

CONFIDENTIAL

MANAGEPAY SYSTEMS BERHAD
(Registration No. 201001003108 (887689-D))

MINUTES OF THE TENTH ANNUAL GENERAL MEETING (“AGM”) OF MANAGEPAY SYSTEMS BERHAD (“MPay” OR “THE COMPANY”) CONDUCTED VIRTUALLY AT THE BROADCAST VENUE AT TRICOR LEADERSHIP ROOM, UNIT 32-01, LEVEL 32, TOWER A, VERTICAL BUSINESS SUITE, AVENUE 3, BANGSAR SOUTH, NO. 8, JALAN KERINCHI, 59200 KUALA LUMPUR, MALAYSIA ON THURSDAY, 18 JUNE 2020 AT 3.00 P.M.

PRESENT:-

DIRECTORS

Dato’ Dr. Mohd Aminuddin Bin Mohd Rouse - Also a Proxyholder
(Independent Non-Executive Chairman)

Dato’ Chew Chee Seng
(Group Managing Director/Group Chief
Executive Officer) (“GMD/GCEO”)

Mr Cheong Chee Yun
(Independent Non-Executive Director)

Dato’ Mohamad Kamarudin Bin Hassan
(Independent Non-Executive Director)

Dato’ Chong Yoke Har^
(Independent Non-Executive Director)

Mr Chin Shea Fong^
(Non-Independent Non-Executive Director)

IN ATTENDANCE

Ms Chan Yoke Peng, Jasmine - Company Secretary
Mr Ng Boon Hiang - Messrs Baker Tilly Monteiro Heng PLT
Mr Jackson Koh Chung Yoong - Messrs Baker Tilly Monteiro Heng PLT

BY INVITATION

Mr Chay Ching Keong, Alex
Ms Chew Lean Mei
Ms Daisy Yap Sook Kee - Boardroom Corporate Services Sdn. Bhd.
Ms Tang Phui San - Boardroom Corporate Services Sdn. Bhd.
Ms Chan Yu Ni - Boardroom Corporate Services Sdn. Bhd.

Note:

^ Participated via online platform at <https://tiih.online>

The shareholders and proxyholders (collectively referred to as “**Members**”) who attended and participated at the AGM remotely were set out in the Evote/Live Streaming User Access Log attached and shall form an integral part of these Minutes.

CHAIRMAN

The Chairman, Dato’ Dr. Mohd Aminuddin Bin Mohd Rouse, extended a warm welcome to all Members and invitees present at the Tenth AGM of the Company, the first virtual AGM of the Company conducted through live streaming and online remote participation by using remote participation and voting (“**RPV**”) facilities which was in compliance with Section 327 of the Companies Act 2016 and Clause 64 of the Constitution of the Company. The Chairman also informed that the online AGM was to support the Malaysian Government’s advice on social distancing and not having mass gatherings to curb the spread of coronavirus disease (“**COVID-19**”) in the country.

The registered shareholders, proxies and the corporate representatives were reminded that as discussion that transpires in this AGM was deemed confidential, any form of visual or audio recording, whilst the live streaming Tenth AGM was conducted, was therefore strictly prohibited unless prior approval from the Company was obtained.

QUORUM

The Company Secretary confirmed that a quorum was present for the Meeting. With the requisite quorum being present, the AGM was called to order at 3.00 p.m..

The Chairman then proceeded to introduce the Board members and the Company Secretary who were present together with him at the Broadcast Venue. The Chairman also introduced the other Board members and the representatives of Messrs Baker Tilly Monteiro Heng PLT, the External Auditors of the Company, who participated the Tenth AGM remotely to the shareholders.

NOTICE

With the consent of the Members, the Notice convening the AGM having been circulated within the prescribed period was taken as read.

SUMMARY OF PROXIES FORMS RECEIVED

As part of good corporate governance, the Chairman reported that the Company had received in total 11 proxy forms received from the shareholders of the Company for a total of 282,676,354 ordinary shares representing 39.79% of the issued share capital of the Company.

