and what are the catalysts driving this turnaround?

Response:

The Group does not forecast the future and will make the announcement in respect of financial results in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Group’s turnaround is driven by a focus on higher-value projects, ongoing development of AI, IoT, and ASIC solutions for high-growth sectors, and stronger operational efficiency through cost discipline and process optimisation. While an exact timeline for profitability cannot be provided, these initiatives are expected to progressively reduce losses and move the Group toward sustainable profitability in the near to medium term.

Question 2:

While near-term market conditions remain challenging, the underlying fundamentals of the Group’s business are strengthening. The investments it has made in intellectual property (IP) for advanced nodes and its early leadership in IoT Edge AI have positioned Key ASIC to capture substantial opportunities as the semiconductor industry enters its next growth cycle. (Source: Page 9 of AR 2025).

What is the Group’s current order-book value, and how much of it — particularly from the more than RM10 million three-year project (ending in FYE 2027) and the recently secured RM13.1 million AI chip design deal — is expected to generate recurring revenue and profit in FYE 2026 and beyond?

Response:

Currently, the Group's order book includes multi-year projects, notably a three-year project exceeding RM10 million and the recently secured RM13.1 million AI chip design contract. While the exact contribution to recurring revenue and profit in FYE 2026 will depend on project execution and milestone recognition, we expect a substantial portion of these contracts to generate meaningful revenue and contribute positively to profitability in FYE 2026 and beyond. Overall, the combination of a healthy order book and a focus on higher-value, technology-driven projects provides strong visibility on the Group's medium-term earnings potential.

Question 3:

Unlike many peers that focus solely on data center AI, Key ASIC's differentiation lies in integrating AI with IoT at the edge, where scalability is vast and adoption is accelerating. (Source: Page 10 of AR 2025).

- (a) Does the Group have any plans or intentions to participate in data-centre-related applications or partnerships, or will it remain focused mainly on Edge AI and AIoT?
- (b) Are there many other peers who are integrating AI with IoT competing with Key ASIC? Who are these peers and what gives the Group a competitive edge over them?

Response:

- (a) Key ASIC Berhad's strategic focus continues to be on Edge AI and AIoT, where we see substantial growth potential and scalability. Our differentiation lies in integrating AI with IoT at the edge, enabling solutions that are increasingly adopted across multiple sectors. While we continually monitor the broader AI landscape, including data-center applications, our current priority is to strengthen our leadership and capabilities in Edge AI and AIoT. Potential collaborations or partnerships in related areas will only be considered if they complement our core strategy and long-term growth objectives.
- (b) There are other companies exploring AI-IoT integration, but few have our level of specialisation in Edge AI with a strong focus on scalable, high-value applications. What gives Key ASIC a competitive edge is our proprietary intellectual property, early market leadership, and a track record of delivering customised AI-IoT solutions that address real-world operational challenges. This combination allows us to differentiate from peers who may offer general AI or IoT solutions without the same degree of integration or industry focus.

Question 4:

In FYE 2025, there was a huge impairment loss of RM11.4 million on trade receivables written off (Source: Page 99 of AR 2025). As at FYE 2025, there were still substantial accumulated impairment losses totalling RM9.9 million constituting a significant 84.6% of total outstanding trade receivables of RM11.7 million. (Source: Page 98 of AR 2025).

- (a) Why was an amount of RM11.4 million in impairment loss written off? Does this mean that the amount is considered non-recoverable and that no further recovery actions are being pursued?
- (b) What is the probability of recovering the remaining RM9.9 million of the impaired receivables?

Response:

- (a) The RM11.4 million impairment written off in FYE 2025 relates to trade receivables that, after careful assessment, were considered unlikely to be recovered for accounting purposes. However, this write-off does not mean the amounts are irrecoverable — the Group may still actively pursue recovery through appropriate channels. The remaining accumulated impairment of RM9.9 million continues to be monitored for recoverability.
- (b) The remaining RM9.9 million of impaired trade receivables continues to be monitored and managed for recoverability. While it is not possible to quantify a precise probability of recovery, the Group actively pursues collection through appropriate channels and evaluates recoverability on an ongoing basis.

B. Corporate Governance Matters

Question 5:

The Group has departed from Practice 1.3 of the Malaysian Code of Corporate Governance (“MCCG”) as both positions of the Executive Chairman and CEO of Key ASIC are held by Mr. Eg Kah Yee.

Additionally, Mr Eg also holds a similar leadership position in UCrest Berhad — which has been profitable since FYE 2023 — while Key ASIC Berhad has continued to record losses since FYE 2020.

