

PERTAMA DIGITAL BERHAD (“PDB” OR “COMPANY”)

PROPOSED VARIATION TO THE TERMS AND CONDITIONS OF THE SHARE SALE AGREEMENT DATED 2 MAY 2019 (AS SUPPLEMENTED BY A SUPPLEMENTAL SHARE SALE AGREEMENT DATED 18 JUNE 2020) IN RELATION TO THE DISPOSAL BY PDB OF THE ENTIRE EQUITY INTEREST IN ITS SUBSIDIARY, BE TOP GROUP LIMITED, FOR A CONSIDERATION OF RM70.00 MILLION (“DISPOSAL”) (“PROPOSED VARIATION”)

(For consistency, the abbreviations used throughout this announcement shall have the same meanings as defined in the announcement dated 2 June 2022 in relation to the Proposed Variation, where applicable, unless stated otherwise or defined herein.)

Reference is made to the earlier announcement in relation to the Proposed Variation dated 2 June 2022 (“**Announcement**”).

On behalf of the Board, Inter-Pacific Securities and Astramina Advisory wish to clarify the criteria for a cash company pursuant to Paragraph 8.03(1) of the Listing Requirements and inadequate level of operations pursuant to Paragraph 8.03A(2) of the Listing Requirements upon completion of the Disposal.

As disclosed in the Announcement, the Board intends to maintain the listing status of the Company on the Main Market of Bursa Securities and will endeavour to take the necessary steps to maintain an adequate level of operations through its mobile and digital solutions businesses.

Level of operations pursuant to Paragraph 8.03(A) of the Listing Requirements

Pursuant to Paragraph 8.03(A)(2) of the Listing Requirements, the following are circumstances which indicate that a listed issuer may not have a level of operations that is adequate to warrant continued trading or listing on the Official List:

- (a) the listed issuer has suspended or ceased:
 - (i) all of its business or its major business; or
 - (ii) its entire or major operations,for any reason whatsoever including, amongst others, due to or as a result of:
 - (aa) the cancellation, loss or non-renewal of a licence, concession or such other rights necessary to conduct its business activities;
 - (bb) the disposal of the listed issuer’s business or major business; or
 - (cc) a court order or judgment obtained against the listed issuer prohibiting the listed issuer from conducting its major operations on grounds of infringement of copyright of products etc; or
- (b) the listed issuer has an insignificant business or operations.

The Disposal is deemed as disposal of major business by the Company and **it will trigger Paragraph 8.03A(2)(a)(i)(bb) of the Listing Requirements** immediately upon completion of the Disposal as revenue attributable to Be Top Group as discontinued operations represents more than 70% of the Group’s revenue.

For information purpose, Be Top Group has been classified as “assets held for sale” and its operations has also been classified as “discontinued operations” in the Group’s audited financial statements since FYE 30 June 2019. The existing core continuing operation of the Group is mobile and digital solutions businesses.

Based on the audited consolidated financial statements of the Company for the 18-month FPE 31 December 2021, revenue attributable to discontinued operations represents approximately 92.66% of the Group’s revenue while revenue attributable to continuing operations represents approximately 7.34% of the Group’s revenue.

The Board believes that the revenue contribution by the Group’s continuing operations will be improved from the current financial year ending 31 December 2022 onwards with the consolidation of the full year revenue of DVSB, being the operating entity of the Group’s mobile and digital solutions businesses, as opposed to the consolidation of DVSB’s revenue for only about 5 months in the 18-month FPE 31 December 2021.

The Company will not trigger Paragraph 8.03A(2)(b) of the Listing Requirements on insignificant business or operations immediately upon completion of the Disposal as revenue attributable to continuing operations represents more than 5% of the issued share capital of the Company.

Based on the audited consolidated financial statements of the Company for the 18-month FPE 31 December 2021, revenue attributable to continuing operations represents approximately 11.03% of the issued share capital of the Company. Based on the financial statements of the TAS Group for the 12-month FYE 31 December 2021, revenue attributable to the mobile and digital solutions businesses represents approximately 16.54% of the issued share capital of the Company.

Cash Company pursuant to Paragraph 8.03 of the Listing Requirements

Pursuant to Paragraph 8.03(1) of the Listing Requirements, Bursa Securities may consider the Company as a cash company upon completion of the Disposal. A company may be considered as a cash company when its assets, on a consolidated basis, consists of 70% or more of cash or short-term investments, or a combination of both (“**Cash Criterion**”). The Company is required to immediately notify Bursa Securities when it triggers the Cash Criterion. Bursa Securities will determine whether the Company should be considered a cash company and will notify the Company of its decision.

The Board is of the view that the Company **will not trigger the Cash Criterion** pursuant to Paragraph 8.03(1) of the Listing Requirements as the cash or short-term investment of the Group represents less than 70% of the total assets of the Group immediately upon completion of the Disposal.

Based on the audited consolidated financial statements of the Company for the 18-month FPE 31 December 2021, the cash or short-term investment of the Group, or a combination of both represents approximately 11.33% of the total assets of the Group immediately upon completion of the Disposal. In addition, the Tranche 3 Completion does not involve cash payment by GIL to PDB and will be completed upon the transfer of the Assumed Liabilities from PDB to GIL.

This announcement dated 8 June 2022.