



**NOTICE IS HEREBY GIVEN** that the Eighteenth Annual General Meeting of Digistar Corporation Berhad will be held at Platinum Hall, Level 3, Imperial Heritage Hotel Melaka, No 1, Jalan Merdeka 1, Taman Melaka Raya, 75000 Melaka, Malaysia, on Monday, 29 March 2021 at 10 a.m. to transact the following purposes:

**AGENDA**

**AS ORDINARY BUSINESS:**

- To receive the Audited Financial Statements for the financial year ended 30 September 2020 together with the Directors' and Auditors' Report thereon. (Refer to Explanatory Note 1)
- To approve the payment of Directors' Fees and Benefits of RM78,500 in respect of the financial year ended 30 September 2020 respectively. **Ordinary Resolution 1**
- To approve the Directors' fees of RM150,000 payable for the period from 1 October 2020 until the conclusion of the next annual general meeting of the Company. **Ordinary Resolution 2**
- To approve the Directors' benefits of up to RM18,000 payable for the period from 1 October 2020 until the conclusion of the next annual general meeting of the Company. **Ordinary Resolution 3**
- To re-elect the following Directors who retire in accordance with Clause 100 of the Constitution of the Company:
  - Tan Sri Dato' IR. HJ. Zaini Bin Omar **Ordinary Resolution 4**
  - Ms. Lee Jin Jean **Ordinary Resolution 5**
- To re-appoint UHY as auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 6**

**AS SPECIAL BUSINESS:**

**7. RETENTION OF INDEPENDENT DIRECTOR OF THE COMPANY**

"THAT pursuant to Practice 4.2 of the Malaysian Code on Corporate Governance 2017, Dato' Haji Ishak Bin Haji Mohamed who has served the Board as an Independent Non-Executive Director of the Company for a term of ten (10) years since 27 May 2011 be and is hereby retained as an Independent Non-Executive Director of the Company." **Ordinary Resolution 7**  
(Refer to Explanatory Note 2)

**8. PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**

"THAT the Proposed Amendments to the Constitution of the Company as set out in "Appendix A" be and are hereby approved and adopted.

**AND THAT** the Directors of the Company be and are hereby authorised to do all acts and things and take all such steps that may be necessary and/or expedient to give effect to the Proposed Amendments to the Constitution of the Company will full power to assent to any modification, variation and/or amendment as may be required by the relevant authorities." **Special Resolution**  
(Refer to Explanatory Note 3)

**9. AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016**

"THAT subject to Sections 75 and 76 of the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company, at any time to such persons 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 during the preceding twelve (12) months does not exceed twenty per centum (20%) of the issued and paid-up share capital of the Company for the time being and **AND THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad."

**AND THAT** such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company, or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting." **Ordinary Resolution 8**  
(Refer to Explanatory Note 4)

**10. PROPOSED RENEWAL OF AUTHORITY TO PURCHASE ITS OWN SHARES OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES IN THE COMPANY**

"THAT, subject always to the Companies Act 2016 ("the Act"), the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approvals of all the relevant authorities (if any), the Company be and is hereby authorised, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company provided that:

- The maximum aggregate number of shares which may be purchased and held by the Company must not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time ("Proposed Share Buy-Back");
- The maximum amount to be allocated for the Proposed Share Buy-Back shall not exceed the aggregate of the Company's retained profits based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase; and
- The shares of the Company so purchased may be cancelled, retained as treasury shares, distributed as dividends or resold or transfer on Bursa Securities, or a combination of any of the above, or be dealt with in such manner allowed by the Act and Listing Requirements from time to time.

**AND THAT** the authority conferred by this resolution will commence immediately upon the passing of this resolution and will continue to be in force until:

- The conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such resolution is passed at which time the authority will lapse unless by ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions;
- The expiration of the period within which the next AGM of the Company is required by law to be held; or
- The authority is revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting.

whichever occurs first, but shall not prejudice the completion of the purchase by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Act, the rules and regulations made pursuant thereto and the guidelines issued by Bursa Securities and/or any other relevant authority. **Ordinary Resolution 9**  
(Refer to Explanatory Note 5)