There were 11 shareholders who had appointed the Chairman of the Meeting as proxy to vote on their behalf and the shares so represented were 282,676,354 ordinary shares representing 39.79% of the issued share capital of the Company.

The Chairman informed the Members of their right to participate at this AGM by transmitting their questions in real time via the query box.

POLLING AND ADMINISTRATIVE GUIDE

The Chairman informed the Meeting that pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), all resolutions set out in the Notice of the Tenth AGM must be voted by poll. Pursuant to Clause 77 of the Company’s Constitution, the Chairman then demanded for a poll to be taken for all the resolutions set forth in the Notice of the Tenth AGM.

The Chairman also informed that the Company had appointed Tricor Investor & Issuing House Services Sdn. Bhd. to conduct the poll voting electronically and Scrutineer Solutions Sdn. Bhd. as the Independent Scrutineer to verify the poll results.

The Meeting was informed that the voting session was available now until the closure of the voting session to be announced later. The results of the poll voting would be announced after the Scrutineer has verified the poll results.

The Meeting was then briefed on the electronic and remote poll voting process via video presentation.

After the briefing on the polling process, the Chairman proceeded with business on the agenda.

DISCUSSION ITEM

– AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The Audited Financial Statements together with the Reports of the Directors and Auditors of the Company for the financial year ended 31 December 2019 (“**Audited Financial Statements**”), having been circulated to all the shareholders of the Company within the statutory period, were taken as read.

The Chairman informed the Meeting that this item on the agenda was meant for discussion. It would not be put to voting by shareholders as it did not require approval from the shareholders of the Company.

The Chairman then declared that the Audited Financial Statements of the Company for the financial year ended 31 December 2019 had been duly tabled and received by the shareholders.

The Chairman then informed the Meeting that the question and answer session would be opened after all the motions have been tabled.

The Chairman after went through the remainder motions set out in the Notice of the Tenth AGM and informed the Meeting of the commencement of the question and answer session.

QUESTION AND ANSWER SESSION

It was noted that the Company had received questions from the Members before and during the AGM via query box. The questions raised were succinctly addressed by the Chairman and the GMD/GCEO. The salient issues raised were as follows:-

A. Outlook on End-to-end Electronic Payment (“e-Payment”) Solution and the Prospect of the Company for Year 2020

With regards to the enquiries on e-Payment solution of the Company, the GMD/GCEO responded that MPay was empowered for both online and offline payment solutions for banks and financial institutions, merchants and card issuers in Malaysia for the past 6 years with the licences granted by the Bank Negara Malaysia.

Due to the imposition of Movement Control Order (“MCO”) by the Malaysian Government arising from the COVID-19 outbreak, the online sales have increased significantly as well as the usage of e-Wallet and contactless payments in Malaysia. E-Wallet was a “new normal” from the conventional terminal payment because consumers could not be present at the physical stores during the period of MCO, thereby resulted an increase in online sales. To encourage consumers spending, merchants have offered some incentives such as cashback and rebates via e-Wallet. In addition, the financial institutions have offered promotions to the cardholders which heightened the usage of cashless transactions.

The GMD/GCEO then briefed on the various projects of the MPay Group undergo with the largest fast food companies and key retailers in supermarket and pharmaceutical industry. MPay has been appointed as the sole payment aggregator by few key players for all payment card and QR payment acceptance. The GMD/GCEO further informed that the e-payment business continues to grow as there are on-going key projects such as implementation of cashless Drive-Thru counters at the KFC outlets and the roll out of Sunway Licence Plate Recognition (“LPR”) parking system. The GMD/GCEO added that the LPR car park system has been deployed to several premises under Sunway Group. The Company also targets to roll out such system for 40 over buildings under Sunway Group in Malaysia.

