

CUSCAPI BERHAD

[Registration No. 197801006160 (43190-H)]
(Incorporated in Malaysia)

MINUTES OF THE FORTY-FORTH (44TH) ANNUAL GENERAL MEETING OF THE COMPANY CONDUCTED VIRTUALLY FROM THE BROADCAST VENUE AT LEVEL 43A, MYEG TOWER, EMPIRE CITY, NO. 8, JALAN DAMANSARA, PJU 8, 47820 PETALING JAYA, SELANGOR WEDNESDAY, 19 JUNE 2024 AT 2.30 P.M.

Present:

Directors

1. Datuk Jayakumar A/L Panneer Selvam (Executive Chairman)
2. Dato' Sri Khazali Bin Haji Ahmad (Executive Director)
3. Datuk Mat Noor Bin Nawawi (Independent Non- Executive Director)
4. Dato' Sheah Kok Fah (Independent Non-Executive Director)
5. Puan Mohaini Binti Mohd Yusof (Independent Non-Executive Director)

Company Secretary

1. Ms Tan Lay Khoon

Shareholders/ Proxies

As per the Attendance List

1.0 INTRODUCTION

- 1.1 Datuk Jayakumar A/L Panneer Selvam ("the Chairman") presided at the meeting and welcomed the shareholders and proxies ("Members") to the Forty-Forth (44th) Annual General Meeting ("AGM") of the Company.
- 1.2 There being a quorum present at the meeting, the Chairman declared the meeting duly convened at 2.33 p.m.
- 1.3 The Chairman introduced the Directors and Company Secretary present. He drew attention to some housekeeping matters, including the manner of posing questions and poll voting, which would be conducted after completion of deliberations of all agenda items for the six (6) resolutions in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Members were informed that Messrs. Agmo Digital Solutions Sdn. Bhd. was appointed as the Poll Administrator to conduct the polling process, whilst Messrs. KW Ng & Co. was appointed as the Scrutineers to verify the poll results.
- 1.4 With the consent of the meeting, the notice convening the AGM having been circulated within the prescribed period was taken as read.
- 1.5 Mr Peter Fang Kok Hong, the Chief Executive Officer of the Company, was invited to present the update of the business overview of the Group which covered the key figures for the financial year ended 31 December 2023 and the strategic plan (i.e. innovation, collaboration, expansion and sustainability).

2.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON.

- 2.1 The Chairman informed that the audited financial statements in respect of the financial period ended 31 December 2023 (“Audited Financial Statements”) was meant for discussion only, and therefore, it would not be put forward for voting, in accordance with Section 340(1)(a) of the Companies Act, 2016.
- 2.2 Thereafter, the Chairman welcomed questions from the Members in respect of the Audited Financial Statements and informed that the question shall be addressed during the Q&A session later.

**3.0 ORDINARY RESOLUTION 1
TO RE-ELECT DATO’ SHEAH KOK FAH WHO RETIRES PURSUANT TO CLAUSE 105 OF THE COMPANY’S CONSTITUTION**

- 3.1 The Chairman informed that the next agenda was to re-elect Dato’ Sheah Kok Fah, who retires pursuant to Clause 105 of the Company’s Constitution and being eligible, had offered himself for re-election.
- 3.2 The Chairman then invited the Members to submit their questions and informed them that the question shall be addressed during the Q&A session later. The Chairman then proceeded with the next agenda of the meeting.

**4.0 ORDINARY RESOLUTION 2
TO RE-ELECT DATUK MAT NOOR BIN NAWI WHO RETIRES PURSUANT TO CLAUSE 105 OF THE COMPANY’S CONSTITUTION**

- 4.1 The Chairman informed that the next agenda was to re-elect Datuk Mat Noor Bin Nawawi, who retires pursuant to Clause 105 of the Company’s Constitution and being eligible, had offered himself for re-election.
- 4.2 The Chairman then invited the Members to submit their questions and informed them that the question shall be addressed during the Q&A session later. The Chairman then proceeded with the next agenda of the meeting.

**5.0 ORDINARY RESOLUTION 3
TO APPROVE THE PAYMENT OF DIRECTORS’ FEES AMOUNTING TO RM630,000 TO THE DIRECTORS OF THE COMPANY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2023**

- 5.1 The Chairman informed that the next agenda was to approve the payment of directors’ fees amounting to RM630,000 to the directors of the Company for the financial period ended 31 December 2023.
- 5.2 The Chairman then invited the Members to submit their questions and informed that the question shall be addressed during the Q&A session later. The Chairman then proceeded with the next agenda of the meeting.

