

**OMESTI BERHAD**  
[Registration No. 200001028094 (530701-T)]  
(Incorporated in Malaysia)

MINUTES of the **22<sup>nd</sup> Annual General Meeting** of Omesti Berhad (“**Omesti**” or “**the Company**”) held on Friday, 2 September 2022 at 3.00 pm, as a virtual meeting via live streaming broadcast from Redwood Meeting Room, Ho Hup Tower – Aurora Place, 2-09-01 – Level 9, Plaza Bukit Jalil, No. 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur.

Directors

PRESENT : YAM Tunku Zain Al-'Abidin Ibni Tuanku Muhriz  
Chairman/ Independent Non-Executive Director  
Dato' Sri Thong Kok Khee  
Deputy Chairman/Non-Independent Non-Executive Director  
Ms Mah Xian-Zhen  
Executive Director  
Mr Monteiro Gerard Clair  
Non-Independent Non-Executive Director  
Mr Tan Wee Hoong (Robin)  
Independent Non-Executive Director  
Mr Danny Hoe Kam Thong  
Independent Non-Executive Director

Management

Mr Tevanaigam Randy Chitty  
Group Chief Financial Officer

BY INVITATION : Ms Koo Swee Lin  
Representing BDO PLT, the External Auditors

SHAREHOLDERS/ : As per Summary of Attendance List via Remote Participation and  
PROXIES/AUTHORISED Voting at <https://agm.omesti.com>  
REPRESENTATIVE

IN ATTENDANCE : Ms Lim Shook Nyee (Agnes)  
Group Company Secretary

**1. OPENING ADDRESS BY THE CHAIRMAN**

YAM Tunku Zain Al-'Abidin Ibni Tuanku Muhriz (“**Tunku Chairman**”), the Chairman of the Company welcomed the shareholders, proxies and invitees for participating remotely from various locations through live streaming webcast to the Company’s 22<sup>nd</sup> Annual General Meeting (“**AGM**” or “**Meeting**”).

Tunku Chairman added that the 22<sup>nd</sup> AGM was convened via live streaming and online remote voting using the Remote Participation and Electronic Voting (“**RPEV**”) facilities in accordance with Section 327 of the Companies Act 2016, and the Guidance Notes on the Conduct of General Meetings issued by Securities Commission of Malaysia.

**2. QUORUM & NOTICE OF MEETING**

With the requisite quorum present pursuant to Clause 57 of the Company's Constitution, Tunku Chairman called the Meeting to order.

The Notice of 22<sup>nd</sup> AGM dated 29 July 2022 as contained on pages 67 to 71, Volume I of the Company's Annual Report 2022, which had been sent to all shareholders of the Company, Bursa Malaysia Securities Berhad and the Auditors of the Company, was taken as read.

**3. INTRODUCTION**

Tunku Chairman informed that all Directors of the Company, the Company Secretary, the Group Chief Financial Officer, the auditors, BDO PLT and the poll administrator, Red Ape Solutions Sdn Bhd were present at the Broadcast Venue.

**4. VOTING PROCEDURES**

Tunku Chairman informed that the voting at the 22<sup>nd</sup> AGM would be conducted by way of poll through electronic voting using RPEV facilities, i.e. e-polling, in line with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. He further informed that the shareholders and proxies could vote on all the eight (8) resolutions from the commencement of the activation of the voting platform until the closure of the voting session to be announced by Tunku Chairman.

Tunku Chairman highlighted that the Company had appointed Red Ape Solutions Sdn Bhd as the Poll Administrator, to conduct the e-polling process and Quantegic Services Sdn Bhd as the Scrutineers to verify the poll results. The polling process for all the 8 resolutions would be conducted after the completion of the deliberation of all items to be transacted at the 22<sup>nd</sup> AGM.

Tunku Chairman further highlighted that both Ms Lim Shook Nyee, the Company Secretary and Ms Tee Hong Cheat, being shareholders of the Company, would be the proposer and seconder for all the 8 resolutions to be tabled at the 22<sup>nd</sup> AGM.

