

PERTAMA DIGITAL BERHAD
Registration No. 198401002327 (114842-H)
(Incorporated in Malaysia)

Minutes of the Thirty-Seventh Annual General Meeting conducted on a hybrid basis (in-person and virtual) from the Broadcast and Meeting Venue at Pentas 1, The Kuala Lumpur Performing Arts Centre, Sentul Park, Jalan Strachan, Off Jalan Sultan Azlan Shah, 51100 Kuala Lumpur and through live streaming and online remote voting using Remote Participation and Voting facilities via <https://web.vote2u.my> (Domain Registration No. D6A471702) provided by Agmo Digital Solutions Sdn. Bhd. on Monday, 27 June 2022 at 10.00 a.m.

Present : Tun Dato' Seri Zaki Bin Tun Azmi - Chairman
(Independent Non-Executive Chairman)

Encik Sabri Bin Ab Rahman
(Executive Director)

Mr. Pan Ding
(Executive Director / Group Managing Director)
(Joined remotely from overseas via VooV Meeting)

Mr. Pan Dong
(Executive Director)
(Joined remotely from overseas via VooV Meeting)

Datuk Kenny Ng Bee Ken
(Independent Non-Executive Director)

Dato' Dr. Suhazimah Binti Dzazali
(Independent Non-Executive Director)

Mr. Low Yan Seong
(Independent Non-Executive Director)

Mr. Wong Yoke Nyen
(Independent Non-Executive Director)

Mr. Abel Goon Chun Hoe
(Independent Non-Executive Director)

Shareholders and proxies who attended the Thirty-sixth Annual General Meeting ("AGM") physically at the meeting venue as well as those logged in to participate in the AGM remotely via the Remote Participation and Voting facilities via <https://web.vote2u.my> per attendance list.

In Attendance : Ms Seow Fei San
(Company Secretary)

NOTICE

The Chairman welcomed the shareholders and proxies to the AGM and declared that the notice convening the meeting, having been circulated earlier to all shareholders, Bursa Malaysia Securities Berhad and Auditors of the Company within the statutory period, be taken as read.

QUORUM

The requisite quorum being present, the meeting was called to order at 10.00 a.m.

INTRODUCTION OF BOARD MEMBERS AND MANAGEMENT

The Chairman then introduced the members of the Board of Directors (“Board”), the Management, Company Secretary and the Auditors who were present at the meeting venue physically as well as those present remotely. It was noted that Mr. Pan Ding and Mr. Pan Dong, the Group Managing Director and Executive Director of the Company, participated in the AGM remotely from overseas.

The Meeting was informed that Agmo Digital Solutions Sdn. Bhd. (“Agmo”) had been appointed as the poll administrators and Mr. Lee Chiew Ho had been appointed as independent scrutineer to verify the poll result. A video about the voting procedure and method to raise questions through the online meeting platform was then played by Agmo for the information of the shareholders and proxies.

Thereafter, the Chairman proceeded with the business of the meeting.

1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021

The Chairman informed that in line with the provision of the Companies Act 2016 which did not require the Audited Financial Statements and Reports to be approved by the shareholders, the Audited Financial Statements for the financial period ended 31 December 2021 together with the Reports of the Directors and Auditors thereon, which were issued on 9 May 2022, were tabled for the shareholders’ information and would not be put to vote.

The Chairman further informed that should any of the shareholders have any question on the agenda item, they could raise their questions later on during the Question & Answer (“Q&A”) session and for those participated remotely, they could use the query box provided on the online platform to transmit their questions. Response would be provided to questions submitted during the Q&A session after tabling all the resolutions.

The Chairman then declared that the Audited Financial Statements for the financial period ended 31 December 2021 together with the Reports of the Directors and Auditors thereon were received and noted.

2. **PAYMENT OF DIRECTORS' FEES AND BENEFITS FOR PERIOD FROM 28 JUNE 2022 UNTIL THE NEXT AGM**

The next agenda item was in relation to payment of Directors' fees and benefits. The Meeting noted that Directors' fees and benefits of up to RM270,000 payable to the Non-Executive Directors with effect from 28 June 2022 until the next AGM of the Company, was tabled for consideration.

