

PRESS RELEASE

IMMEDIATE RELEASE

Shareholders approved Sinotop's disposal of Be Top Ltd for RM70 million and diversification into mobile and digital solutions

The proposed reduction of Sinotop's share capital and its new name Pertama Digital Berhad were also approved during its EGM held today

KUALA LUMPUR, 21 August 2020 – Sinotop Holdings Berhad ("Sinotop" or the "Company"), an investment holding company listed on the Main Market of Bursa Securities Malaysia, is pleased to announce that four key resolutions were approved during its Extraordinary General Meeting (EGM) held at Concorde Hotel, Kuala Lumpur today.

The four key resolutions approved includes:

1. The proposed disposal by Sinotop for the entire equity interest in its wholly-owned subsidiary Be Top Group Ltd (Be Top), for RM70 million.
2. The proposed diversification of the existing core business of Sinotop to include mobile and digital solutions business.
3. The proposed reduction of Sinotop's share capital to rationalise its financial position by eliminating the accumulated losses at its level (without change in the number of shares issued).
4. Proposed change of name from 'Sinotop Holdings Berhad' to '**Pertama Digital Berhad**'.

Executive Director of DAPAT Vista (M) Sdn Bhd (DAPAT Vista) Sabri Ab Rahman said: "The disposal of Be Top along with the share capital reduction puts Sinotop on a clean slate, as the Company is rearing to kick off its mobile and digital solutions business as soon as possible. Sinotop, to be known as Pertama Digital Berhad moving forward, will receive a cash consideration of RM33.52 million for the disposal, and the amount will be used for taking a stronger position in DAPAT Vista via Television Airtime Services Sdn Bhd (TAS), future investments as well as for the working capital of the Pertama Digital Berhad group of companies."

For some background, Sinotop first announced on April 23 that it was acquiring a 51% stake in TAS, which owns a 20% stake in DAPAT Vista. DAPAT Vista is the owner of the **MyPay** app, which is looking to be a challenger to what MyEG Services Berhad is doing, besides a range of other offerings.

Post-completion of this 51% stake in TAS, Sinotop had supported the financing for the completion of TAS' acquisition of 36% in DAPAT Vista from HeiTech Padu Berhad (HeiTech) for RM7.57 million, whereby TAS became the 56% shareholder in DAPAT Vista. Under a share purchase agreement with HeiTech, TAS will eventually own 80% of DAPAT Vista. Thus as of today, Sinotop owns 29% in DAPAT Vista and it will eventually end up with an 80% stake in DAPAT Vista.

"The jewel in Pertama Digital Berhad is DAPAT Vista's superapp, MyPay, which was first developed back in 2014. It is a government digital service platform, which aims to offer a one-stop centre for all queries and payment-related transactions with government agencies in Malaysia. MyPay is a smartphone app with a payment gateway built into it," Sabri adds.

The key areas of services that MyPay covers include information retrieval and payment for driving licence expiry, polling station location for general elections, National Higher Education Fund Corporation (PTPTN) student loans, local council and police summons, assessment and quit rent, and insolvency, among others.

He further stated: "Currently, DAPAT Vista has rolled out MyPay 2.0 services for 17 government ministries and government agencies which include the Polis Diraja Malaysia, PTPTN, local councils such as Majlis Perbandaran Subang Jaya and Petaling Jaya, and the Election Commission. There are 374 government agencies out there with which we have already built a rapport from past services under a Build-Operate-Own contract with the Malaysian Administrative Modernisation and Management Planning Unit (MAMPU), and we are reaching out to them this time for MyPay. We aim to launch the MyPay app in early 2021."

Sabri is also targeting to launch a nationwide coin collection project in November this year.

The Company said that based on Bank Negara Malaysia figures, there are presently some RM3.5bil worth of coins in circulation, with a sizeable chunk not going back into the system. A recent survey shows that almost every household has coins lying unused somewhere in the house or the car.

To get this money "working" again, a nationwide campaign will be launched where the public will be able to deposit their coins and convert them into digital credits.

Concurrently, MyPay will also launch its own e-wallet along with this project. Thus, the coins that are cashed in by the public will immediately be deposited into MyPay's e-wallet, which can be used to transact over MyPay.

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DAPAT Vista, as the owner of the MyPay app, runs mainly on a B2C model, where e-government services are offered at no cost to the government. It also carries out software development work and SMS services, for which fees are charged to the client, usually the government agencies.

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