**5. PRESENTATION ON QUESTIONS RAISED BY MINORITY SHAREHOLDERS WATCH GROUP**

Tunku Chairman informed that the Company had received several questions from the Minority Shareholders Watch Group ("MSWG") via its letter dated 17 August 2022 and the Company's responses to the same were displayed on the screen, for information of all the members at the Meeting.

A copy each of the said letter and the corresponding responses from the Company to MSWG are attached to this Minutes as Annexure A.

**6. AGENDA 1**  
**TO RECEIVE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 TOGETHER WITH THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

Tunku Chairman explained that the Audited Financial Statements for the financial year ended 31 March 2022 (“AFS 2022”) together with the Reports of the Directors and Auditors thereon, were meant for discussion only. The AFS 2022 did not require shareholders’ approval under the provisions of Section 340(1)(a) of the Companies Act 2016.

Tunku Chairman then declared that the AFS 2022 together with the Reports of the Directors and Auditors thereon, be received.

**7. ORDINARY RESOLUTION 1**  
**PAYMENT OF DIRECTORS’ FEES AND BENEFITS AMOUNTING TO RM609,000 FOR THE PERIOD FROM 3 SEPTEMBER 2022 UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING**

Tunku Chairman proceeded with Ordinary Resolution 1 to seek shareholders’ approval on the payment of Directors’ fees and benefits to Non-Executive Directors of up to an amount of RM609,000 for the period from 3 September 2022 until the conclusion of the next Annual General Meeting of the Company.

Tunku Chairman, being the Interested Director for Ordinary Resolution 1, had abstained from deliberation and voting in respect of his shareholdings on Ordinary Resolution 1.

**8. ORDINARY RESOLUTION 2**  
**RE-ELECTION OF DATO’ SRI THONG KOK KHEE AS A DIRECTOR PURSUANT TO CLAUSE 78 OF THE COMPANY’S CONSTITUTION**

Tunku Chairman proceeded to the next Agenda, Ordinary Resolutions 2 and 3 in respect of the re-election of Directors pursuant to Clause 78 of the Company’s Constitution. The Meeting noted that each re-election of Director would be voted on individually.

Tunku Chairman informed the Meeting that Ordinary Resolution 2 was in relation to the re-election of Dato’ Sri Thong Kok Khee, who retired in accordance with Clause 78 of the Company’s Constitution and being eligible, had offered himself for re-election.

**9. ORDINARY RESOLUTION 3**  
**RE-ELECTION OF MR MONTEIRO GERARD CLAIR AS A DIRECTOR PURSUANT TO CLAUSE 78 OF THE COMPANY’S CONSTITUTION**

Tunku Chairman proceeded with Ordinary Resolution 3 in relation to the re-election of Mr Monteiro Gerard Clair, who retired in accordance with Clause 78 of the Company’s Constitution and being eligible, had offered himself for re-election.

Mr Monteiro Gerard Clair, being the Interested Director for Ordinary Resolution 3, had abstained from deliberation and voting in respect of his shareholdings on Ordinary Resolution 3.

**10. ORDINARY RESOLUTION 4**  
**RE-ELECTION OF MR DANNY HOE KAM THONG AS A DIRECTOR PURSUANT TO**  
**CLAUSE 84 OF THE COMPANY’S CONSTITUTION**

Tunku Chairman proceeded with Ordinary Resolution 4 in relation to the re-election of Mr Danny Hoe Kam Thong, who retired in accordance with Clause 84 of the Company’s Constitution and being eligible, had offered himself for re-election.

**11. ORDINARY RESOLUTION 5**  
**RE-APPOINTMENT OF BDO PLT AS AUDITORS OF THE COMPANY**

Tunku Chairman continued with Ordinary Resolution 5 on the re-appointment of BDO PLT, who have indicated their willingness to continue in office, as Auditors of the Company for the ensuing year until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.

