

TAN SRI DATO' SRI HAJI AZAM BIN BAKI

Chief Commissioner of Malaysian Anti-Corruption Commission (MACC)

Malaysian Anti-Corruption Commission (MACC) Headquarters

No.2, Lebuhr Wawasan,

Presint 7, 62550 Putrajaya

MALAYSIA.

18th November 2024

**REQUEST FOR INVESTIGATION INTO DSONIC (5216) : DATASONIC GROUP BERHAD
REGARDING :**

**(A) PROPOSED ACQUISITION OF 51% EQUITY OF INNOV8TIF HOLDINGS FOR RM 40
MILLION**

**(B) AN URGENT INQUIRY INTO THE CEO REGARDING POTENTIAL MISCONDUCT OR
SECRET DEALS WITH OPERATORS THAT MAY LEAD TO CONFLICTS OF INTEREST**

Assalamualaikum Warahmatullahi Wabarakatuh.

Yang Berbahagia Tan Sri Dato' Sri Haji Azam Baki,

I am writing as [REDACTED] a shareholder in Datasonic Group Berhad, where I hold [REDACTED] million shares through [REDACTED]

According to Section 25 of the Malaysian Anti-Corruption Commission (MACC) Act 2009 if a person fails to report a bribe, promise, or offer, they can be fined not more than RM100,000 and imprisoned for not more than 10 years, or both.

To safeguard shareholders' interests and in line with the objective of promoting the disclosure of information about any corruption or other misconduct, ensuring alignment with best practices in corporate governance, and taking action against those who violate the law, I would like to request a thorough investigation into the proposed acquisition of a 51% stake in Innov8tif Holdings Sdn Bhd ("Innov8tif") for a substantial RM40 million, which was carried out in a very dubious and rushed manner.

As a public listed company, transactions of this magnitude must adhere to stringent regulatory oversight, including the standards set by the Securities Commission Malaysia to ensure transparency, fairness, and the protection of shareholder interests.

Innov8tif Holdings Sdn Bhd ("Innov8tif")

Innov8tif is a high-profile company that has been conveniently used or recycled multiple times over the past three years by well-organized invisible entities to extract money from other public listed entities like Green Packet Berhad, Hong Seng Consolidated Berhad, and Revenue Group Berhad.

Innov8tif has been associated with significant claims regarding e-KYC, a common technology, to justify inflated pricing, yet ultimately delivered poor results. This contributed to turning Green Packet Berhad (2.5 sen), Hong Seng Consolidated Berhad (1 sen) into penny stocks and has caused financial difficulties for Revenue Group Berhad (14.5 sen).

This transaction raises significant concerns regarding corporate governance, fiduciary responsibilities, and the potential misuse of company resources, which could compromise shareholder trust and public interest.

Accordingly, I am formally raising these concerns under the **Whistleblower Protection Act 2010 (Malaysia)**, which is designed to encourage the disclosure of information on corruption or other forms of misconduct while safeguarding whistleblowers from retaliation.

Key Issues Regarding the Acquisition

It is essential to present the RM40 million deal to the board for open discussion and approval. This process should involve one of the Big Four auditors to conduct an independent due diligence exercise and valuation report. Such measures are crucial for ensuring full transparency and good corporate governance, thereby avoiding any potential conflicts of interest.

Concerns have arisen regarding a push for a board circular resolution and lobbying for fast and hasty approval, which may implicate all directors in the decision to appoint Malacca Securities San Bhd ("MSEC") as an adviser and PKF Covenant Equity Consulting ("PKF") as the financial consultant. This also involves the signing of the Share Sale Agreement ("SSA") and the payment of the 10% deposit.

The Executive Deputy Chairman / Chief Executive Officer ("CEO"), Datuk Abu Hanifah Noordin, who holds only 8.3% equity in Datasonic Group Berhad, appears to wield significantly more power and influence than the Executive Chairman. He has reportedly directly contacted or met with directors including inducing and persuading them to support the acquisition through an intermediary named Dato' Ahmad Syahril bin Abdullah.

e-KYC is a common technology utilized globally, including in Malaysia. The exorbitant valuation and lackluster profit guarantee reveal staggering inadequacies. Innov8tif's profit guarantee—RM2.5 million for FY2025 and RM3 million for FY2026—or effectively just RM2.8 million, constitutes merely 7% of a RM40 million investment, which is grossly inadequate.

Request for Investigation on Datasonic's CEO

I urge the esteemed MACC to investigate whether there are any secret deals between the CEO and operators that may lead to a conflict of interest.

Why is the Executive Deputy Chairman/CEO, Datuk Abu Hanifah, in such a hurry to cooperate and engage with operators linked to low-performing penny stocks such as Green Packet Berhad, Hong Seng Consolidated Berhad, and Revenue Group Berhad?

I humbly request that Tan Sri Datuk and the esteemed MACC also examine any relationships related to the suspicious deal involving Innov8tif, as well as any assistance requested by the CEO from the operator to acquire a significant block of shares from other shareholders.

Reminder on Governance

The Madani government emphasizes robust governance and accountability within public listed companies (PLCs) to ensure responsible management of funds and adherence to ethical standards. This commitment is reflected in the **Principles of Good Governance for Government-Linked Investment Companies (PGG)**, which serve as a reference for governance and sustainability practices across all government-linked investment companies (GLICs).

PLCs are expected to uphold transparency, integrity, and accountability in their operations, aligning with the government's broader objectives of fostering a culture of good governance and preventing the misuse of funds.

Therefore, it is important to note that the Malaysian government, through **Urusharta Jamaah Sdn Bhd**, holds around 9% stake or approximately 250 million shares in Datasonic Group Berhad, signifying the involvement of public funds and reinforcing the need for strict adherence to governance principles and accountability to protect both governmental and public interests.

Request For Thorough Investigation into Datasonic Group Berhad's Proposed Acquisition of Innov8tif:Corruption and Misconduct Suspected

Dear Tan Sri Dato' Sri and esteemed agency, I humbly request an immediate thorough and comprehensive investigation by the MACC into suspected serious matters of elements of corruption, abuse of power and misconduct by the top management and board members of Datasonic Group Berhad regarding the proposed acquisition of Innov8tif.

The Board of Directors holds a critical responsibility under the **Companies Act 2016**, the **Malaysian Code on Corporate Governance (MCCG)**, and Section 17A of the **Malaysian Anti-Corruption Commission (MACC) Act 2009** to uphold transparency, integrity, and accountability in all corporate decisions. As stewards of shareholder trust, they are legally obligated to demonstrate ethical leadership, enforce robust governance frameworks, and ensure compliance with anti-corruption measures to safeguard the company's and public interests.

As Malaysia transitions towards embracing the principles of *tatakelola* under the framework of the Madani government, it is imperative to uphold integrity, transparency, and accountability in all sectors, particularly in publicly associated entities such as Datasonic Group Berhad. This commitment is central to fostering trust and ensuring sustainable development that benefits all stakeholders, in line with the aspirations of a Madani nation.

I trust in the MACC's unwavering dedication to promoting good governance and combating corruption. Thank you for your attention to this matter and for your continued efforts in safeguarding Malaysia's corporate and public interests.

With due urgency,

cc :

1. Prime Minister of Malaysia, YAB Dato Seri Anwar bin Ibrahim
2. Chairman Securities Commission of Malaysia, Dato' Mohammad Faiz Azmi
3. Chairman of Datasonic Group Berhad, Tengku Dato' Seri Abu Bakar Ahmad
4. Board of Directors of Datasonic Group Berhad