



Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: Karin Technology Holdings Limited

Stock code: K29

Meeting details:

Date: 27 October 2026

Time: 10.00 a.m.

Venue: Novotel Singapore on Stevens, Level One, Hercules & Cygnus Rooms, 28 Stevens Road, Orchard District, Singapore 257878

Q1. The group's FY2026 revenue growth was driven by the Information Technology (IT) infrastructure segment, which increased by 29.9% year-on-year to HK\$1.87 billion from HK\$1.44 billion, supported by larger projects amid rising public and private sector investment in AI infrastructure.

- (i) How much longer does management expect the current AI infrastructure investment cycle to support growth in the IT Infrastructure segment? Does management see any signs of speculative or FOMO-driven investment in AI infrastructure among its customers?**

At the group level, gross profit margin declined 1.4 percentage points to 7.8%, reflecting competitive pricing across all three segments of the group. In IT infrastructure, segment results fell from HK\$43.1 million to HK\$30.0 million, a decline of more than 30% despite the HK\$430 million top line growth.

Employee benefit expenses remained broadly stable at approximately HK\$130 million at the group level.

- (ii) Can management help shareholders better understand the deterioration in segment profitability despite the significant revenue growth? What specifically drove the deterioration in project economics, and how much of the decline was attributable to lower pricing, project mix or higher direct costs? Does management see the higher cost base as structural in nature?**
- (iii) What specific measures can management implement to restore margins in this competitive environment, and what improvement in gross and net margin does it expect to achieve over the next two years?**

Q2. The proposed sale of the Karin Building has been called off, as the board considers it prudent to retain the property rather than divest it at a sub-optimal price amid prevailing Hong Kong property market conditions.

Following the cancellation of the sale, the building was reclassified from an asset held for sale to property, plant and equipment, resulting in a one-off, non-cash catch-up depreciation charge of HK\$35.3 million and a deferred tax expense of HK\$3.2 million.

- (i) Following the decision to retain the building, what is the board's current strategy for the asset? Does it intend to lease it, undertake refurbishment or redevelopment, or reconsider a sale when market conditions improve? What is the physical condition of the Karin Building?**
- (ii) Are any floors or areas occupied, and what is the current rental income generated by the property, if any?**
- (iii) How do recent property transactions in the Kwun Tong area compare with the Karin Building in terms of price per square foot, occupancy and building**

condition? What do these transactions indicate about the building's current market value and realistic disposal prospects?

- (iv) Given the building's age, has the board assessed the capital expenditure required for major repairs, alterations and additions, or upgrading works to maintain its competitiveness? What investment would be required?**

Q3. On 19 May 2026, the company announced non-binding memoranda of understanding (the “MOUs”) for the proposed acquisitions of the entire issued share capital of two Hong Kong IT companies. One develops a proprietary agentic AI platform for enterprise productivity applications, while the other provides API-first enterprise solutions that could support the integration and deployment of agentic AI.

On 15 September 2026, the company entered into addenda extending the exclusivity periods under both MOUs to 31 December 2026.

- (i) What investment criteria have the directors established for these acquisitions, particularly in assessing strategic fit, valuing the target businesses and structuring consideration? Will any deferred consideration or performance-linked incentives be used to align the vendors' rewards with the businesses' actual post-acquisition performance?**
- (ii) How has the board validated the technical capabilities and commercial viability of the two target companies? In particular, what evidence supports the competitiveness of their technology, the strength of customer demand and their ability to generate sustainable revenue?**

During the year, the group reorganised its senior management team to strengthen its focus on AI, network cybersecurity and IT infrastructure, including enhancing the leadership depth with specialist expertise needed to execute a more technology-forward strategy.

- (iii) Does the group have the technical talent and management capabilities required to integrate and scale the proposed AI businesses? What critical capability gaps remain, if any, and how would the acquisitions, if they proceed, alter the risk profile of the group?**

Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.

Check out the latest questions on the annual reports of listed companies on [SIAS website](http://www.sias.org.sg)

Join our mailing list [here](#) to receive latest news and upcoming events.



Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