**12. SPECIAL BUSINESS - ORDINARY RESOLUTION 6**  
**AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF**  
**THE COMPANIES ACT 2016**

Tunku Chairman informed that the next item on the Agenda was a special business on Ordinary Resolution 6 to authorise the Directors of the Company to allot and issue an aggregate number of shares of up to twenty per centum (20%) of the total number of issued shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016.

**13. SPECIAL BUSINESS - ORDINARY RESOLUTION 7**  
**PROPOSED RENEWAL OF EXISTING SHAREHOLDERS’ MANDATE FOR RECURRENT**  
**RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“RRPT”)**  
**(“PROPOSED MANDATE”)**

Tunku Chairman informed that the next item under special business on Ordinary Resolution 7 was pertaining to the Proposed Mandate.

Tunku Chairman explained that the Proposed Mandate would enable Omesti Group to enter into the RRPT which are necessary for the day-to-day operations of Omesti Group as detailed in the Circular to Shareholders dated 29 July 2022.

It was noted that the interested Director and deemed Major Shareholder, namely Dato’ Sri Thong Kok Khoo and interested persons connected with him as detailed in the Circular to Shareholders dated 29 July 2022 would abstain from voting in respect of their direct and indirect shareholdings on the Proposed Mandate.

**14. SPECIAL RESOLUTION 8**  
**PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY**

The Meeting proceeded with the next item to approve Special Resolution 8 on the Proposed Amendments to the Constitution of the Company.

**15. ANY OTHER BUSINESS**

The Meeting noted that no notice was received to transact any other business.

**16. QUESTIONS AND ANSWERS (“Q&A”) SESSION**

Following the presentation of all resolutions in the agenda, Tunku Chairman declared the commencement of the Q&A session.

Tunku Chairman informed that the Company had received two (2) questions from a shareholder during the 22<sup>nd</sup> AGM. The questions raised were then responded and addressed by Tunku Chairman as follows.

**1. Questions submitted by Ho Wing Seng (Shareholder)**

Is the Company giving out any form of vouchers for this AGM? Can I have a hardcopy of the annual report to be sent to me?

Tunku Chairman informed that there would be no e-voucher for shareholders participating at this AGM. However, the Board took note and would consider the request accordingly in the future.

Tunku Chairman mentioned that the shareholder could contact the Company Secretary to obtain the hardcopy of the Annual Report.

**17. E-POLLING PROCESS**

Tunku Chairman informed that the Meeting would proceed with the electronic poll voting i.e e-polling for all the proposed Ordinary Resolutions 1 to 7 and Special Resolution 8. He then briefed the Meeting on the procedures on the electronic polling process.

The Meeting was adjourned at 3.15 p.m. for shareholders and proxies to cast their votes.

**18. ANNOUNCEMENT OF POLL RESULTS**

Tunku Chairman resumed the Meeting at 3.35 p.m. to announce the polling results in respect of the 8 resolutions which had been tabled at the 22<sup>nd</sup> AGM. He highlighted that the polling results had been verified by the Scrutineers, Quantegic Services Sdn Bhd. The results were displayed on the screen and based on the polling results, Tunku Chairman declared that all the 8 resolutions as set out in the Notice of the 22<sup>nd</sup> AGM dated 29 July 2022 were **CARRIED** as follows and a copy of the polling results presented at the Meeting is attached to this Minutes as Annexure B:-

**Ordinary Resolution 1****Approval for Payment of Directors’ Fees and Benefits to Non-Executive Directors**

<b>Voted</b>	<b>For</b>	<b>Against</b>
No. of Shareholders	29	9
No. of Shares	120,849,309	703
% of Voted Shares	99.9994	0.0006

***“THAT the payment of Directors’ Fees and benefits to Non-Executive Directors of up to an amount of RM609,000 for the period from 3 September 2022 until the conclusion of the next Annual General Meeting (AGM) of the Company be and is hereby approved.”***

**Ordinary Resolution 2****Re-Election of Dato' Sri Thong Kok Khee as a Director**

<b>Voted</b>	<b>For</b>	<b>Against</b>
No. of Shareholders	53	3
No. of Shares	281,371,066	201
% of Voted Shares	99.9999	0.0001

