

Questions & Answers

NEXGRAM's EXTRAORDINARY GENERAL MEETING (EGM) HELD ON THE 29 NOVEMBER 2019

SUMMARY OF KEY MATTERS

Q1 In relation to the Proposed Debt Settlement with Capital Day Holdings Sdn Bhd ("Capital Day"),
(a) Nextnation Network Sdn Bhd ("Nextnation"), a former wholly-owned subsidiary of Nexgram had assigned the refund of the earnest deposit and advance payment of RM800,000 to the Company (Section 4.2 page 5 & 6 of the Circular dated 7 November 2019 ("Circular")).

Why did the Group (Nexgram and Nextnation) not 'ring fence' the earnest deposit and advance payment of RM800,000 knowing that there may be a need to refund the monies if the MOUs fail?

A1 It was the intention to complete the disposal of properties when Nexnation entered into the MOUs with Capital Day. As such, for the benefit of Nextnation there was no requirement from Capital Day to put the earnest deposit and advance payment in trust/escrow (i.e., to ring fence).

Q1 What has happened to the RM800,000 which by right should have been held in trust/escrow?
(b)

A1 Since the earnest deposit and advance payment was not required by Capital Day to hold in trust/escrow, therefore, the Company had utilised it for repayment of one of the banking facilities to avoid being defaulted.

Q2 What is the rationale of this exercise?

A2 The rationale of the exercise is to repay the advances by Tuan Haji Mazru utilised by the Company to meet the payment to trade creditors, professional fees, tax instalment and stamp duty. To that, the Adviser of the exercise, Mr Dominique from TA Securities added that the issuance of ICPS would not be listed until the conversion exercise been performed by the ICPS holders. The ICPS holders are given 5 years to convert its ICPS to Nexgram's ordinary shares.

Q3 What is the salary of the Executive Directors?

A3 The salary for Executive Directors and Non-Executive Directors are RM12,000.00 and RM3,000.00 per month respectively.

Q4 A Shareholder enquired on the potential maximum scenario of conversion of ICPS by increasing 2.3 billion Nexgram's shares, what is the Company may take action on the ICPS holders to join the Board while they may not have the relevant expertise or knowledge to the Company's operation and how is the Company's concern on the ICPS holders who might influence the decision in coming general meetings due to the huge voting power.

A4 That the shareholders who would like to give recommendation or advice which will bring benefits to the Company will be welcome and no restriction for the ICPS holder who may want to join the Board of the Company. The Company shall expect the risk of the shareholders might disagree on the proposal made during the general meetings and the Company will always put the shareholders' benefit at the first place.