

**CN ASIA CORPORATION BHD**  
**(Registration No. 199601027090 (399442-A))**  
**(Incorporated in Malaysia)**

**MINUTES OF MEETING**

Type of meeting : **Extraordinary General Meeting (“EGM”)**

Date : **Monday, 21 April 2025**

Time : **10.30 a.m.**

Venue : **Office Building, Lot 7907, Batu 11, Jalan Balakong,  
43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia**

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**DIRECTORS**

*Present*

YM Tengku Shamsulbhari Bin Tengku Azman Shah (Chairman)  
Datuk Mohamad Fazly Bin Zainudin  
Mr Chang Chee Ching  
Mr Nadanarajah A/L Ramalingam  
En. Ashraf Bin Kahasani

**ABSENT WITH APOLOGY**

YM Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari  
Datuk Seri Tan Choon Hwa

**COMPANY SECRETARY**

Ms Chiew Liyah (“Winnie”) of Computeraid Management Services Sdn. Bhd.  
Ms Nur Syafiqah Binti Nor Azman (“Fiqah”), Assistant Company Secretary

**INVITEES**

*Presents*

Representatives from TA Securities Holdings Berhad  
Representatives from Messrs.David Lai & Tan  
Representatives from Tricor Investor & Issuing House Services Sdn. Bhd. (Poll administrator) and  
AscendServ Capital Markets Services Sdn Bhd (Scrutineer).

**CHAIRMAN**

YM Tengku Shamsulbhari Bin Tengku Azman Shah was elected as Chairman of the Meeting and welcomed everyone present at the Company’s Extraordinary General Meeting (“EGM”).

**CONFIRMATION OF QUORUM AND PROXIES**

Upon enquiry from the Chairman, the Secretary confirmed that there was sufficient quorum in accordance with the Company’s Constitution.

The Chairman declared the EGM duly convened.

The Chairman informed that the Company had fixed 14 April 2025 as the determinant date of the General Meeting Record of Depositors for this EGM.

The Secretary reported that there were 4 shareholders with a total number of shares held of 831,266 and 20 proxy forms received with a total number of shares held of 74,544,550 registered at the EGM. The total number of shares registered was 75,375,816 shares.

The Chairman then introduced the Board members and Company Secretary to the floor.

Datuk Seri Tan Choon Hwa and YM Tengku Ummil Zulaikha Kalsom Binti Tengku Shamsulbhari apologized for not being able to attend the EGM.

## **NOTICE OF MEETING**

The Chairman informed the shareholders present that the Notice convening the meeting had been announced on 26 March 2025 and advertised on 27 March 2025 and with the agreement of the shareholders, the notice convening the Meeting was taken as read.

The Chairman then invited the Company Secretary to brief shareholders present on the housekeeping procedures of the EGM.

## **MEETING PROCEDURES**

The Company Secretary informed that the motion for the meeting will require a Proposer and Secunder from the floor to move and second it accordingly, and the voting of the resolution at the general meeting would be conducted by poll pursuant to Bursa Malaysia Securities Berhad's Main Market Listing Requirements.

The Company had appointed Tricor Investor & Issuing House Services Sdn Bhd ("Tricor"), as the Poll Administrator to conduct the polling process and AscendServ Capital Markets Services Sdn Bhd as the Independent Scrutineer to verify the poll results. The polling process for the resolution would be conducted upon completion of the deliberation of the item to be transacted at the meeting.

## **SPECIAL RESOLUTION**

### **PROPOSED REDUCTION OF RM35,000,000 OF THE ISSUED SHARE CAPITAL OF CN ASIA PURSUANT TO SECTION 117 OF THE COMPANIES ACT 2016 ("ACT") ("PROPOSED SHARE CAPITAL REDUCTION")**

The Chairman informed the shareholders that the Special Resolution to be tabled at the EGM is to obtain approval for the reduction of the issued share capital of the Company by RM35,000,000 pursuant to Section 117 of the Companies Act 2016 ("Act"). The circular to shareholders in relation to the Proposed Share Capital Reduction dated 27 March 2025, which contains full details of the Proposed Share Capital Reduction has been provided to the shareholders.

The Chairman then invited the shareholders to raise questions in relation to the Proposed Share Capital Reduction.

### Questions and Answers Session

The questions raised during the meeting along with their replies, were set up in the table below:-

En. Rien Hashim and Mr Lim San Kim, proceeded to raise questions:

No.	Shareholders' Queries	Responses
1)	Can the adviser give a short presentation on the corporate proposal?	Mr. Cheong Wen Jie from TA Securities Holdings Berhad

		<p>(“TA”), the financial adviser for this exercise, briefed the shareholders that the proposed exercise to be tabled at the EGM is to reduce the Company’s issued share capital by RM35 million pursuant to Section 117 of the Act. The credit of RM35 million arising from reduction of capital will be used to set-off against the accumulated losses of the Company whilst the remaining balance will be credited to the retained earnings (if any).</p> <p>The purpose of the share capital reduction is to reduce accumulated losses to more appropriately reflect the value of the underlying assets and the overall financial position of the Company and the Group. Secondly, it is to enhance the credibility of both the Company and the Group with its bankers, customers, suppliers, investors and other stakeholders.</p> <p>The approval from the shareholders is required for this corporate exercise.</p>
2)	What is the number of shares after share capital reduction?	There is no impact on the number of shares issued.
3)	How much is fee’s payable to TA?	The fee is approximately RM100,000.
4)	Based on the consolidated financial statements for the period ended 31 December 2024, how close is the Company to fall under PN 17?	The Company is not classified under PN17.
5)	Is the Company a PN17?	<p>The Company had completed one private placement after the financial period ended 31 December 2024.</p> <p>Nevertheless, as at 31 December 2024 the Company’s net assets was RM34 million. To be classified under PN17 our net assets should be 25% of 75 million (share capital) or RM18.75 million below.</p>
6)	Is the share capital reduction is the best solution for the Company?	The share capital reduction is not a contingency plan for PN17. There are other factors to be considered as well for PN17 status. Therefore, this exercise is not to circumvent the Company going into PN17.