6.0 ORDINARY RESOLUTION 4

TO APPROVE THE PAYMENT OF MEETING ALLOWANCES TO THE DIRECTORS UP TO AN AMOUNT OF RM90,000 FROM THE 44TH AGM UP TO THE CONCLUSION OF THE 45TH AGM

- 6.1 The Chairman informed that the next agenda was to approve the payment of meeting allowances to the Directors up to an amount of RM90,000 from the 44th AGM up to the conclusion of the 45th AGM.
- 6.2 The Chairman then invited the Members to submit their questions and informed that the question shall be addressed during the Q&A session later. The Chairman then proceeded with the next agenda of the meeting.

7.0 ORDINARY RESOLUTION 5

TO RE-APPOINT UHY AS AUDITORS OF THE COMPANY AND TO HOLD OFFICE UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING AT SUCH REMUNERATION TO BE DETERMINED BY THE DIRECTORS OF THE COMPANY

- 7.1 The Chairman informed that the next agenda was to re-appoint UHY as Auditors of the Company and to hold office until the conclusion of the next Annual General Meeting at such remuneration to be determined by the Directors of the Company.
- 7.2 The Chairman then invited the Members to submit their questions and informed that the question shall be addressed during the Q&A session later. The Chairman then proceeded with the next agenda of the meeting.

8.0 SPECIAL BUSINESS - ORDINARY RESOLUTION 6

AUTHORITY TO ALLOT SHARES PURSUANT TO SECTION 75 AND SECTION 76 OF THE COMPANIES ACT, 2016

- 8.1 The Chairman informed that the next agenda under special business was to seek shareholders' approval to provide directors with authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act, 2016.
- 8.2 The Chairman explained that upon passing this resolution, the Directors would be provided with the flexibility to allot and issue shares from time to time for such purposes as the Directors in their absolute discretion consider to be in the best interest of the Company, without having to convene separate general meetings, subject to the limitation that the shares to be allotted and issued did not exceed 10% of the issued number of shares of the Company for the time being. Unless revoked or varied by the Company in general meeting, this authority shall be in force until the conclusion of the next AGM of the Company. Besides that, this proposed resolution should also be read together with Section 85 of the Companies Act, 2016 and Clause 61 of the Company's Constitution. This proposed resolution, if passed, would waive the statutory pre-emptive rights of the shareholders of the Company.
- 8.3 The Chairman then invited the Members to submit their questions and informed that the question shall be addressed during the Q&A session later. The Chairman then proceeded with the next agenda of the meeting.

9.0 ANY OTHER BUSINESS

- 9.1 The Chairman was advised by the Company Secretary that no notice had been received by the Company to transact any other business.

10.0 LETTER FROM MINORITY SHAREHOLDERS WATCH GROUP (“MSWG”)

- 10.1 The Chairman informed that the Company has received a letter dated 12 June 2024 from MSWG. The Company’s responses were presented during the AGM and the responses presented were appended hereto as “Annexure I”.

11.0 QUESTION AND ANSWER SESSION

- 11.1 The Chairman informed that the Company had received a few questions which as below:-

Question 1

How many shareholders/proxies attended today’s AGM?

The Chairman responded that there was a total of 35 shareholders/proxies attended today’s AGM.

Question 2

Was there any increased of Directors’ Fees?

The Chairman responded that the Directors’ fees were maintained as in previous year.

Question 3

Does the Group abide the International Labour Standards and not just local labour laws in the respective country of operations?

The Chairman responded that the overseas subsidiaries were fully compliant with the relevant standards and laws in their respective countries of operation.

Question 4

Is there is any proposed dividend for the financial year 2023?

The Chairman responded that no dividend will be proposed for the current financial year. However, the Group will consider declaring a dividend when the timing is appropriate, given that the Group is currently on the right track.

Question 5

Is there any shares buy back?

The Chairman responded that there are no plans for a share buyback at this time.

Question 6

When will the Blockchain product to be launched?

The Blockchain product is currently in the early stages of development and is undergoing R&D. It will be launched when it is ready for the market.

Question 7

Any plan for physical AGM on next year?