**ANY OTHER BUSINESS:**

- To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

**By Order of the Board**

Wong Youn Kim (MAICSA 7018778)  
Company Secretary

Kuala Lumpur  
Date: 29 January 2021

**Notes:**

- For the purpose of determining a member who shall be entitled to attend and vote at the 18th Annual General Meeting ("AGM"), the Company shall be requesting the Record of Depositors as at 23 March 2021. Only a depositor whose name appears on the Record of Depositors as at 23 March 2021 shall be entitled to attend and vote at the said meeting as well as for appointment of proxy(ies) to attend and vote on his/her stead.
- A member entitled to attend, speak and vote at the meeting is entitled to appoint up to two (2) proxies to attend, speak and vote in his/her stead. If a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportions of his/her holdings to be represented by each proxy. There shall be no restriction as to the qualification of the proxy.
- Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for the multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- Where a member or the authorised nominee or an exempt authorised nominee appoints two (2) or more proxies, the proportion of the shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company at Level 2, Tower 1, Avenue 5, Bangsar South City, 59200 Kuala Lumpur, not less than twenty four (24) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote and in default the instrument of proxy shall not be treated as valid.
- If the appointer is a corporation, the Proxy Form shall be executed under its common seal or under the hand of its officer or attorney duly authorised.
- If this proxy Form is signed under the hands of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under Authorisation Document which is still in force, no notice of revocation having been received". If this proxy Form is signed under the attorney duly appointed under a power of attorney, it should be accompanied by a statement reading "signed under power of Attorney which is still in force, no notice of revocation having been received". A copy of the Authorisation Document or the power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed in the proxy Form.

**Explanatory Notes**

**a) Explanatory Note 1**

**To receive the Audited Financial Statements for the financial year ended 30 September 2020.**

This agenda item is meant for discussion only as under the provision of Section 340(1)(a) of the Companies Act 2016 ("the Act"), the audited financial statements do not require a formal approval of the shareholders. Hence, this resolution will not be put forward for voting.

**b) Explanatory Note 2**

**Proposed Retention of Independent Non-Executive Director**

The Nomination Committee has assessed the independence of Dato' Haji Ishak Bin Haji Mohamed who has served as Independent Non-Executive Director of the Company for a term of ten (10) years and recommended him to continue to act as Independent Non-Executive Director of the Company on the following justifications:

- Dato' Haji Ishak Bin Haji Mohamed fulfilled the criteria stated under the definition of Independent Director as defined in the Listing Requirements of Bursa Malaysia Securities Berhad and they would be able to provide proper check and balance thus bringing an element of objectivity to the Board;
- Their length of services on the Board of ten (10) years do not in any way interfere with their exercise of objective judgement or their ability to act in the best interest of the Company and the Group. In fact, they are familiar with the Group's business operations and have always actively participated in Board and Board Committee discussions and have continuously provided an independent view to the Board; and
- They have exercised due care during their tenures as Independent Director of the Company and have discharged their duties with reasonable skill and competence, bringing independent judgement into the decision making of the Board and in the best interest of the Company and its shareholders.

**c) Explanatory Note 3**

**Proposed Amendments to the Constitution of the Company**

The Special Resolution proposed is in line with Bursa Malaysia Securities Berhad's letter to allow a listed corporation to seek a higher mandate under Rule 6.03 of the Main Market Listing Requirements of not more than twenty percent (20%) of the total number of issued shares for issue of new securities and the prevailing statutory and regulatory requirements, as well as to provide clarity and consistency. The Proposed Amendments to the Constitution of the Company are set out in the "Appendix A" accompanying the Notice of the AGM dated 29 January 2021. This Special Resolution needs a majority of not less than seventy-five percent (75%) of such members who are entitled to vote either in person or by proxy.

**d) Explanatory Note 4**

**Authority to issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016**

The Ordinary Resolution 8 is proposed to seek a renewal of general mandate for authority to issue shares pursuant to Sections 75 and 76 of the Act. If the resolution was passed, it will give the Directors of the Company from the date of the above meeting, authority to issue and allot shares for such purposes as the Directors consider would be in the interest of the Company. The authority will, unless revoked or varied by the Company in general meeting, expire at the next AGM.

The Company issued 130,193,265 ordinary shares pursuant to Sections 75 and 76 of the Companies Act, 2016 under the general authority which was approved at the 17th Annual General Meeting held on 12 March 2020 and which will lapse at the conclusion of the 18th Annual General Meeting to be held on 29 March 2021.

The general mandate sought will enable the Directors of the Company to issue and allot shares, including but not limited to further placing of shares for purpose of funding investment(s), working capital and/or acquisitions, at any time to such persons in their absolute discretion without convening a general meeting as it would be both costs and time consuming to organise a general meeting.

**e) Explanatory Note 5**

**Proposed Renewal of Authority to purchase its own shares of up to 10% of the total number of issued shares in the Company**

The proposed Ordinary Resolution 9 is to empower the Directors to buy-back and/or hold up to a maximum of 10% of the total number of the Company's issued shares at any point of time, by utilizing the amount allocated which shall not exceed the total retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available, subject to the Act, listing Requirements, any prevailing laws, orders, requirements, rules, regulations and guidelines issued by the relevant authorities at the time of purchase. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company, or the expiration of period within which the next AGM is required by law to be held, whichever is the earlier. Please refer to the Share Buy-Back Statement as set out in the Annual Report of the Company for further information.