With regards to the prospect of the Company for year 2020, the GMD/GCEO responded that there are several drivers of development such as digital economy, convergence of all sales channels, real-time mobile payments and transition from cash to electronic payments which would drive a strong market growth in year 2020. With the emergence of digitalisation solutions business and greater demand for cashless, MPay is looking into this opportunity to expand its business via digital economy. Hence, the Company sought shareholders' approval on higher general mandate for issuance of up to 20% of the total number of issued shares for the Company which allowed by Bursa Malaysia Securities Berhad. This 20% general mandate would provide flexibility for the Company to raise funds expeditiously for funding its business and future investments when such opportunities or needs arise.

B. Strategies and Competitive Advantage of the Company

There were enquiries raised by the shareholders on the measures or strategies on gaining the competitive advantages over other key players in the FinTech industry. The GMD/GCEO replied that the Company has undergone aggressive marketing strategies to promote its products and services to the end users, online customers and onboarding customers as well as raised brand awareness.

The GMD/GCEO further informed that the Company has provided payment solutions and lending payment terminals to 14 QR schemes of e-Wallet providers, 73 billers and 6 major card schemes. The Company has a wide customer base from various e-Wallet providers, major retailers, merchants and card issuers which has positioned the Company to gain higher market shares in FinTech industry.

C. Financial Performance of the Company for Year 2020

With regards to the questions from shareholders on the financial performance including projected revenue and net profit for year 2020, the Chairman replied that the Board has not received the report on the first quarterly unaudited financial results of the Company and the Group for the period ended 31 March 2020. Hence, the Board would not be able to provide its view on the MPay Group's prospect for year 2020.

D. Reward on e-Voucher or e-Wallet Credits

Responding to the enquiries on e-Voucher from shareholders, the GMD/GCEO informed that the Company would give an e-Voucher of RM10/- which could be used at "BuyMalaysia" online platform. The said e-Voucher would be sent by the Share Registrar via e-mail to the shareholders who attended and participated at this AGM.

E. Revenue Contribution on Online Platform and Counter Terminal

A question was raised on the percentage of revenue contribution from online payment and counter terminal. The GMD/GCEO responded that the counter-based terminal and online transactions contributed 85% and 15% of the total revenue respectively based on the transaction details for 2019.

After addressing the questions received, the Chairman informed the Meeting of the closure of question and answer session.

VOTING SESSION

The Chairman invited the Members to cast their votes now if the Members have not submitted their voting earlier and informed that the voting session would be closed after 5 minutes. It was noted that the Chairman was appointed to act proxies for a number of shareholders and he would vote according to the instructions given.

The Chairman further informed that the outcome of the poll would be announced after the short break as it would take some time for the Independent Scrutineer to tabulate the results of the poll. The Meeting was then adjourned at 3:38 p.m. for the votes to be counted and to enable the Independent Scrutineer to tabulate the results of the poll.

The Meeting resumed at 3.52 p.m. for the declaration of the results of the poll.

POLL RESULTS

The Chairman announced the results of the poll as follows:-

ORDINARY RESOLUTION 1

– DIRECTORS’ FEES AND BENEFITS PAYABLE FOR THE PERIOD FROM 19 JUNE 2020 AND UP TO THE DATE OF NEXT ANNUAL GENERAL MEETING

Ordinary Resolution 1	Vote For		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<i>To approve the Directors’ fees and benefits payable to the Directors up to an aggregate amount of RM300,000/- from 19 June 2020 until the next Annual General Meeting of the Company and the payment thereof.</i>	282,900,154	99.9851	42,200	0.0149	Carried

It was RESOLVED:-

“THAT the Directors’ fees and benefits payable to the Directors up to an aggregate amount of Ringgit Malaysia Three Hundred Thousand (RM300,000/-) only from 19 June 2020 until the next Annual General Meeting of the Company and the payment thereof be and are hereby approved.”.