The Chairman indicated that the Group will consider this matter next year, depending on the situation.

Question 8

Is all the Directors and external auditors present on today's AGM?

The Chairman responded that all the Directors and external auditors were present and joined the AGM today.

11.2 Thereafter, the polling process took place at 3.30 p.m.

12.0 DECLARATION OF RESULTS

12.1 Upon completion of the polling process at 3.44 p.m., the Chairman, announced the results of the poll voting and declared that all six (6) ordinary resolutions as set out in the Notice of AGM dated 30 April 2024, were "CARRIED". A copy of the summary of results was appended herewith as "Annexure II".

13.0 CLOSURE

12.1 There being no other business, the AGM was closed at 3.45 p.m. with a vote of thanks to the Chairman.

**Confirmed as a correct record of
the proceedings held thereat**

-signed-

Executive Chairman



Cuscapl Berhad

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Date: 19 June 2024

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

LEVEL 23 , UNIT 23-2, MENARA AIA SENTRAL,

No 30, JALAN SULTAN ISMAIL

50250 Kuala Lumpur

Attention: NUR AMIRAH AMIRUDIN

RE: RESPONSE TO MINORITY SHAREHOLDERS WATCH GROUP ("MSWG") QUERIES

Reference is made to the above matter and your letter dated 12th June 2024.

Further to the responses given during our 44th Annual General Meeting held on 19th June 2024, we hereby confirm the following;

Operational & Financial Matters

1. The Group registered 18-months revenue and pre-tax profit of RM28.4 million and RM2.16 million respectively. The higher revenue is mainly from the trading of Digital Assets (page 11 of Annual Report (AR) 2023).

Worldcoin (WLD) is among the digital assets traded. Yet, WLD, employing iris biometric authentication, faces notable privacy issues. On 24 April 2024, Co founders Sam Altman and Alex Blania met with Prime Minister YAB Datuk Seri Anwar Ibrahim to emphasise privacy commitment and regulatory cooperation.

- (a) What was the outcome of the discussion with Malaysian officials?
 - **Worldcoin is not amongst the digital asset traded by Cuscapl. Cuscapl was not a party to the said meeting.**
- (b) How did privacy concerns affect WLD's progress and adoption globally, as many regulators around the world are banning it? Please shed more light on WLD's future trajectory.
 - **No comments as we are not in any collaboration with Worldcoin at this juncture.**
- (c) How does WLD plan to compete with Humanity Protocol, which aims to rival WLD with its less invasive consensus model?
 - **No comments as we are not in any collaboration with Worldcoin at this juncture.**
- (d) What is the Group's outlook on trading activities involving Digital Assets? Can we expect this performance to be maintained over time?
 - **At this juncture, trading of digital assets is to diversify the revenue base. We do expect in future the group will gain further benefits in our investments in digital assets.**

2. Below is the revenue breakdown by-products (Page 11 of AR2023).

Product	FPE 31 December 2023 ⁽¹⁾		FYE 30 JUNE 2022	
	RM	%	RM	%
Transight & C360	14,128,341	50%	8,174,734	83%
EDMS	2,499,943	9%	1,529,179	15%
Others	11,757,728	41%	238,112	2%
Total	28,386,012	100%	9,942,025	100%

Notes: -
(1) Cuscapi had on 9 June 2023 changed its financial year-end from 30 June to 31 December. The FPE 31 December 2023 was made up of results for 18 months covering the period from 1 July 2022 to 31 December 2023.

- (a) Does the "others" segment include digital assets? If not, what products does it cover, which ones saw high demand, why, and can this performance be sustained?
➤ **Yes. Digital Assets is included in this "Other" revenue segment.**
- (b) Please provide a concise update on the latest developments regarding Transit & C360 and the Electronic Dealer Management System, along with their outlook for FYE2024.
➤ **R&D has been conducted on Transight & C360 and Electronic Dealer Management System to roll-out new and enhanced modules in order to cater for the market and generate new revenue streams. With these enhancements and modules, the Board believes that the outlook for FYE2024 remains positive.**
3. The Group's trade receivables that were credit impaired and past due for more than 121 days increased significantly from RM5.6 million in FYE2022 to RM8.5 million in FYE2023 (page 101 of AR2023).
- (a) What difficulties did the Group face in collecting trade receivables that were past due for more than 121 days as the outstanding amount increased?
➤ **As of Q2'2024, there is no more outstanding >120 days.**
- (b) Who are the customers and who make up this category (past due 121 days) of the Group's trade receivables in FYE2023 and what are their profiles?
➤ **The customers are players in the F&B industry and the sales was regards to our POS solutions**
- (c) To date, how much of the overdue amount has been collected?
➤ **The Group has fully collected the overdue of RM8.5M in Q2' 2024.**