- (a) How does the Board ensure that Key ASIC’s interests are not compromised, and that the CEO’s attention and time are appropriately allocated between both companies?
- (b) Are there clear policies or Chinese walls in place to prevent overlapping business decisions, given that both companies operate in complementary technology sectors (AI, IoT, and semiconductors)?
- (c) Has the Board conducted any independent review or evaluation to ensure that related-party transactions and collaborations between Key ASIC and UCrest are arm’s length and in the best interest of Key ASIC’s minority shareholders?

Response:

- (a) The Board is mindful of the dual roles held by Mr Eg Kah Yee as Executive Chairman and CEO of Key ASIC Berhad, as well as his position in UCrest Berhad. The Board, through independent and non-executive directors and the Nomination Committee, annually evaluates his performance and time commitment. Full attendance at Board and committee meetings confirms that Key ASIC’s interests are safeguarded and that the CEO’s attention is appropriately focused on the Group.
- (b) Regarding potential overlaps with UCrest, clear policies and procedures are established to prevent conflicts of interest. These include formal disclosure requirements, adherence to conflict-of-interest protocols, and “Chinese walls” where necessary to separate decision-making processes. This ensures that business decisions for Key ASIC are made independently and solely in the best interest of the Company.

- (c) The Board and relevant committees review related-party transactions on a regular basis, including quarterly reports, to ensure that all transactions are conducted at arm's length and in the best interests of shareholders. This allows the Board to maintain oversight and transparency throughout the year.

Overall, the Board is committed to upholding strong corporate governance standards while safeguarding the interests of all shareholders.

Other questions raised by the Shareholders/Proxies and the Company's response during the 20th AGM

Question 1:

Mr Poravi A/L S. P. Sithambaram Pillay, a shareholder, had raised the following questions:

- (a) The Company has been making losses for the past few years. There was also a massive drop in revenue. Please share on the future direction of the Company and when profits will be realised.
- (b) Referring to page 102 of the Company's Annual Report 2025, please brief on the capital reduction exercise undertaken.
- (c) He enquired whether the Board would consider providing door gifts, such as Touch 'n Go e-wallet credits, to participants attending the AGM as a token of appreciation.

Response:

- (a) The Company has incurred operating losses over the past few years, primarily due to substantial investments required for the semiconductor development, combined with challenging market conditions. In response, the Management has conducted a comprehensive review of the business model, cost structure, and market positioning, resulting in reduced losses in recent quarters and improved profit margins through targeted cost optimisation measures. As semiconductor development is inherently a multi-year process, chips take two to three years to reach the market and are integrated into larger systems rather than sold directly. Moving forward, the Company is focused on stabilising revenues, improving operational efficiency, and positioning the business for sustainable, long-term growth.
- (b) The Company has completed its capital reduction exercise, which was undertaken in the best interest of the Company and in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (c) The Board will take the shareholder's request for door gifts into consideration.

Question 2:

Mr Ho Yueh Weng, a shareholder, had raised the following questions:

- (a) This is the Company's 20th AGM but the shareholders are still seeing the Company making losses. When does the Company expect to be profitable in view that the Company has produced new technology IPs.
- (b) He enquired whether as the Company has received government support for its research and development activities, primarily in the form of grants and/or tax incentives.
- (c) Please explain the impairment on trade receivables and the likelihood of it being written off. Does the Company collect the payment upfront prior to the delivery of the goods/products.
- (d) He enquired whether the competitors or rivals have any impact on the Company's business, and what risks do they posed.
- (e) Referring to page 62 of the Company's Annual Report 2025, please explain the net loss on impairment in the financial statements.
- (f) He enquired on the Company's efforts to retain staff/talent.

Response:

- (a) The Board fully understands the shareholders' concerns, particularly given that this is the Company's 20th AGM and the Company is still reporting losses. However, the Company has made profits in some past years. The semiconductor business in which the Company operates is highly capital-intensive and long-cycle in nature, with extended development and commercialisation timelines.

The Company has already been granted 21 patents as announced recently. The Company has patents in several countries such as America, Japan, China, Singapore, Malaysia, Taiwan and South Korea. It is important to understand what this represents. Obtaining a patent is neither quick nor inexpensive. Each patent typically takes three to four years from filing to grant and costs approximately US\$20,000 per patent, excluding the underlying research and development expenses. Patents are granted only after rigorous technical examination, and they represent original, defensible technology, not ideas on paper. While patents do not immediately translate into revenue or profits, they are essential building blocks in a long-cycle business such as ours. The Board believes that the Company's growing patent portfolio positions it well for future product commercialisation and value creation as current development programs mature and customer systems enter the market.