***“THAT Dato' Sri Thong Kok Khee who retired by rotation pursuant to Clause 78 of the Company's Constitution and being eligible, be and is hereby re-elected as a Director of the Company.”***

**Ordinary Resolution 3****Re-Election of Mr Monteiro Gerard Clair as a Director**

<b>Voted</b>	<b>For</b>	<b>Against</b>
No. of Shareholders	44	3
No. of Shares	236,596,411	201
% of Voted Shares	99.9999	0.0001

***“THAT Mr Monteiro Gerard Clair who retired by rotation pursuant to Clause 78 of the Company's Constitution and being eligible, be and is hereby re-elected as a Director of the Company.”***

**Ordinary Resolution 4****Re-Election of Mr Danny Hoe Kam Thong as a Director**

<b>Voted</b>	<b>For</b>	<b>Against</b>
No. of Shareholders	53	3
No. of Shares	281,371,066	201
% of Voted Shares	99.9999	0.0001

***“THAT Mr Danny Hoe Kam Thong who retired pursuant to Clause 84 of the Company's Constitution and being eligible, be and is hereby re-elected as a Director of the Company.”***

**Ordinary Resolution 5****Re-Appointment of BDO PLT as Auditors**

<b>Voted</b>	<b>For</b>	<b>Against</b>
No. of Shareholders	53	3
No. of Shares	281,371,066	201
% of Voted Shares	99.9999	0.0001

***“THAT BDO PLT be and are hereby re-appointed as Auditors of the Company for the next ensuing year to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors.”***

**Ordinary Resolution 6****Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**

Voted	For	Against
No. of Shareholders	50	6
No. of Shares	281,370,938	329
% of Voted Shares	99.9999	0.0001

*“THAT subject always to the Companies Act 2016 and the approvals of the relevant authorities, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016 to allot and issue shares in the Company at any time 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 issued pursuant to this resolution does not exceed 20% of the total number of issued shares of the Company for the time being 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 continue to be in force until the conclusion of the next AGM of the Company.”*

**Ordinary Resolution 7****Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

Voted	For	Against
No. of Shareholders	45	5
No. of Shares	233,091,541	226
% of Voted Shares	99.9999	0.0001

*“THAT the Company and/or its subsidiaries be and is/are hereby authorised to enter into recurrent related party transactions from time to time with Related Parties who may be a Director, a major shareholder of the Company and/or its subsidiaries or a person connected with such a Director or major shareholder, as specified in section 2.3 of the Circular to Shareholders dated 29 July 2022 subject to the following:-*

- (i) the transactions are of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries and are transacted on terms consistent or comparable with market or normal trade practices and/or based on normal commercial terms and on terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders; and*
- (ii) disclosure is made in the annual report of the aggregate value of transactions conducted during the financial year pursuant to the shareholders’ mandate in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;*

*THAT the mandate given by the shareholders of the Company shall only continue to be in force until the conclusion of the next AGM of the Company or the expiry of the period within which the next AGM 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); unless revoked or varied by Ordinary Resolution of the shareholders of the Company in general meeting, whichever is the earlier;*

***AND THAT the Directors of the Company be authorised to complete and carry out such acts and actions as they may consider expedient or necessary to give effect to the shareholders’ mandate.”***

**Special Resolution 8**

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

<b>Voted</b>	<b>For</b>	<b>Against</b>
No. of Shareholders	51	5
No. of Shares	281,371,041	226
% of Voted Shares	99.9999	0.0001

***“THAT the Proposed Amendments to the Constitution of the Company as set out in the Appendix A which is circulated together with the Notice of 22<sup>nd</sup> AGM dated 29 July 2022 be and is hereby approved and adopted by the Company with immediate effect;***

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

**19. CLOSURE**

There being no other business to be transacted, the Meeting ended at 3.40 p.m. with a vote of thanks to Tunku Chairman.

Tunku Chairman thanked all members present for their support and participation at the 22<sup>nd</sup> AGM.