Sustainability Matters

1. Regarding environment and energy conservation, what are the Group's plans and targets for carbon neutrality, greenhouse gas emission reduction and use of renewable energy? Are there plans to install solar photovoltaic (PV) on the Group's buildings and subscribe to the Green Energy Tariff (GET) to reinforce the support for sustainable energy sources?
➤ **Our carbon footprint is relatively small as we are an IT company that only operates a data centre. The equipment involved are mostly compliant with sustainable ESG practices. The Group does not have its own building, but we are actively in discussion with our property landlord to adopt Green practices such as install solar photovoltaic (PV), subscribe to the Green Energy Tariff (GET), to reinforce the support for sustainable energy sources.**

Corporate Governance Matters

1. Practice 1.4 of the Malaysian Code on Corporate Governance (MCCG) mentioned that the Chairman of the board should not be a member of the Audit Committee (AC), Nomination Committee (NC) or Remuneration Committee (RC).

Guidance G1.4 states:

Having the same person assume the positions of Chairman of the board, and Chairman of the AC, NC or RC gives rise to the risk of self-review and may impair the objectivity of the Chairman and the board when deliberating on the observations and recommendations put forth by the board committees. Thus, the Chairman of the board should not be involved in these committees to ensure there is check and balance as well as objective review by the board.

The Chairman of the Board, Datuk Jayakumar A/L Panneer Selvam, attends the meetings on an invitation (page 6 of the Corporate Governance (CG) report).

Despite not being a member of the AC, NC and RC, his presence in the meetings could impair the objectivity and independence of the board committees.

We call upon the Company to adopt Practice 1.4 and not invite the Chairman to any committee meetings. This would further enhance the independence and objectivity of the board committee.

➤ **The comment is duly noted.**

2. Practice 5.9 of the MCCG stipulates that the board comprises at least 30% women directors. The Group currently has only one female director on the Board, constituting 20% of the total Board members (page 28 of CG report).

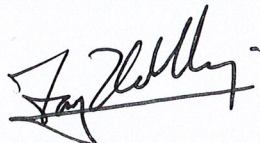
Are efforts underway to identify suitable women candidates as new directors of the Group? How many candidates were interviewed and shortlisted?

➤ **The Nomination Committee had in the past interviewed several female candidates but were found unsuitable. Efforts are still under way to identify suitable female candidate to be appointed to the Board and relevant announcements will be made in due course upon this appointment.**

Thank you.

Yours faithfully,

For and on behalf of CUSCAPI BERHAD



FANG KOK HONG
CHIEF EXECUTIVE OFFICER

Cuscapi Berhad
 (43190-H (157801006160))
 Level 28, Block N, Empire City Damansara, No 8, Jalan Damansara, PJU 8, 47820 Petaling Jaya, Selangor Darul Ehsan

Cuscapi Berhad - 44th Annual General Meeting
 19/06/2024 14:30:00

Result On Voting

Resolutions	Title	Voted For		Voted Against		Total		Result		
		No of Units	%	No of Records	No of Shareholders	No of Records	No of Shareholders			
ORDINARY	ORDINARY RESOLUTION 1	564,830,404	99.99908	59	56	5	564,835,618	100	61	CARRIED
ORDINARY	ORDINARY RESOLUTION 2	564,830,469	99.99908	59	56	6	564,835,693	100	62	CARRIED
ORDINARY	ORDINARY RESOLUTION 3	564,820,268	99.99727	56	53	9	564,835,693	100	62	CARRIED
ORDINARY	ORDINARY RESOLUTION 4	564,780,168	99.99048	51	48	13	564,833,943	100	61	CARRIED
ORDINARY	ORDINARY RESOLUTION 5	564,828,629	99.99908	58	55	5	564,833,843	100	60	CARRIED
ORDINARY	ORDINARY RESOLUTION 6	564,828,618	99.99877	56	53	8	564,835,593	100	61	CARRIED