The Chairman informed that the figure was calculated with the assumption that there would be no change to the Board size during aforesaid period and the number of Board, Board Committees and general meetings to be attended by the Non-Executive Directors. The Board would seek approval at the next AGM in the event the amount of Directors' fees and benefits are insufficient.

The Chairman then put the following motion to the Meeting, to be voted upon by the shareholders after the Q&A session:-

"THAT the payment of Directors' fees and benefits of up to an amount of RM270,000 to the Non-Executive Directors for their services as directors of the Company from 28 June 2022 until the next annual general meeting of the Company be and is hereby approved."

3. **RE-ELECTION OF DIRECTORS**

The Chairman informed the Meeting that in accordance with the Company's Constitution, the following Directors shall retire and subject to re-election:

- Mr. Pan Ding, under Article 107(1)(b)
- Mr. Low Yan Seong, under Article 107(1)(b)
- Encik Sabri Bin Ab Rahman, under Article 100
- Dato' Dr Suhazimah Binti Dzazali, under Article 100
- Mr. Wong Yoke Nyen, under Article 100
- Mr. Abel Goon Chun Hoe, under Article 100

Before proceeding to table the motions, the Chairman informed that Mr. Low Yan Seong ("Mr. Low") had indicated to the Board his intention to step down from the Board and thus not seeking for re-election as director of the Company. Therefore, Ordinary Resolution no. 3 on the re-election of Mr. Low would be dropped accordingly. The resolution would not be put to vote and Mr. Low would retire upon conclusion of the AGM.

Being eligible for re-election, all the remaining Directors had offered themselves for re-election. The Chairman then put the following motions to the Meeting, to be voted upon by the shareholders after the Q&A session:-

Re-election of Mr. Pan Ding

"THAT Mr. Pan Ding retiring pursuant to Article 107(1)(b) of the Company's Constitution, be and is hereby re-elected as the Director of the Company."

Re-election of Encik Sabri Bin Ab Rahman

“THAT Encik Sabri Bin Ab Rahman retiring pursuant to Article 100 of the Company’s Constitution, be and is hereby re-elected as the Director of the Company.”

Re-election of Dato’ Dr Suhazimah Binti Dzazali

“THAT Dato’ Dr Suhazimah Binti Dzazali retiring pursuant to Article 100 of the Company’s Constitution, be and is hereby re-elected as the Director of the Company.”

Re-election of Mr. Wong Yoke Nyen

“THAT Mr. Wong Yoke Nyen retiring pursuant to Article 100 of the Company’s Constitution, be and is hereby re-elected as the Director of the Company.”

Re-election of Mr. Abel Goon Chun Hoe

“THAT Mr. Abel Goon Chun Hoe retiring pursuant to Article 100 of the Company’s Constitution, be and is hereby re-elected as the Director of the Company.”

4. APPOINTMENT OF AUDITORS

The Chairman informed that the retiring auditors Mazars PLT had expressed their willingness to continue office.

The Chairman then put the following motion to the Meeting, to be voted upon by the shareholders after the Q&A session:-

“THAT Mazars PLT be and is hereby appointed as Auditors of the Company to hold office until the conclusion of the next annual general meeting at a remuneration to be determined by the Directors.”

5. RETENTION OF INDEPENDENT DIRECTORS

The Chairman informed the Meeting that the next 3 proposed motions were to consider retaining Datuk Ng Bee Ken, Encik Wan Kamarul Zaman Bin Wan Yaacob (“Encik Wan Kamarul”) and Mr. Low as the Company’s Independent Directors.

However, following the decision of Mr. Low not to seek for re-election under Ordinary Resolution no. 3, Ordinary Resolution no. 11 on the retention of Mr. Low as Independent Director was therefore no longer applicable and would be dropped and would not be put to vote.

In addition to the above, the Chairman also informed the Meeting that the Board had prior to the AGM received a resignation letter from Encik Wan Kamarul on his decision to resign as director of the Company. The Board had accepted his resignation and accordingly, Ordinary Resolution no. 10 on the retention of Encik Wan Kamarul as Independent Director was no longer applicable and would be dropped and would not be put to vote.

On behalf of the Board and the Company, the Chairman extended his sincere appreciation to both Mr. Low and Encik Wan Kamarul for their contribution and support to the Board during their tenure as Directors of the Company.