ORDINARY RESOLUTION 2

– RE-ELECTION OF DIRECTOR – DATO’ CHEW CHEE SENG

Ordinary Resolution 2	Vote For		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<i>To re-elect Dato’ Chew Chee Seng who is retiring in accordance with Clause 95 of the Constitution of the Company.</i>	282,930,254	99.9957	12,100	0.0043	Carried

It was RESOLVED:-

“THAT the retiring Director, Dato’ Chew Chee Seng be and is hereby re-elected as Director of the Company.”.

ORDINARY RESOLUTION 3

– RE-ELECTION OF DIRECTOR – DATO’ MOHAMAD KAMARUDIN BIN HASSAN

Ordinary Resolution 3	Vote For		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<i>To re-elect Dato’ Mohamad Kamarudin Bin Hassan who is retiring in accordance with Clause 95 of the Constitution of the Company.</i>	282,930,254	99.9957	12,100	0.0043	Carried

It was RESOLVED:-

“THAT the retiring Director, Dato’ Mohamad Kamarudin Bin Hassan be and is hereby re-elected as Director of the Company.”.

ORDINARY RESOLUTION 4
– RE-APPOINTMENT OF AUDITORS

Ordinary Resolution 4	Vote For		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<i>To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Board of Directors to fix their remuneration.</i>	282,922,254	99.9929	20,100	0.0071	Carried

It was RESOLVED:-

“THAT the retiring Auditors, Messrs Baker Tilly Monteiro Heng PLT, having indicated their willingness to continue in office, be and are hereby re-appointed as the Auditors of the Company for the ensuing year until the conclusion of the next Annual General Meeting and that the Directors be and are hereby authorised to fix their remuneration.”.

SPECIAL RESOLUTION
– AMENDMENT TO THE COMPANY'S CONSTITUTION (“AMENDMENT”)

Special Resolution	Vote For		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<i>Proposed Amendment to the Company's Constitution.</i>	282,942,254	99.9999	100	0.0000	Carried

It was RESOLVED:-

“THAT the amendment to Clause 10(e) of the Company's Constitution as set out below, be and is hereby approved:-

Clause No.	Existing Clause	Proposed Clause
10(e)	without limiting the generality of Sections 75 and 76 of the Act, the Company must not issue any ordinary shares or other securities with rights of conversion to ordinary shares if those shares or securities, when aggregated with any such shares or securities which the Company has issued during the preceding twelve (12) months, exceeds ten per centum (10%) of the total number of issued shares (excluding treasury shares, if any) of the Company, except where the shares or securities are issued with the prior shareholders' approval in a general meeting of the precise terms and conditions of the issue; and	subject to the Listing Requirements and without limiting the generality of Sections 75 and 76 of the Act, the Company must not issue any ordinary shares or other securities with rights of conversion to ordinary shares except where the shares or securities are issued with the prior shareholders' approval in a general meeting of the precise terms and conditions of the issue; and

AND THAT, the Directors of the Company be and are hereby authorised to assent to any conditions, variations, modifications and/or amendments as may be required by any relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the Amendment for and on behalf of the Company.”.

ORDINARY RESOLUTION 5

– AUTHORITY UNDER SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES

Ordinary Resolution 5	Vote For		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<i>Authority under Sections 75 and 76 of the Companies Act 2016 for the Directors to allot and issue shares.</i>	282,922,254	99.9929	20,100	0.0071	Carried

It was RESOLVED:-

“THAT, pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting and 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 does not exceed twenty per centum (20%) of the total number of issued shares of the Company for the time being, subject always to the approval of all relevant regulatory authorities (if any) being obtained for such allotment and issue.”.

ORDINARY RESOLUTION 6

– RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“RENEWAL OF SHAREHOLDERS’ MANDATE”)

Ordinary Resolution 6	Vote For		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<i>Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.</i>	66,534,100	99.9998	100	0.0002	Carried

It was RESOLVED:-

“THAT pursuant to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 2.3 of the Circular to Shareholders dated 27 May 2020, which are necessary for the day-to-day operations; and are undertaken in the ordinary course of business of the Company and its subsidiaries, on arm’s length basis, and normal commercial terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

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

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company following this AGM at which such mandate is passed, at which time it will lapse, unless by a resolution passed at such general meeting whereby the authority is renewed;

- (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) 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
- (iii) revoked or varied by resolution passed by the shareholders in a general meeting,

whichever is the earlier;

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 full effect to the Renewal of Shareholders’ Mandate.”.