- (b) The Company had received tax incentives for its research and development activities in the initial ten years. Once a tax incentive or tax-break period ends, the Company does not continue to receive the benefit automatically. The Company is required to reapply for approval, and any future tax incentives are typically project-specific and subject to the relevant authorities' assessment and approval. The government incentive operates on a reimbursement basis. This means the Company must first incur and fund the qualifying expenses upfront. Only after the costs have been incurred, verified, and approved will the Company receive reimbursement. Furthermore, the tax incentives are only beneficial if the Company is making profits.

- (c) The impairment on trade receivables is a non-cash accounting adjustment made to reflect a more prudent and realistic value of receivables on the balance sheet in line with the accounting standards. It does not represent new losses incurred during the year, but rather a reassessment of the likelihood of collecting outstanding amounts. The customers do not pay upfront and would make payment to the Company only upon delivery of the products. The trade receivables largely relate to customers we have worked with for many years, including repeat customers and the Company carefully evaluates the financial capabilities of its customers before engagement.

The Company's revenue from certain projects is milestone-based. This means that we must first invest and incur the costs upfront to perform the work. Revenue is recognised and payment is collected only when specific project milestones are achieved.

- (d) For the Company's business, each chip is designed specifically for a single customer on a one-to-one basis and tailored to the customer's system requirements. As such, the Company does not face direct competition for its existing projects.

While there were changes in market participants during and after the COVID-19 pandemic, Management noted that these changes did not have a material adverse impact on the Company's business, and the Company continued to operate through the challenges faced during and post the pandemic.

- (e) The impairment of losses was for the impairment on trade receivables.
- (f) The Company has implemented the Employees' Share Option Scheme as part of its staff/ talent retention efforts.

Question 3:

Mr Ng Fu Zin, a shareholder, had raised the following questions:

- (a) He enquired whether the Company has shifted from Silterra to other factories.
- (b) He enquired whether the Company designs the chips first or obtains the customer prior to the designing of the chips.

Response:

- (a) The Company works with multiple foundries, depending on the availability of manufacturing processes. In line with its business strategy, the Company has moved towards more advanced technologies.

This shift is driven by two main factors. Firstly, advanced and customised chip designs involve higher complexity and therefore command higher design fees, with customers willing to pay a premium for such solutions. Secondly, adopting advanced technologies enables the Company to undertake higher-value and more innovative projects, thereby enhancing its market competitiveness and supporting long-term revenue potential.

- (b) The Company's chip design is customer-driven. Each chip is designed specifically to meet a customer's unique system requirements. While the Company maintains proactive R&D capabilities to keep pace with technological trends, designs are undertaken in collaboration with customers based on their confirmed requirements.

Question 4:

Ms Wong Kim Lan, a proxy, had enquired whether the Board would consider providing door gifts, such as Touch 'n Go e-wallet credits, to participants attending the AGM as a token of appreciation.

Response:

The Board will take the shareholder's request for door gifts into consideration.

KEY ASIC BERHAD

(200501024949)

KEY ASIC BERHAD 20TH AGM

Greens III, Sports Wing, Tropicana Golf & Country Resort,
 Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan
 On Wednesday, November 12, 2025 9:00 AM

Result On Voting By Poll

Resolution(s)	Votes For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
Resolution 1	507,517,938	99.8929	543,923	0.1071	508,061,861	100.0000
Resolution 2	507,568,538	99.8931	543,423	0.1069	508,111,961	100.0000
Resolution 3	507,803,138	99.9392	308,723	0.0608	508,111,861	100.0000
Resolution 4	507,803,438	99.9393	308,523	0.0607	508,111,961	100.0000
Resolution 5	507,753,338	99.9294	358,623	0.0706	508,111,961	100.0000
Resolution 7	145,424,150	99.7882	308,623	0.2118	145,732,773	100.0000



Tiffany Lim
 25/11/25



KEY ASIC BERHAD

(200501024949)

KEY ASIC BERHAD 20TH AGM

Greens III, Sports Wing, Tropicana Golf & Country Resort,
Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor Darul Ehsan
On Wednesday, November 12, 2025 9:00 AM

Result On Voting By Poll - Two Tier

Tier 1 - Large Holders

Resolution(s)	Votes For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
Resolution 6	327,469,500	100.0000	0	0.0000	327,469,500	100.0000

Tier 2 - Other Holders

Resolution(s)	Votes For		Vote Against		Total Votes	
	No of Units	%	No of Units	%	No of Units	%
Resolution 6	180,283,638	99.8290	308,823	0.1710	180,592,461	100.0000