With both Ordinary Resolutions 10 and 11 being dropped from consideration, proposed Ordinary Resolution no. 9 seeking approval to retain Datuk Ng Bee Ken as Independent Director of the Company was then put to the Meeting, to be voted upon by the shareholders after the Q&A session:-

“THAT Datuk Ng Bee Ken who has served the Board as Independent Non-Executive Director for a cumulative term of more than nine (9) years be and is hereby retained as Independent Non-Executive Director of the Company.”

6. AUTHORITY TO ALLOT SHARES PURSUANT TO THE COMPANIES ACT 2016

The Meeting proceeded to consider the proposed Ordinary Resolution no. 12 on giving authority to the Directors to allot shares up to 10% of the issued share capital as set out in the Notice of Meeting.

The Chairman then put the following motion to the Meeting, to be voted upon by the shareholders after the Q&A session:-

“THAT subject always to the Companies Act 2016 (“Act”) and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to the Act, to allot shares in the Company at any time until the conclusion of the next Annual General Meeting upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued pursuant to this Resolution does not exceed 10% of the total number of issued shares of the Company for the time being.”

7. ANY OTHER BUSINESS

The last item on the agenda for the meeting was to transact any other business of which due notices shall have been received in accordance with the Act. The Meeting noted that no notice of any other business for transacting at the meeting was received.

8. QUESTION & ANSWER SESSION

It was informed that the Company had received some questions from Minority Shareholders Watchdog Group (“MSWG”) prior to the AGM and responses to the questions raised were projected at the meeting for information of the shareholders. The responses to questions raised by MSWG were appended to this Minutes.

Except for those questions raised by MSWG, there was no key question raised by shareholders and proxies.

9. TAKING OF POLL AND ANNOUNCEMENT OF RESULT

The Meeting proceeded to take a poll on all the resolutions tabled after the Q&A session and the meeting was then adjourned at 10.30 a.m. for votes counting and verification.

The meeting resumed at 10.50 a.m. and the poll result was informed to the Meeting:

Resolutions	Voted For		Voted Against	
	No. of Shares	%	No. of Shares	%
Ordinary Resolution 1 - Approval of payment of Directors' fees and benefits for period from 28 June 2022 to the next AGM	240,240,275	99.9779	53,072	0.0221
Ordinary Resolution 2 - Re-election of Mr. Pan Ding as Director	240,266,338	99.9888	27,009	0.0112
Ordinary Resolution 3 - Re-election of Mr. Low Yan Seong as Director	Dropped			
Ordinary Resolution 4 - Re-election of Encik Sabri Bin Ab Rahman as Director	240,266,238	99.9887	27,109	0.0113
Ordinary Resolution 5 - Re-election of Dato' Dr Suhazimah Binti Dzazali as Director	240,266,238	99.9887	27,109	0.0113
Ordinary Resolution 6 - Re-election of Mr. Wong Yoke Nyen as Director	240,266,338	99.9887	27,009	0.0112
Ordinary Resolution 7 - Re-election of Mr. Abel Goon Chun Hoe as Director	240,266,338	99.9887	27,009	0.0112
Ordinary Resolution 8 - Appointment of Mazars PLT as Auditors and authorise the Directors to fix their remuneration	240,266,338	99.9887	27,009	0.0112
Ordinary Resolution 9 - Retention of Datuk Ng Bee Ken as Independent Director	240,266,338	99.9887	27,009	0.0112
Ordinary Resolution 10 - Retention of Encik Wan Kamarul Zaman Bin Wan Yaacob as Independent Director	Dropped			
Ordinary Resolution 11 – Retention of Mr. Low Yan Seong as Independent Director	Dropped			
Ordinary Resolution 12 - Approval of the authority to allot shares pursuant to Section 75 of the Companies Act 2016	240,259,577	99.9860	33,770	0.0141

The Chairman then declared that all resolutions set out in the Notice of Meeting dated 9 May 2022, except for Ordinary Resolutions no. 3, 10 and 11 which had been dropped, were carried.

CLOSURE

There being no further business, the meeting closed at 11.08 a.m. with a vote of thanks to the Chairman.