		The sole purpose is to reduce the accumulated losses of the Company accumulated over the years.
7)	The Group is still carrying losses even after the share capital reduction of RM35 million. Can the Executive Director explain why not put more so that the carrying losses become positive?	Mr Chang replied that the amount for the share capital reduction was recommended by the investment banker and if we propose too big a figure, the auditors may not agree.  After checking with the auditors, they were comfortable with RM35 million.
8)	8. What is the benefit to the Company when the net effect is still negative after rationalising your financial position?	Mr Chang informed that this exercise reset the clock to see the performance of the Group.  Hopefully this year we will show a turnaround.
9)	The expenses for the exercise is on the higher side compared to similar exercise done by other companies.	These are the fees proposed and negotiated with the investment banker and solicitor. The fees quoted are similar to fees quoted by other investment bankers.  The fee quoted originally included fee for the proposed bonus issue of free warrant but was subsequently cancelled due to the low market value of the shares.  We managed to obtain a small rebate on the fee.
10)	Please explain the company's cash flow position based on the most recent quarter. How you operate in a negative cash flow position?	We would not say it is negative. All the credit facilities are secured against fixed deposits belonging to the Group as security to the lending Banks.
11)	Are your operation affected by the fire incident at Putra Heights?	We do not have pipe gas around the factory. Instead, we use LPG cylinders.
12)	Moving forward, what is the outlook of the company	We are not too optimistic as the business environment is challenging. However, the Company is focusing on the request for tanks from data centers being built in Johor and also around the country.

13)	The Shareholders' Circular should provide information on the risk of PN17 and share capital reduction exercise is to prevent the Company to fall into the PN 17 status?	The share capital reduction is not related to PN17. The purpose was explained earlier at the meeting. It is an outright share capital reduction and unfair to relate with PN17.
14)	Suggestion that the security guard is informed of the EGM event so that no further explanation from the shareholders on the purpose of visit.	Noted
15)	Appreciate that the advisers can arrive early before the EGM starts for shareholders to seek clarifications	Questions in relation to corporate exercise will be attend to at the EGM.  Questions related to Group's operation will be answered by the management.
16)	Kindly consider to give the shareholders something as a token of appreciation for attending the EGM at least to cover the cost of transportation.	The Company appreciates the participation of the shareholders. However, it is stated in the Shareholders' Circular that no door gift/ voucher will be given out to shareholders attending the EGM.  Management took note of the request and may consider the request for the next meeting if the Group becomes profitable.

As there were no further questions, the Chairman proceeded to request for a proposer and seconder for the resolution.

The resolution was proposed by Lim San Kim and seconded by Chang Hui Kee.

The Chairman then requested shareholders present to cast their ballots immediately after the brief by the Company Secretary on the voting procedures for the polling process.

### **POLLING PROCESS**

The Company Secretary briefed the Meeting on the procedure on polling process.

The shareholders then proceeded to cast their ballots for the above resolution tabled at the Meeting.

The Meeting was then adjourned while waiting for the poll results which will be verified by the scrutineer from AscendServ Capital Markets Services Sdn Bhd.

### **ANNOUNCEMENT OF POLL RESULTS**

The Chairman called the Meeting to order at about 11.34 a.m, for the declaration of the poll results.

The Chairman announced the poll results as below:-

Resolution	Vote for		Vote against		Results
	No of units	%	No of units	%	
SPECIAL RESOLUTION  TO APPROVE THE REDUCTION OF RM35,000,000 OF THE ISSUED SHARE CAPITAL OF CN ASIA PURSUANT TO SECTION 117 OF THE COMPANIES ACT 2016 (“ACT”) (PROPOSED SHARE CAPITAL REDUCTION)	75,374,675	99.9985	1,141	0.0015	Carried

It was resolved:

“**THAT** subject to the approvals being obtained from all relevant parties and/or authorities (where applicable) pursuant to Section 117 of the Act, the Board of Directors of CN Asia (“**Board**”) be and is hereby given the authority and approval to reduce the share capital of the Company via the cancellation of the issued share capital by RM35,000,000 and for the credit arising from such cancellation to be used to set-off against the accumulated losses of the Company, while the remaining balance, will be credited to the retained earnings of the Company which shall be used in a manner to be determined by the Board at a later date and in the best interest of the Company, as permitted by the Company’s constitution, the relevant and applicable laws as well as the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”);

**AND THAT** the Board be and is hereby empowered and authorised to take all such steps and do all acts, deeds and things to enter into any arrangements, transactions, agreements and/or undertakings and to execute, sign and deliver on behalf of the Company, all such documents as may be necessary, expedient and/or appropriate to implement and give full effect to the Proposed Share Capital Reduction, with full powers to assent to any conditions, modifications, variations and/or amendments as the Board may in its absolute discretion deem fit, necessary, expedient, appropriate and/or as may be imposed or permitted by any relevant authorities in connection with the Proposed Share Capital Reduction and to do all such things as the Board may consider necessary or expedient in the best interest of the Company.”

The Chairman declared that based on the poll result, the special resolution tabled at the meeting was duly carried.

## CONCLUSION

There being no other business, the Meeting concluded at 11.35 a.m. with a vote of thanks to the Chairman.

## CONFIRMED AS A CORRECT RECORD:

YM TENGKU SHAMSULBHARI BIN TENGKU AZMAN SHAH  
 CHAIRMAN OF THE MEETING

Dated: 15 MAY 2025