Confirmed as a correct record of proceedings,

- Signed -

CHAIRMAN

Date: 29 September 2022

At Kuala Lumpur





**MINORITY SHAREHOLDERS WATCH GROUP**  
Shareholder Activism and Protection of Minority Interest

17 August 2022

**BY EMAIL/FAX/HAND**  
(Fax No: 603-9779 1701/2)

The Board of Directors  
**OMESTI BERHAD**  
Ho Hup Tower - Aurora Place  
2-07-01 - Level 7, Plaza Bukit Jalil  
No. 1, Persiaran Jalil 1  
Bandar Bukit Jalil  
57000 Kuala Lumpur

**Attention: Ms Lim Shook Nyee**  
**Company Secretary**

Dear Directors,

**Re: 22<sup>nd</sup> Annual General Meeting ("AGM") of Omesti Berhad ("Omesti" or the "Company") to be held on Friday, 2 September 2022**

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In the interest of minority shareholders and all other stakeholders of the Company, we would like to raise the following questions: -

**Operational & Financial Matters**

1. The Business Performance Services segment revenue for the financial year increased by 63.7% to RM225.84 million (2021: RM137.96 million), mainly due to the higher order fulfilments (page 9 of AR2022). However, the Business Performance Services segment's results decreased significantly to RM4.94 million (2021: RM31.86 million) (Note 4(a), pages 31 & 32 of AR2022).

What is the reason for the Group's Business Performance Services segment results to decrease significantly by 84.5% when revenue increased by 63.7%?

2. The Group's lower profit before tax was mainly due to contribution of loss from associates amounting to RM2.51 million, as compared to contribution of profit of RM6.58 million in the previous financial year. (page 10 of AR2022)

What are the reasons for the poor performance of the Group's associate(s)?

**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

Incorporated in Malaysia Registration No: 200001022382 (524989-M)  
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No. 30, JALAN SULTAN ISMAIL  
50250 KUALA LUMPUR  
TEL: (603) 27320010  
E-mail: [mswatch@mswg.org.my](mailto:mswatch@mswg.org.my) Website: [www.mswg.org.my](http://www.mswg.org.my)

3. In relation to the Group's digital court infrastructure business, the success of the ongoing digitisation of the Courts in Malaysia has attracted significant interest and enquiries from several international jurisdictions across the Asia region (page 4 of AR2022). Based on Omesi's reply letter dated 30 September 2021 to MSWG's question raised in the previous AGM, the Group was participating in the Sri Lanka digital courts tender which was closing on 4<sup>th</sup> October 2021.

What is the status of the Sri Lanka digital courts tender? To-date, has the Group submitted any other tenders for its integrated digital courts solution across the Asia region?

4. In November 2021, OMESTI acquired a 70% stake for RM15.8 million in the remaining companies within the Bemed Group. The acquisition expanded OMESTI's footprint in the pharmacy sector to a total of ten (10) existing outlets. Two additional pharmacy branches have also been opened recently. (page 5 of AR2022)

Where are these pharmacy outlets mainly located? What is the cost of setting up a pharmacy outlet? What are the Group's plans in expanding the number of pharmacy outlets, going forward?

5. In May 2022, a joint venture company (JVC) has also been established with Medical Innovation Ventures Sdn Bhd (Mediven®) for the purpose of setting up and operating a diagnostics and test laboratory. The first laboratory, located in Penang, will be operated on behalf of the JVC by Mediven® technicians, and backed by Mediven's comprehensive diagnostics technology and expertise. (page 5 of AR2022)

What is the cost of setting up the laboratory? Are there plans to set up more laboratories?

6. Tax expense increased significantly to RM10.20 million (2021: RM1.92 million) (page 10 of AR2022). This was mainly attributable to the huge increase in non-allowable expenses of RM30.54 million (2021: RM15.57 million) (Note 36, page 98 of AR2022).

What comprises these non-allowable expenses? What is the reason for the huge increase?