ORDINARY RESOLUTION 7

– AUTHORITY FOR MR CHEONG CHEE YUN TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR OF THE COMPANY

Ordinary Resolution 7	Vote For		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<i>Authority for Mr Cheong Chee Yun to continue in office as Independent Director of the Company.</i>	282,930,254	99.9957	12,100	0.0043	Carried

It was RESOLVED:-

“THAT authority be and is hereby given for Mr Cheong Chee Yun who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Director of the Company until the conclusion of the next Annual General Meeting, in accordance with the Malaysian Code on Corporate Governance.”.

ORDINARY RESOLUTION 8

– AUTHORITY FOR DATO’ DR. MOHD AMINUDDIN BIN MOHD ROUSE TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR OF THE COMPANY

Ordinary Resolution 8	Vote For		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<i>Authority for Dato’ Dr. Mohd Aminuddin Bin Mohd Rouse to continue in office as Independent Director of the Company.</i>	282,930,254	99.9957	12,100	0.0043	Carried

It was RESOLVED:-

“THAT authority be and is hereby given for Dato’ Dr. Mohd Aminuddin Bin Mohd Rouse, who has served as an Independent Director of the Company since 2 February 2012 and will reach the nine (9)-year service on 1 February 2021, to continue to act as an Independent Director of the Company until the conclusion of the next Annual General Meeting, in accordance with the Malaysian Code on Corporate Governance.”.

ORDINARY RESOLUTION 9

– GRANTING OF OPTIONS TO MR CHIN SHEA FONG, NON-INDEPENDENT NON-EXECUTIVE DIRECTOR UNDER THE EMPLOYEES’ SHARE OPTION SCHEME (“ESOS”) OF THE COMPANY

Ordinary Resolution 9	Vote For		Vote Against		Results
	No. of Shares	%	No. of Shares	%	
<i>Proposed Granting of ESOS Options to Mr Chin Shea Fong.</i>	66,522,100	99.9818	12,100	0.0182	Carried

It was RESOLVED:-

“THAT pursuant to the ESOS of the Company approved by the shareholders of the Company at the Extraordinary General Meeting held on 18 June 2014, which was extended for another five (5) years to 2 November 2024, the Board of Directors of the Company be and is hereby authorised at any time, and from time to time, during the existence of the ESOS to offer and grant to Mr Chin Shea Fong, the Non-Independent Non-Executive Director of the Company, options to subscribe for new ordinary shares in the Company (“MPay Shares”) under the ESOS subject always to the following provisions:-

- (i) the Directors and senior management must not participate in the deliberation or discussion of their own allocation of new MPay Shares to be issued under the ESOS;
- (ii) not more than ten percent (10%) of the MPay Shares available under the ESOS shall be allocated to any Director or employee, who either singly or collectively through persons connected with such Director or employee, holds twenty percent (20%) or more of the total number of issued shares (excluding treasury shares, if any) of the Company; and

also subject always to such terms and conditions and/or any adjustments which may be made in accordance with the provisions of the By-Laws of the ESOS and any prevailing guidelines issued by Bursa Malaysia Securities Berhad (“Bursa Securities”), the ACE Market Listing Requirements of Bursa Securities or any other relevant authorities as amended from time to time.

AND THAT the Directors of the Company be and are hereby authorised to issue and allot such number of new MPay Shares to him pursuant to the exercise of such options.”.

CONCLUSION OF MEETING

There being no other business to be transacted, the Meeting concluded at 3:55 p.m. with a vote of thanks to the Chair.

SIGNED AS A CORRECT RECORD

CHAIRMAN