CONFIRMED AS CORRECT BY

CHAIRMAN

Dated:

PERTAMA DIGITAL BERHAD

Registration No. 198401002327
(Incorporated in Malaysia)

#PERTAMADIGITAL

QUERIES RECEIVED FOR

37TH ANNUAL GENERAL MEETING

HELD ON 27 JUNE 2022



From Minority Shareholders Watch Group



Operational & Financial Matters

The Company is in the process of disposing the entire equity interests in Be Top Group Limited and its wholly owned subsidiary, Top Textile (Suzhou) Co., Ltd. which had been approved by shareholders of the Company in an Extraordinary General Meeting held on 21st August 2020.

(Page 18 of AR 2021)

QUESTION: When will the disposal be completed?

ANSWER: By 19 July 2022, being the extended cut-off date of the disposal agreement. Kindly refer to the Company's announcement through Bursa on 19 January 2022.

Operational & Financial Matters

The Company is in the process of disposing the entire equity interests in Be Top Group Limited and its wholly owned subsidiary, Top Textile (Suzhou) Co., Ltd. which had been approved by shareholders of the Company in an Extraordinary General Meeting held on 21st August 2020. (Page 18 of AR 2021)

QUESTION: What is the gain/loss on this disposal?

ANSWER: Estimated loss is as disclosed in the Company's circular to shareholders dated 30 July 2020:

- i. Company level – Nil.**
- ii. Group level – approximately RM18.59 million.**

From Minority Shareholders Watch Group



Operational & Financial Matters

The Company launched its digital bail payment solution, e-Jamin, in 2020. As of December 31st, 2020, eJamin was used in 178 criminal courts throughout Malaysia. The solution expedites the bail process through contactless payment mode. (Page 20 of AR 2021)

QUESTION: What was the revenue derived from the business of eJamin in FYE 2021?

ANSWER: A revenue of RM1,490,616 was derived from the eJamin business during the said financial period.

Operational & Financial Matters

The Company launched its digital bail payment solution, e-Jamin, in 2020. As of December 31st, 2020, eJamin was used in 178 criminal courts throughout Malaysia. The solution expedites the bail process through contactless payment mode. (Page 20 of AR 2021)

QUESTION: What are the Company's plans to further develop the business of e-Jamin going forward?

ANSWER: eJamin has demonstrated the opportunities in government digital banking. The Company will continue to accelerate the adoption of eJamin in the courts of Malaysia. Furthermore, this public sector digitalisation strategy will be taken to other government agencies that are keen to improve services to the Rakyat on a pay-for-performance basis. The eJamin business model delivers the framework for a liability-led digital banking model, which is developed with banking partners.

From Minority Shareholders Watch Group



Operational & Financial Matters

MySMS is one of the Company's flagship products that has been serving the Government of Malaysia for more than a decade and which has received significant updates in 2021. The process started in March 2020, when DVSB was approached by the National Security Council to support the national contract tracing and subsequently COVID-19 vaccination programme nationwide via integrated messaging to every resident of Malaysia. This increased the load on the system tremendously which called for some of the most extensive updates since mySMS was first launched back in the late 2000s. (Page 22 of AR 2021)

QUESTION: What was the revenue generated by MySMS in FYE 2021?

ANSWER: A revenue of RM8,505,825 was derived from the mySMS business during the said financial period.

From Minority Shareholders Watch Group



Operational & Financial Matters

MySMS is one of the Company's s flagship products that has been serving the Government of Malaysia for more than a decade and which has received significant updates in 2021. The process started in March 2020, when DVSB was approached by the National Security Council to support the national contract tracing and subsequently COVID-19 vaccination programme nationwide via integrated messaging to every resident of Malaysia. This increased the load on the system tremendously which called for some of the most extensive updates since mySMS was first launched back in the late 2000s. (Page 22 of AR 2021)

QUESTION: What are the Company's strategies to develop this service further?

ANSWER: mySMS is a service that allows the Rakyat to engage with their Government at scale. In this information on demand age, the Government is keen to meet the needs of the Rakyat by improving communication. The Company plans to support these initiatives by developing more advanced channels for both parties to talk to each other, including voice, video, messengers and chat bots. The goal is to meet the Rakyat on their preferred channels, anywhere across the country. The Company is in an opportune position to sell these new products to existing customers via integrations that have already been setup for SMS. This strategy will allow us to increase our revenue from value-added features while controlling our direct costs per unit. MySMS is one of the Company's s flagship products that has been serving the Government of Malaysia for more than a decade and which has received significant updates in 2021. The process started in March 2020, when DVSB was approached by the National Security Council to support the national contract tracing and subsequently COVID-19 vaccination programme nationwide via integrated messaging to every resident of Malaysia. This increased the load on the system tremendously which called for some of the most extensive updates since mySMS was first launched back in the late 2000s. (Page 22 of AR 2021).

Operational & Financial Matters

Administrative and General Expenses of the Company rose sharply to RM7.6 million in FYE 2021 compared to RM950k in FYE 2020. (Page 60 of AR 2021)

QUESTION: What were the reasons for the sharp increase?

ANSWER: The increase at the Group level's expenses (not at the Company level) was due to some one-off corporate exercises expenses and expenses relating to the application of Bank Negara Malaysia digital bank license, as well as the administrative expenses of TAS Group that had been consolidated in the Group's income statement effective from August 2021.

From Minority Shareholders Watch Group



Operational & Financial Matters

Other Expenses rose significantly in FYE 2021 to RM21.60 million from RM356k in FYE 2020.
(Page 60 of AR 2021)

QUESTION: What were the reasons for the substantial increase?

ANSWER: The increase at the Group level's expenses to RM21.26 million (not RM21.60 million, as quoted in MSWG letter) was due to the impairment of losses on goodwill of RM20.352 million charged during the financial period ended 31 December 2021.

Corporate Governance

The total internal audit fee incurred by the Company for FYE 2021 was RM9,000 or around RM750 per month. (Page 40 of AR 2021)

QUESTION: Given that the fee is rather small, how does the Audit Committee assure itself that there would be adequate coverage and an effective audit function?

ANSWER: Despite the small fee and limited areas covered by the internal audit (as elaborated under Question 6(b) below), the internal audit conducted resulted in an extensive analysis over the concerned areas in the Company's business operations which led the management of the Company as well as the Audit Committee to learn, acknowledge and aim to further build up, refine, and improve its processes, policies and procedures. The Company's board of directors, board committees and management are committed towards ensuring its full and complete compliance throughout the year.

From Minority Shareholders Watch Group



Corporate Governance

The total internal audit fee incurred by the Company for FYE 2021 was RM9,000 or around RM750 per month. (Page 40 of AR 2021)

QUESTION: What were the areas covered by the internal audit during FYE 2021?

ANSWER: In reference to the Company's Corporate Governance Report, there was an analysis review exercise performed on the Company's Anti-Bribery & Corruption framework, to establish whether or not the Company's group of companies can fully demonstrate clear, sound and established policies and procedures that deter individuals (inside and outside of the group of companies) from partaking in questionable or corrupt conduct. This is pursuant to Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

From Minority Shareholders Watch Group



Corporate Governance

The total internal audit fee incurred by the Company for FYE 2021 was RM9,000 or around RM750 per month. (Page 40 of AR 2021)

QUESTION: How many internal audit reports were issued during the said period?

ANSWER: In reference to the Company's Corporate Governance Report, there was one internal audit report issued during the said period for the area covered under Question 6(b) above.

From Minority Shareholders Watch Group



Corporate Governance

Practice 1.4 of the MCCG 2021 stipulates that the Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.

The Chairman of the Company, Datuk Dr. Kenny Ng Bee Ken, is also the Chairman of the Audit Committee (“AC”) and member of the Nomination Committee (“NC”) and Remuneration Committee (“RC”) (collectively referred to as “Board Committees”).

QUESTION: This is not in line the Practice. Does the Company plan to apply Practice 1.4, and if yes, by when?

ANSWER: Yes, the Company strives to adhere to the best practices of corporate governance, therefore you may refer to the recent Bursa announcement made by the Company on 30 May 2022, whereby Tun Dato’ Seri Zaki bin Tun Azmi is now the new Independent Non-Executive Chairman of the Company. Tun Dato’ Seri Zaki bin Tun Azmi is not a member of the Audit Committee, Nomination Committee or Remuneration Committee.