**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

Incorporated in Malaysia Registration No: 200001022382 (524989-M)

LEVEL 23, UNIT 23-2, MENARA AIA SENTRAL

No. 30, JALAN SULTAN ISMAIL

50250 KUALA LUMPUR

TEL: (603) 27320010

E-mail: [mswatch@mswg.org.my](mailto:mswatch@mswg.org.my) Website: [www.mswg.org.my](http://www.mswg.org.my)

7. Allowance for impairment in trade receivables written off amounted to RM6.23 million (2021: RM0.03 million). (Note 16(e), page 73 of AR2022)

What comprises these trade receivables that have been written off? What were the measures taken to recover the RM6.23 million prior to being written-off?

Please present the questions raised herein, and the related answers, to the shareholders present at the forthcoming AGM. At the same time, we await a written reply as soon as possible for our records.

Thank you.

Yours sincerely



**Devanesan Evanson**

Chief Executive Officer

DE/ECYL/OMESTI/AGM 2022

**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

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**OMESTI BERHAD**  
(200001028094 (530701-T))  
**22<sup>nd</sup> ANNUAL GENERAL MEETING**  
**Friday, 2 September 2022**

**QUESTIONS RAISED BY THE  
MINORITY SHAREHOLDERS WATCH GROUP**

**Operational & Financial Matters**

- Q1. The Business Performance Services segment revenue for the financial year increased by 63.7% to RM225.84 million (2021: RM137.96 million), mainly due to the higher order fulfilments (P9 - Vol 1 - AR2022). However, the Business Performance Services segment's results decreased significantly to RM4.94 million (2021: RM31.86 million) (Pgs 31 & 32 Note 4(a) - Vol 2 - AR2022).**

**What is the reason for the Group's Business Performance Services segment results to decrease significantly by 84.5% when revenue increased by 63.7%?**

**Answer:**

The segment results in FY2021 were in fact higher due to the reversal of Impairments to Software Development Expenditure (SDE) amounting to RM38.7 million. The reversal was made because several new contracts utilising the software in question were secured in FY2021, hence the carrying value after reinstatement was justifiable. (Ref: P36 - Item 6f & 6g – Vol 2 - AR2021) This is mitigated by higher order fulfilments from mainly computer leases and the eCourts maintenance project which contributed a higher segmental result amounting to RM11.38 million.

- Q2. The Group's lower profit before tax was mainly due to contribution of loss from associates amounting to RM2.51 million, as compared to contribution of profit of RM6.58 million in the previous financial year. (P10 – Vol 1 - AR2022)**

**What are the reasons for the poor performance of the Group's associate(s)?**

**Answer:**

The poor performance of the Group's associates is mainly due to the results of Ho Hup Construction Company Berhad (HH), an 11.4% associate. HH's results were impacted by its Building Materials Division, which delivered lower revenue from its Ready-Mix Business. Revenue was down by RM115 million, from RM315 million (FY2020) to RM199 million (FY2021) and GP was down by RM110 million, from RM180 million (FY2020) to RM80 million (FY2021). It delivered a loss for FY2021 of RM27.5 million, compared to a profit of RM16 million in FY2020.

**Q3. In relation to the Group's digital court infrastructure business, the success of the ongoing digitisation of the Courts in Malaysia has attracted significant interest and enquiries from several international jurisdictions across the Asia region (P4 – Vol 1 - AR2022). Based on Omesti's reply letter dated 30 September 2021 to MSWG's question raised in the previous AGM, the Group was participating in the Sri Lanka digital courts tender which was closing on 4th October 2021.**

**What is the status of the Sri Lanka digital courts tender? To-date, has the Group submitted any other tenders for its integrated digital courts solution across the Asia region?**

**Answer:**

Following submission of our tender response and final tender discussions, we received the official Letter of Award on 29 March 2022. However, the devaluation of the national currency in the intervening period led to significant concerns on our part over the total value of the project which we raised with the Ministry of Justice. At this point, the Sri Lankan economy collapsed, followed by extreme political unrest and the halt of any ongoing projects. Separately, we have received positive interest from other countries in South East Asia / Australasia which we are actively pursuing.

