

2. NOTICE

There being no objection, the notice convening the meeting dated 28 April 2023, having been circulated earlier to all the shareholders of the Company within the prescribed notice period, was taken as read.

The Chairman reported that the Company had received 31 valid proxies representing 27.36% of the Company's total number of issued shares.

3. VOTING OF RESOLUTIONS AT THE MEETING

The Chairman informed that voting for all resolutions as set out in the notice of the 30th AGM will be carried out by poll in line with Bursa Malaysia Securities Berhad's (Bursa Securities) Main Market Listing Requirements. Scrutineer Solutions Sdn Bhd, an independent scrutineer has been appointed to validate the votes and Tricor Investor & Issuing House Services Sdn Bhd (Tricor) has been appointed as the Poll Administrator.

The Chairman thereafter invited Tricor to brief on the online e-voting process and how questions may be raised at the meeting through the RPV application via a video presentation.

The Shareholders were informed that all the resolutions proposed at the AGM require a simple majority or more than 50% of the total voting rights of the shareholders who are entitled to vote at the Meeting.

Next, the Chairman informed the Shareholders that the voting session is opened and online casting can be submitted by the shareholders and proxies at any time hereafter until the closure of the voting session which will be notified to all shareholders/proxies later.

He further informed that the shareholders may raise questions in real time by transmitting the question in the query box until the announcement on the closure of Q&A session and the Company will respond to the questions accordingly after all the Resolutions have been tabled.

4. PRESENTATION BY MANAGEMENT

The Chairman invited Puan Nuraslina Zainal Abidin (Puan Nuraslina), the Group Chief Executive Officer and Encik Mohamad Izzat Serpudin (Encik Izzat), the Group Chief Financial Officer to give a presentation on the Group's performance for the year ended 2022.

The presentation encompassed the following:-

Business Operations

Puan Nuraslina took the Shareholders through the overview of the Group's Business.

She reported that the Company had recorded a revenue of RM94.3 million of which 73.6% was contributed by the Telecommunication segment whilst 26.4% was contributed by the IT and System's Integration segment.

The Company had recorded a positive turnaround of Profit After Tax (PAT) of RM7.6 million, on the back of a RM94.3 million revenue, the highest PAT since FY2009.

Gross Profit Margin increased as a result of the various initiatives undertaken by the Group, including among other, streamlining of Procurement Operations, Strategic Sourcing Program as well as Vendor Development Program. This resulted in a significant savings of RM18.4 million, inclusive of cost avoidance for the Group's projects.

The Company paid its first dividend totaling RM1.77 million at 1.5 cent per share on 19 June 2023. This is the first dividend paid since FY2002.

Key Highlights of Notable Events

The revenue contribution by Theta Telecoms Sdn Bhd, i.e. the Telecommunication segment was from the JENDELA Project, which contributed RM69.4 million. In FY2022, Theta Telecoms Sdn Bhd built a total of 66 towers, and increased to 159 towers as at May 2023.

Theta Telecoms Sdn Bhd had achieved the following recognitions:-

- (i) First profit registered since its inception in year 2017.
- (ii) First Designated Universal Service Provider (DUSP) to obtain full approval from the Local Council (Pihak Berkuasa Tempatan, PBT) to build the JENDELA Towers.
- (iii) First DUSP (amongst 14 other DUSP) to successfully erect the first tower of the JENDELA Phase 1 Project which comprised of 1,661 towers.
- (iv) First DUSP to successfully achieve Go-Live Operational status amongst other 14 DUSP.
- (v) First ranking amongst DUSP for number of towers erected as of May 2023.

Other notable key highlights in FY2022, which was in line with Theta Edge's 3 year transformation program, included among others, the following:-

(i) Theta Rebranding

Theta Edge's transformation stems from the desire to deliver innovative solutions, expanding our business along with accomplishing local and global growth, nurturing fresh and dynamic talents as well as advancing ourselves as industry experts.

(ii) New Office

Consolidation of multiple locations and offices to a strategic location to create a better working environment to encourage creativity and teamwork.

(iii) Introduce new Core Values

Launching of Core Values "**CARES**" which takes into consideration **C**ourage, **A**ccountable, **R**esponsive, **E**ngaged and **S**implicity" to encourage performance and drive towards performance accountability.

(iv) Enhance Governanc, through

- (a) Manpower Rationalization Exercise
- (b) Strategic Partnership Program
- (c) Performance Management and Reward Structure
- (d) Employee Upskilling Initiatives to build the Group's core competencies

(v) Theta Cares Programs

Launching of Theta Cares Programs to give back to the community, especially the B40 community and underprivileged students to close the gap in digitalization. Thus far, the Group has donated more than 1,000 computers.