**Q4. In November 2021, OMESTI acquired a 70% stake for RM15.8 million in the remaining companies within the Bemed Group. The acquisition expanded OMESTI's footprint in the pharmacy sector to a total of ten (10) existing outlets. Two additional pharmacy branches have also been opened recently. (P5 - Vol 1 - AR2022)**

**Where are these pharmacy outlets mainly located? What is the cost of setting up a pharmacy outlet? What are the Group's plans in expanding the number of pharmacy outlets, going forward?**

**Answer:**

All of Bemed Group's pharmacy outlets are located in the Klang Valley currently, with the two new branches located in Segambut and Sg Buloh. The cost to set up an outlet is between RM400k-RM600k. The Group is looking to further expand the chain of pharmacies in the Klang Valley to achieve economies of scale, before looking to expand into neighbouring states. The Group is also looking at leveraging on its technological expertise to increase penetration to the market and increase the efficiency of running the pharmacy business.

**Q5. In May 2022, a joint venture company (JVC) has also been established with Medical Innovation Ventures Sdn Bhd (Mediven®) for the purpose of setting up and operating a diagnostics and test laboratory. The first laboratory, located in Penang, will be operated on behalf of the JVC by Mediven® technicians, and backed by Mediven's comprehensive diagnostics technology and expertise. (P5 – Vol 1 - AR2022)**

**What is the cost of setting up the laboratory? Are there plans to set up more laboratories?**

**Answer:**

The capital expenditure involved to set up the lab is approximately RM1.5 million (renovation and medical equipment). The Group will be monitoring the performance of the lab once it is operational and will decide on whether to embark on expansional strategy thereafter.

**Q6. Tax expense increased significantly to RM10.20 million (2021: RM1.92 million) (P10 – Vol 1- AR2022). This was mainly attributable to the huge increase in non-allowable expenses of RM30.54 million (2021: RM15.57 million) (Note 36, P98 – Vol 2 - AR2022).**

**What comprises these non-allowable expenses? What is the reason for the huge increase?**

**Answer:**

The increase is due to non-allowable tax expenses including one-off inter-company impairment losses for:

- Amount owing from subsidiaries within Omesti Berhad Group (RM14.3m)
- One-off impairment loss of software development expenditure (RM1.1m)
- Impairment losses of Trade Receivables (RM0.8m) and Other Receivables (RM2.5m)
- Share of losses of associates (RM2.5m)
- Depreciation of fixed assets (RM2.4m); and
- Net loss from fair value adjustments of other investments (RM0.1m).

**Q7. Allowance for impairment in trade receivables written off amounted to RM6.23 million (2021: RM0.03 million). (Note 16(e), P73 – Vol 2 - AR2022)**

**What comprises these trade receivables that have been written off? What were the measures taken to recover the RM6.23 million prior to being written-off?**

**Answer:**

The RM6.23 million written off arose in Microlink Solutions Berhad's (MSB) books, relating to work undertaken by MSB in relation to provision of project services to 2 (two) international customers. Management took steps to recover the debt, which were unsuccessful, following which the Board approved the write-off of this debt.

OMESTI BERHAD  
22nd AGM  
Friday, September 2nd, 2022 at 3:00 pm  
Results on voting by poll

RESOLUTION (s)	Nos of Records	VOTE FOR		Nos of Records	VOTE AGAINST		TOTAL	
		No of units	%		No of units	%	No of units	%
1	29	120,849,309	99.99942	9	703	0.00058	120,850,012	100.00000
2	53	281,371,066	99.99993	3	201	0.00007	281,371,267	100.00000
3	44	236,596,411	99.99992	3	201	0.00008	236,596,612	100.00000
4	53	281,371,066	99.99993	3	201	0.00007	281,371,267	100.00000
5	53	281,371,066	99.99993	3	201	0.00007	281,371,267	100.00000
6	50	281,370,938	99.99988	6	329	0.00012	281,371,267	100.00000
7	45	233,091,541	99.99990	5	226	0.00010	233,091,767	100.00000
8	51	281,371,041	99.99992	5	226	0.00008	281,371,267	100.00000