Group's Financial Performance

Next, Encik Izzat presented the Group's financial performance for financial year ended 2022. Encik Izzat stated that the Group ended the year 2022 with a Revenue and PAT of RM94.3 million and RM7.6 million respectively whilst gross margin was at 8.1%.

Compared to last year, the revenue of RM94.3 million (FY2021: RM144.1 million) was lower as the Group secured a one-off higher revenue project last year, but at a very low margin. Notwithstanding the lower revenue, EBITDA recorded in FY2022 of RM10.2 million was the highest since 2018 due to better strategic sourcing, vendor management program and stringent cost management initiatives undertaken in FY2022.

On the Group Financial Position, Encik Izzat reported that the total assets and total liabilities have grown reasonably to RM137.9 million (FY 2021: RM100 million) and RM64.9 million (FY2021: RM42.5 million) respectively.

The increase in total assets was mainly driven by the strong performance in FY2022, positive progress in the new and existing projects, and investment made in the new office. Encik Izzat added that the Group was not exposed to a higher debt as the debts are project related and to a certain extent, are secured by the projects cashflow.

On key financial ratios, Net Tangible Asset was RM73.0 million compared to RM57.6 million last year. Return on Equity improved to 10% from negative 8% last year due to the strong performance in 2022.

With that Encik Izzat ended his presentation and handed the floor back to Puan Nuraslina.

Puan Nuraslina thereafter took the Meeting through the presentation on the way forward for FY2023.

For FY2023, the Group plans to strengthen its existing core business segments and target to undertake the following:-

- (i) Grow the business via
 - (a) Strengthening Theta Telecommunication business by :-
 - Optimizing the USP and NFP license benefits
 - Pursuing recurring revenue asset based business mode
 - (b) Leverage on Core Competency of Theta ICT Business via
 - Monetization of current IP assets in e-Government services (Accounting, Land Management and Hajj Management)
 - Launch Recurring Revenue Platform based services
 - Strengthen Technical Service Delivery competency
- (ii) Fortify Management to achieve goals and objectives to grow the business, via
 - (a) Strengthen Brand positioning
 - (b) Strengthen market penetration and diversification through strategic partnership and ecosystem acquisition
 - (c) Building a game-changing talent strategy and acquire key competencies to deliver the business
 - (d) Build environmental credentials in compliance to strong governance and ESG for global business expansion

Lastly, before Puan Nuraslina ended her presentation, she informed as a token of appreciation, Shareholders attending today's AGM, would be entitled to receive SakuPay voucher worth RM30.

The Chairman then proceeded with the agenda items as contained in the Notice of AGM.

5. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

The Chairman informed that Audited Financial Statements for the financial year ended 31 December 2022 and the Reports of the Directors and Auditors thereon having been circulated to all the shareholders within the prescribed period was taken as read.

The shareholders were informed that these accounts are tabled for information only as the provision of Section 340(1) of the Companies Act, 2016 does not require a formal approval of the shareholders and hence this Agenda is not put forward for voting.

6(i). RE-ELECTION OF ENCIK ZAINAL 'ABIDIN BIN ABD JALIL WHO RETIRES BY ROTATION IN ACCORDANCE WITH CLAUSE 119 OF THE COMPANY'S CONSTITUTION (RESOLUTION 1)

In accordance with Clause 119 of the Company's Constitution, Encik Zainal 'Abidin bin Abd Jalil (Encik Zainal) was due to retire by rotation and being eligible, has offered himself for re-election.

The Chairman notified that the profile of Encik Zainal was as set out on page 16 of the Annual Report.

6(ii). RE-ELECTION OF ENCIK ROZAHAN BIN OSMAN WHO RETIRES BY ROTATION IN ACCORDANCE WITH CLAUSE 119 OF THE COMPANY'S CONSTITUTION (RESOLUTION 2)

In accordance with Clause 119 of the Company's Constitution, Encik Rozahan bin Osman (Encik Rozahan) was due to retire by rotation and being eligible, has offered himself for re-election.

The Chairman notified that the profile of Encik Rozahan was as set out on page 17 of the Annual Report.

6(iii). RE-ELECTION OF PUAN LATIFAH BINTI M.DAUD WHO RETIRES IN ACCORDANCE WITH CLAUSE 119 OF THE COMPANY'S CONSTITUTION (RESOLUTION 3)

The Shareholders were informed that in accordance with Clause 119 of the Company's Constitution, Puan Latifah binti M.Daud (Puan Latifah) was due to retire and being eligible, has offered herself for re-election.

The Shareholders were informed that the profile of Puan Latifah was as set out on page 19 of the Annual Report.

7. PAYMENT OF DIRECTORS' FEES FOR AN AMOUNT UP TO RM350,000 FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2023 (RESOLUTION 4)

The Company had proposed a payment of Directors' fees for an amount up to RM350,000 for the financial year ending 31 December 2023.

The Shareholders were informed that details of the fees were as set out in the Explanatory Note 3 on page 155 of the Annual Report.

8. PAYMENT OF ADDITIONAL DIRECTORS' BENEFITS AMOUNTING TO RM14,500 WHICH WAS IN EXCESS OF THE EARLIER APPROVED AMOUNT OF RM253,000 FOR THE PERIOD COMMENCING FROM 29 JUNE 2021 UNTIL THE CONCLUSION OF THE 29TH AGM OF THE COMPANY (RESOLUTION 5)

The Shareholders was informed that this Resolution was to approve the payment of additional directors' benefits amounting to RM14,500 which was in excess of the earlier approved amount of RM253,000 for the period commencing from 29 June 2021 until the conclusion of 29th AGM of the company.

The Chairman informed that details of the Directors' Benefits were as set out in the Explanatory Note 4 on page 155 of the Annual Report.

9. PAYMENT OF DIRECTORS' BENEFITS FOR AN AMOUNT UP TO RM748,000 FROM 26 JUNE 2023 UNTIL THE NEXT AGM OF THE COMPANY (RESOLUTION 6)

The Company had proposed a payment of Directors' Benefit for an amount up to RM748,000 from 26 June 2023 until the next AGM of the Company.

The Chairman informed the shareholders that the details of the benefits were as set out in the Explanatory Note 5 on page 155 of the Annual Report.

10. RE-APPOINTMENT OF MESSRS. KPMG PLT AS AUDITORS OF THE COMPANY AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION (RESOLUTION 7)

The resolution on the re-appointment of Messrs KPMG PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration was tabled to the shareholders.

The Chairman informed that Messrs KPMG PLT had given their consent to seek for reappointment and no other nominations were received by the Company.

11. AUTHORITY TO ISSUE SHARES (RESOLUTION 8)

The Chairman informed that the agenda was to seek the shareholders' approval for the allotment of shares pursuant to Sections 75 and 76 of the Companies Act, 2016 and waiver by the shareholders of their pre-emptive rights over all new shares in the Company as contained in the Notice of the 30th AGM.

12. PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE AND NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING IN NATURE AND RENEWAL OF THE EXISTING GENERAL MANDATE FOR CONTRACTS WHICH ARE REVENUE IN NATURE (RESOLUTION 9)

The Chairman tabled the agenda to seek the shareholders' approval for Renewal of the Existing Shareholders' Mandate and Existing General Mandate for Recurrent Arrangements or Transactions of a Revenue or Trading in Nature from time to time with the Related Party(ies) as specified in Section 2.1.2 of the Circular dated 28 April 2023.

The Shareholders were informed that the interested Directors, the interested Major Shareholder and person connected to them as mentioned in the Circular would abstains from voting on this resolution.

13. ANY OTHER MATTERS

The Chairman notified the Meeting that the Company Secretary had confirmed that there are no other matters to be tabled and transacted at the AGM.

14. QUESTIONS & ANSWERS (Q&A) SESSION

Puan Nuraslina, the Group's Chief Executive Officer was invited to address the questions received from the Shareholders via the online query box. The Chairman informed that the questions received would not be answered in any particular sequence in accordance with the Agenda and would be moderated to avoid repetition and may also be summarised.

Puan Nuraslina thereafter read out the questions received via query box from the Shareholders during the Meeting and the Company's responses thereto as contained in Appendix I attached. The questions are also made visible to all meeting participants during the Q&A session.

After all questions have been satisfactorily answered, the Chairman concluded the Q&A session.

15. POLLING PROCESS

The Chairman informed that an additional 5 minutes for the online voting was given for the Shareholders/proxies who have yet to cast their votes, before declaring that the voting session closed at 10.40 a.m.

The Chairman notified that the Meeting would be adjourned at 10.40 a.m. for 20 minutes for the compilation and verification of the voting results. The Chairman sought all to remain online for the declaration of voting results.

16. ANNOUNCEMENT OF POLL RESULTS

The Chairman called the Meeting to order at 11.00 a.m. for the announcement of the poll results which has been verified by the Independent Scrutineer. The poll results were projected on the screen and as per Appendix II attached.

Based on the results, the Chairman declared all resolutions put to the Meeting duly carried.

17. CLOSURE

There being no other business to be transacted, the Chairman declared that the 30th AGM of the Company was concluded at 11.05 a.m.

CONFIRMED BY

CHAIRMAN

Dated: