



LIFE IMPROVING DIGITAL INNOVATION

ANNUAL REPORT **2023**



COVER RATIONALE

Move forward with Green Packet. We are bringing the world to your fingertips. Every day, our Packeteers are innovating, creating transformative solutions and serving our customers to the best of our ability, driven by our core values which we strongly uphold. We remain deeply committed to make the impossible, possible and will continue to push the limits in all that we do as we strive to positively impact customers and create long-term sustainable value for our stakeholders.

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OUR TIMELINE



is a global technology solutions company, providing Digital Devices, Infrastructure and Services that will enable the delivery of life-improving digital innovations and experiences into the hands of the masses.

Driven by our massive transformative purpose to ensure that every human must thrive with life-improving digital innovations, our digital offerings enable all of our customer segments – consumers, small-medium enterprises ("SME"s), enterprises and governments to create transformative impact to their businesses and lives.

Green Packet is anchored on five key business pillars that will drive its business growth.

Digital Solutions, operating under the Kiple brand, provides digital and financial services targeted at consumers' and SMEs' needs. Our services range from payment gateways to social selling solutions and e-wallets to serve the wider community needs.

Digital Platforms, encompassing enterprise solutions, cloud solutions and data centres which operate under the Green Packet brand, provide platforms, infrastructure and solutions to large enterprises and government clients, such as customised wallet-as-a-service ("WAAS") and platform-as-a-service ("PAAS"). Green Packet Global Pte Ltd ("GP Global"), which wholesales roaming voice minutes and data, is expanding into application-to-person ("A2P") messaging and data centre wholesale as part of its growth strategy.

OUR MTP

“

**EVERY HUMAN MUST
THRIVE WITH LIFE
IMPROVING DIGITAL
INNOVATIONS**

”



As an organization that values the importance of having a purposeful meaning behind every action, Green Packet is driven by its Massive Transformative Purpose that “Every Human Must Thrive with Life Improving Digital Innovations”.

We believe in innovating and mobilising digital transformation to improve the lives of every layer of society and are enabling every single one of our business components to contribute to this Purpose. We believe that making technology accessible and inclusive to the masses will unleash the human potential at an unprecedented scale. We aim to provide accessible and inclusive technology with the goal of making this potential a reality.

Driving this purpose within our organisation is a community of passionate individuals who collectively strive for constant growth while delivering meaningful outcomes to our people, customers, businesses, and investors alike.

OUR CORE VALUES

**Believe in GRIT**

- Never give up
- Dedicated to the long-term vision
- Going the distance

**Let's have a Collaboration**

- Believe in diversity and working together
- Share expertise, experiences, and resources
- Form partnerships with internal and external stakeholders

**Innovation to make a difference**

- Build things that impact others
- Open to new ideas
- Explore, discover, experiment

**Feel EMPATHY**

- Seek to understand others
- Show care through actions
- Provide meaningful experiences

**COURAGE Empowers**

- Nothing is impossible
- Embrace new ways of doing things
- Speak up, confront challenges

ABOUT GREEN PACKET



Green Packet continues to serve the community by providing solutions that drive progress and building platforms that inspire others to innovate. Driven by our massive transformative purpose (“MTP”) to ensure that every human must thrive with life-improving digital innovations, Green Packet’s offerings enable our customer segments – consumers, small-medium enterprises (“SMEs”), enterprises and governments to leverage digitalisation in transforming their businesses and lives.



ABOUT GREEN PACKET

Green Packet began in 2000 when it was founded in the heart of California's Silicon Valley. It was subsequently listed on the Malaysian Stock Exchange five years later. In 2007, Green Packet crossed USD1 billion in market capitalization, making it the original Malaysian tech unicorn. Headquartered in Kuala Lumpur, Malaysia, with branch offices in China, Singapore, Hong Kong and Taiwan, Green Packet serves more than 100 clients in over 80 countries worldwide.

Green Packet has built hundreds of interconnections in global telecommunications, making it one of the largest non-telecommunication wholesale operators. Since then, Green Packet has continuously expanded into other businesses and technologies, strengthening its digital services and solutions portfolio through constant innovations and new initiatives.

In 2023, Green Packet continued its strategic direction of being anchored on three strategic thrusts across five key business pillars – Digital Devices and Infrastructure (comprising Smart Devices and Urban Tech), Digital Services (comprising Communications and Digital & Financial Services) and Investment.

Innovating solutions, platforms and infrastructure built on today's core technologies help drive productivity, competitiveness, market access and convenience for our customers and partners, enabling them to accelerate their digital transformation and leap forward into the future.



CORPORATE INFORMATION

BOARD OF DIRECTORS

DATUK SERI DR. YUSOF BIN ISMAIL

Independent Non-Executive Director
(Chairman)

LEONG SENG WUI

Group Executive Director

KENNY KHOW CHUAN WAH

Executive Director

KUNAL TAYAL

Non-Independent Non-Executive Director

LIONEL VERNON YONG NGUON KEE

Independent Non-Executive Director

DATO' CHONG MUN PHING

Independent Non-Executive Director

MOHD AZHAR BIN MOHD YUSOF

Independent Non-Executive Director

AUDIT COMMITTEE

Lionel Vernon Yong Nguon Kee (Chairman)
Datuk Seri Dr. Yusof Bin Ismail
Mohd Azhar Bin Mohd Yusof

NOMINATION COMMITTEE

Dato' Chong Mun Phing (Chairman)
Lionel Vernon Yong Nguon Kee
Kunal Tayal

REMUNERATION COMMITTEE

Kunal Tayal (Chairman)
Datuk Seri Dr. Yusof Bin Ismail
Mohd Azhar Bin Mohd Yusof

RISK COMMITTEE

Lionel Vernon Yong Nguon Kee (Chairman)
Datuk Seri Dr. Yusof Bin Ismail
Dato' Chong Mun Phing

COMPANY SECRETARY

Tai Siew May
(MAICSA 7015823 / SSM Practising
Certificate No.:202008004328)

REGISTERED OFFICE / HEAD OFFICE

B-23A-3, The Ascent, Paradigm
No. 1, Jalan SS 7/26A, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel No. : +603.2714.6288
Fax No. : +603.2714.6289

SHARE REGISTRAR

Symphony Corporate Services Sdn Bhd
S-4-04, The Gamuda Biz Suites
No.12, Jalan Anggerik Vanilla 31/99
Kota Kemuning, 40460 Shah Alam
Selangor Darul Ehsan, Malaysia
General Line : +6016.439 7718
Fax No. : +603.5131.9134
Email :
symphonycorporateservices@gmail.com

PRINCIPAL BANKERS

Alliance Bank Malaysia Berhad
HSBC Bank Malaysia Berhad

AUDITORS

Messrs. ChengCo PLT
Chartered Accountants
No. 8-2 &10-2, Jalan 2/114
Kuchai Business Centre
Off Jalan Klang Lama
58200 Wilayah Persekutuan Kuala Lumpur,
Malaysia
Tel No. : +603.7984. 8988
Fax No. : +603.7984. 4402

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Sector : Telecommunications &
Media
Stock Name : GPACKET & GPACKET-WB
Stock Code : 0082 & 0082WB

WEBSITE

www.greenpacket.com

CORPORATE STRUCTURE



5-YEAR FINANCIAL HIGHLIGHTS

		2018	2019	2020	2021	2023
Profitability						
Revenue	RM'000	398,682	608,181	617,427	546,993	783,992
Loss after taxation	RM'000	(62,504)	(51,507)	(74,674)	(147,968)	(62,642)
Key Balance Sheet Items						
Total Assets	RM'000	569,417	713,212	518,849	308,690	256,574
Total Liabilities	RM'000	400,803	460,061	126,306	147,377	195,122
Total Equity	RM'000	168,614	253,151	392,543	161,313	61,452
No. of Shares in Issue	'000	908,923	933,533	1,164,422	1,403,168	1,997,629
Segmental Information						
Revenue						
- Digital Devices and Infrastructure	RM'000	78,848	78,397	104,905	109,449	58,319
- Digital Services	RM'000	354,447	847,095	839,029	643,617	1,064,288
- Investment	RM'000	-	-	21,966	44,141	12,515
- Elimination	RM'000	(34,613)	(317,311)	(348,473)	(250,214)	(351,130)
	RM'000	398,682	608,181	617,427	546,993	783,992
Profit Before Taxation by Pillar						
- Digital Devices and Infrastructure	RM'000	(15,817)	(18,304)	(30,788)	(43,108)	(9,773)
- Digital Services	RM'000	(22,424)	(38,271)	(10,835)	(41,991)	(18,547)
- Investment	RM'000	-	-	(24,366)	(99,600)	(44,780)
- Finance Cost	RM'000	(19,431) ¹	(21,028)	(15,318)	(956)	(1,444)
- Share of Results of Associates	RM'000	(6,506)	(5,017)	(3,386)	(203)	(495)
- Gain/(loss) on dilution, recognition and fair value adjustments	RM'000	534	30,471 ²	10,162	37,141	(1,605)
- Gain on disposal of a subsidiary	RM'000	-	-	-	-	13,796
	RM'000	(63,644)	(52,149)	(74,531)	(148,717)	(62,848)

1. Notional finance costs due to interests costs imputed on Irredeemable Convertible Preference Shares-deferred liabilities component.

2. For 2019, there was gain on fair value of warrant in G3 Global Berhad ("G3") of RM31,822,000.

5-YEAR FINANCIAL HIGHLIGHTS

REVENUE
(RM'000)**TOTAL ASSETS**
(RM'000)**TOTAL LIABILITIES**
(RM'000)**TOTAL EQUITY**
(RM'000)

MESSAGE FROM **THE CHAIRMAN**

“

Dear Valued Stakeholders,
I am pleased to present Green Packet Berhad's Annual Report for the financial period ended 31 March 2023 (“FPE 2023”), which showcases our commitment to focusing on our core business and divesting non-core ventures.

”



**DATUK SERI DR. YUSOF
BIN ISMAIL**
Chairman

MESSAGE FROM THE CHAIRMAN

Throughout FPE2023, we maintained our dedication to promoting shared capabilities that align with the government's digital economy initiatives, the dynamics of large enterprises and SMEs in Malaysia, as well as the evolution of telecommunications globally. We collaborated with various agencies to provide solutions to communities in need, prioritizing micro-enterprises and rural areas.

While exploring new high-margin growth areas, we took significant strides to streamline our operations and concentrate on our core business in Financial Technology (FinTech), Property Technology (PropTech), and Communications Content & Infrastructure (CCI) Services.

As part of our strategic realignment, we divested non-core businesses and made investments in digital services that impacted our financial performance. Green Packet is now strategically focused on consolidating our existing portfolios and reinforcing partnerships that drive sustainable growth.

With a prudent and experienced leadership team at the helm, Green Packet is well-positioned to reaffirm our leadership role in the digital era. Our renewed focus on core strengths and capabilities will pave the way for improved immediate sustainability and long-term growth.

I extend my gratitude to our outgoing senior leadership team for their support, and we welcome new members to the Board. I sincerely appreciate the unwavering support of our valued customers, partners, shareholders, and employees as we work to strengthen our organization and rebuild strategies for a successful future in 2023 and beyond.

MANAGEMENT DISCUSSION AND ANALYSIS



MR. LEONG SENG WUI
Group Executive Director

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF GROUP'S BUSINESSES AND OPERATIONS

Green Packet Berhad ("Green Packet" or "the Company") and its subsidiaries ("the Group") are principally engaged in the business of provision of communication services, solutions and products; provision of internet portal services, e-commerce and other web related business; investment holding, research, development, marketing and distribution of wireless networking and telecommunication products and networking solutions.

Green Packet continued its strategic direction of being anchored on three strategic thrusts across five key business pillars – Digital Devices and Infrastructure (comprising Smart Devices and Urban Tech), Digital Services (comprising Communications and Digital & Financial Services) and Investment.

FINANCIAL RESULTS HIGHLIGHTS

For the financial period ended 2023 ("FPE 2023"), Group revenue was recorded at RM783.99 million mainly contributed by Digital Services segment offering services such as wholesale voice, data connectivity and application-to-person ("A2P") messaging.

Due to the change of financial period end of the Group from 31 December 2022 to 31 March 2023 with a 15-month financial period, there is no comparative financial information available for the FPE 2023. Overall, the Group incurred loss before tax ("LBT") of RM62.85 million and loss after tax attributable to the owners of the Company of RM62.44 million for the FPE 2023. The Group continued to focus on improving the operational efficiency as well as revamping its non-profitable business lines.

The total assets of the Group as at 31 March 2023 stood at RM256.57 million in comparison to RM308.69 million as at 31 December 2021, representing a decrease of 16.88%, mainly due to the disposal of other investments during the FPE 2023.

As for the Group's total liabilities, it is higher at RM195.12 million from RM147.38 million as a result of increase in trade purchases during the financial period.

OPERATIONS REVIEW**DIGITAL DEVICES AND INFRASTRUCTURE****Smart Devices and Urban Technology**

Urban Technology focuses on the development of technology-enhanced property products and the delivery of customized property technology solutions that create sustainable and future forward living. It is about making technology more accessible, secure and convenient.

The Group's urban technology products range from property management and visitor management systems to smart parking and workplace security which are marketed under the kiple brands: kipleCity (Residential and Parking solutions).

Throughout FPE 2023, as part of the Group's strategy to fortify this segment's profitability, the Urban Tech business pivoted towards equipping Greenfield Developments with its suite of products to secure larger sales volumes and improved margins.

Owing to the global pandemic, the demand for contactless property management systems had increased, particularly systems which utilized technologies such as facial recognition and Artificial Intelligence ("AI") cameras.

Aligning with this trend, the segment's strategy remains to use AI technology as the foundation of our Smart Access (for cars and people), Smart Community (for residences and offices) and Smart Security. This provides a seamless in-and-out user experience coupled with enhanced security that is powered by facial and license plate recognition. These solutions assist property developers with creating future-ready developments and set them apart from their competitors.

Urban Technology's clients currently include Pavilion Embassy and Pavilion Damansara Heights for smart access using license plate recognition parking as well as St Regis Kuala Lumpur, Hartamas Shopping Centre, Plaza Arkadia, Paradigm Mall Johor Bahru and KL City Air Terminal for Smart Valet Services.

Cumulatively, we have equipped 34 parking sites with our Smart License Plate Recognition ("LPR") access in commercial and residential developments. Over 53 residential sites have also been connected to Green Packet's Smart Community Services and over 57 commercial, premium parking sites are powered with Green Packet's Smart Valet Services.

MANAGEMENT DISCUSSION AND ANALYSIS

Outlook and Prospects

Moving forward, we will expand our LPR offerings via partnerships with Equipment Vendors to leverage our partners' network and reach. We also aim to increase our Smart Valet Services penetration beyond Klang Valley, taking our success in the country's capital to the states of Penang, Johor, and Perak.

DIGITAL SERVICES

Communications

Green Packet's pioneering Communications business segment currently operates under the rebranded entity called Green Packet Global ("GP Global"), which is among the largest and fastest growing carrier neutral wholesaler for international voice, data communications and application-to-person ("A2P") messaging in Asia, rapidly expanding into Africa and Middle East.

Focusing on building reliable interconnections of the highest quality, GP Global is connected to over 200 telecommunication suppliers and customers globally.

Over the years, GP Global has maintained a solid position at the frontline of globalisation via its recursive consolidation strategy. GP Global continued to focus on wholesale voice, data connectivity and A2P messaging offerings, to meet the demands of the local and international telecommunication landscape, particularly on markets with higher demand including China, India, the Southeast Asia region, and the Oceania region.

Being in the telecommunications field for over 10 years, GP Global has a good reputation as a neutral wholesale voice carrier in Southeast Asia with direct, Tier 1s, and indirect routes for various destinations around the globe, delivering more than 2 billion minutes of voice traffic annually.

GP Global continued to partner with StarHub, one of Singapore's leading telecommunications operators with a significant multinational reach. Although it is customary for telcos to keep their solutions pillars in-house, StarHub's outsourcing of its Voice business pillar to GP Global for six consecutive years has been strong indicator of the level of trust that clients put in GP Global's expertise.

Aligning with the move towards the use of data-based services in the Southeast Asia region, GP Global extended its geographical footprint for wholesale solutions to Africa and the Middle East where demand for voice minutes remains strong, to capture a broader pool of clients. While we continue our growth into new geographical regions and business segments, the segment's core offering remained strong.

GP Global also secured two long-term contracts which are Indefeasible Right of Use ("IRU") and International Private Leased Circuits ("IPLC") under its wholesale data offering. The deals have been struck with two national telecommunication companies in Asia, namely Telekom Malaysia and Hong Kong Broadband Network.

With a wide converged network in Asia Pacific, GP Global provides seamless assistance in A2P messaging to set up interconnections between Mobile Network Operators ("MNO") and content providers. To date, it has over 50 interconnections across the globe.

Global Agency Platform ("GAP") is a business platform for individuals seeking to expand their portfolio or venture into the telecommunications industry. The launch of our GAP allowed us to build satellite sales teams in Africa and the Middle East to cater to new consumer markets with agility and speed.

GP Global has formed strategic partnerships with leading organisations such as telecom company Etisalat and cloud computing service Tencent Cloud to provide firewall solutions to bid for A2P outsourced deals from mobile operators as well as to focus on the launch of GP Private Cloud.

Outlook and Prospects

Moving forward, GP Global will continue to expand its footprint internationally, growing its voice and A2P offerings while strengthening its data capacities. Through the establishment of its GAP, the business seeks to establish its products and solutions in new markets through collaborations and by supporting local individuals who are seeking to expand their portfolio or venture into the telecommunications industry.

As Tencent preferred reseller for Southeast Asia region, GP Global is looking at offerings such as cloud services, AI solutions, Star Server, video streaming solutions and game content. Besides that, there are also on-going discussions and plans to set up 5G e-sim platform and content platform with Tencent Cloud and Content Delivery Network service providers.

MANAGEMENT DISCUSSION AND ANALYSIS

Digital and Financial Services

The Digital and Financial Services segment includes the area of financial technology (“fintech”). Green Packet’s fintech solutions are spearheaded by Kiplepay Sdn Bhd (“Kiplepay”), a subsidiary of the Group which is a Bank Negara Malaysia (“BNM”) approved designated payment instrument issuer that powers KiplePay. Kiplepay provides comprehensive digital solutions for enterprises, e-commerce, education and property sectors by providing products such as payment gateways, Wallet as a Service (WaaS); Kiple Visa Prepaid Card; Digital Signatures, Electronic Know Your Customer (e-KYC); fraud management system; education and training.

The Group continues to expand its fintech offerings under Kiplepay with specific focus on large enterprises, State governments and higher education institutions. This approach enables a convergence of all our products and services which can be tailored to the needs of our clients and subsequently benefit end-consumers in a more structured and systematic manner.

Our focus on collaborating with State governments has made us a preferred partner for the roll-out of State-led digitalisation programmes. Kiplepay has been awarded an outreach programme by the Northern Corridor Implementation Authority (“NCIA”) to provide a range of cashless solutions to poor and hardcore poor communities in northern states, particularly low-income women representing households with no fixed income to manage their families’ expenses. These collaborations have strengthened the Kiplepay brand in other states including Johor, Perak, Kedah and Selangor.

Over the year, this segment has secured several significant global partnerships, including Kiplepay’s collaboration with Visa, the global payment technology company. Pursuant to this partnership, Kiplepay launched the Kiple Visa Prepaid Card in a bid to accelerate Malaysia’s journey towards becoming a cashless society, providing customers instant access to over 70 million merchant locations worldwide. For enterprises, Kiplepay offers its WaaS solution coupled with the Kiple Visa Prepaid Card, as part of its services as a Visa Principal Licensee. Businesses can roll out their e-payment platforms within as quickly as four months; accelerating five times their speed to market from the usual 24-month lead time.

Kiplepay also recently partnered with Western Union, a multinational financial services company. Following BNM’s approval for Kiplepay to carry out remittance activities, consumers are now able to remit and receive money from abroad via Kiplepay’s e-wallet through the Western Union remittance rates to more than 200 countries and territories. Kiplepay’s users now have a single app to manage their e-money, transfers, purchases and remittances with ease, without the need of a bank account. They will have access to all of Kiplepay’s offerings, which include the Kiple Visa Prepaid Card that can be used worldwide (and also for ATM withdrawals), Kiplepay’s referral programme and all ongoing promotions and perks. Kiplepay’s e-wallet limit has also been increased by BNM to RM10,000, allowing users to transact larger amounts on the application with ease.

In addition to these global partnerships, Kiplepay has also made great strides in partnering with local technology hubs. The segment collaborated with Malaysia’s health technology platform, Selangkah, to launch the Selangkah e-wallet which now be available to its 1.4 million users. To date, Kiplepay still remain intact as Selangkah’s technology partner.

Outlook and Prospects

Moving forward, this segment will focus to assist key enterprises and government to unified payment channel, improve operational efficiency and optimising operating cost with digital offerings under Kiplepay brand, as well as to unlock digital wallet use case, unbanked and underserved wages e-wallet.

In addition, Kiplepay also plans to enable DuitNow acceptance to enhance its payment gateway offerings and to assist regional fintech players to setup card issuing program. Leveraging on its existing technology stack, this segment will continue to partner with State government to discover digitalisation or aid distribution program opportunities.

MANAGEMENT DISCUSSION AND ANALYSIS

INVESTMENT

Under its investment business segment, Green Packet converted 305,250,000 G3 Global Berhad ("G3") warrants into 305,250,000 G3 shares at the exercise price of RM0.03 each share. During the FPE 2023, Green Packet disposed off 305,250,000 G3 shares at total gross cash consideration of RM15,277,953 and ceased as substantial shareholder of G3.

Outlook and Prospects

Green Packet will continue to focus on improving its operational efficiency as well as revamp its non-profitable business lines.

Risk Management

The key business risks of the Group include industry competitiveness, government or economic policies, and financial risks.

The Group faces intense competition from existing competitors and entry of new market players which may impact the Group's revenue, profitability, and market share. Despite the overall challenging business environment, the Group continues to focus on improving the operational efficiency, build strategic partnership, upsell additional modules and expand customer base to remain competitive.

In line with its Massive Transformative Purpose that Every Human Must Thrive with Life Improving Digital Innovations, Green Packet continues to innovate and mobilise digital transformation to improve the lives of every layer of society. The Group is continually in pursuit of potential business ventures and opportunities to increase our income streams. Nevertheless, the Group has exercised due care in considering potential risks and benefits associated with such investments and believes that the investments will contribute positively to the Group.

Kiplepay is regulated by BNM as an approved designated payment instrument issuer. In the event of non-compliance, to renew or retain such licenses, it will directly affect the business operations of Kiplepay. Nevertheless, the Group will use its best efforts to retain those licenses and ensure full compliance with all relevant regulatory requirements.

The outlook, prospect and performance of the Group's business operations could indirectly be affected by the changes in government, economic, fiscal and monetary policies of Malaysia. In order to minimise these risks, the Group will constantly review its business operations, monitor controls and policies in place, adopt relevant standard operating procedures as well as adapt to ever-changing business environment.

Dividend Policy

The Board has not adopted a dividend policy. The Board does not recommend any payment of dividend for the FPE 2023.

SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

Green Packet Berhad ("Green Packet") is pleased to present our Sustainability Statement ("Statement") for the financial period ended 31 March 2023 ("FPE 2023").

This Statement demonstrates our continued commitment towards sustainability and its impact on economics, environment, social and governance. It provides a clear and concise account of what sustainability means to us, and how Green Packet will strive to deliver long-term and responsible value to our shareholders and stakeholders.

This Statement will provide our shareholders and stakeholders an insight into our journey towards sustainability internally and externally, the challenges, and our strategies and plans on how we will continue to boost our emphasis on sustainability.

We strictly adhere to the best practice sustainability frameworks, standards and guidelines, such as Bursa Malaysia Sustainability Reporting Guide and the United Nation's Sustainable Development Goals ("UNSDG").

OUR SUSTAINABILITY APPROACH

Green Packet stresses the importance of embedding sustainability into our business and approach towards all our stakeholders, such as our employees, customers, suppliers, contractors and community.

In our Sustainability Statement, we shall refer to the economic, environment and social ("EES") factors, and we place importance on governance factors, to strengthen our support in sustainability. The emphasis is to incorporate EES and governance factors into our day-to-day operations while aligning our initiatives to the UNSDG.

Compliance to all relevant regulations and legislation, and being sustainable is a core part of our business decision making process especially in our risk management planning.

The effects of the Covid-19 pandemic over the past few years have played a major role in highlighting the importance of sustainability practices:

- Evaluation of investment opportunity; and
- Window into the future of an industry or a company in the global economy

Green Packet ensures all its stakeholders are aware of its commitment to sustainability. This report also shares the relevant sustainability-related activities for internal and external stakeholders to embrace these initiatives.

REPORTING SCOPE

This Statement covers the sustainability performance of Green Packet and its group of companies during the financial period ended 31 March 2023, unless stated otherwise. Similar to previous Statements, it will cover the business operations of Green Packet. Companies under review are as follows:

Digital Devices and Infrastructure	Digital Services	
	Communications	Digital and Financial Services
Green Packet Berhad Kiple Sdn Bhd	Green Packet Global Pte Ltd Green Packet Global (HK) Limited Green Packet Global Holding Sdn Bhd	Kiplepay Sdn Bhd

SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE STRUCTURE

Green Packet ensures that the governance structure has the transparency and accountability in executing its approach and strategies in sustainability, with defined roles and responsibilities in each level and member in order for effective decision-making and implementation.

Board of Directors ("BOD")

- Main role – Governance, Oversight and Strategic Development of Goals
- The Board of Directors has the overall responsibility to oversee the sustainability objectives and strategies set and monitor the implementation of sustainability-related policies.
- Oversee the process of integrating sustainability practices into Green Packet's daily operations including setting strategic sustainability direction and recommending the approach to manage material matters.

Senior Management ("SM")

- Main role – Implementation
- Comprises Urban Technology, Communications as well as Digital and Financial Services Divisions
- Responsible to guide and create sustainability awareness within the Group, develop measures and action plans in achieving Green Packet's sustainability goals and achievements.
- To execute the established sustainability policies, action plans and provide progress updates to BODs.

STAKEHOLDER ENGAGEMENT

Green Packet constantly engages various groups of stakeholders to update them on our current and latest sustainability initiatives. Most importantly, we obtain their feedback on how we can create a win-win situation for the company and the group for EES aspects.

At Green Packet, we understand and appreciate the critical role that each stakeholder contributes towards our long-term strategy and success.

All legitimate concerns and expectations from our stakeholders are taken into various considerations through established measures and processes developed over the years.

Our stakeholders are our business partners and play an important role in providing solutions to our daily challenges and projected growth amid the intensifying challenges in the local and global economy.

The non-anticipated Covid-19 pandemic has created a new normal on how we conduct and operate our businesses, forcing us to be more innovative in the way we conduct our businesses and operations.

Green Packet has dedicated teams to engage different stakeholder groups through various channels and platforms on an on-going basis. The communication channels we use include face-to-face communications, web-based media platforms, video conferencing technology, electronic documents as well as conventional documents.

SUSTAINABILITY STATEMENT

Our current stakeholder engagement approach is as follows:

Stakeholder Group	Engagement Channels	
Employees 	<ul style="list-style-type: none"> Workshop discussions Induction training Learning and development programmes Employee performance appraisal Corporate memos & letters 	<ul style="list-style-type: none"> Employee meetings Green Packet's centralised HR Portal Value Creation Program Employee Townhall Computer screensaver
Management 	<ul style="list-style-type: none"> Annual Management Retreat /Conference Quarterly management meeting 	<ul style="list-style-type: none"> Monthly operation meeting Weekly coordinating meeting Ongoing meetings and interactions
Customers 	<ul style="list-style-type: none"> Customer Satisfaction Form Ongoing meetings and interactions 	<ul style="list-style-type: none"> Sales and customers visits/virtual meetings/conference calls Stringent quality control
Vendors and Suppliers 	<ul style="list-style-type: none"> Interviews Supplier assessment 	<ul style="list-style-type: none"> Virtual/physical meetings Email correspondences
Investors and Shareholders 	<ul style="list-style-type: none"> Quarterly financial results/reports Annual report 	<ul style="list-style-type: none"> General meeting(s) Announcement and advertisements, if any
Directors 	<ul style="list-style-type: none"> Board and Board Committees meetings Ongoing meetings and interactions Site visits 	
Community 	<ul style="list-style-type: none"> Initiatives & partnerships with government agencies and Institute Pengajian Tinggi Am (IPTA) 	

SUSTAINABILITY STATEMENT

Major communications initiatives performed:

Key Stakeholders	Communication Channels
Customers & Business Partners	<ul style="list-style-type: none"> Customer Satisfaction (“CSAT”) Surveys to gather feedbacks from users/customers of Kiplepay
Employees	<ul style="list-style-type: none"> Townhall – inputs presented mainly on business updates, strategic projects updates, group-wide initiatives - such as GP culture framework, people matters & finance updates Training session (Performance management, career management, regulatory compliance updates, core competency training among others) Infotech Platform (payroll, claims, leave, memo etc)

SUSTAINABILITY THEMES

Green Packet constantly monitors and deliberates on the industry trends, operating challenges and stakeholder expectations, to produce long-term value to shareholders and stakeholders of the group, and the community around us.

We work with industry experts and subject matter experts to devise business plans and strategies according to the most material aspects for business growth and needs of stakeholders. The leadership team of Green Packet continues to lead the group towards growth that is sustainable.

Materiality Sustainability Matters




At Green Packet, we strongly support the UNSDG's 2030 Global Goals where the 17 identified Goals are to lead communities, corporations and governments into creating a better world for all of us.

SUSTAINABLE DEVELOPMENT GOALS

SUSTAINABILITY STATEMENT

Our top 13 material matters are as follows:

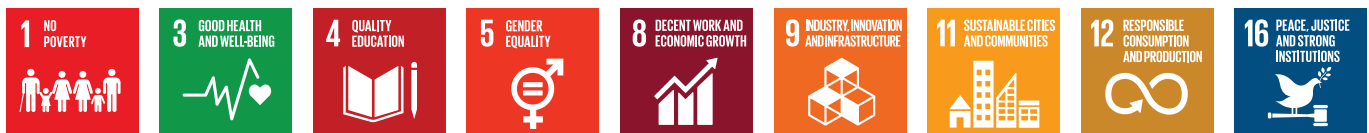
			
Our Business Performance	Our Environmental Management	Our People	Our Outreach
Product and Service Quality Technology, Innovation and Development Economic Performance Customer Satisfaction Cybersecurity and Information Technology ("IT") Management Risk Management, Ethics and Compliance Supply Chain Management	Green Initiatives, Waste and Hazardous Material Management	Diversity and Inclusion Employee Learning and Development Employee Health and Safety Labour Practices	Local Communities and Indirect Economic Impact

SUSTAINABILITY STATEMENT

The following diagram highlights our material sustainability matters and the mapping of our sustainability matters to the UNSDGs:



UNSDG Reference



SUSTAINABILITY STATEMENT

OUR BUSINESS PERFORMANCE

Green Packet will continue to pursue business activities that create economic values in the most equitable and fiscally sound way possible without sacrificing other aspects of sustainability.

Green Packet is a Malaysian-based global technology company with wide-reaching impacts on the local and global economy. We recognize the sustainability of our business rests on the ability to produce the highest standard of quality in our products and services surpassing the high expectations of our customers.

Green Packet continues to strive to achieve commercial success and scale greater heights as a responsible corporate entity. Our commitment to sustainability remains intact. We will continue to introduce and implement sustainable innovations in our business operations. We believe we have an important role to the economic development of local communities by employing locals, purchasing goods, services and capital equipment from suppliers and supporting social development programmes. Green Packet trusts that these efforts will improve business viability and sustainable growth over the long term.

Technological advancement and innovation continue to drive our business in all our divisions. As a result, good customer relationship is paramount where we place great importance on customers' satisfaction. Green Packet emphasizes the importance of a strong and healthy supply chain as we recognize that this is one of the critical keys in meeting the sustainability criteria of our long-term growth.

In pursuing strong and sustainable growth, we embed sustainability in our core values. Our core values guide us in what we do and how we operate as a team and an organisation. Our five core values are listed below:

Believe in Grit	Let's Collaborate	Innovate for a Difference	Feel Empathy	Be Courageous
Never give up	Believe in diversity and working together	Build things that impact others	Seek to understand others	Nothing is impossible
Dedicated to the long-term vision	Share expertise, experience and resources	Open to new ideas	Show care through our actions	Embrace new ways of doing things
Going the distance	Form partnerships with internal and external stakeholders	Explore, discover, experiment	Provide meaningful experiences	Speak up, confront challenges

PRODUCT AND SERVICE QUALITY

Green Packet will always strive to ensure our products and services remain relevant, competitive and innovative while incorporating sustainability features into their design. In addition, we also place great importance on quality control of our products and services to ensure they meet all relevant international standards.

Green Packet achieves the highest quality control by determining the unit responsible for quality control throughout the product and service development process and utilising the latest technology for greater operational efficiency.

SUSTAINABILITY STATEMENT

Communications Division

The Communications division expanded its presence and business dealings with representatives covering Middle East and the African region. We launched the Global Agency Platform ("GAP") – an outreach business platform for individuals seeking to venture into the telecommunications industry, by being a mediator agent between Green Packet Global and customers. We also launched application-to-person ("A2P") messaging for diversification/ expansion of solutions, besides Voice and Data Connectivity, in order to build an ecosystem of suppliers & buyers in key identified markets to offset declining voice demand.

Constant innovation is a priority as we help to improve connectivity and accessibility between rural and urban communities within nations. We continuously deliver services that meet the challenges of today's increasingly competitive environment.

What makes us one of the largest and fastest-growing communications service providers in the world are the following:

1. Proven Track Record

- Among the largest and fastest growing carrier neutral wholesaler for international voice and data traffic delivering >2 billion minutes annually, focusing on Asia and the Middle East.

2. Established Interconnections

- Interconnected with over 200 partners and customers.

3. Preferred Gateway in/out of Asia

- Preferred gateway to reputable Tier 1 carriers and suppliers like Axiata Group, Maxis, Etisalat, Telenor Global, StarHub, China Mobile International & many more.

4. Economies of Scale

- One-stop solutions provider for any network operators planning to establish their presence in Asia.
- Diversified portfolio of solutions beyond Wholesale Voice, with A2P Messaging and Data Connectivity.

5. Strategic Point of Presence ("POPs") in the Asia Pacific

- We have POPs linked up with dedicated International Private Lease Lines ("IPLs") from Hong Kong, Thailand, Malaysia and Singapore to Indonesia.
- Sales team across various regions, namely Singapore, Hong Kong, Malaysia and Taiwan.

6. Exclusive Tailor-made Solutions

- Customised solutions (Voice, A2P and Data Connectivity) specifically designed to meet the fast change requirements of our valued customers in different countries.

Digital and Financial Services Division

The Digital and Financial Services division includes the area of financial technology ("fintech"), spearheaded by Kiplepay Sdn. Bhd. ("Kiplepay"), a subsidiary of Green Packet Berhad.

Green Packet is preparing the Digital and Financial Services division for the expected booming demand from the fintech industry. We will continue to build strategic partnership, upsell additional modules, expand customer base and improve operational efficiency to remain competitive.

Kiplepay focused on strengthening its fintech portfolio through business partnership with Visa as an issuer through Visa Prepaid Card, and as the only non-bank Bank Identification Number ("BIN") sponsor. We also launched collaboration with Western Union ("WU") to allow remittance service using the kiplePay platform which will enable kiplePay users to remit and receive money cross borders using the kiplePay wallet. The partnership with WU will allow access to the enormous WU agent touch points in Malaysia.

Kiplepay is working closely with Institute Pengajian Tinggi Am ("IPTA") to process education related services such as school fees, facilities booking. Kiplepay's role connects the onboarding of new merchants and new students to make the education related payments using the kiplePay eWallet.

We have also made great strides in partnering with local technology hubs. The division collaborated with Malaysia's health technology platform, Selangkah, to launch the Selangkah e-wallet which now be available to its 1.4 million users. To date, Kiplepay still remain intact as Selangkah's technology partner.

Meanwhile, Kiplepay won a 5-year concession with Northern Corridor Implementation Authority ("NCIA") to help the NCIA in both economic and welfare development through fintech covering the northern states of Perak, Penang, Kedah and Perlis.

SUSTAINABILITY STATEMENT

TECHNOLOGY, INNOVATION AND DEVELOPMENT

Green Packet strives to be a leader in innovation and technology developments in the markets that we operate in. We embrace technology to drive efficiency in our businesses to deliver values for our stakeholders.

Driving Technology & Innovation with Our Stakeholders

To meet and exceed our customer's expectations, Green Packet partners and collaborates with our customers and suppliers to achieve higher efficiency and transparency in the supply chain network.

During the FPE 2023, Green Packet participated in product developments with stakeholders that connects us to our customers to fine tune product design and development. The outcome contributed to attain optimum costing. We also worked with our suppliers during the product development and design stage through methodology transfers. As we collaborated closely with new and existing vendors to localise our products as much as possible, this allows us to remain competitive from shorter turn-around time in delivering our products.

Green Packet developed multiple dashboards for each and every business unit to track their users, merchant transactions performance and revenues. These data can then be used for deeper business analytics by the Business Units if needed.

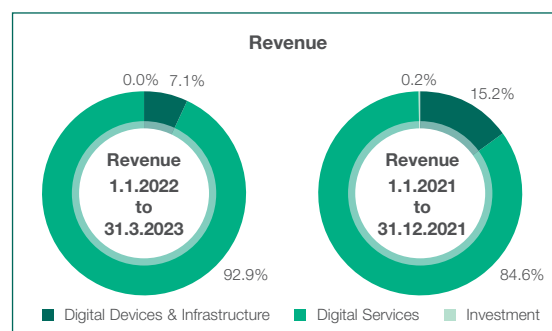
During the financial year under review, we deployed the following platform as tools to support and achieve operational excellence through the use of new technology/tools and continuous process automations. New platforms deployed to improve IT processes are as follows:

New Platforms deployed	Achievements
JIRA Service Management Platform	Automates IT related service request to improve efficiency.
N-able RMM Platform	Provides endpoint and patches management to improve efficiency.

ECONOMIC PERFORMANCE

Green Packet FPE 2023 segments comprised of Digital Devices and Infrastructure, Digital Services and Investment. Despite the overall challenging business environment, Green Packet's group revenue stood at RM783.99 million. The Digital Services division remains the main contributor to the group revenue with a contribution of 92.9% of group revenue.

	1.1.2022 to 31.3.2023		1.1.2021 to 31.12.2021	
	Revenue (RMm)	%	Revenue (RMm)	%
Digital Devices and Infrastructure	55.72	7.1	83.25	15.2
Digital Services	728.21	92.9	462.45	84.6
Investment	0.06	0.0	1.29	0.2
Total Revenue	783.99	100.0	546.99	100.0



Green Packet continues to monitor and adapt to new development, improve operational efficiency, and revamp its non-profitable business lines, in order to remain competitive.

SUSTAINABILITY STATEMENT

CUSTOMER SATISFACTION

Green Packet strives to attain long-term growth through long-term excellent customer relationship and satisfaction from repeating customers while continue to expand our customer base. Besides delivering high standard of quality in our products, we emphasize on understanding and meeting the needs and expectations of our customers while maintaining a competitive margin to reward our stakeholders and shareholders. We believe that our Quality Policy played an important role to guide us and enabling us to gain the trust and confidence of our customers who demand a very high standard of quality from their suppliers as they operate in critical industries.

We ensure a dedicated programme leader for each of our existing and new customer where this leader is a focal point on any product or service issue while ensuring issues are resolved satisfactorily and on a timeliness basis. We also constantly participate in improvement programs and on-site business and production reviews with our customers, to reduce the turnaround time in their product development process and issues.

To ensure customer satisfaction, we listen to the feedbacks of the customers by conducting customer satisfaction survey. We understand the importance of listening to our customers where we will improve on their praises while we strive to rectify negative feedbacks or work on constructive suggestions from our valued customers.

To ensure that we are aware of the needs, expectations and plans of our key customers, we conduct review with these key customers to review our performance and study their evolving needs and requirement, especially in the foreseeable future. These would allow us to analyse our strengths and weaknesses, in order for us to capture opportunities while evading risks that are being identified in this review. Basically, this review will allow us to prepare ourselves on how we could serve our customers better and be ready for their next trajectory in growth, and Green Packet would be their choice of suppliers.

We constantly initiate conference calls with our customers by utilizing all available technologies, to ensure that product developments and issues are addressed accordingly on an effective, efficient and timeliness manner.

Green Packet enforces stringent network monitoring to prevent hardware or network failures. Our Network Operation Centre ("NOC") comprises experienced and competent technical teams, and they are guided by the NOC's proven Standard Operating Procedures ("SOPs") and Guidelines. These SOPs outline procedures in responding to our customers' enquiries and managing the airtime traffic of our complex network of telecommunications infrastructure to deliver optimal network performance.

Green Packet has an established dedicated Business and Technical Support Teams to engage with our customers, respond to their enquiries and obtain feedback on service quality. We assess our customers' feedback via a Customer Satisfaction Survey exercise to help us improve the way we do things. This two-way feedback process enables us to identify opportunities for developing new and customised products and enhancing existing services for our customers.

Customer Satisfaction ("CSAT") survey process for Kiplepay is as follows:

- 1) Customers raise ticket for enquiries of Kiplepay by email, in-app Chat or Phone
- 2) Kiple Support will acknowledge the ticket, investigate on the queries and resolve the tickets
- 3) Once the ticket has been resolved, Kiple Support will close the ticket and send CSAT survey form to customers
- 4) Customer submits the CSAT survey form and the whole process ends.

Customers' satisfaction index was 99.74% for FPE 2023.

CYBERSECURITY AND IT MANAGEMENT

Green Packet has embarked on the journey of digitalization way before it became a buzzword today. We are already on the bandwagon of utilizing technology and internet-of-things ("IOT") to continuously improve our efficiency and effectiveness in our business and operations.

However, we remain cautious and vigilant to the growing potential cybersecurity risks that are ever present in our business especially as our customers are mainly key player in their respective industries.

SUSTAINABILITY STATEMENT

As a result, Green Packet continues to place great importance in our internal control framework to protect the privacy and security of data, information and intellectual properties belonging to us and our stakeholders. We have established a range of policies related to cybersecurity and IT management and we constantly review, upgrade and improvise to ensure that they are up-to-date, and our employees are aware of the latest threats. The policies are as follows:

- i. Computing System Usage Policy
- ii. IT Physical Security Policy
- iii. IT Risk Management Policy
- iv. IT Cybersecurity and Incident Response Policy
- v. Identity Access Management Policy
- vi. Acceptable Use Policy
- vii. Network Security Policy
- viii. Mobile Device Policy
- ix. Data Classification and Protection Policy
- x. Personal Data Protection Policy
- xi. Clear Desk Policy
- xii. Clear Screen Policy

Green Packet stresses the following on the usage of IT by its employees:

- i. Users must not share their accounts, passwords, PIN and security tokens
- ii. Do not access any emails, documents and data that do not have authorization to access
- iii. Laptops/Notebooks are to be kept within sight
- iv. All IT equipment must be protected by anti-malware and anti-virus software
- v. Employees must adhere to escalation process during occurrence of internal or external incident
- vi. Employees must adhere to the Clear Desk Policy and Clear Screen Policy to reduce risk of confidential information leakage

Our IT team works to ensure the integrity of our IT systems. They protect the system through robust internal controls and engaging external partnerships to perform penetration testing and vulnerability assessment of our systems.

For our day-to-day operations, we continue to emphasize on the importance of implementing internal mitigative measures such as antivirus, endpoint protection and firewall protection and 24-hour real time monitoring and detection of malicious network traffic. Our IT team constantly test the effectiveness of our IT processes and systems, while they also conduct regular IT asset management and audits of our systems.

We conduct cybersecurity training for employees to ensure they are aware of the imminent existing and potential cybersecurity risks, precautions implemented and our Standard Operating Procedures ("SOPs") in dealing with such risks. All new hires are also required to be briefed on our IT Policies, procedures and the appropriate use of IT services during their orientation. Cybersecurity news and updates are constantly shared with all employees via email.

To prevent data loss, we follow the 3-2-1 Backup Rule – to keep at least 3 copies of data, to have 2 copies on different storage platforms and 1 copy offsite. We also ensure that all our systems require identity access to keep our information secure.

During the FPE 2023, Green Packet has performed the following IT Initiatives:

- Successfully renewed PCI DSS certification
- Obtained ISO/IEC 27001:2013 Information Security Management System ("ISMS") re-certification.
- Established and expanded the 24x7x365 Security Operation Center ("SOC") monitoring scope to monitor and response to real-time cyber-attacks.
- Conducted Cybersecurity Incident Simulation exercise to test the readiness to respond to cyber-attacks.
- Performed distributed denial-of-service ("DDoS") attacks simulation exercise to test the resiliency of infrastructure against DDoS attacks.
- Deployed Cloud Firewall with built in Intrusion Prevention System ("IPS") to protect the cloud infrastructure from cyber-attacks.
- Performed phishing simulation attacks to test the understanding level of employee on cybersecurity awareness.
- Deployed high availability firewall in office network to further enhance the service availability and resiliency.
- Conducted Vulnerability Assessment and Penetration Testing ("VAPT") and successfully remediated all the findings.

SUSTAINABILITY STATEMENT

RISK MANAGEMENT, ETHICS AND COMPLIANCE

Green Packet places great emphasis on being transparent and to conduct our business in the most ethical and principled way to achieve long-term success and sustainable growth. These are to ensure trust among shareholders and investors.

We require all employees to maintain the highest standards of conduct and integrity when conducting business with customers, suppliers and other stakeholders. In addition, we do not tolerate any breach of the group's Code of Conduct and encourages our employees to highlight any instances of malpractices and non-compliances.

Our corporate governance initiatives include risk management and internal controls, external audit and the code of ethical conduct, an anti-corruption manual and whistleblowing policy.

Good Corporate Governance

Green Packet believes that good Corporate Governance is a pre-requisite for the group to build sustainable long-term value for its shareholders. We are therefore guided by legislative and regulatory requirements, including corporate governance best practices published by the relevant authorities.

Our Corporate Governance Overview Statement forms part of our Annual Report and can be found on page 45 to 53.

Risk Management and Internal Control

Green Packet continues to seek innovative ways to grow its businesses at the same time adhere to the fundamentals of good corporate governance that includes risk management and the adequacy and integrity of our internal controls. This would help Green Packet identify its opportunities and threats within the Group's businesses and operations.

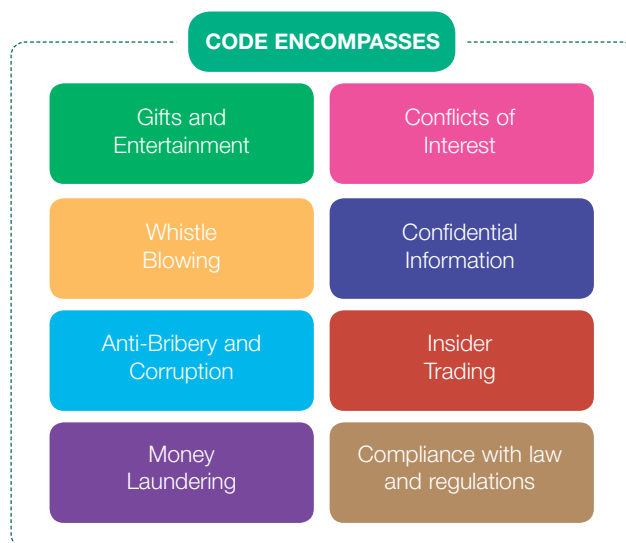
Our internal controls include various policies and documents to ensure Green Packet and its employees uphold the highest standards of integrity and ethics in their business conduct. The said policies are available on the Group's website.

01	Board Charter
02	Terms of Reference (Audit Committee, Nomination Committee, Remuneration Committee and Risk Committee)
03	Code of Conduct for Directors, Remuneration Policy
04	External Audit Policy
05	Sustainability Policy
06	Gender Diversity Policy
07	Anti-Corruption Manual, Whistleblowing Policy and Procedure, Do's and Don'ts
08	Directors' Fit and Proper Policy

SUSTAINABILITY STATEMENT

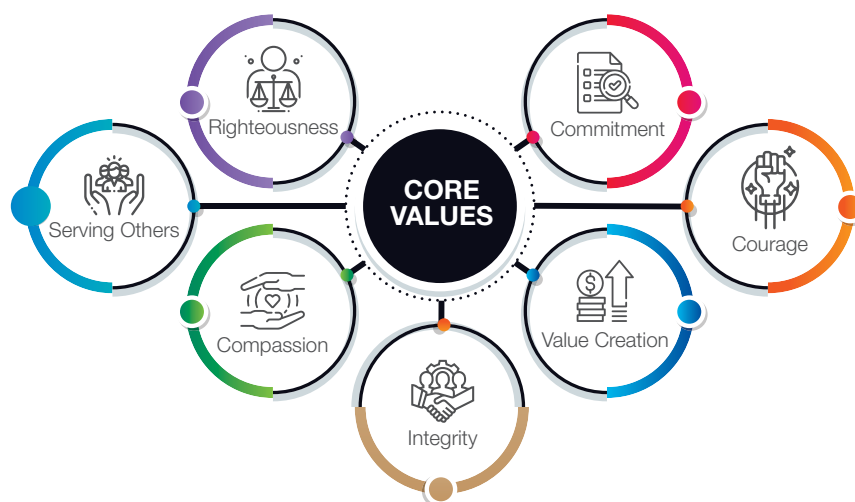
Standards of Conduct, Business Ethics and Conflict of Interest

Our Code of Ethical Conduct and Conflict of Interest ("Code") comprise policies on Standards of Conduct, Business Ethics and Conflicts of Interest. The Code encompasses the following:



All employees of Green Packet are to comply with the Code, including the employee handbook. The Code is adopted at all levels within the Group. It covers the principles and guides for employees' direct and indirect roles and responsibilities within and outside the Company. These principles are shared with all employees and emphasised during training sessions. Upon employment in Green Packet, each employee pledges their agreement to ethical business conduct when signing their appointment letter.

How our employees behave is also governed by our Core Values which form the foundation of our culture, who we are and aspire to be. They are as follows:



SUSTAINABILITY STATEMENT

Anti-Bribery and Corruption Policy

Green Packet has zero tolerance towards bribery and corruption within its group of companies and will not hesitate to take stern actions against its stakeholders especially its employees that are found and proven to contravene such policy.

The Anti-Corruption Amendments requires Public Listed Companies ("PLCs") on Bursa to establish and implement policies and procedures on anti-corruption and whistleblowing. This is to prevent corrupt practices, which will enable PLCs to have a measure of defence against corporate liability for corruption under Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act. The Anti-Corruption Amendments require PLCs and their board of directors to review the policies and procedures periodically to assess their effectiveness.

The mantra of management in Green Packet has always been "No Bribery, Zero Corruption" in all aspects of our business, even before the enforcement of Section 17A of the MACC Act 2009. Our policies guide us in our approach on ethical business conduct in our day-to-day operations. Our Anti-Bribery and Corruption Policy can be accessed from our website: <https://www.greenpacket.com/corporate-responsibility/governance/anti-corruption-macc-policy>

Whistle Blowing Policy

The Whistle Blower Protection Act 2010 provides the guide in formulating the Whistle Blowing Policy and Guidelines ("WBPB") of Green Packet. This WBPB provides the assurance and confidence to our employees and external parties that we have an effective channel to report on any activity that breaches our Code of Conduct and/or any breach of ethics or omission by an employee of Green Packet.

Whistleblowers will be asked whether he/she wishes to have his/her identity disclosed and will be reassured about protection from possible victimization and they will also be asked if he/she wishes to make a written statement.

Green Packet also provides a platform for anonymous complaints/whistle blow. Our WBPB can be accessed from our website: <https://www.greenpacket.com/corporate-responsibility/governance/whistleblower-policy>. Whistle blowers may also use the e-mail address provided on the website to write in. E-mails will be received directly by the Chairman of our Audit Committee where it will be handled at a level appropriate to the complaint being made.

Members of the public is encouraged to report any malpractice, misconduct or wrongdoing within Green Packet via Green Packet's whistleblowing channel. Any employee or third party suspected of misconduct or wrongdoing is encouraged to report this to Green Packet via the email address speakup@greenpacket.com or through the established reporting mechanism as stipulated in the WBPB.

FPE 2023 reported whistleblowing cases:

- i. Number of cases raised: 3 cases
- ii. Type of cases: cases revolved around conflict of interest, policies and procedures
- iii. Status of action: Swift action has been taken to resolve the root causes and all 3 cases have been closed as at the reporting date.

SUPPLY CHAIN MANAGEMENT

Supplier Screening and Engagement

Green Packet developed an Environmental and Sustainable Procurement Policy. The aim of this policy is to outline our targets and objectives, as well as define roles and responsibilities to ensure environmentally sustainable business operations. The policy covers the following:

- i. Reducing our energy consumption and greenhouse gas emissions, through the following initiatives:
 - Digitisation and digitalisation of documents
 - Conduct awareness training on corporate energy efficiency
 - Data outsourcing into cloud system, to eliminate the need for servers
 - Remote working policy
 - Using energy-efficient equipment
- ii. Enhancing our waste management. Our findings indicated that the biggest part of our waste consists of paper, general waste and empty toner cartridges used for our printers. As a result, we require our toner cartridge suppliers to allow us to return our empty toner cartridges to them, while broken or out-dated electrical devices are re-sent to a service provider for recycling.
- iii. As we practice sustainable procurement, we require our suppliers to agree to our integrity statement where we emphasize on fair working conditions, procuring environmentally friendly supplies and eradicating modern slavery from operations.

SUSTAINABILITY STATEMENT

OUR ENVIRONMENTAL MANAGEMENT

Green Packet understands that every step it takes has an impact on the environment. As a result, Green Packet takes great stride in monitoring and managing the output of its activities, to ensure minimal negative impact on the environment. Recognising the severity of climate change, the activities strictly adhere to the relevant environmental laws and regulations. Green Packet strives to update its Environment Policy periodically to ensure that it meets the latest sustainability compliance.

GREEN INITIATIVES, WASTE AND HAZARDOUS MATERIAL MANAGEMENT

Green Initiatives

Green Packet aims to play an active and significant role in reducing its carbon footprint. We voluntarily practice greenhouse gas ("GHG") emissions and energy reduction monitoring, in order to play a meaningful role in the reduction of GHG emissions.

To contribute to the reduction of our energy consumption, we focus on improving energy efficiency in our workplace as follows:

- We continuously evaluate and remind our supply chain particularly our suppliers on the importance of ESG or sustainability matters especially matters related to pollution, energy and water consumption.
- Encourage utilization of high-power factor LED lights and the switching off lights and air-conditioning when there are no occupants in a certain area especially during long breaks and after working hours.
- Periodically upgrade our office equipment, computers and laptops to more energy efficient models and with power-saving features.

What can we as Packeteers do to help?

DONE WITH YOUR WORK?



Turn off printers, monitors and any other office equipment when not in use, especially overnight and on weekends.



Please ensure all switches especially lights are turned off if you are the last ones to leave the office.



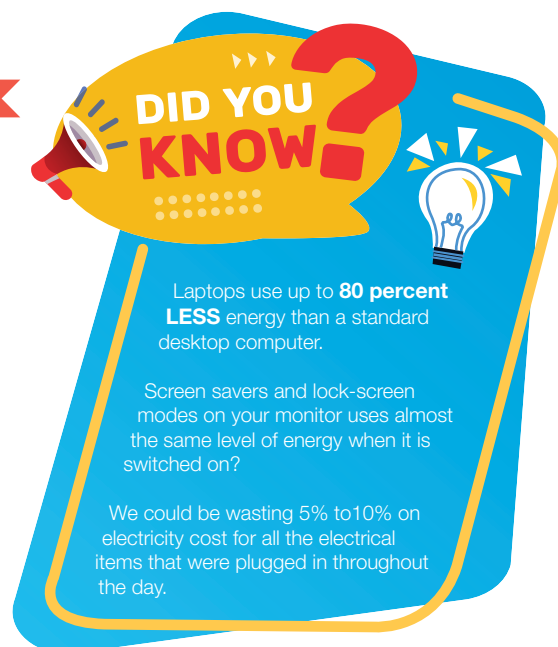
Remind others to turn off the lights and turn off equipment when they leave.



Turn off your computers or set workstations to hibernate mode, especially when you leave office or done with work for the day.



Remember to unplug your laptop cords, cell phone chargers and the likes when they're not in use, because they will use up power even if no device is attached.



We believe that everyone of us must play a part in saving our planet earth from environmental threats and it starts from each of us playing a small part. These steps will influence and encourage people around us to do the same.

SUSTAINABILITY STATEMENT

Waste and Hazardous Material Management

Green Packet does not have a critical waste and hazardous material management issue. Our lack of an internal manufacturing facility does not mean we are less concern on sustainability issues concerning waste and hazardous material management issues. At Green Packet, we place equal importance on such sustainability issues at our vendors' manufacturing facilities. We reserve the rights to terminate any vendors that contravene issues concerning sustainability.

Green Packet is taking all steps to reduce our impact on the environment and adopting practices that use resources sustainably such as using recyclable materials in our design and coming out with design for our vendors in order for them to achieve, for example, greater energy and water consumption efficiency.

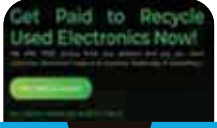




Green Packet is committed to adhering to the standards prescribed by the Department of Environment ("DOE") and other environmental laws and regulations. We regularly review our business operations for any threats, risks and potential issues related to the environment.

At Green Packet, we are dependent on multiple electronic devices and its peripherals on a daily basis. We always face a challenge when the electronic devices and its peripherals reach their end of life. As a result, we initiated a module on energy savings as part of our onboarding program to educate our employees in dealing with or disposing these e-waste.

LET'S DO MORE!

Apart from energy savings, Packeteers are also encourage to **recycle their e-waste** since we are dealing with multiple electronic devices and its peripherals on daily basis

How to deal with your e-waste?

				
Erth (Prima 15, Cyberjaya) <ul style="list-style-type: none"> Free e-waste pickup if you have 1 working device (free value estimation by us) or 3 qualified non-working devices. 	IPC Mall Recycling & Buy-Back Centre (Mutiara Damansara, PJ) <ul style="list-style-type: none"> Accepts non-recyclable waste categories such as light tube and bulbs, medicine, glass, battery, electronic waste, and food waste Buy-back programme: Cardboard, Paper, Plastic, Metal, Aluminium, Drink Carton, Polystyrene, Textiles 	Senheng/senQ (any outlet) <ul style="list-style-type: none"> Offers cash vouchers if you bring in e-waste items to its outlet for recycling Trade your old devices for new ones 	Zero Waste Malaysia Map	DOE's household e-waste collection points

Green Packet has a replacement policy for its employees' laptops. If the out-going laptops are still in good condition, we will donate the repaired old laptops as part of our Corporate Social Responsibilities ("CSR"). Laptops that cannot be repaired will be written-off and send to IT recycling companies.

SUSTAINABILITY STATEMENT

OUR PEOPLE

Green Packet believes that human capital is its most valuable and greatest asset. We continuously invest in our human capital as we strongly believe that our people will be the key force propelling us towards sustainable growth in the long term. We constantly engage with our employees to ensure that they understand our mission, culture, best practices and most importantly, our commitment to our Sustainability Statement.

We strive to ensure that our employees derive satisfaction working in Green Packet while providing them a structured career development path with opportunities to ascend within the group. As a responsible employer, Green Packet also take the health and safety of our employees seriously.

Green Packet does not tolerate any forms of discrimination and practices. To ensure we operate as an ethical and responsible group, we emphasize human rights considerations in developing our business strategy. This includes initiatives to prevent incidents of sexual harassment, child labour and forced labour. Green Packet has several measures in place to address human rights-related risks, including our Code of Ethical Conduct and Conflicts of Interest that covers sexual harassment and discrimination. This Code warrants that no employee, regardless of gender, status or stature, is to be subjected to any form of harassment within the group.

The foundation of a solid relationship with our stakeholders is through developing relationships with them in a sustainable manner. By fostering open dialogue and partnerships, we continuously improve our human rights practices and proactively respond to emerging challenges. The key to Green Packet achieving sustainable growth and providing long-term value creation for our stakeholders is to build a strong and enriching community. Together with our stakeholders, we strive to build a world where human rights are upheld, and the scourge of modern slavery is eradicated.

DIVERSITY AND INCLUSION

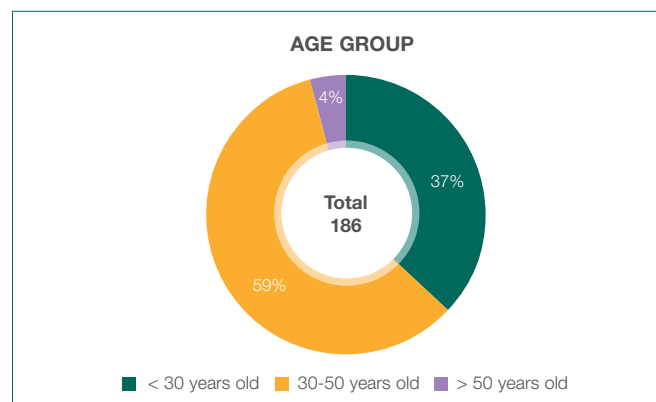
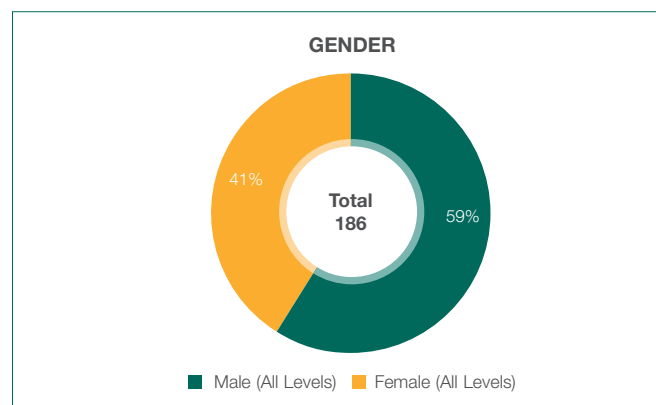
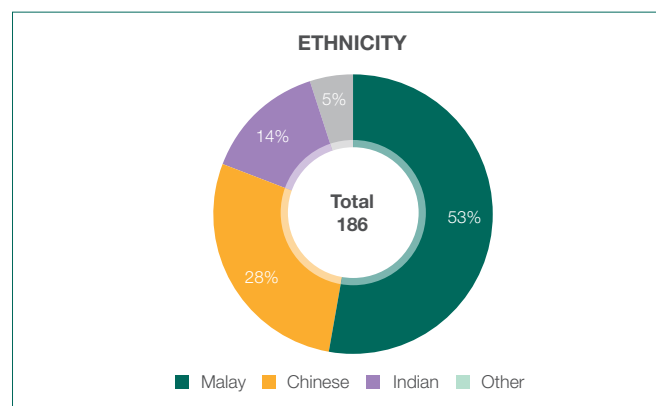
Our Employees

Green Packet believes in investing and giving the younger generation a chance to contribute to the success of our long-term growth. The inclusion of younger staff especially those who are technology savvy, allows us to join the forefront of the rapidly changing trends in innovation and technology.

Green Packet adopted the Board Gender Diversity Policy in its efforts to embrace gender diversity and equality. Green Packet does not set any gender targets although we do strive to achieve a balance of genders at a departmental and Group level.

We aim to have an appropriate level of diversity in the boardroom to reflect the diverse nature of its operations and support the achievement of its long-term strategic vision and sustainable operating objectives.

We conduct fair non-discriminatory and diverse employment practices:



SUSTAINABILITY STATEMENT

EMPLOYEE LEARNING AND DEVELOPMENT

Green Packet believes in investing in our employees at all levels to ensure that our employees stay relevant in our ever-evolving business. In this effort, we are guided by our Training Policy.

Training and Education

Green Packet invests in talent development and continuously provides a platform for employees to continue building their capabilities and learning experiences.

Training programmes are identified based on business strategies and operational needs, meeting regulatory requirements and ensuring the development of our people's technical, interpersonal, business and management skills. During the financial period under review, our Group had conducted and undergone trainings which include but not limited to the following:

Topic of the training attended
Design Thinking Level 2 (Deep Dive)
(MC) Core Skills Development
(MC) Practical Way to Start a Data & Artificial Intelligence Project
5G Overview & Impacts to Business
AI for Business
Big Data Strategy and Application
Compliance Programme
Data Storytelling & Visualization
Effective Project Management & Stakeholder Management
Essentials of Customer-Centric Product Management
Excel Dashboard
Fundamentals of Blockchain
Fundamentals of Fintech - Impact in Increasing Financial Inclusivity
Fundamentals of Growth Hacking
Future Technologies: Overview & Applications
Internet of Things: Business Implications & Opportunities
Introduction to Cloud Computing
Introduction to Critical Thinking
Introduction to Data Analytics Using Excel
Introduction to Data Analytics Using Power BI
Introduction to Email Marketing
Introduction to Excel Workshop
Managerial Leadership Excellence Training
Microsoft Suite Productivity Tools Training
Persuasive Business Writing
Visual Storytelling

Besides that, we also provide internship opportunities and on-the-job training for students in local educational institutions.

SUSTAINABILITY STATEMENT

EMPLOYEE HEALTH AND SAFETY

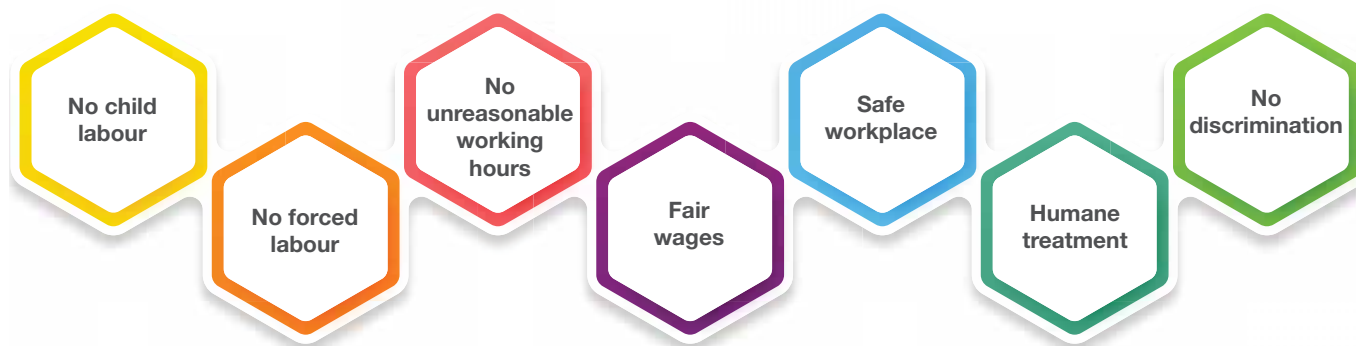
Green Packet is committed to providing a safe and healthy workplace for all our employees.

Green Packet emphasizes on employee's wellness and health, by helping employees to adopt and maintain healthy physical and mental wellbeing by organising activities such as weekly badminton sessions.

LABOUR PRACTICES

Commitment to Labour Rights

Green Packet fosters an inclusive and diverse work environment as we emphasize upholding the labour rights of our staff force. Our Code of Conduct and other labour policies protect labour rights and is based on local employment regulations, such as the Malaysian Employment Act 1955, and relevant industry standards. Some of the labour rights we uphold include:



Grievances Mechanism

Employees need to have an avenue to vent their dissatisfaction or grievances so that issues can surface and be addressed accordingly.

At Green Packet, we have put in place a grievance mechanism for this purpose. A process flow is in place for any employee to report any grievances, dissatisfaction or even a breach of our Code of Conduct. We also provide an avenue for anonymous complaints.

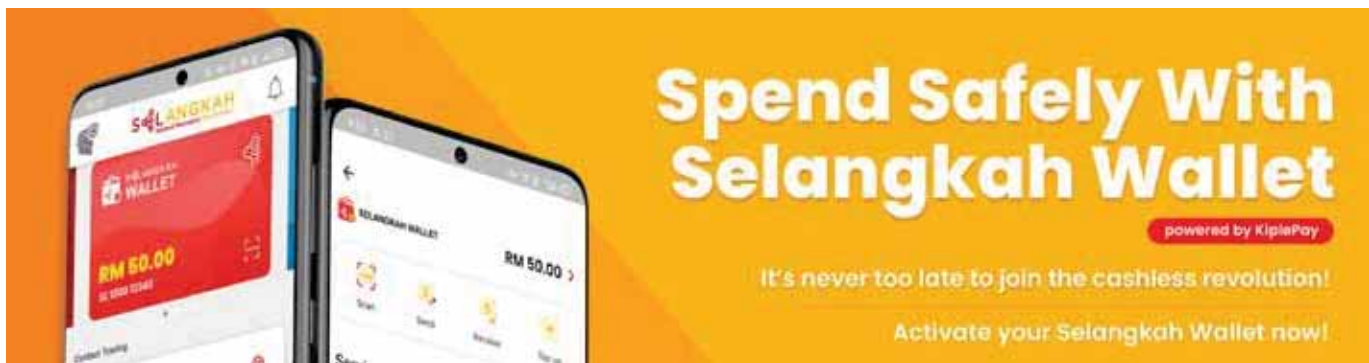
OUR OUTREACH

Green Packet believes in giving back to society, in this case, the communities in which we are located, while investing in the future of our next generations. The communities around us form a significant pillar in our growth especially when many of our employees come from these same communities. As we perform our social responsibilities, we encourage our employees to volunteer for the causes we believe in as they develop their compassion and empathy towards society.

SUSTAINABILITY STATEMENT

LOCAL COMMUNITIES AND INDIRECT ECONOMIC IMPACT

We work closely with Institute Pengajian Tinggi Am to digitalise education related services such as school fees and facilities booking. We have also collaborated with Malaysia's health technology platform, Selangkah, to launch the Selangkah e-wallet, that allows merchants and customers to enjoy contactless and cashless payments.



BOARD OF DIRECTORS' PROFILE

**DATUK SERI DR. YUSOF
BIN ISMAIL***Independent Non-Executive
Director/Chairman***Gender**
Male**Nationality**
Malaysian**Age**
61**Qualification**

Datuk Seri Dr. Yusof Bin Ismail graduated with a Bachelor of Economics (Hons.) from the Universiti Malaya and Diploma in Public Administration from the Institut Tadbiran Awam Negara (Intan). In 1996, he qualified with a Master in Economic Development course from the Williams College, Massachusetts, USA. He pursued PH.D. in community development from the Universiti Putra Malaysia.

Working Experience

Datuk Seri Dr. Yusof a Former Director General of MAMPU since 2020 until 2023. An Administrative and Diplomatic Officer (PTD) with more than 35 years of experience majoring in Economics & Finance, Public Sector Strategic Management and Digital Government.

- Director General, Malaysian Administrative Modernisation and Management Planning Unit (MAMPU), Prime Minister's Department (April 2020 – May 2023)
- Deputy Director General (Transformation and Modernization of Management), Malaysian Administrative Modernisation and Management Planning Unit (MAMPU), Prime Minister's Department (May 2019 – April 2020)
- Under Secretary, Strategic Investment Division, Ministry of Finance (March 2016 – May 2019)
- Deputy Under Secretary, Government Investment Companies Division (Commercial) Ministry of Finance (August 2015 – March 2016)
- Deputy Chief Executive Officer (Planning and Development Sector) Langkawi Development Authority (LADA) Ministry of Finance (June 2013 – August 2015)
- Deputy Director, Science and Technology Manufacturing Industry Section, Economic Planning Unit, Prime Minister's Department (December 2012 – June 2013)
- Deputy Director, Energy Section, Economic Planning Unit, Prime Minister's Department (November 2010 – December 2012)
- Principal Assistant Secretary, Ministry of Rural and Regional Affairs (August 2004 – August 2006)
- Special Officer to the Secretary General of the Treasury, Ministry of Finance (June 2000 – August 2004)
- Assistant Secretary, Finance Division, Investment Section, Ministry of Finance (August 1997 – June 2000)
- Appointment to P.T.D., Assistant Secretary, Economics Division, Ministry of Finance (January 1988 – May 1996)

Previously Datuk Seri Dr. Yusof served on the board of various Government companies and statutory bodies.

Datuk Seri Dr. Yusof does not hold any shares in Green Packet, has no family relationship with any Director and/or major shareholder of Green Packet, has no conflict of interest with Green Packet and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial period ended 31 March 2023.

Date of Appointment

7 July 2023

Present directorship(s) in listed entities

None

Board Committees Membership(s)*(as at 7 July 2023)*

Audit Committee
Remuneration Committee
Risk Committee

BOARD OF DIRECTORS' PROFILE

**LEONG SENG WUI***Group Executive Director***Gender**
Male**Nationality**
Malaysian**Age**
43**Qualification**

Diploma in Business Information Technology, Binary Business School.

Working Experience

Mr. Leong Seng Wui has been an entrepreneur in the ICT industry for over 23 years. He started off his career in the ICT retail sector after he graduated in IT studies. He was one of the pioneers technopreneur in Malaysia starting out on his own. In his own setup, he focused on the telco and mobile retailing industry. A driven individual, he was instrumental in driving his company. He was awarded the prestigious Golden Bull award (top 100 SME) by Alliance Bank Berhad and Nanyang Siang Pau, the notable PIKOM ICT Retailer of the year award, Dopod Retailer of the year, O2 Retailer of the year, Dopod Top 10 Retailer of Asia Pacific under his leadership.

In 2011, he joined the 1 Utopia Berhad Group as Marketing Manager in ICT Utopia Sdn. Bhd. to grow the brand as well as to assist with the creative aspect in events and retail management. At the same time, due to his vast experience in the ICT product market and channel aspect, he advised and assisted in the ICT products segment of the 1 Utopia Berhad Group. On 12 September 2012, Mr. Leong was appointed as Group Chief Operating Officer, tasked with heading, and growing the entire operations of the 1 Utopia Group and was appointed as Executive Director to lead the company to a further milestone. He has led other public companies that were involved in numerous businesses particularly in information technology.

Mr. Leong is considered as having interest in the Group's business as disclosed in Note 46 to the Financial Statements. He does not hold any shares in Green Packet, has no family relationship with any Director and/or major shareholder of Green Packet and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial period ended 31 March 2023.

Date of Appointment

10 February 2022

Length of Service*(as at 30 June 2023)*

1 year 5 months

Date of Election

24 May 2022

Present directorship(s) in listed entities

Revenue Group Berhad

Board Meeting attendance in 2023

10/11

Board Committees Membership(s)*(as at 7 July 2023)*

None

BOARD OF DIRECTORS' PROFILE

**KENNY KHOO CHUAN WAH***Executive Director***Gender**
Male**Nationality**
Malaysian**Age**
48**Qualification**

Degree in Accounting and Finance (Distinction) from the University of Technology, Sydney, Australia. Member of the Malaysian Institute of Accountants and a member of the Certified Practising Accountants Australia.

Working Experience

Mr. Kenny Khoo has more than 13 years of experience as an auditor with PricewaterhouseCoopers Malaysia, including a two-year secondment to PricewaterhouseCoopers London, UK. He has extensive experience in the area of corporate exercises covering initial public offering, demerger of a listed entity, management, and integration of two major companies in Malaysia, privatisation of a major listed entity, rights issue, issuance of debt securities, as well as the sale and leaseback of key assets.

His other work experience includes financial due diligence, advisory, and numerous cross-border securities offering. He also sits on the Board of Directors of MMAG Holdings Berhad and CSH Alliance Berhad as an Executive Director.

As the Executive Director of the companies, in addition to overseeing the groups' financial affairs including accounting, finance, tax and treasury, he also oversees human resources-related matters and other administrative duties.

Mr. Kenny Khoo does not hold any shares in Green Packet, has no family relationship with any Director and/or major shareholder of Green Packet, has no conflict of interest with Green Packet and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial period ended 31 March 2023.

Date of Appointment

14 January 2022

Length of Service*(as at 30 June 2023)*

1 year & 5.5 months

Date of Last Election

24 May 2022

Present directorship(s) in listed entities

MMAG Holdings Berhad

CSH Alliance Berhad

Board Meeting attendance in 2023

12/13

Board Committees Membership(s)*(as at 7 July 2023)*

None

BOARD OF DIRECTORS' PROFILE



LIONEL VERNON YONG NGOUN KEE

Independent Non-Executive Director

Gender
Male

Nationality
Malaysian

Age
53

Qualification

Mr. Lionel Yong is a Certified Internal Auditor (USA), a Chartered Accountant (Malaysia), a member of the Malaysian Institute of Accountants and a Fellow Member of the Chartered Association of Certified Accountants (UK).

Working Experience

Mr. Lionel Yong is an internal audit practitioner with more than 20 years' experience in accounting, finance, and internal audit. His specialties include the provision of independent and objective assessments of systems of internal control as implemented by the Management to evaluate and improve the effectiveness of risk management, control, and governance. He is also familiar with the requirements of carrying out investigations into corporate fraud activities and with the requirements of the governance and audit of Information Technology systems based on the COBIT Framework.

His broad range of experience and knowledge of internal controls was obtained from his time working, both locally in Malaysia and overseas, in the following industries: banking & finance, trading, printing and packaging, plantations, real estate, construction, engineering and various manufacturing operations. He has carried out risk assessment exercises for numerous companies, has been involved in the system development life cycle process in the implementation of several IT applications during his career, and has led investigations into several corporate fraud activities.

Mr. Lionel Yong is currently the CFO of the Nova Wellness Group as well as the Director of Corporate Governance, Risk Management, and Internal Audit with OAC Consulting Sdn Bhd.

Mr. Lionel Yong does not hold any shares in Green Packet, has no family relationship with any Director and/or major shareholder of Green Packet, has no conflict of interest with Green Packet and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial period ended 31 March 2023.

Date of Appointment
27 July 2022

Length of Service
(as at 30 June 2023)
11 months

Present directorship(s) in listed entities
XOX Networks Berhad

Board Meeting attendance in 2023
5/5

Board Committees Membership(s)
(as at 7 July 2023)
Audit Committee (Chairman)
Risk Committee (Chairman)
Nomination Committee

BOARD OF DIRECTORS' PROFILE

**DATO' CHONG MUN PHING***Independent Non-Executive Director***Gender**
Female**Nationality**
Malaysian**Age**
65**Qualification**

An Associate member of the Institute of Chartered Secretaries and Administrators, ICSA, UK.

Master's Degree in Business Administration from Charles Sturt University, Australia.
Certified Financial Investigator [NCC to Counter Money Laundering].

Working Experience

Dato' Chong made history by being the first female graduate to join the Royal Malaysia Police Force [RMP] as a Cadet Assistant Superintendent of Police in 1982. She had a distinguished career, serving a total of almost 36 years with the RMP in the 3 main investigation departments; that is, the Criminal Investigation Department [CID], the Commercial Crime Investigation Department [CCID] and the Narcotics Crime Investigation Department.

Through the years she moved up in ranks and was the first female to be assigned to hold various important command posts in several States, including Head of Commercial Crime, Ipoh [1983]; Head of Anti Vice and Gaming, Pulau Pinang [1989]; Head of Intelligence/Interrogation, Narcotics, Pulau Pinang [1993], Deputy Head of CID, Perak [1996] and Head of Commercial Crime Investigation Dept, Selangor [2009].

Dato' Chong's working experiences in the Federal HQ in Bukit Aman include being the Assistant Director of NCB/Interpol Malaysia [2002]; Assistant Director of Financial Crime Investigation, CCID [2006]; Deputy Director of Strategic Planning, CCID [2014]; following that as Principal Assistant Director of Investigation {Syndicated Crimes}, CCID [2015]; a position she held until her retirement in December, 2017 with the rank of Senior Assistant Commissioner {SAC}.

In 2017, she was conferred the Darjah Indera Mahkota Pahang by the Sultan of Pahang and the Darjah Kebesaran Setia Sultan Sharafuddin Idris Shah, Selangor in 2014.

Dato' Chong does not hold any shares in Green Packet, has no family relationship with any Director and/or major shareholder of Green Packet, has no conflict of interest with Green Packet and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial period ended 31 March 2023.

Date of Appointment

15 November 2022

Length of Service*(as at 30 June 2023)*

7.5 months

Present directorship(s) in listed entities

CSH Alliance Berhad

Mpire Global Berhad

*(formerly known as Sand Nisko Capital Berhad)***Board Meeting attendance in 2023**

3/3

Board Committees Membership(s)*(as at 7 July 2023)*

Nomination Committee (Chairman)

Risk Committee

BOARD OF DIRECTORS' PROFILE



KUNAL TAYAL

*Non-Independent
Non-Executive Director*

Gender
Male

Nationality
Foreigner
(India)

Age
35

Qualification

Mr. Kunal Tayal received his Bachelor of Commerce from Delhi University, India, in 2009 and his MBA in Finance from Mahatma Gandhi University in 2011. He is a Chartered Accountant and has been a member of the Institute of Chartered Accountants of India since 2012. He is also a member of the Malaysian Institute of Accountants.

Working Experience

Mr. Kunal Tayal is a highly accomplished professional with over 16 years of experience as a Chartered Accountant, specializing in finance and accounting operations. He has demonstrated expertise in strategic planning, budgeting, forecasting, audit and taxation, financial due diligence, and regulatory compliance. With exceptional leadership qualities, he is known for being self-driven and creative in his approach to work.

Throughout his career, Mr. Tayal has achieved several notable accomplishments such as engaging with the Inland Revenue Board, presenting accurate financial information that resulted in a significant reduction in tax liabilities.

As the Group Chief Financial Officer of Bestinet Sdn Bhd, Mr. Tayal has been responsible for overseeing full spectrum financial operations, including accounting, tax, legal, and human resources for all entities within the Group. He has developed global financial and tax strategies, formulated standard operating procedures (SOPs), and implemented control processes. Additionally, he has led due diligence activities for acquisitions, managed risk, and generated management reports to support key business decisions.

Mr. Tayal's leadership extends beyond his role at Bestinet. He currently serves as a Director and holds various committee memberships in G3 Global Bhd. As Chairman of the Risk Committee, he ensures effective oversight of risk management processes. Additionally, as a member of the Nomination Committee, Audit Committee, and Remuneration Committee, he contributes to reviewing board composition, financial controls, and remuneration strategies.

In his previous roles at SR Batliboi & Co LLP (Ernst & Young) and Luthra & Luthra Chartered Accountants, Mr. Tayal gained extensive experience in external and internal audits, financial statement analysis, tax consultancy, and compliance. He has also demonstrated his commitment to professional development by completing an MBA and obtaining additional certifications.

Mr. Kunal Tayal possesses strong leadership skills, a strategic mindset, and a track record of driving financial excellence and regulatory compliance. His ability to formulate effective financial strategies, implement SOPs, and mentor his team sets him apart as a highly capable director and leader in the field of finance and accounting.

He is a member of MIA (Malaysian Institute of Accounts) and also one of the founders and committee member of the Malaysian Chapter of The Institute of Chartered Accountants of India (MICAI).

Mr Kunal Tayal is the sole major shareholder of Green Packet, has no family relationship with any Director of Green Packet, has no conflict of interest with Green Packet and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial period ended 31 March 2023.

Date of Appointment
20 June 2023

Present directorship(s) in listed entities
G3 Global Berhad

Board Committees Membership(s)
(as at 7 July 2023)
Remuneration Committee (Chairman)
Nomination Committee

BOARD OF DIRECTORS' PROFILE



MOHD AZHAR BIN MOHD YUSOF
Independent Non-Executive Director

Gender
Male

Nationality
Malaysian

Age
48

Qualification

Mohd Azhar holds a Master of Business Administration degree from University Malaya and Bachelor of Business Administration (Hons.) Finance degree from Universiti Teknologi MARA.

Working Experience

Encik Mohd Azhar has more than 20 years of experience in the field of capital markets and corporate finance where he was involved in fundraising exercise via equity and debt capital market, debt recovery, corporate restructuring and turn-around, valuation, financial modelling, financial due diligence and merger and acquisitions (M&A). He is a member of the Institute of Corporate Directors Malaysia.

Encik Mohd Azhar was previously the Chief Corporate Officer of Dagang NeXchange Berhad, a Main Market listed company on Bursa Malaysia. He joined the company as an Independent Non-Executive Director in August 2019 and was redesignated as Executive Director in February 2020 until March 2022. He subsequently served the company as Chief Corporate Officer until November 2022.

Prior to that, he was attached to Small Medium Enterprise Development Bank Malaysia Berhad (SME Bank) in August 2014 as Assistant Vice President and Head of Business Banking Department where he was responsible to develop and oversee the Corporate Finance Unit that deals with financing for Bumiputera SMEs to undertake M&A exercise and Commercial Financing Unit that deals in a range of commercial financing products. He had also served as Senior Manager, Issuers Restructuring at Bursa Malaysia Berhad's Listing Division in 2010 where he was responsible in monitoring, evaluating, and making recommendation on restructuring of PN17 and GN3 public listed companies before he joined Felda Global Ventures Holdings Berhad in 2013 as Senior Manager, Corporate Finance under the Group Strategy Division.

He was as Senior Analyst in the Merger and Acquisition Department under the Corporate Planning and Development Division of Petrolia Nasional Berhad (PETRONAS) in 2010 where he was responsible for appraising M&A and business development opportunities for the entity. Prior to that, he served as Manager, Corporate Finance in BDO Capital Consultants Sdn Bhd, a corporate finance advisory arm of BDO Malaysia licensed by the Securities Commission, from June 2007 to October 2009.

Encik Mohd Azhar started his career as an auditor with Ernst & Young in February 2000 before he joined the Securities Commission in 2004 until 2007.

Encik Mohd Azhar does not hold any shares in Green Packet, has no family relationship with any Director and/or major shareholder of Green Packet, has no conflict of interest with Green Packet and has not been convicted of any offence within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial period ended 31 March 2023.

Other information:

None of the Directors above have any directorship(s) with any public companies.

Date of Appointment
7 July 2023

Present directorship(s) in listed entities
None

Board Committees Membership(s)
(as at 7 July 2023)
Audit Committee
Remuneration Committee

KEY SENIOR MANAGEMENT PROFILE

Leong Seng Wui and Kenny Khaw Chuan Wah are also the Company's key senior management. Their profiles are provided on pages 38 to 39.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Green Packet Berhad (“Green Packet” or “the Company”) is committed to continuously enhancing shareholder value by maintaining high standards of corporate governance to promote corporate transparency and reporting integrity. The Board believes that good corporate governance practices are pivotal towards enhancing business sustainability and corporate accountability with the ultimate objective of realizing long-term shareholder value, whilst considering the interests of other stakeholders.

The Board is pleased to provide the following overview statement on how the Group has applied the principles and best practices as set out in the Malaysian Code of Corporate Governance.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Board's Roles and Responsibilities

The Company is led by an experienced Board of Directors (“the Board”). The Board acknowledges its key responsibilities in directing the strategic plans, monitoring its performance targets, and developing the long-term goals of the businesses of the Company and its subsidiaries (the “Group”).

The role of the Chairman is to manage and to provide leadership to the Board. The Chairman is accountable to the Board and acts as a direct liaison between the Board and Management of the Company, through the Group Executive Director. The non-executive members of the Board bring a wide range of skills and experience to the Board. The duties and responsibilities of the Board which are separated from that of the Management, are spelt out in the Board Charter.

The Board discharges some of its responsibilities through delegation to the respective Board Committees. The Board Committees are Audit Committee, Nomination Committee, Remuneration Committee and Risk Committee led by the Management. These Board Committees have their roles/functions, written Terms of Reference, operating procedures, and authorities clearly defined. The Terms of Reference of the Board Committees are published on the Company's website: www.greenpacket.com

These Committees assist the Board in making informed decisions through in-depth discussions on issues pertaining to the respective Board Committees' Terms of Reference and responsibilities. The respective Board Committee Chairman report the deliberations to the Board and the ultimate responsibility for the final decisions on all matters lies with the Board.

Ethical Standards through the Code of Ethics

The Company has put in place an established Code of Ethics policies governing the conduct of businesses of the Group applicable to every employee. The Code of Ethics has included appropriate communication and feedback channels for employees to raise concerns about improprieties like Anti-Corruption practices and stakeholder(s) can report via the Whistleblowing Policy and procedures.

The Board has adopted a Code of Conduct for the Board. This Code describes the standards of business conduct and ethical behavior for the Directors in the performance and exercise of their responsibilities as Directors of the Company or when representing the Company and its subsidiaries. These Codes are available on the Company's website.

Group's Strategies for Sustainability

The Group is committed to become significant contributor in the business segments that it operates on a global basis. It believes that for sustainability, it needs to balance business growth with corporate responsibility, conserving resources for future generations by minimizing activities that may have a negative impact on the environment and driving efficiency and productivity in its daily business operations.

The Group's commitment to health, safety and climate change is shared by all employees and it has been incorporated into their work environment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Board Members' Supply and Access to Information

The Board is supplied with and granted access to timely information which allows them to discharge their legal responsibilities effectively and efficiently. Notice of meetings and board papers are given to members of the Board and Board Committees at least seven (7) days prior to the meeting.

Directors may obtain independent professional advice at the Company's expense in furtherance of their duties, where this is deemed necessary, after consultation with the Chairman and other Board members.

Company Secretary

The Company Secretary is a qualified Secretary, responsible along with the Board for administration of the Company's matters under the Companies Act 2016, Main Market Listing Requirements and other regulatory authorities. The Board is regularly updated and apprised by the Company Secretary on new statutes and directives issued by the regulatory authorities.

Board Charter

To facilitate the Board to discharge its stewardship responsibilities and risk management controls, the Company has established a Board Charter to delineate a clear distinction between Board and Management, together with a description of the Board's roles and responsibilities. The Board Charter also sets out the roles and responsibilities of the Board and Board Committees, and the procedures and processes of the Board. The Board Charter was reviewed annually. It is available on the Company's website.

Nomination Committee

During the financial period ended 31 March 2023, the Nomination Committee convened (7) meetings. Details of the attendance of each member were as follows:

Name	Designation	Attendance
Syafinaz Merican Binti Isahak Merican (redesignated as Chairman on 28 February 2022)	Independent Non-Executive Director/Chairman	7/7
Ng Keok Chai (resigned on 21 March 2023)	Independent Non-Executive Director	6/6
Kenny Khaw Chuan Wah	Executive Director	3/4
Datuk Firmansyah Aang Bin Muhamad	Independent Non-Executive Director	2/2
Datuk Ng Soon Hong (resigned on 15 February 2022)	Independent Non-Executive Director/Chairman	2/2
Tan Sri Datuk Dr. Haji Omar Bin Abdul Rahman (resigned as a member on 14 January 2022)	Non Independent Non-Executive Director	1/1

Kenny Khaw Chuan Wah was redesignated to Executive Director from Independent Non-Executive Director on 17 March 2022.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)**Summary of works during the financial period under review covered the following matters:**

The Nomination Committee's activities undertaken during the financial period review covered the following matters:

- (a) Annual assessment of the Board and its Board committees including an assessment of the independent directors on their independence, redesignation of a director and review the terms and conditions of employment of executive directors and senior management of the Group. The criteria for the assessment include contribution, independence, governance, integrity and time commitment of the members of the Board in discharging their duties.
- (b) Review the size and composition of the Board of Directors, which includes their skill sets, independence, and diversity required to meet the needs of the Company including such other criteria sets out in the Directors' Fit and Proper Policy.
- (c) Recommended to the Board on the election/re-election of directors to the Board in accordance with the Company's Constitution for the 21st Annual General Meeting.
- (d) Review the Terms of Reference annually in accordance with the needs of the Company and any new regulations that warrant updates and policy changes.

The Company had put in place a procedure in identifying, considering, and recommending suitable persons for appointment as Directors whereby the Board could rely on sources from existing board members, Management, major shareholders, independent search firms and other independent sources. If, a candidate is selected solely based on recommendation of existing board members, justification to support the proposed selection of the candidate is required to be tabled to the Nomination Committee and Board for their consideration and approval.

In accordance to the Company's Constitution, an election of Directors shall take place each year at an Annual General Meeting and all Directors shall retire from office at least once in every 3 years. Directors appointed by the Board are subject to retirement at the next Annual General Meeting held following their appointments in accordance to the Company's Constitution. All retiring Directors are eligible for re-election.

Those directors due for election/re-election have abstained themselves from deliberation for matters relating to their election/re-election.

Remuneration Committee

During the financial period ended 31 March 2023, the Remuneration Committee convened (7) meetings. Details of the attendance of each member were as follows:

Name	Designation	Attendance
Datuk Firmansyah Aang Bin Muhamad	Independent Non-Executive Director/Chairman	2/2
Lionel Vernon Yong Nguon Kee	Independent Non-Executive Director	1/1
Kenny Khaw Chuan Wah	Executive Director	5/6
Sharman A/L Arumugam (resigned on 23 June 2022)	Independent Non-Executive Director	5/6
Tan Sri Datuk Dr. Haji Omar Bin Abdul Rahman (retired on 10 June 2022)	Non-Independent Non-Executive Director/Chairman	4/4
A. Shukor Bin S.A. Karim (resigned on 31 May 2022)	Executive Director	4/4
Puan Chan Cheong (resigned on 31 January 2022)	Group Managing Director & CEO	1/1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Summary of works during the financial period under review covered the following matters:

The Remuneration Committee's activities undertaken during the financial period review covered the following matters:

- (a) Review and recommend matters relating to the remuneration of the new a directors and Senior Management for appointment and makes the appropriate recommendations to the Board for consideration and approval.
- (b) Annual review of the remuneration of the non-executive directors.
- (c) Review the Terms of Reference annually in accordance with the needs of the Company and any new regulations that warrant updates.

The remuneration package of the executive directors is structured as to link to the Company's performance and is subject to the approval of the Board. Remunerations and meeting allowances for the Non-Executive Directors are recommended by the Board for shareholders' approval at the Annual General Meeting.

All Directors abstained themselves from deliberation for matters relating to their remunerations.

The annual remuneration payable to Non-Executive Directors of the Company is as follows:

No.	Position	RM (per annum)
i)	Board Chairman	120,000
ii)	Audit Committee Chairman	60,000
iii)	Ordinary board member	36,000

The Non-Executive Director receives meeting allowance of RM1,000 per day.

The aggregate Directors' remuneration received from the Company for the financial period under review is as follows:

Executive Director	Salaries	Allowances	Employer's statutory contributions	Director's fee	Meeting allowance	Total (RM)
Leong Seng Wui	783,929	49,384	101,407	-	-	934,720
Kenny Khaw Chuan Wah	340,000	17,836	33,164	6,214	5,000	402,214
Puan Chan Cheong (resigned on 31 January 2022)	41,667	-	10,078	-	-	51,745
A. Shukor Bin S.A. Karim (resigned on 31 May 2022)	525,000	-	18,247	-	-	543,247
	1,690,596	67,220	162,896	6,214	5,000	1,931,926

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

The aggregate Directors' remuneration received from the Company for the financial period under review is as follows: (cont'd)

Non-Executive Director	Directors' fees	Meeting allowances	Total (RM)
Datuk Firmansyah Aang Bin Muhamad	93,333	6,000	99,333
Syafinaz Merican Binti Isahak Merican	45,000	21,000	66,000
Lionel Vernon Yong Nguon Kee	40,806	5,000	45,806
Dato' Sri Lim Kok Han	13,600	3,000	16,600
Dato' Chong Mun Phing	13,600	3,000	16,600
Ng Keok Chai	43,718	17,000	60,718
Sharman A/L Arumugam	28,439	15,000	43,439
Tan Sri Datuk Dr. Haji Omar Bin Abdul Rahman	33,000	12,000	45,000
Datuk Ng Soon Hong	4,537	4,000	8,537
Total	316,033	86,000	402,033

The number of Directors whose total remuneration falls within the following bands:-

Range of Remuneration	Executive	Non-Executive	Total
Below RM50,000	-	6	6
RM50,000 - RM100,000	1	3	4
RM400,001 - RM450,000	1	-	1
RM500,001 - RM550,000	1	-	1
RM900,001 - RM950,000	1	-	1
Total	4	9	13

Annual Assessment of Independent Directors

The assessment for independent director is done in accordance with the definition of Independent Director prescribed by Bursa Malaysia Securities Berhad under the Main Market Listing Requirements. The Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive Directors with their ability to act in the interest of the Company in providing unbiased views and impartiality during the Board's deliberations and decision-making process.

Separation of Positions of Chairman and the Chief Executive Officer

The Chairman is an Independent Non-Executive Director. There is a clear separation of responsibilities between the Chairman and the Group Executive Director to ensure a balance of power and authority.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

Board Composition and Balance

The Company is led by an experienced Board consisting of individuals with appropriate knowledge and skills to provide entrepreneurial leadership to achieve the Group's objectives and performance targets with good corporate governance.

During the financial period under review, there were (8) members on the Board, composed of (5) Independent Non-Executive Directors, (1) Non-Independent Non-Executive Director and (2) Executive Directors.

After the financial period end, the Board is made up of (7) members consists of (4) Independent Non-Executive Directors, (1) Non-Independent Non-Executive Director and (2) Executive Directors. Their profiles are provided on page 37 to 43 of this Annual Report.

Name	Designation
Datuk Firmansyah Aang Bin Muhamad	Independent Non-Executive Director/Chairman
Leong Seng Wui	Group Executive Director
Kenny Khoo Chuan Wah	Executive Director
Dato' Sri Lim Kok Han	Non-Independent Non-Executive Director
Syafinaz Merican Binti Isahak Merican	Independent Non-Executive Director
Lionel Vernon Yong Nguon Kee	Independent Non-Executive Director
Dato' Chong Mun Phing	Independent Non-Executive Director
Ng Keok Chai (resigned on 21 March 2023)	Independent Non-Executive Director

The presences of the Independent Non-Executive Directors fulfill a pivotal role in corporate accountability as they provide independent opinions, advices and judgments. This Board composition is in compliance with the Bursa Malaysia Main Market Listing Requirements.

The Company is committed to gender diversity which includes the representation of female in the composition of the Board of Directors. The Gender Diversity Policy can be viewed at the Company's website.

Time commitments

The Board have given sufficient time and attention to the affairs of the Company for the year. None of our Directors, individually, held directorships in more than (5) public companies (including the Company).

Board Meetings

The Board meets at least (4) times a year on a quarterly basis, with additional meetings to be convened when necessary. Agenda and Board papers are circulated to the Board prior to the Board meetings to give Directors time to consider and deliberate on the issues to be raised at the meetings in relation to the Group's financial performance, corporate proposals & development, strategic issues and business proposals.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)**Board Meetings** (cont'd)

During the financial period under review (from 1 January 2022 up to 31 March 2023) there were (14) Board Meetings held. The attendance record of each Director was as follows:

Name	Attendance
Datuk Firmansyah Aang Bin Muhamad [#]	6/6
Leong Seng Wui	10/11
Kenny Khoo Chuan Wah	12/13
Dato' Sri Lim Kok Han [#]	3/3
Syafinaz Merican Binti Isahak Merican [#]	14/14
Ng Keok Chai [*]	12/13
Lionel Vernon Yong Nguon Kee	5/5
Dato' Chong Mun Phing	3/3
Sharman A/L Arumugam [*]	8/8
Tan Sri Datuk Dr. Haji Omar Bin Abdul Rahman [*]	7/7
A. Shukor Bin S.A Karim [*]	7/7
Datuk Ng Soon Hong [*]	2/2
Puan Chan Cheong [*]	2/2

^{*} resigned during the financial period under review

[#] resigned after the financial period ended

(Full details refer to page 70 of the Annual Report)

Directors' Training

All Directors have completed the Mandatory Accreditation Programme as prescribed by Bursa Securities.

The Company acknowledges that continuous education programmes are imperative for the Board to update and enhance their knowledge and skills. Each Director has attended continuous training and learning to empower themselves with the right skills and knowledge.

Directors are regularly updated on the Group businesses and the competitive and regulatory environment in which they operate as well as the market outlook and industry trends in the ICT industry. Besides that, all Directors were well-informed of the latest development on relevant rules and regulation, to discharge their legal duties more effectively.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

The Board endeavors to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects to shareholders, primarily through the annual reports, quarterly announcements of the Group's results and other price-sensitive public reports. The Board is assisted by the Audit Committee in overseeing the Group's financial reporting processes and the accuracy, consistency and appropriateness of the use and application of accounting policies and standards, as well as the reasonableness and prudence in making estimates, statements and explanations.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (cont'd)

Audit Committee

The Board's obligation to establish formal and transparent arrangements in considering how it should apply financial reporting, internal control principles and maintaining an appropriate relationship with the Company's External Auditors is met through the Audit Committee.

A full Audit Committee report detailing its composition, and summary of activities during the financial period under review was set out on pages 58 to 60 of this Annual Report.

Compliance with Applicable Financial Reporting Standards

The Board is responsible to ensure that the financial statements of the Group are drawn up in accordance with the provisions of the Companies Act 2016 and applicable approved accounting standards in Malaysia. The Board also ensures that the Group has used appropriate accounting policies for the preparation of its financial statements, are consistently applied and supported by reasonable and prudent judgement and estimates.

In presenting the annual financial statements and quarterly announcement of financial results, the Directors make every effort to present a balanced and understandable assessment of the Company's financial position and prospects. All financial statements and reports are subjected to detailed analysis and scrutiny by the Audit Committee before they are presented to the Board for approval and release.

Assessment of External Auditors

The Audit Committee is responsible to review the competency and independence of the External Auditors. Having assessed their performance, the Audit Committee will recommend their re-appointment to the Board, upon which the shareholders' approval will be sought at the Annual General Meeting.

The Board has established a formal and transparent arrangement for maintaining appropriate relationships with the Group's External Auditors. The Audit Committee meets the External Auditors without the presence of the Management whenever necessary, but no less than twice a year.

Risk Management Committee

The Company's Risk Management Committee is a Management-led Committee. It has established and adopted the COSO policies and framework for the oversight and management of material business risks and has adopted a formal Risk Management Policy.

Management is charged with monitoring the effectiveness of risk management systems and is required to report to the Board on a timely basis.

Standard Operating Procedures

The Board understands that to strengthen the accountability aspects of financial reporting, the Company needs to maintain a sound system of internal controls to safeguard shareholders' investment and the Company's assets. A comprehensive Standard Operating Procedures has been drawn up for the Group.

Whistle-Blowing Policy & Procedure

In addition to the Risk Management Policy, the Company has also enhanced its Whistle-Blowing Policy & Procedure within the Group. It provides employees with a secured channel of reporting improprieties and protections are granted to employees who disclosed such allegations in good faith. It sets out the responsibility of all employees to identify and report suspected fraud, corruption, dishonest practices and other irregularities before it causes potential damage to the Company's reputation or its stakeholders. It is an effective system that encourages employees to communicate and listen to each other making up part of an effective risk management framework.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (cont'd)**Internal Audit Function**

The effectiveness of the system of internal controls is reviewed by the Internal Auditors who operate independently from the activities of the Company under the purview of the Audit Committee. Details of the internal audit function are outlined on page 59 of this Annual Report.

Internal Control

The Statement on Risk Management and Internal Control of the Group is set out on pages 54 to 57 of this Annual Report. This Statement provides an overview of the Group's approach in maintaining a sound system of risk management and internal control systems to safeguard shareholders' investment and the Group's assets.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS**Effective Stakeholder Communication and Continuous Disclosure**

The Company is fully committed in maintaining a high standard for the dissemination of relevant and material information on the development of the Group. The Company also places strong emphasis on the importance of timely and equitable dissemination of information to shareholders.

The Board recognizes the need for shareholders to be informed of all material business matters affecting the Group. In addition to various announcements made during the period, the timely release of financial results on a quarterly basis, press releases and annual report provides shareholders with an overview of the Group's performance and operations.

Under the Investor Relation Policy, the Company has assigned a designated person to receive feedback from shareholders and investment community. The Company had always leveraged on its information technology for effective dissemination of information to its shareholders and stakeholders. The official website is www.greenpacket.com

Annual General Meeting ("AGM")

The AGM is the principal forum for dialogue and communication with shareholders and stakeholders. Shareholders are encouraged to attend and participate during the AGM in the question-and-answer session on the prospects, performance of the Group and other matters of concern. Members of the Board, Heads of Departments and the External Auditors are present to answer questions raised at the meeting. Suggestions and comments raised by shareholders are also noted for consideration. Shareholders who are unable to attend are allowed to appoint proxy/proxies to attend and vote on their behalf. The Company encourages shareholders' participation at general meetings and voting is carried by poll for all resolutions.

The Annual Report 2023 and the CG Report are published on Bursa Malaysia Securities Berhad's website and the Company's website:

https://www.bursamalaysia.com/market_information/announcements/company_announcement
<https://www.greenpacket.com/investor-relations/bursa-reports>

Investors Service

The Company's website www.greenpacket.com has a section dedicated to investor relations and provides up-to-date information on the Group's businesses and operations. Further enquiries may be directed to the following person on all investor related matters:

Person-in-charge : Kenny Khoo Chuan Wah
Position : Executive Director
Telephone : 603.27146288
E-mail : kenny.khoo@greenpacket.com

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

1. INTRODUCTION

The Malaysian Code on Corporate Governance requires listed companies to maintain a sound system of risk management and internal control to safeguard shareholders' investments and the Group's assets. The Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") require Directors of listed companies to include a statement in annual reports on the state of their risk management and internal control of the Group.

The Board of Directors of Green Packet ("Board") is pleased to present the Statement on Risk Management and Internal Control, which has been prepared largely in accordance with the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers. The Board believes the practice of good corporate governance is an important continuous process and not just a matter to be covered as compliance in its Annual Report.

2. BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility for the internal control system to cover the financial, compliance and operational controls of the Group. The Board also recognizes its responsibility for reviewing the adequacy and integrity of the system of internal control and risk management system to safeguard shareholders' investment and the Group's assets.

The Board has formalized an Enterprise Risk Management framework ("ERM framework" or "framework") which is based on International accepted framework. The framework aids to the achievement of Group's objectives and strategies by instilling continuous process of identifying, evaluating, profiling, mitigating, reporting and monitoring significant business risks the Group may face. However, in view of inherent limitations in any system of risk management and internal control, it should be noted that such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Management is responsible in developing procedures and processes as well as implement internal controls which will help identify, assess, mitigate and monitor business risks. Management also takes corrective actions as and when needed in order to assist the Board in discharging its duties and responsibilities in maintaining a sound system of risk management and internal control.

The Board has received assurance from the Executive Directors that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects. Notwithstanding to this, the Company's internal control system does not apply to its associate companies, which fall within the control of their majority shareholders. Accordingly, the Board has put in place an organization with formal lines of responsibility and delegation of authority that is designed to manage, rather than eliminate risk, and to improve the governance process of the Group.

The Board is of the opinion that the risk management and internal control system in place for the financial period under review and up to the date of issuance of the financial statements is adequate and effective to safeguard the shareholders' investment, Group's assets and the interests of internal and external stakeholders.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

3. RISK MANAGEMENT POLICY

The Group regularly updates the Risk Management Policy to identify the various risk factors that could have a potentially significant impact on the Group's mid to long term business objectives.

The Board also, throughout the current financial period under review, has identified, evaluated and managed the significant risks faced by the Group through monitoring of the Group's operational efficiency and profitability.

The key features of the Group's ERM policy are:

- Sound risk management practice promotes effective governance which is integral to the achievement of business objectives.
- Embedding risk management into day-to-day management processes, decision making and strategic planning.
- Every employee of the organization is responsible to manage risks within their areas of responsibility.
- Periodic reporting and monitoring activities instils accountability and responsibility for managing risks.
- The risk management processes applied should aim to take advantage of opportunities, manage uncertainties and minimize threats.

The key Business Risks identified are as follows:

- Business expansion and growth into new areas in digital services and internet of things ("IoT")
- Technology obsolescence
- Industry competitiveness
- Government /Economic /Fiscal /Monetary policies
- Financial risks
- Inventories risk; and
- Impairment risk in relation to investment in other investment

4. INTERNAL AUDIT FUNCTION

Messrs. Synergy LLT Consultants Sdn Bhd ("Synergy"), an independent professional firm, was appointed to support the Audit Committee, and by extension, the Board, by providing independent assurance on the effectiveness of the Group's system of internal control.

In particular, Synergy appraises and contributes towards improving the Group's risk management and control systems and reports to the Audit Committee. In assessing the adequacy and effectiveness of the system of internal control and financial control procedures of the Group, the Audit Committee reports to the Board on its activities, significant audit findings and the necessary recommendations or actions needed to be taken by Management to rectify those issues.

The internal audit work plan, which reflects the risk profile of the Group's major business pillars is reviewed and approved by the Audit Committee. During the financial period under review, the following works were carried out:

- Credit Management

The costs incurred for the aforesaid internal audit function in respect of the financial period ended 31 March 2023 was RM12,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

5. KEY PROCESS & CONTROL ENVIRONMENT

The Group's key internal control processes based on COSO principles benchmarking are as follows:

Control Environment

- Management provides strategic leadership with proper delegation, aligned to business and operations requirements in order to achieve the Group's missions.
- A clear and detailed organisation structure has been established to focus on the related reporting responsibilities and accountabilities to ensure and clarify task ownership.
- The Board had delegated authority levels with limits for various business transactions to the Senior Management team duly documented, to facilitate effective internal control over expenditure commitment.
- The Group has in place a Whistle Blowing Policy, which forms part of the Code of Ethics, to provide an avenue for employees to report any breach or suspected breach of any law or regulation, including business principles and the Group's policies and guidelines in a safe and confidential environment.
- A Code of Ethics & Conduct is established for all employees which define the ethical values and conduct of work required at the Company and Group levels. New employees are briefed on the Group's culture, organization structure, codes of ethics & conducts and employees'.

Risk Assessment

- Risk management meetings were conducted and attended by the Senior Management team at subsidiaries' levels to discuss, identify and manage key enterprise risks.

Control Activities

- The Group constantly reviews and updates its standing operating procedures to ensure consistency, clarity and accountability in the Group's daily operations.
- The Group has in place a dedicated billing and customer care service to manage the billing and collection functions efficiently for the Group.

Information and Communication

- Employees are briefed on their job descriptions, responsibilities and key performance index expectations upon joining the Group by their immediate supervisors and a documented copy of the same is filed in their respective personnel files.
- Issues and matters arising from departments and functions are discussed and resolved in monthly management meetings.
- The communication channels widely used are email, teleconferencing with emphasis placed on effective and "free-flow" or open communication within the organization.

Monitoring

- Dashboards of individual functions are utilized to monitor and track progress of all projects and initiatives undertaken.
- Management constantly monitored financial performances, business achievement and the progress of corrective actions implemented.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

6. CONCLUSION

The Board continues to take measures and maintains an ongoing commitment to strengthen the Group's control environment and processes. During the financial period, there were no material losses caused by breakdown in internal controls.

As required by paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirement, the External Auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3 (AAPG3): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants. AAPG3 does not require the External Auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group. The External Auditors reported to the Board that nothing has come to their attention that causes them to believe that the statement is not prepared, in all material respect, in accordance with the disclosures required by paragraph 41 and 42 on the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers and Practices 10.1 and 10.2 of the Malaysian Code on Corporate Governance 2021 to be set out, nor is factually inaccurate.

These statements were approved by the Board on 18 July 2023.

AUDIT COMMITTEE REPORT

COMPOSITION & ATTENDANCE OF MEETINGS

The Audit Committee ("AC") consists of three (3) members who are all Independent Non-Executive Directors. All of the Independent Non-Executive Directors satisfy the test of independence under Bursa Malaysia Securities Berhad Main Market Listing Requirements. The Chairman of the Audit Committee is a Fellow Member of the Chartered Association of Certified Accountants (UK) and a member of the Malaysian Institute of Accountants.

During the financial period ended 31 March 2023, the AC convened (6) meetings. Details of the attendance of each member were as follows:

Name	Designation	Attendance
Lionel Vernon Yong Nguon Kee (appointed on 27 July 2022)	Independent Non-Executive Director/Chairman	3/3
Syafinaz Merican Binti Isahak Merican	Independent Non-Executive Director	6/6
Ng Keok Chai (resigned on 21 March 2023)	Independent Non-Executive Director	5/6
Sharman A/L Arumugam (resigned on 23 June 2022)	Independent Non-Executive Director	3/3

Dato' Chong Mun Phing, an Independent Non-Executive Director was appointed to the AC on 19 May 2023.

The Group Executive Director and Executive Director who is responsible for the financial management the Group were invited to all AC meetings to facilitate direct communication and provide clarification on audit issues on the Group's operations.

The AC Chairman conveyed to the Board matters of significant concerns as and when raised by the External Auditors, Internal Auditors and Management in relation to risks, market challenges and financial assistance matters. In addition, the AC Chairman presented to the Board the Committee's recommendations to approve the audited financial statements, quarterly financial results, and annual audit fees.

ANNUAL AUDIT COMMITTEE PERFORMANCE ASSESSMENT

The annual performance review of the AC as a whole and on the member individually were carried out by the Nomination Committee. The Nomination Committee was satisfied and recommend to the Board that the AC members have adequately discharged their duties and responsibilities.

The Board is satisfied that the AC has discharged its function, duties, and responsibilities in accordance with the AC's Terms of Reference which is available on Green Packet's website.

AUTHORITY OF AUDIT COMMITTEE

The AC has the explicit authority to investigate any matter within its Terms of Reference and has full and unrestricted access to any information pertaining to the Group. It also has full access to and co-operation of Management and full discretion to invite any director or management staff to attend its meetings and supported by reasonable resources to enable it to discharge its functions properly. The AC is also provided with all the necessary information to enable them to make timely informed decisions.

AUDIT COMMITTEE REPORT

SUMMARY OF WORKS DURING THE FINANCIAL PERIOD UNDER REVIEW

The AC activities undertaken during the financial period covered the following matters:

- (a) Review the quarterly financial results and the annual audited accounts of the Company and the Group before recommending to the Board for approval.
- (b) Review the annual audit plan of the external and internal auditors and the results of the audit performed by them including the audit recommendations made and Management's response to these recommendations.
- (c) Review related party transactions and conflict of interest situation that may arise within the Group, including any transaction, procedure or course that may arise questions on Management integrity.
- (d) Review the proposal to change external auditors.
- (e) Review the utilisation of the proceeds raised from corporate proposals.
- (f) Assess on the effectiveness of the external auditors and determine their audit fees.
- (g) Oversee the development and assess on the effectiveness of risk management policies, review risk exposures, and ensure adequate resources and systems are put in place for effective risk management and internal control systems.
- (h) Meet the external auditors on two (2) private sessions conducted during the financial period without the presence of Management to note any material weaknesses and any Management override issues or non-compliance with any laws or regulations by Management, and
- (i) Review the Terms of Reference annually in accordance with the needs of the Company and any new regulations that warrant updates and policy changes.

INTERNAL AUDIT FUNCTION

The Company has outsourced its Internal Audit Function to an independent professional audit service provider firm, Messrs. Synergy LLT Consultant Sdn Bhd ("Synergy"). All the personnel deployed by Synergy are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of the work.

The internal audit work was guided by International Professional Practices Framework issued by Institute of Internal Auditors Inc. which contains the international standards for internal auditing.

The internal audit work plan, which reflects the risk profile of the Group's major business pillars is reviewed and approved by the AC. Synergy appraises and contributes towards improving the Group's risk management and control systems and reports directly to the AC.

In assessing the adequacy and effectiveness of the system of internal control and financial control procedures of the Group, the AC reports to the Board on its activities, significant audit findings and the necessary recommendations or actions needed to be taken by Management to rectify those issues. The fees incurred by the Group in respect of the financial period ended 31 March 2023 was RM12,000.

AUDIT COMMITTEE REPORT

WHISTLEBLOWING

During financial period under review, there were 3 reported cases and swift action has been taken to resolve the root causes and all 3 cases have been closed as at the reporting date.

EXTERNAL AUDITORS

The AC after the financial period under review, conducted an assessment on the performance of the External Auditors based on the following areas:

- Team members' working experience and credentials in the technology related industry,
- Firm's competitive advantage with global network resources,
- Firm's audit work approach and their ability to provide value added advice and services, and
- Firm's commitment to perform the work within Bursa Malaysia Securities Berhad's timelines.

The AC has conducted an annual assessment of the suitability and independence of Messrs. ChengCo PLT ("ChengCo") and was satisfied with the suitability of ChengCo based on the quality of audit, performance, competency, and sufficiency of resources the external audit team provided to the Group.

The AC has recommended to the Board for approval, the retention of Messrs. ChengCo PLT as the External Auditor for the financial year ending 31 March 2024.

Key audit matters raised by the External Auditors were deliberated and the AC had reviewed and agreed with the Management's treatment and controls measures implemented to provide the necessary safeguard for reporting integrity. The AC is pleased to report that there was no significant matter of disagreement that arose between the External Auditors and Management.

FINANCIAL REPORTING & COMPLIANCE

The AC is to review the quarterly and year-end financial statements of the Company, focusing particularly on:

- Any changes in accounting policies and practices.
- Significant adjustments arising from the audit.
- The going concern assumption.
- Compliance with accounting standards and other legal requirements.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required to prepare the financial statements which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial period under review, and of the results and cash flows of the Group and of the Company for the financial period then ended.

In preparing the financial statements for the financial period ended 31 March 2023, the Directors shall ensure that the Management have:

- adopted suitable accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- ensured applicable accounting standards have been followed, subject to any material departure and explained in the financial statements; and
- prepared the financial statements on a going concern basis, unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors have responsibility to ensure that proper and adequate accounting records which disclose with reasonable accuracy at any times the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Companies Act, 2016.

The Directors are also responsible for taking such steps to safeguard the assets of the Group and the Company, and, hence, for taking reasonable steps in the prevention and detection of fraud and other irregularities.

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in accordance with Paragraph 9.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad as set out in Appendix 9C thereto:

a) Utilisation of Proceeds from the Corporate Proposal / Shareholders' Mandate

(i) Private Placement

At the Extraordinary General Meeting held on 18 March 2022, the shareholders had approved the Private Placement of up to 716,413,000 new ordinary shares of Green Packet Berhad ("GPB") representing up to 40% of the total number of issued shares of GPB (excluding treasury shares). A total of 558,183,000 new ordinary shares were issued and allotted for a total cash consideration of RM26,151,489. The Private Placement has been completed.

The amount utilised are set out as follows:

Purposes	Intended timeframe for utilisation	Proposed/ Revised utilisation (RM'000)	Actual utilisation as at 31 March 2023 (RM'000)	Balance of proceeds (RM'000)
General working capital	Within 12 months	25,965 ⁽¹⁾	25,684	281
Expenses for the Private Placement	Within 6 months	186 ⁽¹⁾	186	-
Total gross proceeds		26,151	25,870	281

(ii) Disposal of Ordinary Shares of G3 Global Berhad

At the Extraordinary General Meeting held on 13 August 2021, the shareholders had approved the disposal of up to 612,570,900 ordinary shares of G3 Global Berhad. On 24 November 2021, the Company further sought and has obtained shareholders' approval to revise the use of proceeds raised. The amount utilised are set out as follows:

Purposes	Intended timeframe for utilisation	Proposed utilisation after Proposed Variation (RM'000)	Actual utilisation as at 31 March 2023 (RM'000)	Balance of proceeds (RM'000)
Issued capital for Labuan Investment Bank	Within 12 months	10,000	10,000	-
New businesses related to Information Technology	Within 12 months	12,221 ⁽²⁾	12,221	-
General working capital	Within 12 months	18,557	18,557	-
Expenses in relation to the Proposals	Immediately	627 ⁽²⁾	627	-
Total gross proceeds		41,405	41,405	-

Note:-

1. The surplus of RM550,000 from the expenses for the Private Placement had been allocated to the general working capital of the Company and its subsidiaries.
2. The surplus of RM243,000 from the expenses in relation to the Proposals had been allocated to the new businesses related to Information Technology of the Company and its subsidiaries.

(iii) Shareholders' Mandate

The Company did not issue any new shares pursuant to the General Mandate approved by shareholders at the 20th AGM.

ADDITIONAL COMPLIANCE INFORMATION

b) Employee Share Grant Scheme

During the financial period ended 31 March 2023, the Company did not issue and allot any new shares pursuant to the Employee Share Grant Scheme.

c) Audit and Non-Audit Fees

The amount of audit fees incurred by the Company and Group amounted to approximately RM192,000 and RM640,000 respectively.

The amount of non-audit fees of the Company and the Group paid or payable to the Company's external auditors and affiliated firms or corporation companies for the financial period ended 31 March 2023 amounted to approximately RM6,000 and RM63,000 respectively.

d) Material Contracts Involving the Interest of Directors, Chief Executive who is not Director or Major shareholder

There were no material contracts entered into by the Company and its subsidiaries involving the interests of the Directors, chief executive or major shareholders in the financial period ended 31 March 2023 or subsisting since the end of the previous financial year. The Company does not have any chief executive who is not a Director of the Company.

e) List of properties

As at the end of the financial period, the Group's properties are set out as follows.

Item	Lot Nos:	Year of Acquisition	Description	Area	Tenure	Age of Building (Years)	Fair Value (RM'000)	Usage
i)	P-02-01	2021	Commercial building	1,666 sqf.	Leasehold 99 years (expiring in 2109)	8		Tenanted
ii)	P-02-01A (Accessory Parcel)			139.4 sqf.		8		Tenanted
iii)	P-02-02A (Accessory Parcel)			132.5 sqf.		8		Tenanted
iv)	P-02-03A			1,637 sqf.		8		Vacant
v)	P-02-03A(A) (Accessory (Parcel)			688 sqf.		8		Vacant
Total				4,262.9 sqf.			5,650	

These properties are located at Tropicana Avenue, 12, Persiaran Tropicana, Tropicana, 47810 Petaling Jaya, Selangor.



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DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial period from 1 January 2022 to 31 March 2023.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding, research, development, marketing and distribution of wireless networking and telecommunication products, networking solutions and other high technology products and services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial period.

CHANGE OF FINANCIAL YEAR END

The financial year end of the Company has been changed from 31 December to 31 March and this is the first set of financial statements prepared to end on the new accounting date. As a result of this, the audited financial statements are prepared for a period of 15 months from 1 January 2022 to 31 March 2023.

RESULTS

	The Group RM'000	The Company RM'000
Loss after taxation for the financial period	(62,642)	(19,820)
Attributable to:-		
Owners of the Company	(62,444)	(19,820)
Non-controlling interests	(198)	-
	(62,642)	(19,820)

DIVIDENDS

No dividend was recommended by the directors for the financial period.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial period other than those disclosed in the financial statements.

DIRECTORS' REPORT

ISSUES OF SHARES AND DEBENTURES

During the financial period:-

- (a) the Company increase its issued and paid-up share capital by way of:-
 - (i) issuance of 558,183,000 new ordinary shares from the exercise of private placement for a cash consideration of RM26,151,489 as disclosed in Note 28 to the financial statements;
 - (ii) issuance of 26,278,563 new ordinary shares for the acquisition of subsidiaries which amounted to RM1,847,460 as disclosed in Note 28 to the financial statements; and
 - (iii) issuance of 10,000,000 new ordinary shares from the exercise of Warrants at the exercise price of RM0.40 per warrant which amounted to RM4,000,000 as disclosed in Note 28 to the financial statements.

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

- (b) there were no issues of debentures by the Company.

TREASURY SHARES

There were no purchases of ordinary shares from the open market during the financial period.

As at 31 March 2023, the Company held a total of 7,707,700 of its 1,997,629,194 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM12,216,888. Details on the treasury shares are disclosed in Note 29 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial period, no options were granted by the Company to any person to take up any unissued shares in the Company.

EMPLOYEE SHARE GRANT SCHEME

The Employee Share Grant Scheme of the Company ("ESGS") is governed by the ESGS By-Laws and was approved by shareholders on 12 September 2018. The ESGS is to be in force for a period of 10 years effective from 16 January 2019 ("ESGS Period").

The salient terms of the scheme are as follows:

- (i) Employees and/or directors of the Group, save for companies which are dormant, who are at least 18 years old, and have been confirmed in the employment of the Group shall be eligible to participate in the scheme ("Eligible Persons"). The selection of any Eligible Persons for participation in the scheme shall be determined at the sole discretion of the Share Grant Scheme ("SGS") Committee whose decision shall be final and binding.
- (ii) The maximum number of new ordinary shares of the Company, which may be made available under the scheme, shall not exceed in aggregate 15% of the total number of issued shares (excluding treasury shares) of the Company at any point of time during the duration of the scheme ("Maximum SGS Shares").

DIRECTORS' REPORT

EMPLOYEE SHARE GRANT SCHEME (cont'd)

The salient terms of the scheme are as follows: (cont'd)

- (iii) The aggregate maximum number of SGS shares that may be allocated to any one category/designation of Eligible Persons shall be determined by the SGS Committee provided that:-
 - The aggregate allocation to the executive directors and senior management shall not exceed 60% of the maximum SGS shares; and
 - The allocation to any individual eligible person who, either singly or collectively through persons connected with the eligible person (as defined in the Main Market Listing Requirements of Bursa Securities), holds 20% or more of the total number of issued shares of the Company (excluding treasury shares), shall not exceed 10% of the maximum SGS shares.
- (iv) All unvested shares comprised in any grant (whether fully or partially unvested) shall cease to be capable of vesting upon expiration of the SGS period.
- (v) The Company and/or the SGS Committee may establish a trust (but shall not be obliged to) ("Trust") to be administered by trustee(s) to be appointed by the Company ("Trustee(s)") to facilitate the implementation of the SGS and to authorize the Trustee to subscribe for and/or purchase the necessary number of shares of the Company to accommodate any transfer of shares of the Company to the central depository system accounts of the Eligible Persons maintained with Bursa Malaysia Depository Sdn Bhd and be entitled from time to time to the extent permitted by law and as set out under the By-Laws to accept funding and/or assistance, financial or otherwise from the Company and/or any of its subsidiaries.
- (vi) All new ordinary shares issued upon exercise of SGS will rank pari passu in all respects with the existing ordinary shares of the Company, provided always that new ordinary shares so allotted and issued, will not be entitled to any dividends, rights, allotments and/or other distributions declared, where the entitlement date of which is prior to date of allotment and issuance of the new ordinary shares.

WARRANTS

The Warrants are constituted by a Deed Poll dated 18 October 2018 ("Deed Poll").

On 27 November 2018, 450,607,668 Warrants were issued free by the Company pursuant to the Rights Issue on the basis of three (3) Warrants for every one (1) Rights Share.

The salient features of the Warrants are as follows:-

Form	:	The Warrants will be issued in registered form and constituted by the Deed Poll.
Exercise period	:	The Warrants may be exercised at any time within 5 years commencing on and including the date of issuance of the Warrants ("Issue Date") and ending at the close of business at 5.00 p.m. in Kuala Lumpur on a date preceding the 5th anniversary of the Issue Date, and if such a day is not a Market Day, on the immediate preceding Market Day. Warrants not exercised during the exercise period will thereafter lapse and cease to be valid. The Warrants will be expiring on 24 November 2023.
Exercise price	:	RM0.40 per Warrant, which is subject to adjustments in accordance with the provisions of the Deed Poll.
Exercise rights	:	Each Warrant carries the entitlement, at any time during the exercise period, to subscribe for 1 new Share at the exercise price, subject to adjustments and the provisions and conditions of the Deed Poll.

DIRECTORS' REPORT

WARRANTS (cont'd)

The salient features of the Warrants are as follows:- (cont'd)

Board lot	:	For the purpose of trading on Bursa Securities, 1 board lot of Warrants shall comprise 100 Warrants carrying the right to subscribe for 100 new Shares at any time during the exercise period, or such other denomination as determined by Bursa Securities.
Ranking of New Shares	:	The new Shares to be issued arising from the exercise of the Warrants will, upon allotment and issuance, rank pari passu in all respects with the existing Shares, save and except that the new Shares to be issued arising from the exercise of the Warrants will not be entitled to any dividends, rights, allotments and/or any other forms of distribution where the entitlement date of such dividends, rights, allotments and/or any other forms of distribution precedes the relevant date of allotment and issuance of the said new Shares.
Participating rights of the holders of Warrants in any distribution and/or offer of further securities	:	The Warrant holders are not entitled to vote in any general meeting of the Company and/or to participate in any distribution other than on winding-up, compromise or arrangement of the Company as set out below and/or offer of further securities in the Company unless and until the holder of Warrants becomes a shareholder of the Company by exercising his/her Warrants into new Shares or unless otherwise resolved by the Company in a general meeting.
Adjustments in the exercise price and/or number of unexercised Warrants	:	The exercise price and/or number of unexercised Warrants shall from time to time be adjusted, amongst others, in the event of alteration to the share capital of the Company, capitalisation of profits or reserves, capital distribution or issue of shares in accordance with the provisions of the Deed Poll. If the Company in any way modify the rights attached to any share or loan capital which is not described in the Deed Poll so as to convert or make convertible such share or loan capital into, or attached thereto any rights to acquire or subscribe for new shares, the Company must appoint the adviser or the auditors (who shall act as experts) to consider whether any adjustment is appropriate, and if the directors of the Company after such consultation determines that any adjustment is appropriate, the exercise price or the number of Warrants or both, will be adjusted accordingly.
Rights in the event of winding-up, liquidation, compromise and/or arrangement	:	Where a resolution has been passed for a members' voluntary winding-up of the Company, or where there is a compromise or arrangement, whether or not for the purpose of or in connection with a scheme for the reconstruction of the Company or the amalgamation of the Company with one or more companies, then every holder of Warrants shall be entitled upon and subject to the provisions of the Deed Poll at any time within 6 weeks after the passing of such resolution for a members' voluntary winding-up of the Company or within 6 weeks after the granting of the court order approving the compromise or arrangement (whichever is later), by irrevocable surrender of his/her Warrants to the Company, elect to be treated as if he/she had immediately prior to the commencement of such winding-up, compromise or arrangement exercised the exercise rights represented by his/her Warrants to the extent specified in the relevant subscription forms and be entitled to receive out of the assets of the Company which would be available in liquidation as if he/she had on such date been the holder of the new Shares to which he/ she would have been entitled to pursuant to such exercise.
Listing status	:	Warrants shall be listed and quoted on the Main Market of Bursa Malaysia Securities Berhad.
Governing law	:	Laws and regulations of Malaysia.

DIRECTORS' REPORT

WARRANTS (cont'd)

The movement of the Warrants during the financial period is as follows:-

	At 1.1.2022	Entitlement Of Ordinary Shares		At 31.3.2023
		Issued	Exercised	
Number of warrants	350,243,111	-	(10,000,000)	340,243,111

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial period which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial period.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

DIRECTORS' REPORT

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial period were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial period and up to date of this report are as follows:-

Leong Seng Wui
Kenny Khaw Chuan Wah
Lionel Vernon Yong Nguon Kee (Appointed on 27.7.2022)
Dato' Chong Mun Phing (Appointed on 15.11.2022)
Kunal Tayal (Appointed on 20.6.2023)
Datuk Seri Dr. Yusof Bin Ismail (Appointed on 7.7.2023)
Mohd Azhar Bin Mohd Yusof (Appointed on 7.7.2023)
A. Shukor Bin S.A. Karim (Resigned on 31.5.2022)
Tan Sri Datuk Dr. Haji Omar Bin Abdul Rahman (Retired on 10.6.2022)
Sharman A/L Arumugam (Resigned on 23.6.2022)
Ng Keok Chai (Resigned on 21.3.2023)
Datuk Firmansyah Aang Bin Muhamad (Appointed on 21.6.2022 and resigned on 18.5.2023)
Syafinaz Merican Bt. Isahak Merican (Resigned on 29.5.2023)
Dato' Sri Lim Kok Han (Appointed on 15.11.2022 and resigned on 30.5.2023)

The names of directors of the Company's subsidiaries who served during the financial period and up to the date of this report, not including those directors mentioned above, are as follows:-

Leong Seng Wui
Kenny Khaw Chuan Wah
Datuk Bhupatrai A/L Mansukhlal Premji
Tan Taik Guan
Shue, Ten Hwa
David Walter Mendes
James David Larsen
Tan Ley Cheong
Tamil Selvan A/L M.Durairaj
Ang Hsin Hsien
Lim Peng Tong (Appointed on 13.12.2022)
Datuk Seri Dr. Yusof Bin Ismail (Appointed on 7.7.2023)
Wisun Soon (Appointed on 10.7.2023)
Nik Mat Bin Ismail (Resigned on 26.4.2022)
Tang Pen San (Resigned on 26.4.2022)
Tan Kay Yen (Resigned on 13.12.2022)
Teh Chee Hoe (Appointed on 12.4.2022 and resigned on 4.4.2023)
Chris Chia Woon Liat (Resigned on 10.4.2023)

DIRECTORS' REPORT

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial period in shares and options over shares of the Company and its related corporations during the financial period are as follows:-

The Company	Number of Ordinary Shares			
	At Date of Appointment/ 1.1.2022	Bought	Sold	At 31.3.2023
<i>Direct Interests</i>				
Leong Seng Wui	124,342,570	-	(124,342,570)	-
Dato' Sri Lim Kok Han	358,183,000	-	(358,183,000)	-
<i>Indirect Interests</i>				
Dato' Sri Lim Kok Han #	-	358,183,000	-	358,183,000

Deemed interested pursuant to Section 8 of the Companies Act, 2016 by virtue of his shareholdings in Silver Peak Sdn Bhd.

The other directors holding office at the end of the financial period had no interest in shares and options over shares in the Company or its related corporations during the financial period.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than those shown under directors' remuneration) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial period was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REPORT

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial period are as follows:

	The Group		The Company	
	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
	RM'000	RM'000	RM'000	RM'000
<u>Directors of the Company</u>				
<i>Executive directors:</i>				
Short-term employee benefits:				
- fee	6	21	-	21
- salaries, bonuses and other benefits	1,763	3,296	525	18
- defined contribution benefit	163	333	18	-
<i>Non-executive directors:</i>				
Short-term employee benefits:				
- fee	316	177	316	177
- allowances	86	68	86	68
	2,334	3,895	945	284

AUDITORS' REMUNERATION

The auditors' remuneration of the Group and of the Company are amounted to RM640,000 and RM192,000 (2021: RM710,000 and RM187,000) respectively.

INDEMNITY AND INSURANCE COST

The directors and officers of the Group and the Company are covered by directors and officers liability insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium paid during the financial period amounted to RM26,706. No indemnity was given to or insurance effected for auditors of the Company.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

DIRECTORS' REPORT

SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

The significant events during the financial period are disclosed in Note 49 to the financial statements.

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

The significant events occurring after the reporting period are disclosed in Note 50 to the financial statements.

AUDITORS

The auditors, Cheng & Co PLT, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the directors dated 28 July 2023.

Leong Seng Wui

Kenny Khaw Chuan Wah

STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, Leong Seng Wui and Kenny Khaw Chuan Wah, being two of the directors of Green Packet Berhad, state that, in the opinion of the directors, the financial statements set out on pages 79 to 192 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2023 and of their financial performance and cash flows for the financial period from 1 January 2022 to 31 March 2023.

Signed in accordance with a resolution of the directors dated 28 July 2023.

Leong Seng Wui

Kenny Khaw Chuan Wah

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Kenny Khaw Chuan Wah, MIA Membership Number: 31967, being the director primarily responsible for the financial management of Green Packet Berhad, do solemnly and sincerely declare that the financial statements set out on pages 79 to 192 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Kenny Khaw Chuan Wah, NRIC Number: 750412-10-5697,
at Kuala Lumpur
in the Federal Territory
on this 28 July 2023

Kenny Khaw Chuan Wah

Before me
Gunasundry A/P Suppaiah

INDEPENDENT AUDITORS' REPORT

To the Members of Green Packet Berhad (Incorporated in Malaysia)
Registration No: 200001032335 (534942 - H)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**Opinion**

We have audited the financial statements of Green Packet Berhad, which comprise the statements of financial position as at 31 March 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 79 to 192.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023, and of their financial performance and their cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

To the Members of Green Packet Berhad (Incorporated in Malaysia)

Registration No: 200001032335 (534942 - H)

Key Audit Matters (cont'd)

Impairment assessment on trade and financing receivables Refer to Note 18, Note 19 and Note 48.1(b)(iii) to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As at 31 March 2023, the gross trade and financing receivables amounted to approximately RM165.41 million and RM11.58 million respectively.</p> <p>The management applied assumptions in assessing the level of allowance for impairment losses on trade and financing receivables based on the following:-</p> <ul style="list-style-type: none"> Specific known facts or circumstances on customers' ability to pay; and/or By reference to past default experiences. <p>The impairment assessment involved significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance.</p> <p>We focused on this area as the adequacy of the impairment loss for trade and financing receivables involved the use of judgement.</p>	<p>Our procedures included, amongst others:-</p> <p>(a) We obtained an understanding of:-</p> <ul style="list-style-type: none"> the Group's control over the receivable collection process; how the Group identifies and assesses the impairment of receivables; and how the Group makes the accounting estimates for impairment. <p>(b) We considered the history of cash receipts, and post year end cash receipts from the customers.</p> <p>(c) We tested the adequacy of the Group's impairment loss on trade and financing receivables by assessing the relevant assumptions taking into account of our own knowledge of recent collection experience and also historical data from the Group's previous collection experiences.</p> <p>(d) We also considered other payment arrangements between the Group and its customers in the digital services segment.</p>

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT

To the Members of Green Packet Berhad (Incorporated in Malaysia)
Registration No: 200001032335 (534942 - H)

Responsibilities of the Directors for the Financial Statements (cont'd)

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT

To the Members of Green Packet Berhad (Incorporated in Malaysia)

Registration No: 200001032335 (534942 - H)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

Other Matters

The financial statements of the Company for the financial year ended 31 December 2021 were audited by another firm of chartered accountants whose report dated 29 April 2022 expressed an unqualified opinion on those statements.

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

CHENGCO PLT

201806002622 (LLP0017004-LCA) & AF 0886
Chartered Accountants

Kuala Lumpur

28 July 2023

CHANG JIA LER

03656/04/2024 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

At 31 March 2023

	Note	The Group		The Company	
		31.3.2023 RM'000	31.12.2021 RM'000	31.3.2023 RM'000	31.12.2021 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	53,607	52,684
Investments in associates	6	22,627	#	23,122	#
Investments in joint ventures	7	-	-	-	-
Right-of-use assets	8	839	2,550	397	1,082
Plant and equipment	9	3,438	6,499	1,202	1,694
Investment properties	10	5,650	5,650	-	-
Other investments	11	137	91,712	137	91,712
Goodwill	12	1,647	12,178	-	-
Development costs	13	-	883	-	115
Other intangible assets	14	-	6,934	-	-
Deferred tax assets	15	-	-	319	319
		34,338	126,406	78,784	147,606
CURRENT ASSETS					
Inventories	16	80	1,567	-	-
Contract assets	17	76	63	-	-
Trade receivables	18	162,917	84,758	1,619	3,042
Financing receivables	19	1,104	-	-	-
Other receivables, deposits and prepayments	20	11,870	23,402	991	5,555
Amount owing by subsidiaries	21	-	-	43,560	21,401
Amount owing by associates	22	442	4,546	-	-
Amount owing by joint ventures	23	-	727	-	-
Amount owing by related parties	24	-	-	5	4,058
Current tax assets		1,745	1,523	1,484	1,492
Short-term investments	25	9	2,045	9	2,045
Fixed deposits with licensed banks	26	5,181	6,884	111	2,158
Cash and bank balances		23,981	56,769	1,219	5,072
		207,405	182,284	48,998	44,823
Assets of disposal group classified as held for sale	27	14,831	-	-	-
		222,236	182,284	48,998	44,823
TOTAL ASSETS		256,574	308,690	127,782	192,429

- Amount less than RM1,000

The annexed notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

At 31 March 2023

	Note	The Group		The Company	
		31.3.2023	31.12.2021	31.3.2023	31.12.2021
		RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	28	360,139	327,656	360,139	327,656
Treasury shares	29	(12,217)	(12,217)	(12,217)	(12,217)
Reserves	30	(286,607)	(154,455)	(254,111)	(160,319)
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		61,315	160,984	93,811	155,120
NON-CONTROLLING INTERESTS		137	329	-	-
TOTAL EQUITY		61,452	161,313	93,811	155,120
NON-CURRENT LIABILITIES					
Lease liabilities	31	113	1,268	89	533
Term loans	32	3,875	5,966	-	-
Deferred tax liabilities	15	1,104	1,104	#	#
		5,092	8,338	89	533
CURRENT LIABILITIES					
Trade payables	33	134,775	69,515	1,665	816
Contract liabilities	17	1,598	324	-	22
Other payables and accruals		42,118	58,164	7,434	10,059
Amount owing to a director	34	200	361	200	-
Amount owing to subsidiaries	21	-	-	24,276	25,320
Amount owing to associates	22	3	-	-	-
Amount owing to a related party	24	-	211	3	-
Lease liabilities	31	765	1,379	304	559
Short-term borrowings	35	9,589	9,085	-	-
		189,048	139,039	33,882	36,776
Liabilities of disposal group classified as held for sale	27	982	-	-	-
		190,030	139,039	33,882	36,776
TOTAL LIABILITIES		195,122	147,377	33,971	37,309
TOTAL EQUITY AND LIABILITIES		256,574	308,690	127,782	192,429

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Period From 1 January 2022 to 31 March 2023

	Note	The Group		The Company	
		1.1.2022 to 31.3.2023 RM'000	1.1.2021 to 31.12.2021 RM'000	1.1.2022 to 31.3.2023 RM'000	1.1.2021 to 31.12.2021 RM'000
REVENUE	37	783,992	546,993	18,882	7,596
COST OF SALES		(766,533)	(540,080)	(23,550)	(10,643)
GROSS PROFIT/(LOSS)		17,459	6,913	(4,668)	(3,047)
OTHER INCOME		8,385	76,130	18,668	58,644
		25,844	83,043	14,000	55,597
ADMINISTRATIVE EXPENSES		(67,604)	(115,044)	(12,019)	(32,046)
SELLING AND DISTRIBUTION EXPENSES		(2,533)	(4,104)	(364)	-
OTHER EXPENSES		(11,790)	(86,315)	(21,298)	(126,297)
FINANCE COSTS		(1,444)	(956)	(84)	(172)
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	38	(4,826)	(25,138)	(55)	(141,872)
SHARE OF LOSSES OF EQUITY ACCOUNTED ASSOCIATES		(495)	(203)	-	-
SHARE OF LOSSES OF EQUITY ACCOUNTED JOINT VENTURES		-	-	-	-
LOSS BEFORE TAXATION	39	(62,848)	(148,717)	(19,820)	(244,790)
INCOME TAX EXPENSE	40	206	749	-	68
LOSS AFTER TAXATION		(62,642)	(147,968)	(19,820)	(244,722)
OTHER COMPREHENSIVE (EXPENSES)/INCOME, NET OF TAX					
<u>Item that Will be Reclassified Subsequently to Profit or Loss:</u>					
- Foreign currency translation		4,247	1,085	(23)	56
<u>Item that Will Not be Reclassified Subsequently to Profit or Loss:</u>					
- Fair value changes of equity investments		(73,260)	(143,468)	(73,260)	(143,468)
TOTAL OTHER COMPREHENSIVE EXPENSES		(69,013)	(142,383)	(73,283)	(143,412)
TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL PERIOD/YEAR		(131,655)	(290,351)	(93,103)	(388,134)

The annexed notes form an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Period From 1 January 2022 to 31 March 2023

	Note	The Group		The Company	
		1.1.2022 to 31.3.2023 RM'000	1.1.2021 to 31.12.2021 RM'000	1.1.2022 to 31.3.2023 RM'000	1.1.2021 to 31.12.2021 RM'000
(LOSS)/PROFIT AFTER TAXATION					
ATTRIBUTABLE TO:-					
Owners of the Company		(62,444)	(155,722)	(19,820)	(244,722)
Non-controlling interests		(198)	7,754	-	-
		(62,642)	(147,968)	(19,820)	(244,722)
TOTAL COMPREHENSIVE (EXPENSES)/INCOME					
ATTRIBUTABLE TO:-					
Owners of the Company		(131,457)	(298,105)	(93,103)	(388,134)
Non-controlling interests		(198)	7,754	-	-
		(131,655)	(290,351)	(93,103)	(388,134)
LOSS PER SHARE (SEN)					
Basic	41	(3.71)	(12.15)		
Diluted	41	(3.71)	(12.15)		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Period From 1 January 2022 to 31 March 2023

		◀ Non-distributable ▶				Distributable ▶				Attributable To Owners Of The Company				Non-Controlling Interests		Total Equity	
Note	Share Capital	Treasury Shares	Share Grant Scheme Reserve	Warrant Reserve	Translation Reserve	Fair Value Reserve	Accumulated Losses	Share Grant Scheme Reserve		Translation Reserve		Fair Value Reserve	Accumulated Losses	Non-Controlling Interests		Total Equity	
								RM'000	RM'000	RM'000	RM'000			RM'000	RM'000		RM'000
The Group																	
Balance at 1.1.2021	268,262	(12,217)	414	24,117	4,264	210,658	(95,389)					400,109	(7,566)		392,543		
Loss after taxation for the financial year	-	-	-	-	-	-	(155,722)					(155,722)	7,754		(147,968)		
Other comprehensive expenses for the financial year:																	
- foreign currency translation	-	-	-	-	1,085	-	-					1,085	-		1,085		
- fair value changes of equity investment	-	-	-	-	-	(143,468)	-					(143,468)	-		(143,468)		
Total comprehensive expenses	-	-	-	-	1,085	(143,468)	(155,722)					(298,105)	7,754		(290,351)		
Transactions with owners of the Company:																	
- Acquisition of a subsidiary	-	-	-	-	-	-	-					-		141		141	
- Issuance of ordinary shares pursuant to private placement	45,074	-	-	-	-	-	-					45,074	-			45,074	
- Issuance of ordinary shares pursuant to acquisition of subsidiaries	15,406	-	-	-	-	-	-					15,406	-			15,406	
- Share issuance expenses	(1,567)	-	-	-	-	-	-					(1,567)	-			(1,567)	
- Share options granted under Share Grant Scheme	-	-	67	-	-	-	-					67	-			67	
- Share Grant Scheme exercised	481	-	(481)	-	-	-	-					-	-			-	
	59,394	-	(414)	-	-	-	-					58,980	141		59,121		
Balance at 31.12.2021	327,656	(12,217)	-	24,117	5,349	67,190	(251,111)					160,984	329		161,313		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Period From 1 January 2022 to 31 March 2023

		Share Grant			Non-distributable			Distributable			Attributable To Owners		Non-Controlling Interests		Total Equity	
		Share Capital	Treasury Shares	Scheme Reserve	Warrant Reserve	Translation Reserve	Fair Value Reserve	Accumulated Losses	Company	Of The Company	Controlling Interests	RM'000	RM'000	RM'000	RM'000	
The Group		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance at 1.1.2022		327,656	(12,217)	-	24,117	5,349	67,190	(251,111)		160,984		329		161,313		
Loss after taxation for the financial period		-	-	-	-	-	-	(62,444)		(62,444)	(198)			(62,642)		
Other comprehensive expenses for the financial period:																
- foreign currency translation		-	-	-	-	4,247	-	-		4,247	-			4,247		
- fair value changes of equity investment		-	-	-	-	-	(73,260)	-		(73,260)	-			(73,260)		
Total comprehensive expenses		-	-	-	-	4,247	(73,260)	(62,444)		(131,457)	(198)			(131,655)		
Transactions with owners of the Company:																
- Issuance of ordinary shares pursuant to private placement		26,151	-	-	-	-	-	-		26,151	-			26,151		
- Issuance of ordinary shares pursuant to acquisition of subsidiaries		1,847	-	-	-	-	-	-		1,847	-			1,847		
- Issuance of ordinary shares pursuant to warrants exercise		4,000	-	-	-	-	-	-		4,000	-			4,000		
- Share issuance expenses		(204)	-	-	-	-	-	-		(204)	-			(204)		
- Crystallisation of warrant reserve		689	-	-	(689)	-	-	-		-	-			-		
- Changes in ownership interests in a subsidiary		-	-	-	-	-	-	(6)		(6)	6			-		
Disposal of equity investment		32,483	-	-	(689)	-	-	(6)		31,788	6			31,794		
Balance at 31.3.2023		360,139	(12,217)	-	23,428	9,596	6,070	(6,070)		61,315	137			61,452		

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Period From 1 January 2022 to 31 March 2023

	Note	Non-distributable					Share Grant		Total Equity
		Share Capital	Treasury Shares	Warrant Reserve	Translation Reserve	Fair Value Reserve	Scheme Reserve	Accumulated Losses	
The Company		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance at 1.1.2021		268,262	(12,217)	24,117	1	210,658	414	(6,961)	484,274
Loss after taxation for the financial year		-	-	-	-	-	-	(244,722)	(244,722)
Other comprehensive expenses for the financial year:									
- foreign currency translation		-	-	-	56	-	-	-	56
- fair value changes of equity investment		-	-	-	-	(143,468)	-	-	(143,468)
Total comprehensive expenses		-	-	-	56	(143,468)	-	(244,722)	(388,134)
Transactions with owners of the Company:									
- Issuance of ordinary shares pursuant to private placement	28	45,074	-	-	-	-	-	-	45,074
- Issuance of ordinary shares pursuant to acquisition of subsidiaries	28	15,406	-	-	-	-	-	-	15,406
- Share issuance expenses	28	(1,567)	-	-	-	-	-	-	(1,567)
- Share options granted under Share Grant Scheme		-	-	-	-	-	67	-	67
- Share Grant Scheme exercised	28	481	-	-	-	-	(481)	-	-
		59,394	-	-	-	-	(414)	-	58,980
Balance at 31.12.2021		327,656	(12,217)	24,117	57	67,190	-	(251,683)	155,120

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Period From 1 January 2022 to 31 March 2023

◀———— Non-distributable ———▶									
Note	Share Capital	Treasury Shares	Warrant Reserve	Translation Reserve	Fair Value Reserve	Share Grant Scheme Reserve	Accumulated Losses	Total Equity	
The Company									
	Balance at 1.1.2022	327,656	(12,217)	24,117	57	67,190	-	(251,683)	155,120
	Loss after taxation for the financial period	-	-	-	-	-	-	(19,820)	(19,820)
	Other comprehensive expenses for the financial period:								
	- foreign currency translation	-	-	-	(23)	-	-	-	(23)
	- fair value changes of equity investment	-	-	-	-	(73,260)	-	-	(73,260)
	Total comprehensive expenses	-	-	-	(23)	(73,260)	-	(19,820)	(93,103)
Transactions with owners of the Company:									
	- Issuance of ordinary shares pursuant to private placement	26,151	-	-	-	-	-	-	26,151
	- Issuance of ordinary shares pursuant to acquisition of subsidiaries	1,847	-	-	-	-	-	-	1,847
	- Issuance of ordinary shares pursuant to warrants exercise	4,000	-	-	-	-	-	-	4,000
	- Share issuance expenses	(204)	-	-	-	-	-	-	(204)
	- Crystallisation of warrant reserve	689	-	(689)	-	-	-	-	-
	Disposal of equity investment	32,483	-	(689)	-	-	-	-	31,794
	Balance at 31.3.2023	360,139	(12,217)	23,428	34	6,070	-	(6,070)	93,811

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Period From 1 January 2022 to 31 March 2023

	The Group		The Company	
	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
Note	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FOR OPERATING ACTIVITIES				
Loss before taxation:	(62,848)	(148,717)	(19,820)	(244,790)
Adjustments for:-				
Amortisation of development costs	798	2,049	115	97
Amortisation of other intangible assets	6,022	4,746	-	-
Bad debts written off	-	133	-	17,217
Deposits and prepayments written off	776	-	776	-
Depreciation of plant and equipment	3,038	2,607	578	630
Depreciation of right-of-use assets	1,911	1,750	685	625
Development cost written off	-	538	-	-
Equipment written off	421	61	5	-
Fair value loss on investment properties	-	2,623	-	-
Impairment loss on:				
- development costs	-	1,239	-	-
- investments in subsidiaries	-	-	-	61,173
- investments in associates	4,878	-	4,878	-
- trade receivables	1,768	2,553	55	-
- financing receivable	-	10,474	-	-
- other receivables	5,128	-	-	-
- deposits and prepayments	855	20,193	855	9,780
- goodwill	-	6,934	-	-
- intangible assets	-	8,653	-	-
- other investments	-	2,251	-	-
- amount owing by subsidiaries	-	-	-	160,371
- amount owing by associates	-	12,467	-	-
- amount owing by joint ventures	757	-	-	-
Interest expense on lease liabilities	148	255	45	113
Interest expense	885	370	-	40
Inventories written down	284	15,739	-	2,150
Loss on disposal of other investments	1,245	-	1,432	-
Loss on disposal of right-of-use assets	-	86	-	86
Loss on strike off of a subsidiary	-	-	302	-
Share of loss of associates	495	203	-	-
Share grant scheme expense	-	67	-	-
Unrealised loss/(gain) on foreign exchange	43	(390)	800	446
Interest income	(278)	(303)	(31)	(99)
Loss on fair value adjustments	19,920	35,866	19,920	35,866
(Gain)/Loss on disposal of plant and equipment	(329)	145	(1)	-
Gain on disposal of a subsidiary	(13,796)	-	(5,343)	-
Gain on disposal of equity interest in an associate	-	(73,007)	-	(54,310)
Gain on recognition of other investments	(18,315)	-	(18,315)	-
Gain on settlement of contingent consideration	(4,694)	(3,289)	(4,694)	(3,289)
Balance brought forward	(50,888)	(93,704)	(17,758)	(13,894)

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Period From 1 January 2022 to 31 March 2023

	Note	The Group		The Company	
		1.1.2022 to 31.3.2023 RM'000	1.1.2021 to 31.12.2021 RM'000	1.1.2022 to 31.3.2023 RM'000	1.1.2021 to 31.12.2021 RM'000
Balance carried forward		(50,888)	(93,704)	(17,758)	(13,894)
Reversal of impairment loss on:					
- trade receivables		(1,830)	(2,607)	-	(1,300)
- amount owing by subsidiaries		-	-	-	(17,199)
- other investments		(997)	-	-	-
- prepayments		(10,413)	-	-	-
Write back of inventories written off		(22)	-	(22)	-
Operating loss before working capital changes		(64,150)	(96,311)	(17,780)	(32,393)
Decrease/(Increase) in inventories		676	(2,946)	-	71
(Increase)/Decrease in trade, financing and other receivables		(75,075)	3,128	4,300	6,060
(Increase)/Decrease in contract assets		(13)	2,864	-	2,927
Increase in trade and other payables		77,004	12,026	2,140	942
Increase in amount owing by subsidiaries		-	-	(23,381)	(56,556)
Decrease/(Increase) in amount owing by a related party		-	-	4,053	(1,581)
Decrease/(Increase) in amount owing by associates		4,104	(13,288)	-	789
Increase in amount owing by joint ventures		(30)	(20)	-	-
Decrease in amount owing to subsidiaries		-	-	(1,044)	(3,190)
Increase/(Decrease) in amount owing to associates		3	(6,267)	-	-
Increase/(Decrease) in contract liabilities		1,710	(1,189)	(22)	(152)
(Decrease)/Increase in amount owing to a director		(161)	4	200	-
(Decrease)/Increase in amount owing to a related party		(211)	46	3	-
Decrease/(Increase) in fiduciary cash		3,693	(3,086)	-	-
Increase in asset classified as held for sale		(525)	-	-	-
CASH FOR OPERATIONS		(52,975)	(105,039)	(31,531)	(83,083)
Tax (paid)/refund		(16)	(670)	8	(15)
NET CASH FOR OPERATING ACTIVITIES		(52,991)	(105,709)	(31,523)	(83,098)

The annexed notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

For the Financial Period From 1 January 2022 to 31 March 2023

		The Group		The Company	
		1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
	Note	RM'000	RM'000	RM'000	RM'000
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Additional investment in subsidiaries		-	-	(3)	(43,204)
Acquisition of associates		(28,000)	-	(28,000)	
Acquisition of subsidiaries		-	(5,818)	-	(6,094)
Acquisition of other investment		-	(1,309)	-	-
Addition of right-of-use assets		(173)	(95)	-	(95)
Disposal of a subsidiary, net of cash and cash equivalents disposed of		3,400	-	5,343	-
Purchase of investment properties		-	(8,273)	-	-
Purchase of plant and equipment		(1,460)	(2,909)	(94)	-
Proceeds from disposal of plant and equipment		1,228	1,802	1	-
Proceeds from disposal of right-of-use assets		-	30	-	30
Proceeds from disposal of equity interests in an associate		-	89,143	-	89,347
Proceeds from disposal of other investments		16,462	-	15,278	-
Development costs incurred		-	(31)	-	-
Interest received		278	303	31	99
Net withdrawal/(placement) of fixed deposits pledged with a licensed bank		1,709	(165)	2,047	-
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(6,556)	72,678	(5,397)	40,083
CASH FLOWS FROM FINANCING ACTIVITIES					
Net proceeds from issuance of shares		31,794	43,507	31,794	43,507
Net (repayment)/drawdown of term loans	44(a)	(2,027)	7,762	-	-
Net drawdown of revolving credit	44(a)	-	211	-	-
Repayment of lease liabilities	44(a)	(1,747)	(1,732)	(699)	(652)
Interest paid	44(a)	(1,033)	(625)	(45)	(153)
NET CASH FROM FINANCING ACTIVITIES		26,987	49,123	31,050	42,702
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS					
		(32,560)	16,092	(5,870)	(313)
Foreign exchange translation differences		1,435	363	(19)	52
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR					
		51,458	35,003	7,117	7,378
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD/YEAR					
	44(c)	20,333	51,458	1,228	7,117

The annexed notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office which is also the principal place of business, is at B-23A-3, The Ascent Paradigm, No. 1, Jalan SS 7/26A, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 28 July 2023.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding, research, development, marketing and distribution of wireless networking and telecommunication products, networking solutions and other high technology products and services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial period.

3. BASIS OF PREPARATION

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

- 3.1 During the current financial year, the Group has adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 3: Reference to the Conceptual Framework

Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use

Amendments to MFRS 137: Onerous Contracts – Cost of Fulfilling a Contract

Annual Improvements to MFRS Standards 2018 – 2020

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

3. BASIS OF PREPARATION (cont'd)

- 3.2 The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial period:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 17: Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

4. SIGNIFICANT ACCOUNTING POLICIES**4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The outbreak of the COVID-19 has brought unprecedented challenges and added economic uncertainties in Malaysia and markets in which the Group operates. While the Group has considered the potential financial impact of the COVID-19 pandemic in the preparation of these financial statements, the full financial impact to the Group remains uncertain. Accordingly, there is a possibility that factors not currently anticipated by management could occur in the future and therefore affect the recognition and measurement of the Group's assets and liabilities at the reporting date.

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

(a) Depreciation of Plant and Equipment and Amortisation of Development Costs

The estimates for the residual values, useful lives and related depreciation and amortisation charges for the plant and equipment and development costs are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its plant and equipment and development costs will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable and amortisation amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation and amortisation charges could be revised. The carrying amounts of plant and equipment and development costs as at the reporting date are disclosed in Notes 9 and 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

Key Sources of Estimation Uncertainty (cont'd)

(b) Valuation of Investment Properties

Investment properties of the Group are reported at fair value which is based on valuations performed by independent professional valuer.

The independent professional valuers have exercised judgement in determining comparison technique used in the valuation process. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting fair value. The carrying amount of investment properties as at the reporting date is disclosed in Note 10 to the financial statements.

(c) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating unit to which the goodwill is allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows which are subject to higher degree of estimation uncertainties due to uncertainty on how the COVID-19 pandemic may progress and evolve and volatility in markets in which the Group operates. The carrying amount of goodwill as at the reporting date is disclosed in Note 12 to the financial statements.

(d) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the year in which such determination is made. The carrying amount of the Group and Company's current tax asset as at the reporting date is RM1,745,000 (31.12.2021 - RM1,523,000) and RM1,484,000 (31.12.2021 - RM1,492,000), respectively.

(e) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 16 to the financial statements.

(f) Deferred Tax Assets

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unabsorbed capital allowances to the extent that it is probable that future taxable profits would be available against which the deductible temporary differences, unused tax losses and unabsorbed capital allowances could be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the assessment of the probability of the future taxable profits. The carrying amount of deferred tax assets as at the reporting date is disclosed in Note 15 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS** (cont'd)*Key Sources of Estimation Uncertainty* (cont'd)**(g) Impairment of Trade Receivables and Financing Receivables**

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and financial receivable. The Group develops the expected loss rates based on the payment profiles of past sales (including changes in the customer payment profile in response to the COVID-19 pandemic) and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and financing receivables. The carrying amounts of trade receivables and financing receivables as at the reporting date are disclosed in Notes 18 and 19 to the financial statements.

(h) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions as well as forward-looking estimates incorporating the impact of COVID-19. The carrying amounts of other receivables, amounts owing by subsidiaries, amount owing by associates, amount owing by joint ventures and amount owing by a related party as at the reporting date are disclosed in Notes 20, 21, 22, 23 and 24 to the financial statements.

(i) Impairment of Development Costs and Other Intangible Assets

The assessment of whether development costs and other intangible assets are impaired requires an estimation of the value-in-use of the cash-generating unit to which these assets are allocated. Estimating a value-in-use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of development costs and other intangible assets as at the reporting date are disclosed in Notes 13 and 14 to the financial statements.

(j) Impairment of Plant and Equipment, Investment Property and Right-of-Use Assets

The Group determines whether its plant and equipment, investment property and right-of-use assets are impaired by evaluating the extent to which the recoverable amount of the assets are less than their carrying amounts. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates which are subject to higher degree of estimation uncertainties due to uncertainty on how the COVID-19 pandemic may progress and evolve and volatility in markets in which the Group operates. The carrying amounts of plant and equipment, investment property and right-of-use assets as at the reporting date are disclosed in Notes 9, 10 and 8 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

Key Sources of Estimation Uncertainty (cont'd)

(k) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Fair Value Estimate for Certain Financial Assets

The Group carries certain financial assets at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets would affect profit and/or equity.

(b) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(c) Contingent Liabilities

The recognition and measurement for contingent liabilities is based on management's view of the expected outcome on contingencies after consulting legal counsel for litigation cases and experts for matters in the ordinary course of business. The management are of the view that the chances of the financial institutions to call upon the corporate guarantees issued by the Group and the Company are remote.

(d) Share-based Payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity investments at the date at which they are granted. The estimating of the fair value requires determining the most appropriate valuation model for a grant of equity instruments, which is dependent on the terms and conditions of the grant. This also requires determining the most appropriate inputs to the valuation model including the expected life of the option volatility and dividend yield and making assumptions about them.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**4.2 BASIS OF CONSOLIDATION**

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the reporting period.

Subsidiaries are entities (including structured entities, if any) controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(b) Non-controlling Interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(c) Changes in Ownership Interests in Subsidiaries Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.2 BASIS OF CONSOLIDATION (cont'd)

(d) Loss of Control

Upon the loss of control of a subsidiary, the Group recognises any gain or loss on disposal in profit or loss which is calculated as the difference between:-

- (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and
- (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the former subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of (i.e. reclassified to profit or loss or transferred directly to retained profits). The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under MFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4.3 GOODWILL

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interests recognised and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities at the date of acquisition is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain and is recognised in profit or loss immediately.

In respect of equity-accounted associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill that forms part of the carrying amount of the equity-accounted associates and joint ventures.

4.4 FUNCTIONAL AND FOREIGN CURRENCIES

(a) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency and has been rounded to the nearest thousand unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**4.4 FUNCTIONAL AND FOREIGN CURRENCIES (cont'd)****(b) Foreign Currency Transactions and Balances**

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss except for differences arising from the translation of equity instruments which are recognised in other comprehensive income.

(c) Foreign Operations

Assets and liabilities of foreign operations are translated to the Group's presentation currency at the exchange rates at the end of the reporting period. Income, expenses and other comprehensive income of foreign operations are translated at exchange rates at the dates of the transactions. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity; attributed to the owners of the Company and non-controlling interests, as appropriate.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period except for those business combinations that occurred before the date of transition (1 January 2012) which are treated as assets and liabilities of the Company and are not retranslated.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign subsidiary, or a partial disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that foreign operation attributable to the owners of the Company are reclassified to profit or loss as part of the gain or loss on disposal. The portion that related to non-controlling interests is derecognised but is not reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence, the proportionate share of the accumulative exchange differences is reclassified to profit or loss.

In the consolidated financial statements, when settlement of an intragroup loan is neither planned nor likely to occur in the foreseeable future, the exchange differences arising from translating such monetary item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income.

4.5 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.5 FINANCIAL INSTRUMENTS (cont'd)

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

(a) Financial Assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt Instruments

(i) Amortised Cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair Value through Other Comprehensive Income

The financial asset is held for both collecting contractual cash flows and selling the financial asset, where the asset's cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference which are recognised directly in profit or loss. Interest income is calculated using the effective interest rate method.

(iii) Fair Value through Profit or Loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

The Group reclassifies debt instruments when and only when its business model for managing those assets change.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**4.5 FINANCIAL INSTRUMENTS** (cont'd)**(a) Financial Assets** (cont'd)*Equity Instruments*

All equity investments are subsequently measured at fair value with gains and losses recognised in profit or loss except where the Group has elected to present the subsequent changes in fair value in other comprehensive income and accumulated in the fair value reserve at initial recognition.

The designation at fair value through other comprehensive income is not permitted if the equity investment is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise.

Dividend income from this category of financial assets is recognised in profit or loss when the Group's right to receive payment is established unless the dividends clearly represent a recovery of part of the cost of the equity investments.

(b) Financial Liabilities**(i) Financial Liabilities at Fair Value through Profit or Loss**

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. The changes in fair value of these financial liabilities are recognised in profit or loss.

(ii) Other Financial Liabilities

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

(c) Equity Instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

(i) Ordinary Shares

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.5 FINANCIAL INSTRUMENTS (cont'd)

(c) Equity Instruments (cont'd)

(ii) Treasury Shares

When the Company's own shares recognised as equity are bought back, the amount of the consideration paid, including all costs directly attributable, are recognised as a deduction from equity. Own shares purchased that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of treasury shares.

Where treasury shares are reissued by resale, the difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity.

Where treasury shares are cancelled, their costs are transferred to retained profits.

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss. In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(e) Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specific debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the liability is measured at the higher of the amount of the credit loss determined in accordance with the expected credit loss model and the amount initially recognised less cumulative amortisation.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**4.6 INVESTMENTS IN SUBSIDIARIES**

Investments in subsidiaries including the share options granted to employees of the subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is recognised in profit or loss.

4.7 INVESTMENTS IN ASSOCIATES

An associate is an entity in which the Group has a long-term equity interest and where it exercises significant influence over the financial and operating policies.

Investments in associates are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investment includes transaction costs.

The investment in an associate is accounted for in the consolidated financial statements using the equity method, based on the financial statements of the associate made up to the end of the reporting period. The Group's share of the post acquisition profits and other comprehensive income of the associate is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that significant influence commences up to the effective date on which significant influence ceases or when the investment is classified as held for sale. The Group's interest in the associate is carried in the consolidated statement of financial position at cost plus the Group's share of the post acquisition retained profits and reserves. The cost of investment includes transaction costs.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation.

Unrealised gains or losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are eliminated unless cost cannot be recovered.

When the Group ceases to have significant influence over an associate and the retained interest in the former associate is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 9. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that associate into profit or loss when the equity method is discontinued.

4.8 JOINT ARRANGEMENTS

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements returns.

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

A joint venture is a joint arrangement whereby the Group has rights only to the net assets of the arrangement.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.8 JOINT ARRANGEMENTS (cont'd)

The investment in a joint venture is accounted for in the consolidated financial statements using the equity method, based on the financial statements of the joint venture made up to the end of the reporting period. The Group's share of the post acquisition profits and other comprehensive income of the joint venture is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that joint control commences up to the effective date when the investment ceases to be a joint venture or when the investment is classified as held for sale. The Group's interest in the joint venture is carried in the consolidated statement of financial position at cost plus the Group's share of the post acquisition retained profits and reserves. The cost of investment includes transaction costs.

When the Group's share of losses exceeds its interest in a joint venture, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation.

Unrealised gains on transactions between the Group and the joint venture are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are eliminated unless cost cannot be recovered.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as the initial carrying amount of the financial asset in accordance with MFRS 9. Furthermore, the Group also reclassifies its share of the gain or loss previously recognised in other comprehensive income of that joint venture to profit or loss when the equity method is discontinued. However, the Group will continue to use the equity method when an investment in a joint venture becomes an investment in an associate. Under such change in ownership interest, the retained investment is not remeasured to fair value but a proportionate share of the amounts previously recognised in other comprehensive income of the joint venture will be reclassified to profit or loss where appropriate. All dilution gains or losses arising in investments in joint ventures are recognised in profit or loss.

4.9 PLANT AND EQUIPMENT

All items of plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

Subsequent to initial recognition, all plant and equipment, are stated at cost less accumulated depreciation and any impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**4.9 PLANT AND EQUIPMENT** (cont'd)

Depreciation on other plant and equipment is charged to profit or loss (unless it is included in the carrying amount of another asset) on a straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Plant and machinery	25% - 33%
Office equipment	10% - 20%
Furniture and fittings	10% - 20%
Computer equipment	17% - 33%
Renovation	10% - 50%
Computer software	20% - 33%
Motor vehicles	20%

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the plant and equipment. Any changes are accounted for as a change in estimate.

When significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss. The revaluation reserve included in equity is transferred directly to retained profits on retirement or disposal of the asset.

4.10 INVESTMENT PROPERTIES

Investment properties are properties which are owned or right-to-use asset held to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties which are owned are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The right-of-use asset held under a lease contract that meets the definition of investment property is measured initially similarly as other right-of-use assets.

Subsequent to initial recognition, investment properties are stated at fair value with fair value changes recognised in profit or loss.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property or inventories, the fair value at the date of change becomes the cost for subsequent accounting purposes. If the owner-occupied property becomes an investment property, such property shall be accounted for in accordance with the accounting policy for property, plant and equipment up to the date of change in use.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.11 INTANGIBLE ASSETS

An intangible asset shall be recognised if, and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and that the cost of the asset can be measured reliably. An entity shall assess the probability of the expected future economic benefits using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset. An intangible asset shall be measured initially at cost.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

The other intangible with finite lives are amortised on a straight-line method when the products are ready for sale or use. The principal annual rates used for this purpose are:-

Intellectual property	10 years
Customer contract	5 years
Software	5 years
Trademark and patents	5 years

4.12 RESEARCH AND DEVELOPMENT EXPENDITURE

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as non-current assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised if, and only if an entity can demonstrate all of the following:-

- its ability to measure reliably the expenditure attributable to the asset under development;
- the product or process is technically and commercially feasible;
- its future economic benefits are probable;
- its intention to complete and the ability to use or sell the developed asset; and
- the availability of adequate technical, financial and other resources to complete the asset under development.

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any. Development expenditure initially recognised as an expense is not recognised as assets in the subsequent period.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**4.12 RESEARCH AND DEVELOPMENT EXPENDITURE** (cont'd)

The development expenditure is amortised on a straight-line method over period of 3 years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.

The amortisation method, useful life and residual value are reviewed, and adjusted if appropriate, at the end of each reporting period.

4.13 CONTRACT ASSET AND CONTRACT LIABILITY

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment in accordance to MFRS 9.

A contract liability is stated at cost and represents the obligation of the Group to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

4.14 IMPAIRMENT**(a) Impairment of Financial Assets**

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, trade receivables and contract assets, as well as on financial guarantee contracts.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables and contract assets using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.14 IMPAIRMENT (cont'd)

(b) Impairment of Non-financial Assets

The carrying values of assets, other than those to which MFRS 136 does not apply, are reviewed at the end of each reporting period for impairment when an annual impairment assessment is compulsory or there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow using a pre-tax discount rate. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating units and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4.15 LEASES

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for low-value assets and short-term leases with 12 months or less. For these leases, the Group recognises the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use assets and the associated lease liabilities are presented as a separate line item in the statements of financial position.

The right-of-use asset is initially measured at cost. Cost includes the initial amount of the corresponding lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses, and adjustment for any remeasurement of the lease liability. The depreciation starts from the commencement date of the lease. If the lease transfers ownership of the underlying asset to the Group or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Otherwise, the Group depreciates the right-of-use asset to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those plant and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**4.15 LEASES** (cont'd)

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in the future lease payments (other than lease modification that is not accounted for as a separate lease) with the corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount has been reduced to zero.

4.16 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out method and comprises the purchase price and incidentals incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

4.17 INCOME TAXES**(a) Current Tax**

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

(b) Deferred Tax

Deferred tax are recognised using the liability method for all temporary differences other than those that arise from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill or negative goodwill.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.18 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

4.19 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets (or disposal group comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the non-current assets (or the disposal group) are remeasured in accordance with the Group's accounting policies. Upon classification as held for sale, the non-current assets (or non-current assets of the disposal group) are not depreciated and are measured at the lower of their previous carrying amount and fair value less cost to sell. Any differences are recognised in profit or loss. In addition, equity accounting of equity-accounted associates ceases once classified as held for sale or distribution.

4.20 PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.

4.21 EMPLOYEE BENEFITS

(a) Short-term Benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are measured on an undiscounted basis and are recognised in profit or loss and included in the development costs, where appropriate, in the period in which the associated services are rendered by employees of the Group.

(b) Defined Contribution Plans

The Group's contributions to defined contribution plans are recognised in profit or loss and included in the development costs, where appropriate, in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

(c) Share-based Payment Transactions

The Group operates an equity-settled share-based compensation plan, under which the Group receives services from employees as consideration for equity instruments of the Company (known as "share options").

At grant date, the fair value of the share options is recognised as an expense on a straight-line method over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding credit to employee share option reserve in equity. The amount recognised as an expense is adjusted to reflect the actual number of the share options that are expected to vest. Service and non-market performance conditions attached to the transaction are not taken into account in determining the fair value.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**4.21 EMPLOYEE BENEFITS** (cont'd)**(c) Share-based Payment Transactions** (cont'd)

In the Company's separate financial statements, the grant of the share options to the subsidiaries' employees is not recognised as an expense. Instead, the fair value of the share options measured at the grant date is accounted for as an increase to the investment in subsidiary undertaking with a corresponding credit to the employee share option reserve.

Upon expiry of the share option, the employee share option reserve is transferred to retained profits.

When the share options are exercised, the employee share option reserve is transferred to share capital if new ordinary shares are issued.

4.22 CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements, unless the probability of outflow of economic benefits is remote. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

4.23 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. However, this basis does not apply to share-based payment transactions.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical asset or liability that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.24 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when it transfers control over a product or service to customer. An asset is transferred when the customer obtains control of that asset.

The Group transfers control of a good or service at a point in time unless one of the following overtime criteria is met:-

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(a) Sale of wireless networking, telecommunication products, networking solutions and other high technology products

Revenue from sale of wireless networking, telecommunication products, networking solutions and other high technology products is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(b) Rendering of telecommunication service

Revenue from providing telecommunication services is recognised over time in the period in which the services are rendered.

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customers, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Unless otherwise mentioned, the Company concludes that it is acting as a principal in the provision of goods or services in its contracts with customers.

For prepaid cards that are preloaded with credits which have been sold, contract liabilities are made for services which have not been rendered as at the end of the reporting period. Revenue is recognised when credits are utilised. Expenses directly attributable to the contract liabilities are deferred until the revenue is recognised. Upon the expiry of prepaid cards, any unutilised value of the cards is taken to the income statement.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**4.24 REVENUE FROM CONTRACTS WITH CUSTOMERS** (cont'd)**(c) Rendering of internet portal and e-commerce service**

Revenue from providing internet portal and e-commerce service is recognised at a point in time when services are rendered.

(d) Rendering of research development services

Revenue from research development services is recognised when the services are rendered.

(e) Rendering of software developing services

Revenue from providing software developing services is recognised at a point in time when services are rendered.

(f) Revenue from financing services

Revenue from financing services is recognised on effective interest method over the period of the contract based on the principal amount outstanding.

(g) Rental income

Rental income from investment properties is accounted for on a straight-line method over the lease term.

4.25 REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME**(a) Interest Income**

Interest income is recognised on an accrual basis using the effective interest method.

(b) Dividend Income

Dividend income from investment is recognised when the right to receive dividend payment is established.

4.26 OPERATING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

4.27 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of those assets, until such time as the assets are ready for their intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they incurred.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.28 EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting period, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise warrants.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	31.3.2023	31.12.2021
	RM'000	RM'000
Unquoted shares, at cost		
- in Malaysia	80,383	80,381
- outside Malaysia	67,937	91,830
	148,320	172,211
Share options granted to the employees of subsidiaries:		
- At 1 January	481	414
- Additions during the financial period/year	-	67
- At 31 March/31 December	481	481
	148,801	172,692
Accumulated impairment losses:-		
At 1 January	(120,008)	(58,835)
Addition during the financial period/year	-	(61,173)
Reversal during the financial period/year	24,814	-
At 31 March/31 December	(95,194)	(120,008)
	53,607	52,684

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

5. INVESTMENTS IN SUBSIDIARIES (cont'd)

The details of the subsidiaries are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		31.3.2023	31.12.2021	
		%	%	
Green Packet (Shanghai) Ltd. ("GPSH")*	The People's Republic of China	100	100	Research, development, marketing and distribution of wireless networking and telecommunications products and solutions.
Green Packet International Sdn. Bhd. ("GPISB")	Malaysia	100	100	Providing shared service function including finance, human resources, IT, administrative and others.
Packet One Sdn. Bhd. ("POSB")	Malaysia	100	100	Investment holding.
First Wireless Sdn. Bhd. ("FWSB") (Under Members' Voluntary Winding-up)	Malaysia	70	70	Dormant.
Green Packet Global Holding Sdn. Bhd. ("GPGHSB")	Malaysia	100	100	Provision of total communication services, solutions and products.
Packet Interactive Sdn. Bhd. ("PISB")	Malaysia	100	100	Investment holding, provision of financial technology, digital and money lending services.
Green Packet Networks (Taiwan) Pte. Ltd. ("GPNTPL") * (Under Member's Voluntary Winding-up)	Taiwan	100	100	Marketing and distribution of wireless networking and telecommunications products, networking solutions and other high technology products and services.
Green Packet Global Pte. Ltd. @ #	The Republic of Singapore	100	100	Provision of communication services, solutions and products.
Vivohub Mobile Pte. Ltd. ("VMPL") @ #	The Republic of Singapore	60	60	Mobile cellular and other wireless telecommunications network operation.
Worldline Enterprise Sdn. Bhd. ("WESB")	Malaysia	100	100	Letting and management of properties and property investment.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

5. INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		31.3.2023	31.12.2021	
		%	%	
Green Packet (S) Pte. Ltd. ("GPS")	The Republic of Singapore	-	100	Provision of wireless networking, telecommunication products, networking solutions and activities relating to high technology products and services.
Enrich Bonus Sdn. Bhd. ("EBSB")	Malaysia	100	100	Dormant.
Kiple Sdn. Bhd. ("KSB") &	Malaysia	100	100	Provision of internal portal services, e-commerce and other web related business.
Kiple Digital Sdn. Bhd. ("KDSB")	Malaysia	100	100	Dormant.
Kiplepay Sdn. Bhd. ("KPSB") &	Malaysia	100	100	Provision of internet portal services, e-commerce and other web related business.
Mobiduu Solutions Sdn. Bhd. ("MSSB") &	Malaysia	100	100	Dormant.
Green Packet Global (HK) Limited ("GPGHK") @^	Hong Kong	100	100	Provision of total communication service.
Roadmio Technologies Pte. Ltd. ("RTPL") †	The Republic of Singapore	-	100	Provision of voice over internet protocol services and service for internet of vehicle products.
Kiple Technology Co., Ltd. ("KTCL") > *	The People's Republic of China	100	100	Dormant.
Kiple ID Sdn. Bhd. ("KISB") &	Malaysia	100	100	Dormant.
Kiple Go Sdn. Bhd. ("KGSB") &	Malaysia	100	100	Provision of solution suit comprising mobile app, hardware and platform.
Green Packet Cloud Sdn. Bhd. ("GPCSB")	Malaysia	100	100	Provision of cloud computing services.
X Bamboo Fund I Sdn. Bhd. ("XBFISB")	Malaysia	100	100	Engaged in the business to acquire, subscribe for and hold for investment shares.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

5. INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		31.3.2023	31.12.2021	
		%	%	
Kiple X Sdn. Bhd. ("KXSB")	Malaysia	100	100	Engaged in the business to acquire, subscribe for and hold for investment shares.
Kiple Capital Partners Sdn. Bhd. (formerly known as Kiple Kendall Capital Partners Sdn. Bhd.) ("KCPSB")	Malaysia	100	51	Dormant.
Green Packet Capital Sdn. Bhd. ("GPCASB")	Malaysia	100	100	Engaged in the business to acquire, subscribe for and hold for investment shares.
Xendity Sdn. Bhd. ("XSB") =	Malaysia	100	100	Engaged in the business of providing services for software development.
Xendity Pte. Ltd. ("XPL") @	The Republic of Singapore	100	100	Development of software and applications.
T-Melmax Sdn. Bhd. ("TMSB") &	Malaysia	51	51	Engaged in the business of providing services for software development.
Green Packet Academy Sdn. Bhd. ("GPASB")	Malaysia	100	100	Engaged in the business of providing personal development course.
GP Smart City Sdn. Bhd. ("GPSCSB")	Malaysia	100	100	Dormant.
Rypcot Assets Sdn. Bhd. ("RASB")	Malaysia	100	100	Dormant.
Oasis Capital Investment Bank Ltd. ("OCIB")	Labuan, Malaysia	100	100	Dormant.

* These subsidiaries were not audited by Chengco PLT.

@ These subsidiaries were audited by Chengco Singapore PAC.

@@ This subsidiary was audited by Abacus Chengco CPA Limited.

Held through GPGHSB

& Held through PISB

^ Held through GPGPL

> Held through EBSB

= Held through XPL

! This subsidiary has been struck off

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

5. INVESTMENTS IN SUBSIDIARIES (cont'd)

- (a) During the financial period,
- (i) PISB subscribed for the increase in share capital of KPSB for a cash consideration of RM16,700,000 to retain its equity interest of 100%;
 - (ii) the Company subscribed for the increase in share capital of GPASB for a cash consideration of RM2,500 to retain its equity interest of 100%;
 - (iii) PISB subscribed for the increase in share capital of KPSB by way of capitalizing amount due to the Company of RM1,500,000 to retain its equity interest of 100%;
 - (iv) XPL subscribed for the increase in share capital of XSB by way of capitalizing amount due to XPL of SGD2,570,022 (approximately RM8,414,252) to retain its equity interest of 100%;
 - (v) the Company has disposed its entire equity interest in GPS. The details of the disposal are disclosed in Note 43 to the financial statements;
 - (vi) the Company subscribed for the increase in share capital of OCIB by way of capitalizing amount due to the Company of RM1,222,055 to retain its equity interest of 100%; and
 - (vii) the Company acquired 49% equity interests in KCPSB for a cash consideration of RM1.
- (b) In the last financial year,
- (i) the Company acquired 100% equity interests in GPASB for a cash consideration of RM1;
 - (ii) the Company acquired 100% equity interests in GPSCSB for a cash consideration of RM1,000;
 - (iii) the Company acquired 100% equity interests in RASB for a cash consideration of RM1;
 - (iv) the Company acquired 100% equity interests in OCIB for a cash consideration of RM10,000,000;
 - (v) the Company subscribed for the increase in share capital of GPS for a cash consideration of USD3,000,000 (approximately RM12,390,000) to retain its equity interest of 100%;
 - (vi) the Company subscribed for the increase in share capital of GPSH for a cash consideration of USD212,440 (approximately RM889,900) to retain its equity interest of 100%;
 - (vii) the Company subscribed for the increase in share capital of GPCSB for a cash consideration of RM10,325,000 to retain its equity interest of 100%;
 - (viii) the Company subscribed for the increase in share capital of XBFISB for a cash consideration of RM99,999 to retain its equity interest of 100%;
 - (ix) the Company acquired 100% equity interests in GPCASB for a cash consideration of RM2,220,000;

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

5. INVESTMENTS IN SUBSIDIARIES (cont'd)

(b) In the last financial year, (cont'd)

- (x) the Company subscribed for the increase in share capital of KXSB by way of capitalising loan due to the Company of RM4,504,994 and cash consideration of RM2,799,999 to retain its equity interest of 100%;
- (xi) GPGPL subscribed for the increase in share capital of GPGHK for a cash consideration of USD1,277,952 (approximately RM5,322,700) to retain its equity interest of 100%;
- (xii) PISB subscribed for the increase in share capital of KPSB for a cash consideration of RM15,500,000 to retain its equity interest of 100%;
- (xiii) EBSB subscribed for the increase in share capital of KTCL for a cash consideration of RMB9,038,759 (approximately RM5,849,400) to retain its equity interest of 100%;
- (xiv) the Company acquired 100% equity interest in XPL and the details of the acquisition are disclosed in Note 42 to the financial statements.

The statutory financial year end of XPL is 30 June and does not coincide with the Group. The subsidiary has been consolidated based on management account for the 12-month ended 31 December 2021. The subsidiary is in the midst of changing its statutory financial year end to conform with the Group; and

- (xv) PISB acquired 51% equity interest in TMSB and the details of the acquisition are disclosed in Note 42 to the financial statements.

The statutory financial year end of TMSB is 31 March and does not coincide with the Group. The subsidiary has been consolidated based on management account which does not contribute materiality to the Group. The subsidiary is in the midst of changing its statutory financial year end to conform with the Group;

(c) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	%	%	RM'000	RM'000
VMPL	40	40	(148)	74
Other individually immaterial subsidiaries			285	255
			137	329

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

5. INVESTMENTS IN SUBSIDIARIES (cont'd)

- (d) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that is material to the Group is as follows:-

	VMPL	
	31.3.2023	31.12.2021
	RM'000	RM'000
<u>At 31 March/31 December</u>		
Current assets	41	526
Current liabilities	(185)	(120)
Net (liabilities)/assets	(144)	406
<u>Financial Period/Year Ended 31 March/31 December</u>		
(Loss)/Profit for the financial period/year	(553)	19,359
Total comprehensive (expenses)/income	(553)	19,359
Total comprehensive (expenses)/income attributable to non-controlling interests	(221)	7,743
Net cash flows for operating activities	(30,761)	(11,113)

- (e) In the previous financial year, the Company has carried out a review of the recoverable amounts of its investments in certain subsidiaries that had been persistently making losses. A total impairment losses of RM61,173,000, representing the write-down of the investments to their recoverable amounts, was recognised in "Other Expenses" line item of the statements of profit or loss and other comprehensive income.

The recoverable amount of one of the subsidiary were determined based on their value in use approach, determined by discounting future cash flows projected to be generated by the subsidiary based on various assumptions. The key assumptions used in the determination of the recoverable amounts were disclosed in Note 12 to the financial statements.

6. INVESTMENTS IN ASSOCIATES

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Unquoted shares, at cost	34,460	6,460	28,000	#
Share of post-acquisition losses	(1,427)	(932)	-	-
	33,033	5,528	28,000	#
Accumulated impairment losses:-				
At 1 January	(5,528)	(5,528)	-	-
Addition during the financial period/year	(4,878)	-	(4,878)	-
At 31 March/31 December	(10,406)	(5,528)	(4,878)	-
	22,627	#	23,122	#

- Amount less than RM1,000

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

6. INVESTMENTS IN ASSOCIATES (cont'd)

The details of the associates are as follows:-

Name of Associate	Principal Place of Business	Effective Equity Interest		Principal Activities
		31.3.2023	31.12.2021	
		%	%	
Shenzhen Memo Technology Co., Ltd. ("SMTCL") * [@]	The People's Republic of China	49	49	Research and development and sales of software, technical development and sales of electronic products, import and export of domestic trading, goods and technologies.
Cloud Chain Solutions Sdn. Bhd. ("CCSSB") *	Malaysia	-	45	Investment holding.
eMedAsia Sdn. Bhd. ("EMASB") *	Malaysia	20	-	Wholesale of pharmaceutical, medical and healthcare related products via an e-commerce platform.
CSH Solutions Sdn. Bhd. ("CSHSSB") *	Malaysia	15	-	Information technology solutions and other related services.

* These associates were not audited by Chengco PLT.

[@] Held through WESB

- (a) During the financial period, the Group and the Company acquired 20% equity interest in EMASB for a cash consideration of RM20,000,000.
- (b) During the financial period, the Group and the Company acquired 15% equity interest in CSHSSB for a cash consideration of RM8,000,000.
- (c) During the financial period, the Group's and the Company's equity interest in CCSSB had been diluted from 45% to Nil as a result of disposal.
- (d) As at the end of the previous reporting period, the Group and the Company acquired 45% equity interest in CCSSB for a cash consideration of RM45.
- (e) As at the end of the previous reporting period, the Group's equity interest in G3 had been diluted from 28% to Nil as a result of disposal.
- (f) The financial year end of EMASB and CSHSSB are on 30 September and 30 June respectively and are not coterminous with the Group.
- (g) Although the Group and the Company hold less than 20% of the voting power in CSHSSB, the Group and the Company have determined that they have significant influence over the financial and operating policies of the associate through representation on the associate's board of directors.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

6. INVESTMENTS IN ASSOCIATES (cont'd)

(h) The summarised financial information for the associates that are material to the Group are as follows:-

	EMASB	
	31.3.2023	31.12.2021
	RM'000	RM'000
<u>At 31 March/31 December</u>		
Non-current assets	32	-
Current assets	8,246	-
Current liabilities	(456)	-
Net assets	7,822	-
<u>15 month period ended 31 March/12 month period ended 31 December</u>		
Revenue	192	-
Loss for the financial period/year	(650)	-
Total comprehensive expenses	(650)	-
Group's share of loss for the financial period/year	(130)	-
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets above	1,565	-
Goodwill	18,305	-
Carrying amount of the Group's interests in this associate	19,870	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

6. INVESTMENTS IN ASSOCIATES (cont'd)

(h) The summarised financial information for the associates that are material to the Group are as follows:- (cont'd)

	CSHSSB	
	31.3.2023	31.12.2021
	RM'000	RM'000
<u>At 31 March/31 December</u>		
Non-current assets	20,210	-
Current assets	1,378	-
Current liabilities	(3,206)	-
Net assets	18,382	-
<u>15 month period ended 31 March/12 month period ended 31 December</u>		
Revenue	895	-
Loss for the financial period/year	(2,431)	-
Total comprehensive expenses	(2,431)	-
Group's share of loss for the financial period/year	(365)	-
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets above	2,757	-
Goodwill	4,878	-
Impairment loss	(4,878)	-
Carrying amount of the Group's interests in this associate	2,757	-

(i) The summarised financial information for the associate that is individually immaterial to the Group is as follows:-

	Other Individually Immaterial Associates	
	31.3.2023	31.12.2021
	RM'000	RM'000
<u>At 31 March/31 December</u>		
Group's share of loss for the financial period/year	-	-
Group's share of total comprehensive expense	-	-
Aggregate carrying amount of the Group's interests in the associates	#	#

- Amount less than RM1,000

The Group has not recognised losses relating to SMTCL, where its share of losses exceeds the Group's interest in this associate. The Group's cumulative share of unrecognised losses at the end of the reporting period was RM313,608 (31.12.2021 - RM313,608). The Group has no obligation in respect of these losses.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

7. INVESTMENTS IN JOINT VENTURES

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
Unquoted shares, at cost	#	#
Share of post-acquisition losses	(#)	(#)
	-	-

- Amount less than RM1,000

The details of the joint venture are as follows:-

Name of Joint Venture	Principal Place of Business	Effective Equity Interest		Principal Activities
		31.3.2023	31.12.2021	
		%	%	
Packet Interactive Entertainment (M) Sdn. Bhd. ("PIESB") [®]	Malaysia	40	40	Creation and aggregation of wide array of digital content and its IP rights for mass consumers market and digital payment platform provider.

[®] Held through GPGPL

- (a) The Group's involvement in joint arrangement is structured through separate vehicle which provide the Group rights to the net assets of the entity. Accordingly, the Group has classified the investment as joint venture.
- (b) The summarised financial information for the joint venture that is individually immaterial to the Group is as follows:-

	PIESB	
	31.3.2023	31.12.2021
	RM'000	RM'000
Financial period/year ended 31 March/31 December		
Group's share of loss for the financial period/year	-	-
Group's share of total comprehensive expense	-	-
Aggregate carrying amount of the Group's interests in the joint venture	-	-

- (i) The Group has not recognised losses related to PIESB, where its share of losses exceeds the Group's interest in this joint venture. The Group's cumulative share of unrecognised losses at the end of the reporting period was RM445,850 (31.12.2021 - RM392,656). The Group has no obligation in respect of these losses.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

8. RIGHT-OF-USE ASSETS

	At 1.1.2022	At Additions	Derecognition Due to Lease Modification	Reclassified as held for sale (Note 27)	Depreciation Charge	Effect of Foreign Translation Difference	At 31.3.2023
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<i>Carrying Amount</i>							
Premises	1,909	529	(285)	(95)	(1,644)	51	465
Office Equipment	641	-	-	-	(267)	-	374
	2,550	529	(285)	(95)	(1,911)	51	839

	At 1.1.2021	At Additions	Modification Of Lease Liabilities	Derecognition Due to Lease Modification	Acquisition of subsidiaries (Note 42)	Depreciation Charge	Effect of Foreign Translation Difference	At 31.12.2021
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<i>Carrying Amount</i>								
Premises	2,994	179	187	-	26	(1,512)	35	1,909
Office Equipment	22	624	-	-	-	(5)	-	641
Motor Vehicles	51	1,090	-	(908)	-	(233)	-	-
	3,067	1,893	187	(908)	26	(1,750)	35	2,550

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

8. RIGHT-OF-USE ASSETS (cont'd)

	At 1.1.2022 RM'000	Depreciation Charge RM'000	At 31.3.2023 RM'000
The Company			
<i>Carrying Amount</i>			
Premises	458	(425)	33
Office Equipment	624	(260)	364
	1,082	(685)	397

	At 1.1.2021	Additions	Derecognition Due to Lease Modification	Depreciation Charge	At 31.12.2021
The Company					
<i>Carrying Amount</i>					
Premises	850	-	-	(392)	458
Office Equipment	-	624	-	-	624
Motor Vehicles	51	1,090	(908)	(233)	-
	901	1,714	(908)	(625)	1,082

The Group and the Company lease various premises, office equipment and motor vehicles of which the leasing activities are summarised below:-

- (i) Premises The Group and the Company leased a number of premises which run between 1 to 3 years.
- (ii) Office equipment The Group leased its office equipment under lease arrangements with an option to purchase the asset at the expiry of the lease period at an insignificant amount. These leases are secured by the leased assets.
- (iii) Motor vehicles The Company leased its motor vehicles under hire purchase arrangements with an option to purchase the asset at the expiry of the lease period at an insignificant amount. These leases are secured by the leased assets.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

9. PLANT AND EQUIPMENT

The Group	At 1.1.2022	Additions	Disposal	Written Off	Depreciation Charge	Effect of Foreign Translation Difference	Reclassified as held for sale (Note 27)	At 31.3.2023
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31.3.2023								
<i>Carrying Amount</i>								
Plant and Machinery	703	16	-	-	(404)	(2)	-	313
Office Equipment	147	28	(8)	(1)	(72)	3	-	97
Furniture and Fittings	842	9	(307)	-	(527)	-	-	17
Computer Equipment	1,384	178	(572)	(118)	(457)	(1)	(55)	359
Renovation	1,911	149	-	(302)	(577)	10	(126)	1,065
Computer Software	1,512	-	(12)	-	(887)	8	-	621
Motor Vehicles	-	1,080	-	-	(114)	-	-	966
	6,499	1,460	(899)	(421)	(3,038)	18	(181)	3,438
31.12.2021								
<i>Carrying Amount</i>								
Plant and Machinery	595	602	-	(49)	(445)	-	-	703
Office Equipment	110	160	-	(4)	(56)	(63)	-	147
Furniture and Fittings	3,245	1	(1,947)	-	(460)	3	-	842
Computer Equipment	1,112	704	-	(6)	(496)	(25)	95	1,384
Renovation	2,473	40	-	-	(580)	(22)	-	1,911
Computer Software	866	1,402	-	(2)	(570)	(184)	-	1,512
	8,401	2,909	(1,947)	(61)	(2,607)	(291)	95	6,499

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

9. PLANT AND EQUIPMENT (cont'd)

The Group	At Cost RM'000	Accumulated Depreciation RM'000	Accumulated Impairment Loss RM'000	Carrying Amount RM'000
31.3.2023				
Plant and Machinery	3,660	(3,225)	(122)	313
Office Equipment	1,000	(903)	-	97
Furniture and Fittings	834	(817)	-	17
Computer Equipment	5,063	(4,704)	-	359
Renovation	9,449	(8,384)	-	1,065
Computer Software	10,627	(10,006)	-	621
Motor Vehicles	1,080	(114)	-	966
	31,713	(28,153)	(122)	3,438

The Group	At Cost RM'000	Accumulated Depreciation RM'000	Accumulated Impairment Loss RM'000	Carrying Amount RM'000
31.12.2021				
Plant and Machinery	4,659	(3,834)	(122)	703
Office Equipment	1,028	(881)	-	147
Furniture and Fittings	2,203	(1,361)	-	842
Computer Equipment	6,430	(5,046)	-	1,384
Renovation	9,914	(8,003)	-	1,911
Computer Software	10,207	(8,695)	-	1,512
	34,441	(27,820)	(122)	6,499

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

9. PLANT AND EQUIPMENT (cont'd)

	At 1.1.2022	Additions	Written Off	Depreciation Charge	Effect of Foreign Translation Difference	At 31.3.2023
The Company	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31.3.2023						
<i>Carrying Amount</i>						
Plant and Machinery	82	-	-	(30)	(3)	49
Office Equipment	5	-	-	(2)	-	3
Furniture and Fittings	25	-	-	(20)	(1)	4
Computer Equipment	-	94	(5)	(7)	-	82
Renovation	1,581	-	-	(518)	1	1,064
Computer Software	1	-	-	(1)	-	-
	1,694	94	(5)	(578)	(3)	1,202

	At 1.1.2021	Depreciation Charge	Effect of Foreign Translation Difference	At 31.12.2021
The Company	RM'000	RM'000	RM'000	RM'000
31.12.2021				
<i>Carrying Amount</i>				
Plant and Machinery	143	(68)	7	82
Office Equipment	9	(4)	-	5
Furniture and Fittings	49	(24)	-	25
Renovation	2,114	(533)	-	1,581
Computer Software	2	(1)	-	1
	2,317	(630)	7	1,694

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

9. PLANT AND EQUIPMENT (cont'd)

	At Cost	Accumulated Depreciation	Carrying Amount
The Company	RM'000	RM'000	RM'000
31.3.2023			
Plant and Machinery	2,316	(2,267)	49
Office Equipment	435	(432)	3
Furniture and Fittings	701	(697)	4
Computer Equipment	1,587	(1,505)	82
Renovation	8,639	(7,575)	1,064
Computer Software	1,103	(1,103)	-
	14,781	(13,579)	1,202

	At Cost	Accumulated Depreciation	Carrying Amount
The Company	RM'000	RM'000	RM'000
31.12.2021			
Plant and Machinery	2,362	(2,280)	82
Office Equipment	485	(480)	5
Furniture and Fittings	724	(699)	25
Computer Equipment	1,504	(1,504)	-
Renovation	8,726	(7,145)	1,581
Computer Software	1,106	(1,105)	1
	14,907	(13,213)	1,694

10. INVESTMENT PROPERTIES

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
<i>Carrying Amount</i>		
At 1 January	5,650	-
Additions	-	8,273
Loss on changes in fair value (Note 39)	-	(2,623)
At 31 March/31 December	5,650	5,650
Included in the above are:		
Leasehold commercial buildings, at fair value	5,650	5,650

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

10. INVESTMENT PROPERTIES (cont'd)

- (a) The investment properties of the Group is leased to customers under operating leases with rentals payable monthly. The leases contain an option that is exercisable by the customers to extend their leases for an average of 1 year.

The Group requires 2 months of advanced rental payments from the customers. When considered necessary.

As at the reporting date, the future minimum rentals receivable under the non-cancellable operating leases are as follows:

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
Within 1 year	180	180
Between 1 and 2 years	-	180
	180	360

- (b) The investment properties have been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 32 to the financial statements.
- (c) The fair value of the investment property has been determined based on valuations performed by independent professional valuers using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size, location and market trends. The most significant input into this valuation approach is the price per square foot of comparable properties.

The fair value of the investment property is within level 3 of the fair value hierarchy.

There were no transfers between level 1 and level 2 during the financial year.

The fair value measurements of the investment property are based on the highest and best use which does not differ from their actual use.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

11. OTHER INVESTMENTS

		The Group		The Company	
	Note	31.3.2023	31.12.2021	31.3.2023	31.12.2021
		RM'000	RM'000	RM'000	RM'000
Financial assets at fair value through other comprehensive income					
Club membership		137	137	137	137
Quoted warrants	(a)	-	73,260	-	73,260
		137	73,397	137	73,397
Financial assets at fair value through profit or loss					
Quoted warrants		-	18,315	-	18,315
Unquoted preference shares		-	997	-	-
Venture investment		1,254	1,254	-	-
Allowance for impairment losses		(1,254)	(2,251)	-	-
		-	18,315	-	18,315
		137	91,712	137	91,712
Allowance for impairment losses:-					
At 1 January		(2,251)	-	-	-
Addition during the financial period/year (Note 38)		-	(2,251)	-	-
Reversal during the financial period/year (Note 38)		997	-	-	-
At 31 March/31 December		(1,254)	(2,251)	-	-

- (a) The Group designated its quoted warrants to be measured at fair value through other comprehensive income because these warrants are held for long-term strategic purposes.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

12. GOODWILL

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
Cost :-		
At 1 January	36,331	18,763
Acquisition of subsidiaries (Note 42)	-	17,568
Reclassified as held for sale (Note 27)	(17,465)	-
At 31 March/31 December	18,866	36,331
Accumulated impairment losses:-		
At 1 January	(24,153)	(17,219)
Addition during the period/year	-	(6,934)
Reclassified as held for sale (Note 27)	6,934	-
At 31 March/31 December	(17,219)	(24,153)
	1,647	12,178

(a) The carrying amounts of goodwill allocated to each cash-generating unit are as follows:-

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
Digital services	-	10,531
Other cash-generating units without significant goodwill	1,647	1,647
	1,647	12,178

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

12. GOODWILL (cont'd)

- (b) In the previous financial year, an impairment loss of RM6,934,000 was recognised on certain Digital Services in "Other Expenses" line item of the statements of profit or loss and other comprehensive income. The goodwill belongs to the Group's Digital Services reportable segment.

The Group has assessed the recoverable amounts of goodwill allocated. The recoverable amounts of the cash-generating units were determined using the value-in-use approach, and this was derived from the present value of the future cash flows from each cash-generating unit computed based on the financial projections approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amounts were as follows:-

	Gross Margin		Growth Rate		Discount Rate		Terminal Value	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021	31.3.2023	31.12.2021	31.3.2023	31.12.2021
Digital Services	-	61%	-	36%	-	11%	-	2%

			Sensitivity Analysis (Assume All Other Variables Held Constant)
(i)	Budgeted gross margin	The basis used to determine the value assigned to the budgeted gross margin is the average gross margins achieved in the year immediately before the budgeted year increased for expected efficiency improvements and cost saving measures.	If the budgeted gross margin rate were reduced by 1%, the additional impairment on the cash-generating unit was approximately RM0.1million.
(ii)	Growth rate	The growth rates used are based on the expected projection of digital services.	If the growth rate were reduced by 1%, the additional impairment on the cash-generating unit was approximately RM0.1million.
(iii)	Discount rate	The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.	If the discount rate were increased by 1%, the additional impairment on the cash-generating unit was approximately RM1.0million.
(iv)	Terminal value	The terminal growth rate used has taken into consideration the risks and uncertainty of future expansions as well as external factors.	If the terminal value rate were reduced by 1%, the additional impairment on the cash-generating unit was approximately RM0.9million.

The values assigned to the key assumptions represented management's assessment of future trends in the cash-generating units and were based on both external sources and internal historical data.

No impairment testing is performed on other cash-generating units which are considered immaterial to the Group.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

13. DEVELOPMENT COSTS

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Cost:-				
At 1 January	39,250	33,572	16,315	16,315
Acquisition of a subsidiary (Note 42)	-	5,923	-	-
Additions during the financial period/year	-	31	-	-
Foreign exchange adjustments	(4)	262	-	-
Written off	(3,133)	(538)	-	-
Disposal of a subsidiary (Note 43)	(3,492)	-	-	-
At 31 March/31 December	32,621	39,250	16,315	16,315
Accumulated amortisation:-				
At 1 January	(32,422)	(24,315)	(13,484)	(13,387)
Acquisition of a subsidiary (Note 42)	-	(5,923)	-	-
Amortisation charge	(798)	(2,049)	(115)	(97)
Foreign exchange adjustments	-	(135)	-	-
Written off	1,592	-	-	-
Disposal of a subsidiary (Note 43)	1,723	-	-	-
At 31 March/31 December	(29,905)	(32,422)	(13,599)	(13,484)
Accumulated impairment losses:-				
At 1 January	(5,945)	(4,706)	(2,716)	(2,716)
Impairment during the financial period/year	-	(1,239)	-	-
Written off	1,541	-	-	-
Disposal of a subsidiary (Note 43)	1,688	-	-	-
At 31 March/31 December	(2,716)	(5,945)	(2,716)	(2,716)
At 31 March/31 December	-	883	-	115

The development costs are in respect of the development of new modems, Internet of Things devices and digital service platform. Their amortisation charges and impairment loss are recognised in statements of profit or loss and other comprehensive income under the "other expenses" line item.

The reportable segment for the development costs are as follows:-

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
Digital Devices and Infrastructure	-	465
Digital services	-	418
	-	883

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

14. OTHER INTANGIBLE ASSETS

	Intellectual Property RM'000	Customer Contract RM'000	Software RM'000	Licence RM'000	Trademark and Patents RM'000	Total RM'000
The Group						
Cost:-						
At 1.1.2021	-	-	3,988	5,951	88	10,027
Acquisition of subsidiaries (Note 42)	126	4,757	9,479	-	-	14,362
Foreign exchange adjustments	-	-	146	-	-	146
At 31.12.2021	126	4,757	13,613	5,951	88	24,535
Reclassified as held for sale (Note 27)	(126)	(4,757)	(9,625)	-	-	(14,508)
At 31.3.2023	-	-	3,988	5,951	88	10,027
Amortisation:-						
At 1.1.2021	-	-	(798)	-	(88)	(886)
Acquisition of subsidiaries (Note 42)	(126)	-	-	-	-	(126)
Amortisation charge	-	(1,586)	(3,160)	-	-	(4,746)
At 31.12.2021	(126)	(1,586)	(3,958)	-	(88)	(5,758)
Amortisation charge	-	(1,912)	(4,110)	-	-	(6,022)
Reclassified as held for sale (Note 27)	126	3,498	7,270	-	-	10,894
At 31.3.2023	-	-	(798)	-	(88)	(886)
Impairment losses:-						
At 1.1.2021	-	-	(3,190)	-	-	(3,190)
Addition during the financial year	-	(1,259)	(1,443)	(5,951)	-	(8,653)
At 31.12.2021	-	(1,259)	(4,633)	(5,951)	-	(11,843)
Reclassified as held for sale (Note 27)	-	1,259	1,443	-	-	2,702
At 31.3.2023	-	-	(3,190)	(5,951)	-	(9,141)
Carrying amounts						
At 31.12.2021	-	1,912	5,022	-	-	6,934
At 31.3.2023	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

14. OTHER INTANGIBLE ASSETS (cont'd)

- (a) The software comprises the development cost of virtual platforms and are related to the Group's digital services reportable segment.
- (b) The licence comprises the acquisition costs for the licence to issue electronic money and is related to the Group's digital services reportable segment.
- (c) The customer contract relates to the collaboration agreement which was acquired as part of business combination and are related to the Group's digital services reportable segment.
- (d) In the previous financial year, an impairment loss of RM8,653,000 was recognised on customer contract, software and licence in "Other Expenses" line item of the statements of profit or loss and other comprehensive income.
- (e) The customer contract and software comprise amortisation charges which are recognised in statements of profit or loss and other comprehensive income under the "Other Expenses" line item.
- (f) The Group assessed the recoverable amount of the software and customer contract. The recoverable amounts of the cash-generating units were determined using the value-in-use approach, and this was derived from the present value of the future cash flows from each cash-generating unit computed based on the financial projections approved by management covering a period of 5 years. The key assumptions used in the determination of the recoverable amounts are disclosed in Note 12 to the financial statements.

15. DEFERRED TAX (LIABILITIES)/ASSETS

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
At 1 January	(1,104)	(1,178)	319	251
Acquisition of subsidiaries (Note 42)	-	(968)	-	-
Recognised in profit or loss (Note 40)	-	1,039	-	68
Exchange difference	-	3	-	-
At 31 March/31 December	(1,104)	(1,104)	319	319

The deferred tax liabilities are attributable to the following:-

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
Accelerated capital allowances	347	347
Other temporary differences	(1,451)	(1,451)
	(1,104)	(1,104)

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

16. INVENTORIES

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
At cost:-				
Inventories held for resale	80	1,567	-	-
Recognised in profit or loss:				
- as cost of sales	36,723	69,207	5,031	6,547
- written down	284	15,739	-	2,150
- reversal of inventories previously written off	(22)	-	(22)	-

17. CONTRACT ASSETS/(LIABILITIES)

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Contract Assets				
Contract assets relating to service contract	76	63	-	-
Contract Liabilities				
Contract liabilities relating to advances received from customers	(1,598)	(324)	-	(22)

- (a) The contract assets primarily relate to the Company's right to consideration for services completed but not yet billed as at the reporting date. The amount will be invoiced within one year.
- (b) The contract liabilities primarily relate to advance considerations received from customers of which the revenue will be recognised over the remaining contract term of the specific contract it relates to.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

18. TRADE RECEIVABLES

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Trade receivables	165,409	88,240	1,674	3,042
Allowance for impairment losses	(2,492)	(3,482)	(55)	-
	162,917	84,758	1,619	3,042
Allowance for impairment losses:-				
At 1 January	(3,482)	(3,536)	-	(1,300)
Addition during the financial period/year (Note 38)	(1,768)	(2,553)	(55)	-
Reversal during the period/year (Note 38)	1,830	2,607	-	1,300
Disposal of a subsidiary	169	-	-	-
Reclassified as held for sale	759	-	-	-
At 31 March/31 December	(2,492)	(3,482)	(55)	-

The Group's normal trade credit terms range from 30 to 90 (31.12.2021 - 30 to 90) days.

19. FINANCING RECEIVABLES

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
Financing receivables	11,578	10,474
Allowance for impairment losses	(10,474)	(10,474)
	1,104	-
Allowance for impairment losses:-		
At 1 January	(10,474)	-
Addition during the financial period/year (Note 38)	-	(10,474)
At 31 March/31 December	(10,474)	(10,474)

The Group's normal credit term is 12 months (31.12.2021 - 12 months) from the date of loan disbursement.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

20. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Other receivables	6,278	2,361	1,072	2,100
Allowance for impairment losses	(5,128)	-	-	-
	1,150	2,361	1,072	2,100
Deposits	6,572	6,391	1,424	4,428
Prepayments	14,783	34,843	9,130	8,807
Allowance for impairment losses	(10,635)	(20,193)	(10,635)	(9,780)
	10,720	21,041	(81)	3,455
	11,870	23,402	991	5,555
Allowance for impairment losses:-				
At 1 January	(20,193)	-	(9,780)	-
Addition during the financial period/year for other receivables (Note 38)	(5,128)	-	-	-
Addition during the financial period/year for deposits and prepayments	(855)	(20,193)	(855)	(9,780)
Reversal during the financial period/year for prepayments	10,413	-	-	-
At 31 March/31 December	(15,763)	(20,193)	(10,635)	(9,780)

21. AMOUNTS OWING BY/(TO) SUBSIDIARIES

The amounts owing by/(to) subsidiaries consist of the following:-

	The Company	
	31.3.2023	31.12.2021
	RM'000	RM'000
Amount owing by subsidiaries		
<i>Current</i>		
- trade balances	13,199	14,502
- non-trade balances	528,349	504,887
	541,548	519,389
Allowance for impairment losses	(497,988)	(497,988)
	43,560	21,401

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

21. AMOUNTS OWING BY/(TO) SUBSIDIARIES (cont'd)

The amounts owing by/(to) subsidiaries consist of the following:- (cont'd)

	The Company	
	31.3.2023	31.12.2021
	RM'000	RM'000
Amount owing by subsidiaries (cont'd)		
Allowance for impairment losses:-		
At 1 January	(497,988)	(354,816)
Addition during the financial period/year (Note 38)	-	(160,371)
Reversal during the financial period/year (Note 38)	-	17,199
At 31 March/31 December	(497,988)	(497,988)
Amount owing to subsidiaries		
<i>Current</i>		
- non-trade balances	(24,276)	(25,320)

The trade amounts are subject to normal credit terms. The non-trade amounts are unsecured, interest-free and repayable on demand. The amounts owing are to be settled in cash.

22. AMOUNT OWING BY/(TO) ASSOCIATES

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Amount owing by associates				
- trade balances	437	17,009	-	-
- non-trade balances	505	504	-	-
	942	17,513	-	-
Allowance for impairment losses	(500)	(12,967)	-	-
	442	4,546	-	-
Allowance for impairment losses:-				
At 1 January	(12,967)	(500)	-	-
Addition during the financial period/year (Note 38)	-	(12,467)	-	-
Disposal of a subsidiary	12,467	-	-	-
At 31 March/ 31 December	(500)	(12,967)	-	-
Amount owing to associates				
- non-trade balances	(3)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

22. AMOUNT OWING BY/(TO) ASSOCIATES (cont'd)

- (a) The trade amounts are subject to normal credit terms. In the previous financial year, included in the trade balances of amount owing by of approximately RM4,058,000 were advances paid and it would be offset against future purchases. The amounts are unsecured and interest-free. The amounts are to be settled in cash.
- (b) The non-trade amounts represent unsecured interest-free advances and repayable on demand. The amount owing is to be settled in cash.

23. AMOUNT OWING BY JOINT VENTURES

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Amount owing by joint ventures	757	727	-	-
Allowance for impairment losses	(757)	-	-	-
	-	727	-	-
Allowance for impairment losses:-				
At 1 January	-	-	-	-
Addition during the financial period/year (Note 38)	(757)	-	-	-
At 31 March/ 31 December	(757)	-	-	-

The amounts are unsecured, interest-free and repayable on demand. The amounts are to be settled in cash.

24. AMOUNT OWING BY/(TO) RELATED PARTIES

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Amount owing by related parties	-	-	505	4,558
Allowance for impairment losses	-	-	(500)	(500)
	-	-	5	4,058
Allowance for impairment losses:-				
At 1 January/31 March/31 December	-	-	(500)	(500)
Amount owing to a related party	-	(211)	(3)	-

- (a) The amount owing by related parties represents advances paid to an associate of a related company. The amount is unsecured and interest-free. The amount owing will be offset against future purchase from this related party.
- (b) The amount owing to a related party is unsecured, interest-free and repayable on demand. The amounts are to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

25. SHORT-TERM INVESTMENTS

The short-term investments represent investment in highly liquid money market. These investments are readily convertible to known amount of cash and are subject to an insignificant risk of changes in value. The short-term fund bore an effective interest rate of 2.80% (31.12.2021 - 1.26%) per annum at the end of the reporting period.

26. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group and the Company at the end of the reporting period bore a weighted average effective interest rate of 1.19% and 1.95% (31.12.2021 - 1.73% and 2.21%) per annum respectively. The fixed deposits have maturity periods ranging from 1 to 12 months (31.12.2021 - 1 to 12 months). The Group and the Company have pledged RM4,929,000 and RM111,000 (31.12.2021 - RM6,638,000 and RM2,158,000) out of the total fixed deposits with licensed banks respectively as security for banking facilities.

27. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

27.1 On 20 January 2023, the Group announced the disposal of its entire equity interest in XSB to immediately unlock and realise the value of the investment and assets in XSB.

At the end of the current reporting period, the assets and liabilities of XSB have been presented in the consolidated statement of financial position as "Assets of disposal group classified as held for sale" and "Liabilities of disposal group classified as held for sale". The disposal is expected to be completed by April 2023.

	The Group
	31.3.2023
	RM'000
Assets	
Goodwill (Note 12)	10,531
Plant and equipment (Note 9)	55
Intangible asset (Note 14)	912
Trade and other receivables	2,461
Cash and bank balances	493
Assets of disposal group classified as held for sale	14,452
Liabilities	
Trade and other payables	371
Contract liabilities	436
Liabilities of disposal group classified as held for sale	807

(a) The carrying amount of the non-current asset is the same as its carrying value before it was reclassified as held for sale.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

27. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (cont'd)

27.2 On 7 March 2023, the Group announced the disposal of its entire equity interest in OCIB to immediately unlock and realise the value of the investment and assets in OCIB.

At the end of the current reporting period, the assets and liabilities of OCIB have been presented in the consolidated statement of financial position as "Assets of disposal group classified as held for sale" and "Liabilities of disposal group classified as held for sale". The disposal is expected to be completed by September 2023.

	The Group
	31.3.2023
	RM'000
Assets	
Plant and equipment (Note 9)	126
Right-of-use assets (Note 8)	95
Trade and other receivables	127
Cash and bank balances	31
Assets of disposal group classified as held for sale	379
Liabilities	
Trade and other payables	82
Lease liabilities (Note 31)	93
Liabilities of disposal group classified as held for sale	175

(a) The carrying amount of the non-current asset is the same as its carrying value before it was reclassified as held for sale.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

28. SHARE CAPITAL

Issued And Fully Paid-Up	The Group/The Company			
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	Number of Shares		RM'000	
	'000	'000		
Ordinary shares				
At 1 January	1,403,168	1,164,422	327,656	268,262
Issuance of new shares for cash pursuant to:				
- private placements	558,183	195,340	26,151	45,074
- acquisition of subsidiaries	26,278	42,521	1,847	15,406
Warrants exercise	10,000	-	4,000	-
Share Grant Scheme exercised	-	885	-	481
Share issuance expenses	-	-	(204)	(1,567)
Crystallisation of warrant reserves (Note 30.3)	-	-	689	-
	594,461	238,746	32,483	59,394
At 31 March/31 December	1,997,629	1,403,168	360,139	327,656

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

29. TREASURY SHARES

There were no purchases of ordinary shares from the open market during the financial period.

As at 31 March 2023, the Company held a total of 7,707,700 of its 1,997,629,194 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM12,216,888. None of the treasury shares was resold or cancelled during the financial period.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

30. RESERVES

	Note	The Group		The Company	
		31.3.2023	31.12.2021	31.3.2023	31.12.2021
		RM'000	RM'000	RM'000	RM'000
Foreign exchange translation reserve	30.1	9,596	5,349	34	57
Fair value reserve	30.2	-	67,190	-	67,190
Warrant reserve	30.3	23,428	24,117	23,428	24,117
Share Grant Scheme reserve	30.4	-	-	-	-
Accumulated losses		(319,631)	(251,111)	(277,573)	(251,683)
		(286,607)	(154,455)	(254,111)	(160,319)

30.1 FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries, a foreign branch and the Group's share of an associate's foreign currency translation differences whose functional currencies are different from the Group's presentation currency.

30.2 FAIR VALUE RESERVE

The fair value reserve represented the cumulative fair value changes (net of tax, where applicable) of investments designated at fair value through other comprehensive income.

30.3 WARRANT RESERVE

	The Group/The Company	
	31.3.2023	31.12.2021
	RM'000	RM'000
At 1 January	24,117	24,117
Exercised during the financial period/year	(689)	-
At 31 March/31 December	23,428	24,117

The warrant reserve relates to the portion of proceeds from the rights issue ascribed to the attached warrants. As and when the warrants are exercised, the related balance in the warrant reserve will be transferred to the share capital account. Each warrant carries the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of RM0.40. The warrants will expire on 24 November 2023. At the expiry of the warrants, the balance in the warrant reserve will be transferred to retained profits.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

30. RESERVES (cont'd)

30.4 SHARE GRANT SCHEME RESERVE

The share grant scheme reserve represents the equity-settled share options granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the expiry or exercise of the share options. The details of the amount recognised in profit or loss during the period is disclosed in Note 36.

The movement of the ESGS is as follows:-

	Number of Options over Ordinary Shares		
	At 1.1.2022	Lapsed	At 31.3.2023
ESGS	45,330,700	(45,330,700)	-

In the previous financial year, 885,100 share options was exercised at an exercise price of RM0.5432 each in exchange for 885,100 new ordinary shares as disclosed in Note 28 to the financial statements.

31. LEASE LIABILITIES

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
At 1 January	2,647	3,124	1,092	917
Acquisition of subsidiaries (Note 42)	-	26	-	-
Reclassified as held for sale (Note 27)	(93)	-	-	-
Addition during the period/year	356	1,798	-	1,619
Interest expense recognised in profit or loss (Note 39)	148	255	45	113
Repayment of principal	(1,747)	(1,732)	(699)	(652)
Repayment of interest expense	(148)	(255)	(45)	(113)
Derecognition due to lease modification	(285)	(792)	-	(792)
Changes due to lease modification	-	187	-	-
Foreign exchange adjustments	-	36	-	-
At 31 March/31 December	878	2,647	393	1,092

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Analysed by:-				
Current liabilities	765	1,379	304	559
Non-current liabilities	113	1,268	89	533
	878	2,647	393	1,092

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

32. TERM LOANS

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
Current liabilities (Note 35)	1,860	1,796
Non-current liabilities	3,875	5,966
	5,735	7,762

(a) During the financial year, the term loans are secured by:-

- i. First legal charge over the Group's investment properties as disclosed in Note 10 to the financial statements;
- ii. Corporate Guarantee of the Company;
- iii. A Charge on all sums in the non-checking account of a subsidiary; and
- iv. An assignment of the account receivables from Telekom Malaysia Berhad in relation to the project.

(b) The interest rate profile of the term loans is summarized below:

	Interest rate	The Group	
		31.3.2023	31.12.2021
		RM'000	RM'000
Floating rate term loans	2.62% to 7.07%	5,735	7,762

33. TRADE PAYABLES

The normal trade credit terms granted to the Group and the Company range from 30 to 90 (31.12.2021 - 30 to 90) days.

34. AMOUNT OWING TO A DIRECTOR

The amount is unsecured and interest-free. The amount is to be settled in cash.

35. SHORT-TERM BORROWINGS

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Term loans (Note 32)	1,860	1,796	-	-
Revolving credits	7,729	7,289	-	-
	9,589	9,085	-	-

(a) Revolving credits bore interest rates ranging from 2.62% to 7.33% (31.12.2021 - 2.59% to 2.94%) per annum at the end of the reporting period and are secured by:-

- (i) a corporate guarantee of the Company; and
- (ii) fixed deposits of a subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

36. EMPLOYEE BENEFITS

The Employee Share Grant Scheme of the Company ("ESGS") is governed by the ESGS By-Laws and was approved by shareholders on 12 September 2018. The ESGS is to be in force for a period of 10 years effective from 16 January 2019 ("ESGS Period").

On 9 April 2021, the Company granted 45,330,700 ordinary shares of the Company under ESGS to the eligible directors and employees in accordance with the ESGS By-Laws. On 7 May 2022, the ESGS Shares were either lapsed or forfeited.

The salient terms of the scheme are as follows:

- (i) Employees and/or directors of the Group, save for companies which are dormant, who are at least 18 years old, and have been confirmed in the employment of the Group shall be eligible to participate in the scheme ("Eligible Persons"). The selection of any Eligible Persons for participation in the scheme shall be determined at the sole discretion of the Share Grant Scheme ("SGS") Committee whose decision shall be final and binding.
- (ii) The maximum number of new ordinary shares of the Company, which may be made available under the scheme, shall not exceed in aggregate 15% of the total number of issued shares (excluding treasury shares) of the Company at any point of time during the duration of the scheme ("Maximum SGS Shares").
- (iii) The aggregate maximum number of SGS shares that may be allocated to any one category/designation of Eligible Persons shall be determined by the SGS Committee provided that:-
 - The aggregate allocation to the executive directors and senior management shall not exceed 60% of the maximum SGS shares; and
 - The allocation to any individual eligible person who, either singly or collectively through persons connected with the eligible person (as defined in the Main Market Listing Requirements of Bursa Securities), holds 20% or more of the total number of issued shares of the Company (excluding treasury shares), shall not exceed 10% of the maximum SGS shares.
- (iv) All unvested shares comprised in any grant (whether fully or partially unvested) shall cease to be capable of vesting upon expiration of the SGS period.
- (v) The Company and/or the SGS Committee may establish a trust (but shall not be obliged to) ("Trust") to be administered by trustee(s) to be appointed by the Company ("Trustee(s)") to facilitate the implementation of the SGS and to authorize the Trustee to subscribe for and/or purchase the necessary number of shares of the Company to accommodate any transfer of shares of the Company to the central depository system accounts of the Eligible Persons maintained with Bursa Malaysia Depository Sdn. Bhd. and be entitled from time to time to the extent permitted by law and as set out under the By-Laws to accept funding and/or assistance, financial or otherwise from the Company and/or any of its subsidiaries.
- (vi) All new ordinary shares issued upon exercise of SGS will rank pari passu in all respects with the existing ordinary shares of the Company, provided always that new ordinary shares so allotted and issued, will not be entitled to any dividends, rights, allotments and/or other distributions declared, where the entitlement date of which is prior to date of allotment and issuance of the new ordinary shares.

	The Group		The Company	
	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
	RM'000	RM'000	RM'000	RM'000
Amount recognised as employee expense over vesting period	-	67	-	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

37. REVENUE

	The Group		The Company	
	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
	RM'000	RM'000	RM'000	RM'000
Sale of goods	55,723	75,339	17,272	6,931
Rendering of services:-				
- telecommunication service	708,000	449,319	-	-
- internet portal and e-commerce services	20,215	21,007	-	-
- research and development services	-	-	930	665
- shared service function	-	-	680	-
Interest income	54	1,328	-	-
	783,992	546,993	18,882	7,596

The information on the disaggregation of revenue is disclosed in Note 47 to the financial statements.

38. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group		The Company	
	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
	RM'000	RM'000	RM'000	RM'000
Impairment losses:				
- trade receivables (Note 18)	1,768	2,553	55	-
- financing receivables (Note 19)	-	10,474	-	-
- other receivables (Note 20)	5,128	-	-	-
- amount owing by subsidiaries (Note 21)	-	-	-	160,371
- amount owing by associates (Note 22)	-	12,467	-	-
- amount owing by joint ventures (Note 23)	757	-	-	-
- other investments (Note 11)	-	2,251	-	-
Reversal of impairment losses				
- trade receivables (Note 18)	(1,830)	(2,607)	-	(1,300)
- amount owing by subsidiaries (Note 21)	-	-	-	(17,199)
- other investments (Note 11)	(997)	-	-	-
	4,826	25,138	55	141,872

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

39. LOSS BEFORE TAXATION

	The Group		The Company	
	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
	RM'000	RM'000	RM'000	RM'000
In addition to Note 38, Loss before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fee	640	710	192	187
- non-audit fee:				
- auditors of the Company	63	109	6	109
- member firm of the auditors of the Company	-	107	-	46
- other auditors	118	370	12	43
Directors' fee	322	198	316	198
Directors' remuneration	2,012	3,697	629	86
Material Expenses/(Income)				
Amortisation on:				
- development costs	798	2,049	115	97
- other intangible assets	6,022	4,746	-	-
Impairment loss on:				
- development costs	-	1,239	-	-
- goodwill	-	6,934	-	-
- investments in subsidiaries	-	-	-	61,173
- investments in associates	4,878	-	4,878	-
- other intangible assets	-	8,653	-	-
- deposits	655	3,000	655	3,000
- prepayments	200	17,193	200	6,780
Bad debt written off	-	133	-	17,217
Depreciation:				
- plant and equipment	3,038	2,607	578	630
- right-of-use assets	1,911	1,750	685	625
Deposits and prepayments written off	776	-	776	-
Development cost written off	-	538	-	-
Equipment written off	421	61	5	-
Fair value loss on investment properties	-	2,623	-	-
Interest expense:				
- term loans	916	288	-	-
- bankers' acceptances	(31)	82	-	40
- lease liabilities	148	255	45	113
Inventories written down	284	15,739	-	2,150

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

39. LOSS BEFORE TAXATION (cont'd)

	The Group		The Company	
	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
	RM'000	RM'000	RM'000	RM'000
In addition to Note 38, Loss before taxation is arrived at after charging/(crediting):- (cont'd)				
Material Expenses/(Income) (cont'd)				
Loss on disposal of other investments	1,245	-	1,432	-
Loss on strike off of a subsidiary	-	-	302	-
Loss/(Gain) on foreign exchange:				
- realised	353	32	(247)	284
- unrealised	43	(390)	800	446
Lease expenses:				
- short-term leases	162	346	8	6
- rental of equipment	3,203	2,689	33	32
- low value lease	-	16	-	-
Staff costs:				
- defined contribution plan	4,375	6,743	-	-
- salaries and other benefits	46,135	72,835	868	1,327
- Share Grant Scheme expense	-	67	-	-
Fair value loss on financial assets designated upon initial recognition at fair value through profit or loss	19,920	35,866	19,920	35,866
Dividend income	-	(82)	-	-
(Gain)/Loss on disposal of plant and equipment	(329)	145	(1)	-
Gain on disposal of equity interest in an associate	-	(73,007)	-	(54,310)
Gain on disposal of a subsidiary (including cumulative foreign exchange translation losses reclassified from other comprehensive income of RM1,147,000 (31.12.2021: Nil)	(13,796)	-	(5,343)	-
Gain on recognition of other investments	(18,315)	-	(18,315)	-
Gain from settlement of contingent consideration	(4,694)	(3,289)	(4,694)	(3,289)
Reversal of impairment loss on prepayments	(10,413)	-	-	-
Total interest income on financial assets measured at amortised cost	(278)	(303)	(31)	(99)
Write back of inventories written off	(22)	-	(22)	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

40. INCOME TAX EXPENSE

	The Group		The Company	
	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
	RM'000	RM'000	RM'000	RM'000
Current tax:				
- for the financial period/year	(204)	292	-	-
- overprovision in the previous financial year	(2)	(2)	-	-
	(206)	290	-	-
Deferred taxation (Note 15):				
- for the financial period/year	-	(1,039)	-	(68)
	-	(1,039)	-	(68)
	(206)	(749)	-	(68)

A reconciliation of income tax expense applicable to the loss before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
	RM'000	RM'000	RM'000	RM'000
Loss before taxation	(62,848)	(148,717)	(19,820)	(244,790)
Tax at the statutory tax rate of 24% (31.12.2021 - 24%)	(15,084)	(35,692)	(4,757)	(58,750)
Tax effects of:-				
Non-taxable income	(4,589)	(12,076)	-	(13,035)
Non-deductible expenses	11,281	980	4,733	62,786
Deferred tax assets not recognised in the current financial period/year	8,357	45,934	-	8,918
Utilisation of deferred tax asset previously not recognised	-	(69)	-	-
Differential in tax rates	(169)	176	24	13
Overprovision in the previous financial year				
- current tax	(2)	(2)	-	-
	(206)	(749)	-	(68)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (31.12.2021 - 24%) of the estimated assessable profit for the financial period/year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

40. INCOME TAX EXPENSE (cont'd)

No deferred tax assets are recognised on the following items:-

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Unabsorbed capital allowances	13,817	13,817	-	-
Unutilised tax losses	194,845	160,023	27,640	27,640
	208,662	173,840	27,640	27,640

For the Malaysia entities, the unused tax losses are allowed to be utilised for 10 (31.12.2021 - 10) consecutive years of assessment while unabsorbed capital allowances are allowed to be carried forward indefinitely.

The use of tax losses of subsidiaries in other countries is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the subsidiaries operate.

41. LOSS PER SHARE

The basic loss per share is arrived at by dividing the Group's loss attributable to shareholders by the following weighted average number of ordinary shares in issue during the financial period/year excluding treasury shares held by the Company.

	The Group	
	31.3.2023	31.12.2021
Loss attributable to owners of the Company (RM'000)	(62,444)	(155,722)
Weighted average number of ordinary shares ('000):-		
Issued ordinary shares at 1 January	1,403,168	1,164,422
Effect of new ordinary shares issued	279,034	117,537
Weighted average number of ordinary shares	1,682,202	1,281,959
Basic loss per ordinary share (Sen)	(3.71)	(12.15)

The diluted loss per share for current financial period and previous financial year will be the same as basic loss per share due to anti-dilutive effect as diluted loss per share should not be lower than basic loss per share.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

42. ACQUISITIONS OF SUBSIDIARIES

42.1 On 2 February 2021, the Company acquired 100% equity interests in XPL. The acquisition of this subsidiary is to enable the Group to expand its business.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

(a) Fair Value of Purchase Consideration

	The Group 31.12.2021 RM'000	The Company 31.12.2021 RM'000
Cash	6,068	6,068
28,892,853 ordinary shares issued at RM0.39 per share (determined using the Company's closing share price as at 2 February 2021)	11,268	11,268
Contingent consideration (item (a)(i) below)	13,471	13,471
Total purchase consideration	30,807	30,807

- (i) The Group is required to pay the vendors an additional consideration of USD5,500,000 if Xendity Pte. Ltd.'s gross revenue target in each of the financial years 2021 ("Tranche 1") and 2022 achieve approximately USD2,227,000 and USD4,520,000 respectively. The fair value of the contingent consideration of RM13,471,000 was estimated by calculating the present value of the future expected cash flows based on discount rates of 1.73% and 1.76% and assumed probability adjusted gross revenue of XPL of between RM11,166,000 and RM21,017,000.

As at 31 December 2021, the contingent consideration has been revised to RM6,541,000 upon settlement of the contingent consideration of Tranche 1. A gain of RM3,289,000 was included in statements of profit or loss and other comprehensive income under the "Other Income" line item.

(b) Identifiable Assets Acquired and Liabilities Assumed

	The Group 31.12.2021 RM'000	The Company 31.12.2021 RM'000
Plant and equipment (Note 9)	95	-
Intangible asset (Note 14)	14,236	-
Right-of-use assets (Note 8)	6	-
Trade and other receivables	80	-
Cash and bank balances	251	-
Deferred tax liabilities (Note 15)	(971)	-
Trade and other payables	(104)	-
Lease liabilities (Note 31)	(6)	-
Amount owing to a director	(245)	-
Fair value of net identifiable assets acquired	13,342	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

42. ACQUISITIONS OF SUBSIDIARIES (cont'd)

42.1 On 2 February 2021, the Company acquired 100% equity interests in XPL. The acquisition of this subsidiary is to enable the Group to expand its business. (cont'd)

(c) Cash Flows Arising from Acquisition

	The Group	The Company
	31.12.2021	31.12.2021
	RM'000	RM'000
Purchase consideration settled in cash and cash equivalents (item (a) above)	6,068	6,068
Exchange difference	26	26
Less: Cash and cash equivalents of subsidiary acquired (item (b) above)	(251)	-
Net cash outflow from the acquisition of a subsidiary	5,843	6,094

(d) Goodwill Arising from Acquisition

	The Group
	31.12.2021
	RM'000
Total Consideration transferred (item (a) above)	30,807
Less: Fair value of identifiable net assets acquired (item (b) above)	(13,342)
Goodwill from the acquisition of subsidiary (Note 12)	17,465

The goodwill is attributable to the workforce and the high profitability of the acquired business as well as the synergies expected to be achieved from integrating the subsidiary into the Group's existing Digital Services. The goodwill is not deductible for tax purposes.

(e) Impact of Acquisition on the Group's Results

The acquired subsidiary has contributed the following results to the Group:

	The Group
	31.12.2021
	RM'000
Revenue	2,902
Loss after taxation	(7,903)

If the acquisition had taken place at the beginning of the previous financial year, the Group's revenue and loss after taxation would have been RM547,130,000 and RM147,855,000 respectively.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

42. ACQUISITIONS OF SUBSIDIARIES (cont'd)

- 42.2 On 10 February 2021, the Company acquired 51% equity interests in T-Melmax Sdn. Bhd.. The acquisition of this subsidiary is to enable the Group to expand its business.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	The Group
	31.12.2021
	RM'000
Right-of-use assets (Note 8)	20
Trade and other receivables	7
Accrued revenue	4
Deposits	23
Cash and bank balances	275
Deferred tax assets (Note 15)	3
Deferred income	(6)
Trade and other payables	(18)
Lease liabilities (Note 31)	(20)
Net identifiable assets acquired	288
Less: Non-controlling interests, measured at the proportionate share of the fair value of the net identifiable assets	(141)
Add: Goodwill on acquisition (Note 12)	103
Total purchase consideration, to be settled by cash	250
Less: Cash and cash equivalents of subsidiary acquired	(275)
Net cash inflow from the acquisition of a subsidiary	(25)

- (a) The goodwill is attributable mainly to the control premium paid. In addition, the purchase consideration also included benefits derived from the expected revenue growth of the subsidiary, its future market development as well as a customer list. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. The goodwill is not deductible for tax purposes.
- (b) The subsidiary has contributed revenue of RM193,000 and profit after taxation of RM32,000 to the Group since the date of acquisition.

If the acquisition was effective at the beginning of the previous financial year, the Group's revenue and loss after taxation for the previous financial year would have been RM547,005,000 and RM147,968,000 respectively.

There were no acquisitions of new subsidiaries during the financial period.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

43. DISPOSAL OF A SUBSIDIARY

On 18 July 2022, the Company disposed of its entire equity interests in GPS for a total consideration of RM5,343,000.

The following summarises the major classes of consideration received, and the amounts of assets disposed of and liabilities transferred at the date of disposal:

	The Group	The Company
	31.3.2023	31.3.2023
	RM'000	RM'000
Investment in a subsidiary (Note 5)	-	-
Development costs (Note 13)	81	-
Trade and other receivables	16,085	-
Inventories	550	-
Cash and bank balances	1,943	-
Trade and other payables	(28,259)	-
Carrying amount of net liabilities disposed of	(9,600)	-
Foreign exchange translation reserve (Note 39)	1,147	-
Gain on disposal of subsidiary (Note 39)	13,796	5,343
Consideration received, satisfied in cash	5,343	5,343
Less: Cash and bank balances of a subsidiary disposed of	(1,943)	-
Net cash inflow from the disposal of a subsidiary	3,400	5,343

There were no disposals of subsidiaries in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

44. CASH FLOW INFORMATION

(a) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Term Loans RM'000	Bankers' Acceptances RM'000	Revolving Credit RM'000	Lease Liabilities RM'000	Total RM'000
31.3.2023					
At 1 January	7,762	-	7,289	2,647	17,698
<u>Changes in Financing Cash Flows</u>					
Repayment of borrowings principal	(2,027)	-	-	(1,747)	(3,774)
Repayment of borrowings interest	(916)	31	-	(148)	(1,033)
	(2,943)	31	-	(1,895)	(4,807)
<u>Non-cash Changes</u>					
Finance charges recognised in profit or loss (Note 39)	916	(31)	-	148	1,033
Reclassified as held for sale	-	-	-	(93)	(93)
Acquisition of new leases	-	-	-	356	356
Modification of leases	-	-	-	(285)	(285)
Foreign exchange adjustments	-	-	440	-	440
At 31 March	5,735	-	7,729	878	14,342
31.12.2021					
At 1 January	-	-	7,078	3,124	10,202
<u>Changes in Financing Cash Flows</u>					
Drawdown	7,897	1,299	211	-	9,407
Repayment of borrowings principal	(135)	(1,299)	-	(1,732)	(3,166)
Repayment of borrowings interest	(288)	(82)	-	(255)	(625)
	7,474	(82)	211	(1,987)	5,616
<u>Non-cash Changes</u>					
Finance charges recognised in profit or loss (Note 39)	288	82	-	255	625
Acquisition of subsidiaries	-	-	-	26	26
Acquisition of new leases	-	-	-	1,798	1,798
Modification of leases	-	-	-	(605)	(605)
Foreign exchange adjustments	-	-	-	36	36
At 31 December	7,762	-	7,289	2,647	17,698

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

44. CASH FLOW INFORMATION (cont'd)

(a) The reconciliations of liabilities arising from financing activities are as follows:- (cont'd)

The Company	Bankers' Acceptances RM'000	Lease Liabilities RM'000	Total RM'000
31.3.2023			
At 1 January	-	1,092	1,092
<u>Changes in Financing Cash Flows</u>			
Repayment of borrowings principal	-	(699)	(699)
Repayment of borrowings interest	-	(45)	(45)
	-	(744)	(744)
<u>Non-cash Changes</u>			
Finance charges recognised in profit or loss (Note 39)	-	45	45
At 31 March	-	393	393
31.12.2021			
At 1 January	-	917	917
<u>Changes in Financing Cash Flows</u>			
Drawdown	1,299	-	1,299
Repayment of borrowings principal	(1,299)	(652)	(1,951)
Repayment of borrowings interest	(40)	(113)	(153)
	(40)	(765)	(805)
<u>Non-cash Changes</u>			
Acquisition of new lease	-	1,619	1,619
Derecognition due to lease modification	-	(792)	(792)
Finance charges recognised in profit or loss (Note 39)	40	113	153
At 31 December	-	1,092	1,092

(b) The total cash outflows for leases as a lessee are as follows:-

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Interest paid on lease liabilities	148	255	45	113
Payment of lease liabilities	1,747	1,732	699	652
	1,895	1,987	744	765

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

44. CASH FLOW INFORMATION (cont'd)

(c) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Short-term investments	9	2,045	9	2,045
Fixed deposits with licensed banks	5,181	6,884	111	2,158
Cash and bank balances	23,981	56,769	1,219	5,072
	29,171	65,698	1,339	9,275
Less: Fixed deposits pledged with licensed bank	(4,929)	(6,638)	(111)	(2,158)
Less: Fiduciary cash	(3,909)	(7,602)	-	-
	20,333	51,458	1,228	7,117

Fiduciary cash represents monies received from customers of payment gateway or e-wallet which are held in trust by financial institutions in a subsidiary with the corresponding amount included in other payables and accruals.

(d) The cash disbursed for the addition of right-of-use assets is as follows:-

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Cost of right-of-use assets acquired (Note 8)	529	1,893	-	1,714
Less: Addition of new lease liabilities (Note 31)	(356)	(1,798)	-	(1,619)
	173	95	-	95

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

45. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial period/year are as follows:-

	The Group		The Company	
	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021	1.1.2022 to 31.3.2023	1.1.2021 to 31.12.2021
	RM'000	RM'000	RM'000	RM'000
Directors				
<u>Directors of the Company</u>				
<i>Executive directors:</i>				
Short-term employee benefits:				
- fee	6	21	-	21
- salaries, bonuses and other benefits	1,763	3,296	525	18
- defined contribution benefit	163	333	18	-
<i>Non-executive directors:</i>				
Short-term employee benefits:				
- fee	316	177	316	177
- allowances	86	68	86	68
	2,334	3,895	945	284
<u>Directors of the Subsidiaries</u>				
<i>Executive directors:</i>				
Short-term employee benefits:				
- fee	123	70	-	-
- salaries, bonuses and other benefits	370	6,106	-	-
- defined contribution benefit	36	764	-	-
	529	6,940	-	-
<u>Other Key Management Personnel</u>				
Short-term employee benefits	-	576	-	-
Defined contribution benefits	-	69	-	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

46. RELATED PARTY DISCLOSURES**(a) Identities of Related Parties**

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, associates, joint ventures, key management personnel and entities within the same group of companies.

(b) Related Party Transactions

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following transactions with the related parties during the financial period/year:-

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Sales to subsidiaries:				
- GPS	-	-	-	3,597
- KSB	-	-	-	2,366
Purchase from associates:				
- Atilze Digital Sdn. Bhd.	-	2,248	-	1,931
- Shenzhen Memo Technology Co., Ltd.	-	4,160	-	-
Purchase from a related party:				
- Shenzhen Memo Technology Co., Ltd.	-	-	-	4,160
Loan from a subsidiary:				
- GPGPL	-	-	3,944	6,221
Interest received/receivable from subsidiaries:				
- PISB	-	-	603	696
- GPGHSB	-	-	-	29
Management fees received/receivable from subsidiaries:				
- TMSB	-	-	7	-
- KSB	-	-	47	-
- KPSB	-	-	351	-
- OCIB	-	-	4	-
- PISB	-	-	5	-
- GPSCSB	-	-	11	-
- GPASB	-	-	44	-
- GPIB	-	-	200	-
- KGSB	-	-	14	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

46. RELATED PARTY DISCLOSURES (cont'd)

(b) Related Party Transactions (cont'd)

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following transactions with the related parties during the financial period/year:- (cont'd)

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Management fees paid/payable to subsidiaries:				
- GPISB	-	-	(378)	10,225
- KTCL	-	-	65	796
Maintenance fee charged by a related party				
- IBI Holdings (M) Sdn. Bhd.	-	80	-	-
Terminal maintenance fee charged by a related party				
- Revenue Solution Sdn. Bhd.	29	-	-	-

The outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

47. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the management as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 3 main reportable segments as follows:-

- (i) Digital devices and infrastructure - Research, development, marketing and distribution of wireless networking and telecommunication products and solutions.
 - (ii) Digital services - Provision of internet portal services, e-commerce, other web related business, total communication services, solutions and products.
 - (iii) Investment - Strategic capital investments and investment holdings.
- (a) The management assesses the performance of the operating segments based on operating profit or loss which is measured differently from those disclosed in the consolidated financial statements. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

47. OPERATING SEGMENTS (cont'd)

- (b) Each reportable segment asset is measured based on all assets (including goodwill) of the segment other than investments in associates and tax-related assets.
- (c) Each reportable segment liability is measured based on all liabilities of the segment other than borrowings and tax-related liabilities.
- (d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items. Unallocated items comprise mainly investments and related income, loans and borrowings and related expenses, corporate assets (primarily the Company's headquarters) and head office expenses.

47.1 BUSINESS SEGMENTS

	Digital Devices and Infrastructure RM'000	Digital Services RM'000	Investment RM'000	Group Total RM'000
31.3.2023				
<u>Revenue</u>				
External revenue	55,723	728,215	54	783,992
Inter-segment revenue	2,596	336,073	12,461	351,130
	58,319	1,064,288	12,515	1,135,122
Consolidation adjustments and eliminations				(351,130)
Consolidated revenue				783,992
Represented by:-				
<u>Revenue recognised at a point of time</u>				
- Sales of products	55,728	-	-	55,728
- Internet portal and e-commerce service	-	20,509	-	20,509
<u>Revenue recognised overtime</u>				
- Telecommunication service	-	1,042,938	-	1,042,938
- Research development service	930	-	-	930
- Shared service function	1,661	841	12,461	14,963
- Interest income from financing services	-	-	54	54
	58,319	1,064,288	12,515	1,135,122
Consolidation adjustments				(351,130)
Consolidated revenue				783,992

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

47. OPERATING SEGMENTS (cont'd)

47.1 BUSINESS SEGMENTS (cont'd)

	Digital Devices and Infrastructure RM'000	Digital Services RM'000	Investment RM'000	Group Total RM'000
31.3.2023				
<u>Results</u>				
Segment results	2,461	(21,412)	(44,788)	(63,739)
Interest income	31	244	3	278
Depreciation of plant and equipment	(2,250)	(602)	(186)	(3,038)
Depreciation of right-of-use assets	(731)	(668)	(512)	(1,911)
Other non-cash expenses (Note a)	(9,284)	3,891	703	(4,690)
	(9,773)	(18,547)	(44,780)	(73,100)
Gain on disposal of a subsidiary				13,796
Gain on recognition of other investments				18,315
Loss on fair value adjustment				(19,920)
Share of result in associates, net of tax				(495)
Finance costs				(1,444)
Income tax expense				206
Consolidated loss after taxation				(62,642)
<u>Assets</u>				
Segment assets	7,774	214,045	10,383	232,202
Investments in associates				22,627
Current tax asset				1,745
Consolidated total assets				256,574
Additions to non-current assets other than financial instruments and deferred tax assets:-				
Plant and equipment	146	85	1,229	1,460
Investments in associates	28,000	-	-	28,000
Right-of-use assets	-	218	311	529
<u>Liabilities</u>				
Segment liabilities	10,476	178,355	4,309	193,140
Deferred tax liabilities				1,104
Lease liabilities				878
Consolidated total liabilities				195,122

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

47. OPERATING SEGMENTS (cont'd)**47.1 BUSINESS SEGMENTS** (cont'd)

	Digital Devices and Infrastructure RM'000	Digital Services RM'000	Investment RM'000	Group Total RM'000
31.12.2021				
<u>Revenue</u>				
External revenue	83,248	462,458	1,287	546,993
Inter-segment revenue	26,201	181,159	42,854	250,214
	109,449	643,617	44,141	797,207
Consolidation adjustments and eliminations				(250,214)
Consolidated revenue				546,993
Represented by:-				
<u>Revenue recognised at a point of time</u>				
- Sales of products	108,784	-	-	108,784
- Internet portal and e-commerce service	-	13,099	-	13,099
<u>Revenue recognised overtime</u>				
- Telecommunication service	-	626,487	-	626,487
- Research development service	665	-	-	665
- Shared service function	-	3,991	42,854	46,845
- Interest income from financing services	-	40	1,287	1,327
	109,449	643,617	44,141	797,207
Consolidation adjustments				(250,214)
Consolidated revenue				546,993

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

47. OPERATING SEGMENTS (cont'd)

47.1 BUSINESS SEGMENTS (cont'd)

	Digital Devices and Infrastructure RM'000	Digital Services RM'000	Investment RM'000	Group Total RM'000
31.12.2021				
<u>Results</u>				
Segment results	(3,915)	(8,381)	(83,770)	(96,066)
Interest income	99	169	35	303
Depreciation of plant and equipment	(1,882)	(660)	(65)	(2,607)
Depreciation of right-of-use assets	(659)	(663)	(428)	(1,750)
Other non-cash expenses (Note a)	(36,751)	(32,456)	(15,372)	(84,579)
	(43,108)	(41,991)	(99,600)	(184,699)
Gain on dilution of equity interest in an associate				73,007
Loss on fair value adjustment				(35,866)
Share of result in associates, net of tax				(203)
Finance costs				(956)
Income tax expense				749
Consolidated loss after taxation				(147,968)
<u>Assets</u>				
Segment assets	156,186	140,924	10,057	307,167
Investments in associates				#
Current tax asset				1,523
Consolidated total assets				308,690
Additions to non-current assets other than financial instruments and deferred tax assets:-				
Plant and equipment	2,235	574	100	2,909
Development costs	31	-	-	31
Investment properties	-	-	8,273	8,273
Right-of-use assets	1,549	157	187	1,893
<u>Liabilities</u>				
Segment liabilities	40,126	98,357	5,143	143,626
Deferred tax liabilities				1,104
Lease liabilities				2,647
Consolidated total liabilities				147,377

- Amount less than RM1,000

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

47. OPERATING SEGMENTS (cont'd)**47.1 BUSINESS SEGMENTS** (cont'd)

(a) Other non-cash (gain)/expenses consist of the following:-

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
Amortisation of:-		
- development costs	798	2,049
- other intangible assets	6,022	4,746
Bad debts written off	-	133
Deposits and prepayments written off	776	-
Development cost written off	-	538
Equipment written off	421	61
Fair value loss on investment properties	-	2,623
Impairment of:-		
- development costs	-	1,239
- investments in associates	4,878	-
- other intangible assets	-	8,653
- trade and financing receivables	1,768	13,027
- other receivables, deposits and prepayments	5,983	20,193
- goodwill	-	6,934
- other investments	-	2,251
- amount owing by associates	-	12,467
- amount owing by joint ventures	757	-
Inventories written down	284	15,739
Loss on disposal of other investments	1,245	-
Share Grant Scheme expense	-	67
Write back of inventories written off	(22)	-
(Gain)/Loss on disposal of plant and equipment	(329)	145
Gain from settlement of contingent consideration	(4,694)	(3,289)
Unrealised loss/(gain) on foreign exchange	43	(390)
Reversal of impairment loss on trade receivables	(1,830)	(2,607)
Reversal of impairment loss on other investments	(997)	-
Reversal of impairment loss on prepayments	(10,413)	-
	4,690	84,579

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

47. OPERATING SEGMENTS (cont'd)

47.2 GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments (but including investments in associates and deferred tax assets).

	Revenue		Non-current Assets	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Malaysia	22,004	23,223	33,933	106,379
Outside Malaysia	761,988	523,770	405	20,027
	783,992	546,993	34,338	126,406

The information on the disaggregation of revenue based on geographical region is summarised below:-

	At a Point in Time		Over Time		Group	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Malaysia	21,950	21,939	54	1,284	22,004	23,223
Outside Malaysia	53,988	74,411	708,000	449,359	761,988	523,770
	75,938	96,350	708,054	450,643	783,992	546,993

47.3 MAJOR CUSTOMERS

The following are major external customers with revenue equal to or more than 10% of Group revenue:-

	Revenue Contribution		Segment
	31.3.2023	31.12.2021	
	RM'000	RM'000	
Customer A	92,771	93,088	Communication services
Customer B	65,566	54,391	Communication services
Customer C	58,428	56,949	Communication services

48. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risks (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Ringgit Malaysia. The currency giving rise to this risk is primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign currency exposure

The Group	United States Dollar RM'000	Ringgit Malaysia RM'000	Others RM'000	Total RM'000
31.3.2023				
<i>Financial Assets</i>				
Other investments	-	137	-	137
Trade receivables	153,504	9,413	-	162,917
Financing receivables	-	1,104	-	1,104
Other receivables	-	1,025	125	1,150
Amount owing by associates	-	442	-	442
Short-term investments	-	9	-	9
Fixed deposits with licensed banks	4,818	363	-	5,181
Cash and bank balances	12,409	11,069	503	23,981
	170,731	23,562	628	194,921

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(a) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

Foreign currency exposure (cont'd)

The Group	United States Dollar RM'000	Ringgit Malaysia RM'000	Others RM'000	Total RM'000
31.3.2023				
<u>Financial Liabilities</u>				
Revolving credit	7,729	-	-	7,729
Term loans	2,036	3,699	-	5,735
Trade payables	124,569	10,206	-	134,775
Other payables and accruals	31,549	10,374	195	42,118
Amount owing to associates	-	3	-	3
Amount owing to a director	-	200	-	200
	165,883	24,482	195	190,560
Net financial assets	4,848	(920)	433	4,361
Less: Net financial assets denominated in the respective entities' functional currencies	(4,494)	2,265	(136)	(2,365)
Currency Exposure	354	1,345	297	1,996

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(a) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

Foreign currency exposure (cont'd)

The Group	United States Dollar RM'000	Ringgit Malaysia RM'000	Others RM'000	Total RM'000
31.12.2021				
<u>Financial Assets</u>				
Other investments	-	91,712	-	91,712
Trade receivables	77,434	7,324	-	84,758
Other receivables	-	2,228	133	2,361
Amount owing by associates	-	4,546	-	4,546
Amount owing by joint venture	420	241	66	727
Short-term investments	-	2,045	-	2,045
Fixed deposits with licensed banks	4,480	2,404	-	6,884
Cash and bank balances	17,379	37,671	1,719	56,769
	99,713	148,171	1,918	249,802
<u>Financial Liabilities</u>				
Revolving credit	7,289	-	-	7,289
Term loans	3,607	4,155	-	7,762
Trade payables	66,549	2,881	85	69,515
Other payables and accruals	21,112	35,051	2,001	58,164
Amount owing to a related party	-	211	-	211
Amount owing to a director	-	361	-	361
	98,557	42,659	2,086	143,302
Net financial assets	1,156	105,512	(168)	106,500
Less: Net financial assets denominated in the respective entities' functional currencies	(1,051)	(104,523)	(614)	(106,188)
Currency Exposure	105	989	(782)	312

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(a) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

Foreign currency exposure (cont'd)

The Company	United States Dollar RM'000	Ringgit Malaysia RM'000	Others RM'000	Total RM'000
31.3.2023				
<u>Financial Assets</u>				
Other investments	-	137	-	137
Trade receivables	-	1,619	-	1,619
Other receivables	-	947	125	1,072
Amount owing by subsidiaries	-	43,405	155	43,560
Amount owing by related parties	5	-	-	5
Short-term investments	-	9	-	9
Fixed deposits with licensed banks	-	111	-	111
Cash and bank balances	185	1,013	21	1,219
	190	47,241	301	47,732
<u>Financial Liabilities</u>				
Other payables and accruals	-	7,353	81	7,434
Trade payables	-	1,665	-	1,665
Amount owing to a director	-	200	-	200
Amount owing to subsidiaries	15,728	8,452	96	24,276
Amount owing to a related party	3	-	-	3
	15,731	17,670	177	33,578
Net financial (liabilities)/assets	(15,541)	29,571	124	14,154
Less: Net financial assets denominated in the entity's functional currency	-	(29,571)	-	(29,571)
Currency Exposure	(15,541)	-	124	(15,417)

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(a) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

Foreign currency exposure (cont'd)

The Company	United States Dollar RM'000	Ringgit Malaysia RM'000	Others RM'000	Total RM'000
31.12.2021				
<u>Financial Assets</u>				
Other investments	-	91,712	-	91,712
Trade receivables	-	3,042	-	3,042
Other receivables	-	2,075	25	2,100
Amount owing by subsidiaries	152	20,483	766	21,401
Amount owing by related parties	4,058	-	-	4,058
Short-term investments	-	2,045	-	2,045
Fixed deposits with licensed banks	-	2,158	-	2,158
Cash and bank balances	66	4,919	87	5,072
	4,276	126,434	878	131,588
<u>Financial Liabilities</u>				
Other payables and accruals	-	9,953	106	10,059
Trade payables	-	816	-	816
Amount owing to subsidiaries	12,507	12,086	727	25,320
	12,507	22,855	833	36,195
Net financial (liabilities)/assets	(8,231)	103,579	45	95,393
Less: Net financial assets denominated in the entity's functional currency	-	(103,579)	-	(103,579)
Currency Exposure	(8,231)	-	45	(8,186)

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(a) Market Risk (cont'd)

(i) Foreign Currency Risk (cont'd)

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Effects on Loss After Taxation				
USD/RM:				
- strengthened by 5%	-13	-4	-591	-313
- weakened by 5%	+13	+4	+591	+313
Others:				
- strengthened by 5%	-11	+29	+5	+2
- weakened by 5%	+11	-29	-5	-2

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The Group's fixed deposits with licensed banks are carried at amortised cost. Therefore, they are not subject to interest rate risk as defined by MFRS 7 since neither their carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Notes 25, 26 and 32 to the financial statements.

Interest Rate Risk Sensitivity Analysis

Any reasonably possible change in the interest rates of floating rate term loans and short-term investments at the end of the reporting period does not have material impact on the loss after taxation and equity of the Group and of the Company and hence, no sensitivity analysis is presented.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)**48.1 FINANCIAL RISK MANAGEMENT POLICIES** (cont'd)**(a) Market Risk** (cont'd)**(iii) Equity Price Risk**

The Group's principal exposure to equity price risk arises mainly from changes in quoted investment prices. The Group manages its exposure to equity price risk by maintaining a portfolio of equities with different risk profiles.

Equity Price Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the prices of the quoted investments at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Effects on Loss After Taxation				
Increase of 5%	-	-916	-	-916
Decrease of 5%	-	+916	-	+916
Effects on Equity				
Increase of 5%	-	+4,579	-	+4,579
Decrease of 5%	-	-4,579	-	-4,579

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including unquoted investments and cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company's exposure to credit risk arises principally from loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(b) Credit Risk (cont'd)

(i) Credit risk concentration profile

The Group does not have any major concentration of credit risk related to any individual customer or counterparty.

In addition, the Group also determines concentration of credit risk by monitoring the geographical region of its trade and financing receivables on an ongoing basis. The credit risk concentration profile of trade receivables at the end of the reporting period is as follows:-

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	RM'000	RM'000	RM'000	RM'000
Malaysia	9,413	7,669	1,619	3,042
Outside Malaysia	153,504	77,089	-	-
	162,917	84,758	1,619	3,042

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

(iii) Assessment of Impairment Losses

At each reporting date, the Group assesses whether any of financial assets at amortised cost are credit impaired.

The gross carrying amounts of those financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than a year overdue.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables, Financing Receivables and Contract Assets

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables, financing receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables, financing receivables, contract assets have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over a period of 12 months (31.12.2021 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The Group has identified the consumer price index as the key macroeconomic factor of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

	Gross Amount RM'000	Individual Impairment RM'000	Collective Impairment RM'000	Carrying Amount RM'000
The Group				
31.3.2023				
Current (not past due)	56,717	-	(589)	56,128
1 to 30 days past due	20,683	-	(132)	20,551
31 to 60 days past due	41,316	-	(560)	40,756
61 to 90 days past due	5,902	-	(156)	5,746
Past due more than 90 days	41,595	-	(755)	40,840
Credit impaired	10,774	(10,774)	-	-
Trade receivables and financing receivable	176,987	(10,774)	(2,192)	164,021
Contract assets	76	-	-	76
	177,063	(10,774)	(2,192)	164,097

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables, Financing Receivables and Contract Assets (cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (cont'd)

The Group	Gross Amount RM'000	Individual Impairment RM'000	Collective Impairment RM'000	Carrying Amount RM'000
31.12.2021				
Current (not past due)	35,504	(3,306)	(456)	31,742
1 to 30 days past due	5,987	-	(206)	5,781
31 to 60 days past due	13,388	-	(141)	13,247
61 to 90 days past due	16,248	-	(751)	15,497
Past due more than 90 days	19,369	-	(878)	18,491
Credit impaired	8,218	(8,218)	-	-
Trade receivables and financing receivable	98,714	(11,524)	(2,432)	84,758
Contract assets	63	-	-	63
	98,777	(11,524)	(2,432)	84,821

The Company	Gross Amount RM'000	Individual Impairment RM'000	Collective Impairment RM'000	Carrying Amount RM'000
31.3.2023				
Current (not past due)	-	-	-	-
1 to 30 days past due	-	-	-	-
31 to 60 days past due	-	-	-	-
61 to 90 days past due	-	-	-	-
Past due more than 90 days	1,674	-	(55)	1,619
Trade receivables	1,674	-	(55)	1,619

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables, Financing Receivables and Contract Assets (cont'd)*Inputs, Assumptions and Techniques used for Estimating Impairment Losses (cont'd)*

	Gross Amount	Individual Impairment	Collective Impairment	Carrying Amount
The Company	RM'000	RM'000	RM'000	RM'000
31.12.2021				
Current (not past due)	3,042	-	-	3,042
1 to 30 days past due	-	-	-	-
31 to 60 days past due	-	-	-	-
61 to 90 days past due	-	-	-	-
Trade receivables	3,042	-	-	3,042

The movements in the loss allowances in respect of trade receivables and financing receivables are disclosed in Notes 18 and 19 to the financial statements.

Other Receivables and Amount Owing by Related Parties

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables and amount owing by related parties.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 90 days past due in making a contractual payment.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (cont'd)

Other Receivables and Amount Owing by Related Parties (cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses (cont'd)

The Group uses 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

<u>Category</u>	<u>Definition of Category</u>	<u>Loss Allowance</u>
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. Other receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The Group	Gross Amount RM'000	12-month Loss Allowance RM'000	Lifetime Loss Allowance RM'000	Carrying Value RM'000
31.3.2023				
Low credit risk	-	-	-	-
Significant increase in credit risk	6,278	-	(5,128)	1,150
Credit impaired	-	-	-	-
	6,278	-	(5,128)	1,150

The movements in the loss allowances are disclosed in Note 20 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (cont'd)

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing by Subsidiaries (Non-trade balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

Allowance for impairment losses

	Gross Amount RM'000	12-month Loss Allowance RM'000	Lifetime Loss Allowance RM'000	Carrying Value RM'000
The Company				
31.3.2023				
Low credit risk	-	-	-	-
Significant increase in credit risk	541,548	-	(497,988)	43,560
Credit impaired	-	-	-	-
	541,548	-	(497,988)	43,560
31.12.2021				
Low credit risk	-	-	-	-
Significant increase in credit risk	519,389	-	(497,988)	21,401
Credit impaired	-	-	-	-
	519,389	-	(497,988)	21,401

The movements in the loss allowances are disclosed in Note 21 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(b) Credit Risk (cont'd)

(iii) Assessment of Impairment Losses (cont'd)

Financial Guarantee Contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practices prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Contractual Interest Rate	Carrying Amount	Contractual Undiscounted Cash Flows	Within 1 Year	1 - 5 Years	Over 5 Years
The Group	%	RM'000	RM'000	RM'000	RM'000	RM'000
31.3.2023						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	1.31 - 8.00	878	941	810	131	-
Term loans	2.62 - 7.07	5,735	5,870	2,075	3,795	-
Revolving credit	2.62 - 7.33	7,729	7,729	7,729	-	-
Trade payables	-	134,775	134,775	134,775	-	-
Other payables and accruals	-	42,118	42,118	42,118	-	-
Amount owing to associates	-	3	3	3	-	-
Amount owing to a director	-	200	200	200	-	-
		191,438	191,636	187,710	3,926	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(c) Liquidity Risk (cont'd)

Maturity Analysis (cont'd)

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):- (cont'd)

The Group	Contractual Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
31.12.2021						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	1.31 - 8.00	2,647	2,776	1,494	1,282	-
Term loans	2.63 - 4.45	7,762	7,772	1,796	5,976	-
Revolving credit	2.59 - 2.78	7,289	7,289	7,289	-	-
Trade payables	-	69,515	69,515	69,515	-	-
Other payables and accruals	-	58,164	58,164	58,164	-	-
Amount owing to related parties	-	211	211	211	-	-
Amount owing to a director	-	361	361	361	-	-
		145,949	146,088	138,830	7,258	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(c) Liquidity Risk (cont'd)

Maturity Analysis (cont'd)

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):- (cont'd)

	Contractual Interest Rate	Carrying Amount	Contractual Undiscounted Cash Flows	Within 1 Year	1 - 5 Years	Over 5 Years
The Company	%	RM'000	RM'000	RM'000	RM'000	RM'000
31.3.2023						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	1.31 - 8.00	393	414	308	106	-
Trade payables	-	1,665	1,665	1,665	-	-
Other payables and accruals	-	7,434	7,434	7,434	-	-
Amount owing to a director	-	200	200	200	-	-
Amount owing to subsidiaries	-	24,276	24,276	24,276	-	-
Amount owing to a related party	-	3	3	3	-	-
Financial guarantee contracts in relation to corporate and bank guarantee given to certain subsidiaries	-	-	13,464	13,464	-	-
		33,971	47,456	47,350	106	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.1 FINANCIAL RISK MANAGEMENT POLICIES (cont'd)

(c) Liquidity Risk (cont'd)

Maturity Analysis (cont'd)

The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):- (cont'd)

	Contractual Interest Rate	Carrying Amount	Contractual Undiscounted Cash Flows	Within 1 Year	1 - 5 Years	Over 5 Years
The Company	%	RM'000	RM'000	RM'000	RM'000	RM'000
31.12.2021						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	1.31 - 8.00	1,092	1,176	595	581	-
Trade payables	-	816	816	816	-	-
Other payables and accruals	-	10,059	10,059	10,059	-	-
Amount owing to subsidiaries	-	25,320	25,320	25,320	-	-
Financial guarantee contracts in relation to corporate and bank guarantee given to certain subsidiaries	-	-	15,890	15,890	-	-
		37,287	53,261	52,680	581	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as total net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest.

The debt-to-equity ratio of the Group as at the end of the reporting period was as follows:-

	The Group	
	31.3.2023	31.12.2021
	RM'000	RM'000
Term loans (Note 32)	5,735	7,762
Revolving credit (Note 35)	7,729	7,289
Lease liabilities (Note 31)	878	2,647
	14,342	17,698
Less: Cash and cash equivalents (Note 44(c))	(20,333)	(51,458)
Net debt	(5,991)	(33,760)
Total equity	61,452	161,313
Debt-to-equity ratio	Not applicable	Not applicable

There was no change in the Group's approach to capital management during the financial period.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	31.3.2023		31.12.2021	
	The Group	The Company	The Group	The Company
	RM'000	RM'000	RM'000	RM'000
Financial Assets				
<u>Designated at Fair Value Through Profit or Loss Upon Initial Recognition</u>				
Quoted warrant (Note 11)	-	-	18,315	18,315
<u>Designated at Fair Value Through Other Comprehensive Income Upon Initial Recognition</u>				
Quoted warrant (Note 11)	-	-	73,260	73,260
Unquoted investments (Note 11)	137	137	137	137
	137	137	73,397	73,397
<u>Amortised Cost</u>				
Trade receivables (Note 18)	162,917	1,619	84,758	3,042
Financing receivables (Note 19)	1,104	-	-	-
Other receivables (Note 20)	1,150	1,072	2,361	2,100
Amount owing by subsidiaries (Note 21)	-	43,560	-	21,401
Amount owing by associates (Note 22)	442	-	4,546	-
Amount owing by joint ventures (Note 23)	-	-	727	-
Amount owing by related parties (Note 24)	-	5	-	4,058
Short-term investments (Note 25)	9	9	2,045	2,045
Fixed deposits with licensed banks (Note 26)	5,181	111	6,884	2,158
Cash and bank balances	23,981	1,219	56,769	5,072
	194,784	47,595	158,090	39,876
Financial Liabilities				
<u>Amortised Cost</u>				
Revolving credit (Note 35)	7,729	-	7,289	-
Term loans (Note 32)	5,735	-	7,762	-
Trade payables (Note 33)	134,775	1,665	69,515	816
Other payables and accruals	42,118	7,434	58,164	10,059
Amount owing to subsidiaries (Note 21)	-	24,276	-	25,320
Amount owing to associates (Note 22)	3	-	-	-
Amount owing to a related party (Note 24)	-	3	211	-
Amount owing to a director (Note 34)	200	200	361	-
	190,560	33,578	143,302	36,195

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	31.3.2023		31.12.2021	
	The Group	The Company	The Group	The Company
	RM'000	RM'000	RM'000	RM'000
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Net losses recognised in profit or loss by designated upon initial recognition	(19,920)	(19,920)	(35,866)	(35,866)
<u>Equity Investments at Fair Value Through Other Comprehensive Income</u>				
Net losses recognised in other comprehensive income	(73,260)	(73,260)	(143,468)	(143,468)
<u>Amortised Cost</u>				
Net (losses)/gains recognised in profit or loss	(4,548)	31	(24,968)	(158,990)
Financial Liability				
<u>Amortised Cost</u>				
Net (losses)/gains recognised in profit or loss	(885)	(45)	2,919	3,249

48.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31.3.2023								
<u>Financial Assets</u>								
Club membership	-	137	-	-	-	-	137	137
Short-term investments								
- money market funds	-	9	-	-	-	-	9	9
<u>Financial Liabilities</u>								
Revolving credits	-	-	-	-	7,729	-	7,729	7,729
Term loans	-	-	-	-	5,735	-	5,735	5,735

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.5 FAIR VALUE INFORMATION (cont'd)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:- (cont'd)

The Group	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31.12.2021								
<u>Financial Assets</u>								
Club membership	-	137	-	-	-	-	137	137
Quoted warrants	91,575	-	-	-	-	-	91,575	91,575
Short-term investments								
- money market funds	-	2,045	-	-	-	-	2,045	2,045
<u>Financial Liabilities</u>								
Revolving credits	-	-	-	-	7,289	-	7,289	7,289
Term loans	-	-	-	-	7,762	-	7,762	7,762

The Company	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31.3.2023								
<u>Financial Asset</u>								
Club membership	-	137	-	-	-	-	137	137
Short-term investments								
- money market funds	-	9	-	-	-	-	9	9

31.12.2021

<u>Financial Asset</u>								
Club membership	-	137	-	-	-	-	137	137
Quoted warrant	91,575	-	-	-	-	-	91,575	91,575
Short-term investments								
- money market funds	-	2,045	-	-	-	-	2,045	2,045

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

48. FINANCIAL INSTRUMENTS (cont'd)

48.5 FAIR VALUE INFORMATION (cont'd)

(a) Fair Value of Financial Instruments Carried at Fair Value

The fair values above have been determined using the following basis:-

- (i) The fair value of quoted equity investments is determined at their quoted closing bid prices at the end of the reporting period.
- (ii) The fair value of money market fund is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.

There were no transfer between level 1 and level 2 during the financial period.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

The fair values borrowings are determined by discounting the relevant cash flows using interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	The Group		The Company	
	31.3.2023	31.12.2021	31.3.2023	31.12.2021
	%	%	%	%
Term loans	2.62 - 7.07	2.63 - 4.45	-	-
Revolving credits	2.62 - 7.33	2.59 - 2.78	-	-

49. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

- (i) On 28 January 2022, PISB subscribed for the increase in share capital of KPSB for a cash consideration of RM10,000,000 to retain its equity interest of 100%.
- (ii) On 28 January 2022, Bursa Malaysia Securities Berhad ("Bursa") had, vide its letter dated 28 January 2022, approved the listing of and quotation for up to 716,413,000 new ordinary shares in the Company ("Placement Shares") to be issued pursuant to the Proposed Private Placement, subject to the conditions stated in Bursa's approval letter.

On 29 April 2022, the Company issued 200,000,000 Placement Shares at RM0.079 per share.

On 18 July 2022, Bursa had resolved to grant the Company an extension of time of six months until 27 January 2023 to complete the implementation of the Private Placement.

On 25 October 2022, the Company issued 358,183,000 Placement Shares at RM0.0289 per share and marked the completion of the Private Placement.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

49. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD (cont'd)

- (iii) On 19 May 2022, the Company converted 305,250,000 G3 Global Berhad ("G3") Warrants into 305,250,000 G3 Shares at the exercise price of RM0.03 each share for a total cash consideration of RM9,157,500. On 19 May 2022, the Company became a substantial shareholder of G3 with a total equity interest of 12.36%.

On 25 May 2022, the Company sold 150,000,000 G3 Shares via direct business transaction for a total gross cash consideration of RM7,500,000. After the disposal, the Company held 155,250,000 G3 Shares with a total equity interest of 6.29%.

On 8 August 2022, the Company sold 40,000,000 G3 Shares via direct business transaction for a total gross cash consideration of RM2,000,000. After the disposal, the Company held 115,250,000 G3 Shares with a total equity interest of 3.97%. The Company has ceased as substantial shareholder of G3.

On 9 August 2022, the Company sold the remaining balance of 115,250,000 G3 Shares in the open market and direct business transaction for a total gross consideration of RM5,777,953. The Company ceased as a shareholder of G3.

- (iv) On 8 July 2022, the Company proposed to undertake the Proposed Variation of the utilization of proceeds arising from the disposal of ordinary shares of G3 ("Proposed Variation").

The Proposed Variation was approved at an Extraordinary General Meeting held on 25 August 2022.

- (v) On 18 July 2022, the Company has disposed its entire equity interest in GPS for a consideration of USD1,200,000 (approximately RM5,343,000).
- (vi) On 1 August 2022, the Company subscribed for the increase in share capital of GPASB for a cash consideration of RM2,500 to retain its equity interest of 100%.
- (vii) On 5 August 2022, the Company entered into a Shares Sale Agreement with HS Bio Sdn. Bhd. to purchase 20% equity stake in eMedAsia Sdn. Bhd. for a purchase consideration of RM20,000,000 in cash.
- (viii) On 15 August 2022, the Company acquired 49% equity interests in KCPSB for a cash consideration of RM1.
- (ix) On 7 November 2022, the Company allotted and issued 46,830 new ordinary shares to a Seller of XPL at an issue price of RM0.24 per share as settlement of Tranche 2 Consideration Shares.

On 7 November 2022, the Company allotted and issued 26,231,733 new ordinary shares to the Sellers of XPL at an issue price of RM0.07 per share as settlement of Tranche 3 Consideration Shares and marked the full and final settlement by the Company of the entire equity interest in XPL from the Sellers.

- (x) On 16 December 2022, PISB subscribed for the increase in share capital of KPSB by way of capitalizing amount due to the Company of RM1,500,000 to retain its equity interest of 100%.
- (xi) On 16 January 2023, XPL subscribed for the increase in share capital of XSB by way of capitalizing amount due to XPL of SGD2,570,022 (approximately RM8,414,252) to retain its equity interest of 100%.
- (xii) On 20 January 2023, XPL entered into a Shares Sale Agreement with Innov8tif Holdings Sdn. Bhd. to dispose its entire equity stake in XSB for cash consideration of RM17,500,000.
- (xiii) On 31 January 2023, PISB subscribed for the increase in share capital of KPSB for a cash consideration of RM3,900,000 to retain its equity interest of 100%.

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Period Ended 31 March 2023

49. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD (cont'd)

- (xiv) On 13 February 2023, GPNTPL had been placed under Member's Voluntary Winding-up made pursuant to Taiwan Company Act (Sections 83 and 326).
- (xv) On 24 February 2023, PISB subscribed for the increase in share capital of KPSB for a cash consideration of RM2,800,000 to retain its equity interest of 100%.
- (xvi) On 7 March 2023, the Company entered into a Share Sale Agreement to dispose its entire equity interest in OCIB to WKJ Capital Equity Sdn. Bhd. for cash consideration of RM23,000,000.
- (xvii) On 9 March 2023, RTPL has been struck off from the Register of Companies.
- (xviii) On 21 March 2023, 10,000,000 warrants were converted into ordinary shares at an issue price of RM0.40 per share.
- (xix) On 31 March 2023, the Company subscribed for the increase in share capital of OCIB by way of capitalizing amount due to the Company of RM1,222,055 to retain its equity interest of 100%.

50. SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD

- (i) On 18 April 2023, 5,000,000 warrants were converted into ordinary shares at an issue price of RM0.40 per share.

ANALYSIS OF SECURITIES

STATEMENT OF ORDINARY SHAREHOLDINGS AS AT 30 JUNE 2023

Total Number of Issued Shares : **1,994,921,494**
 (Excluding 7,707,700 Treasury Shares)

Voting Rights : One vote per ordinary share

Distribution of Shareholdings

Range of shareholdings	No. of Holders	% of Holders	No. of Shares	% of Issued Shares
Less than 100	223	1.23	8,830	0.00
100 – 1,000	1,112	6.14	757,941	0.04
1,001 – 10,000	6,284	34.69	38,363,843	1.92
10,001 – 100,000	8,018	44.26	324,689,701	16.28
100,001 – less than 5% of the issued shares	2,479	13.68	1,257,918,179	63.06
5% and above of the issued shares	1	0.00	373,183,000	18.70
Total	18,117	100	1,994,921,494	100

Top 30 Registered Holders

No.	Name	No. of Shares	% of Issued Shares
1.	Authentic Design Resources Sdn Bhd	373,183,000	18.70
2.	Gemtek Technology Co., Ltd	26,273,280	1.31
3.	Cheng Leh Theng	24,700,000	1.24
4.	Sia Hui Yong	11,531,969	0.58
5.	Sia Hui Min	10,252,776	0.51
6.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged securities account for Lee Chong Choon (MP0553)	10,000,000	0.50
7.	Mah Siew Hoe	9,500,000	0.48
8.	Maybank Nominees (Tempatan) Sdn Bhd Pledged securities account for Wong Wah Peng	9,119,400	0.46
9.	HLIB Nominees (Tempatan) Sdn Bhd Pledged securities account for Tan Chu Liong	9,030,000	0.45
10.	Public Nominees (Tempatan) Sdn Bhd Pledged securities account for Poh Seng Kian (TJJ/KEN)	9,000,000	0.45
11.	Public Nominees (Tempatan) Sdn Bhd Pledged securities account for Lim Choon Eek (E-TAI/KKR)	8,500,000	0.43
12.	Tey Meng Huat	8,000,000	0.40

ANALYSIS OF SECURITIES

Top 30 Registered Holders (Cont'd)

No.	Name	No. of Shares	% of Issued Shares
13.	Sham Foo Keong	7,400,000	0.37
14.	TA Nominees (Tempatan) Sdn Bhd Pledged securities account for Mohamed Abu Bakar Bin SM Abdul Karim	7,000,000	0.35
15.	CGS-CIMB Nominees (Tempatan) Sdn Bhd Pledged securities account for Tang Lee Hieh (MQ0231)	7,000,000	0.35
16.	Teoh Ching Wan	6,886,800	0.35
17.	Chang, Jin-Yi	6,379,000	0.32
18.	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Song Teik Sun (PB)	6,300,000	0.32
19.	Low Teck Lai	6,300,000	0.32
20.	RHB Nominee (Tempatan) Sdn Bhd Pledged securities account for Premier Elite Marketing Sdn Bhd	6,200,000	0.31
21.	Jasvinder Singh A/L Gurbakhes Singh	6,000,000	0.30
22.	Lim Choon Meng	6,000,000	0.30
23.	Dato' Sri Wong Ing Soon	5,879,000	0.29
24.	Mac Ngan Boon @ Mac Yin Boon	5,523,720	0.28
25.	Ooi Swee Kang	5,120,000	0.26
26.	Tan Yew Sing	4,914,800	0.25
27.	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (LEEF)	4,857,300	0.24
28.	Liew Wai Kiat	4,836,500	0.24
29.	Public Nominees (Tempatan) Sdn Bhd Pledged securities account for Ong Chee Choon (E-KPG)	4,600,000	0.23
30.	Ashraff Reza Anand Bin Abdullah	4,305,100	0.22
TOTAL		614,592,645	30.81

ANALYSIS OF SECURITIES

STATEMENT OF WARRANT HOLDINGS AS AT 30 JUNE 2023

Total Number of the Unexercised Warrants	:	335,243,111
Class of Warrants	:	Warrant 2018/2023
Maturity Date	:	24 November 2023
Exercise Price	:	RM0.40 per warrant
Exercise Right	:	Each Warrant entitles the registered holder to subscribe for one (1) new ordinary share of the Company

Distribution of Warrant Holdings

Range of Warrant Holdings	No. of Warrants Holders	% of Warrants Holders	No. of Warrants	% of Warrants
Less than 100	17	0.57	591	0.00
100 – 1,000	105	3.53	51,185	0.02
1,001 – 10,000	737	24.77	5,084,800	1.52
10,001 – 100,000	1,557	52.34	66,231,385	19.76
100,001 – less than 5% of the unexercised warrants	559	18.79	263,875,150	78.70
5% and above of the unexercised warrants	0	0.00	0	0.00
Total	2,975	100	335,243,111	100

Top 30 Registered Warrant Holders

No.	Name of Warrant Holders	No. of Warrants	% of Warrants
1.	Dato' Sri Wong Ing Soon	10,325,000	3.08
2.	Low Tieck Ann	6,800,000	2.03
3.	Public Nominees (Tempatan) Sdn Bhd Pledged securities account for Ong Yew Beng (E-SJA)	5,730,800	1.70
4.	Yuen Thui Yang	5,000,000	1.49
5.	Public Nominees (Tempatan) Sdn Bhd Pledged securities account for Poh Seng Kian (TJJ/KEN)	4,900,000	1.46
6.	Sim Sze Kam	4,500,000	1.34
7.	Maybank Nominees (Tempatan) Sdn Bhd Pledged securities account for Foo Yong Boon	3,340,000	0.99
8.	Saudagar Singh A/L Habira Singh	3,273,500	0.98
9.	Au Yong Mun Yue	3,000,000	0.89
10.	Lim Kian Boon	3,000,000	0.89
11.	Puan Kam Fook	2,946,200	0.88
12.	Lim Ming Yau	2,942,600	0.88

ANALYSIS OF SECURITIES

Top 30 Registered Warrant Holders (Cont'd)

No.	Name of Warrant Holders	No. of Warrants	% of Warrants
13.	Choo Mei Lin	2,817,000	0.84
14.	Sim Mui Khee	2,300,000	0.69
15.	Neo Yiap Seng	2,250,000	0.67
16.	Lee Chiah Cheang	2,200,000	0.66
17.	Low Tieck Ann	2,100,000	0.63
18.	Tan Yong Teck	2,050,000	0.61
19.	Lai Yok Min	1,993,800	0.59
20.	Siow Yee Yong	1,731,000	0.52
21.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for UBS AG Hong Kong (Foreign)	1,594,780	0.48
22.	Jane Yap Sin Yee	1,584,320	0.47
23.	Soh Chee Hooi	1,572,200	0.47
24.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for OCBC Securities Private Limited (Client A/C-NR)	1,506,000	0.45
25.	Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged securities account for Vincent Phua Chee Ee	1,500,000	0.45
26.	TA Nominees (Tempatan) Sdn Bhd Pledged securities account for Anitha Binti Mohamed Haniffa	1,500,000	0.45
27.	Cheong Wong Sang	1,498,800	0.45
28.	Lim Guan Seng	1,466,500	0.44
29.	Lai Kar Wai	1,400,000	0.42
30.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged securities account for Loh Kim Kiong	1,400,000	0.42
TOTAL		88,222,500	26.32

ANALYSIS OF SECURITIES

Substantial Shareholders

According to the Register of Substantial Shareholders as at 30 June 2023, the shareholders were as follows:

Substantial Shareholders	Direct Interest (A)		Deemed Interest (B)		Total interest (A+B)	% of the Issued Shares
	No. of Issued Shares	% of Issued Shares	No. of Issued Shares	% of Issued Shares		
Authentic Design Resources Sdn Bhd	373,183,000	18.70	-	-	373,183,000	18.70
Kunal Tayal*	-	-	373,183,000	18.70	373,183,000	18.70

* Deemed interested pursuant to Section 8 of the Companies Act, 2016 by virtue of his shareholdings in Authentic Design Resources Sdn Bhd.

Directors' Interest

The interests of the Directors in shares and warrants of the Company according to the Register of the Directors' Shareholdings maintained under Section 59 of the Companies Act, 2016 as at 30 June 2023 were as follows:

Name	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Issued Shares	% of Issued Shares	No. of Issued Shares	% of Issued Shares	No. of Warrants	% of Warrants	No. of Warrants	% of Warrants
Kunal Tayal*	-	-	373,183,000	18.70	-	-	-	-

Other than disclosed above, none of the other Directors holding office had interest in shares and warrants in the Company or its related corporations.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 21st Annual General Meeting (“AGM”) of Green Packet Berhad (“**Green Packet**” or the “**Company**”) will be held at Langkawi Room, Level 2, Main Club House, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan on Wednesday, 30 August 2023 at 9:30 a.m. to transact the following business:

Ordinary Business

- | | | |
|----|---|----------------------------------|
| 1. | To receive the Audited Financial Statements for the financial period ended 31 March 2023, together with the Reports of the Directors and the Auditors thereon. | Refer to Explanatory Note |
| 2. | To re-elect Kenny Khaw Chuan Wah who retires by rotation in accordance with Clause 99 of the Company's Constitution and who being eligible, offers himself for re-election. | (Resolution 1) |
| 3. | To elect the following Directors, who retire in accordance with Clause 105 of the Company's Constitution and who being eligible, offer themselves for election: | |
| | a) Lionel Vernon Yong Nguon Kee | (Resolution 2) |
| | b) Dato' Chong Mun Phing | (Resolution 3) |
| | c) Kunal Tayal | (Resolution 4) |
| | d) Datuk Seri Dr. Yusof Bin Ismail | (Resolution 5) |
| | e) Mohd Azhar Bin Mohd Yusof | (Resolution 6) |
| 4. | To approve the Directors' remuneration - fees and benefits payable to the Non-Executive Directors: | |
| | a) Total Directors' fees amounting to RM336,000 for the period commencing 1 August 2023 until the next AGM of the Company. | (Resolution 7) |
| | b) Directors' benefits up to the amount of RM60,000 from 31 August 2023 until the next AGM of the Company. | (Resolution 8) |
| 5. | To appoint Messrs. ChengCo PLT as Auditors of the Company for the financial year ending 31 March 2024 and to authorise the Directors to fix their remuneration. | (Resolution 9) |
| 6. | To transact any other business appropriate of which due notice shall have been given in accordance with the Companies Act 2016 and the Company's Constitution. | |

As Special Business

To consider and if thought fit, pass the following Ordinary Resolution:-

- | | | |
|----|---|------------------------|
| 7. | Ordinary Resolution 1 - Renewal of Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016 | |
| | “ THAT pursuant to Sections 75 and 76 of the Companies Act, 2016, the Company's Constitution and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue and allot shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued shares of the Company (excluding treasury shares) for the time being and such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.” | (Resolution 10) |

NOTICE OF ANNUAL GENERAL MEETING

By order of the Board
Tai Siew May
MAICSA 7015823 / SSM Practising Certificate No.: 202008004328
Company Secretary

Petaling Jaya, Selangor Darul Ehsan
31 July 2023

Notes:

- (1) *For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting from Bursa Malaysia Depository Sdn Bhd, in accordance to Clause 71 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), a copy of the Record of Depositors as at 22 August 2023. Only a depositor whose name appears on the Record of Depositors as at 22 August 2023 shall be entitled to attend this meeting or appoint proxies to attend, speak and vote on his/her behalf.*
- (2) *A member entitled to attend and vote at this meeting is entitled to appoint proxy/proxies to attend and vote in his stead but his attendance shall automatically revoke the proxy's authority. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.*
- (3) *A member shall be entitled to appoint up to three (3) proxies to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.*
- (4) *Where a member of the Company is an authorised nominee as defined under the SICDA, it may appoint at least one (1) proxy but limited to three (3) proxies in respect of each securities account it holds with securities of the Company standing to the credit of the said securities account.*
- (5) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**") as defined under the SICDA, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.*
- (6) *The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing and if the appointer is a corporation/company, either under its common seal or the hands of its attorney.*
- (7) *The appointment of a proxy may be made in the following manner and must be received by the Company via its Share Registrar, Symphony Corporate Services Sdn Bhd not less than 48 hours before the time set for the AGM or no later than 28 August 2023 at 9:30 a.m.:*
 - (a) *By electronic means via website: The proxy appointment must be made via <https://symphonycorporateservices.com.my>;*
 - (b) *By electronic means via email: The Form of Proxy must be received via email at symphonycorporateservices@gmail.com;*
 - (c) *By electronic means via facsimile: The Form of Proxy must be received via facsimile at 03-5131 9134; or*
 - (d) *In hardcopy form: The Form of Proxy must be deposited at the office of the Company's Share Registrar, Symphony Corporate Services Sdn Bhd of S-4-04, The Gamuda Biz Suites, Jalan Anggerik Vanilla 31/99, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan.*

The detailed requirements and procedures for the submission of proxy forms are set out in the Administrative Guide.

NOTICE OF ANNUAL GENERAL MEETING

ENQUIRY:

If you have any questions regarding the Proxy Form, please contact the Company's Poll Administrator during office hours on Mondays to Fridays from 9:00 a.m. to 5:00 p.m. (except public holidays) prior to the Meeting:

Symphony Corporate Services Sdn Bhd

General Line: +6016-439 7718

Fax Number: +603.5131.9134

Email: symphonycorporateservices@gmail.com

Contact Person: Eric Tan

EXPLANATORY NOTES ON ORDINARY BUSINESS:**Agenda 1: Audited Financial Statements for the financial period ended 31 March 2023**

The Audited Financial Statements are laid in accordance with Section 340(1) of the Companies Act 2016 for discussion only. It does not require shareholders' approval and hence, will not be put for voting.

Ordinary Resolutions 1 to 6: Re-election/Election of Directors

Any Director referred to in Resolutions 1 to 6, who is a shareholder of the Company will abstain from voting on the resolution in respect of his/her re-election/election at the 21st AGM.

Ordinary Resolution 7: Directors' Fees to Non-Executive Directors

Directors' Fees payable to the Non-Executive Directors of the Company is as follows:

No.	Position	RM (per annum)
i)	Board Chairman	120,000
ii)	Audit Committee Chairman	60,000
iii)	Ordinary board member	36,000

Payment of Directors' fees will be made by the Company on a monthly basis from 1 August 2023 until the date of the next AGM of the Company. The Company has budgeted RM336,000 for the headcount of (5) non-executive directors.

Ordinary Resolution 8: Directors' Benefits to Non-Executive Directors

The total amount of benefits payable to the Non-Executive Directors is estimated to be up to RM60,000 from 31 August 2023 until the next AGM of the Company taking into account various factors including the number of scheduled meetings for the Board/Board Committees as well as the number of Non-Executive Directors involved in these meetings. Meeting allowance payable to every Non-Executive Director is fixed at RM1,000 per day.

NOTICE OF ANNUAL GENERAL MEETING

Any Non-Executive Directors who are shareholders of the Company will abstain from voting on **Resolutions 7 and 8** concerning remuneration to the Non-Executive Directors at the 21st AGM.

Ordinary Resolution 9: Appoint Messrs. ChengCo PLT as Auditors of the Company and to authorise the Directors to fix their remuneration

The Auditors, Messrs. ChengCo PLT (ChengCo), have expressed their willingness to continue in the office. The Audit Committee undertook an annual assessment of the suitability and independence of ChengCo and was satisfied with the suitability of ChengCo based on the quality of audit, performance, competency, and sufficiency of resources the external audit team provided to the Group.

EXPLANATORY NOTES ON SPECIAL BUSINESS:

- 1) **Ordinary Resolution 10** - if passed, will empower the Directors of the Company to issue shares up to 10% of the total issued shares (excluding treasury shares) of the Company at the time of such issuance of shares and for such purposes as they consider would be in the best interest of the Company without having to convene separate general meetings. This would enable the Directors to take swift action in case of a need to meet funding requirements including but not limited to working capital, operational expenditure or in the event of business opportunities arise which involve the issuance of new shares, thus avoiding any delay and cost involved in convening a general meeting to specifically approve such an issue of shares.

This renewed mandate, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting of the Company.

As at the date of this Notice, no new shares in the Company were issued pursuant to the General Mandate granted to the Directors at the 20th AGM which will lapse at the conclusion of this 21st AGM.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

(i) The Directors who are standing for election as per Agenda 3 of the Notice of 21st AGM are as follows:

- a) Lionel Vernon Yong Nguon Kee
- b) Dato' Chong Mun Phing
- c) Kunal Tayal
- d) Datuk Seri Dr. Yusof Bin Ismail
- e) Mohd Azhar Bin Mohd Yusof

The profiles of the above-named Directors who are standing for election are provided in the Board of Directors' Profile of pages 37 and 40 to 43 of the Company's Annual Report 2023.

(ii) Authority to Directors to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016

This is the renewal of the mandate obtained from the shareholders at 20th AGM ("2022 General Mandate"). The Company did not issue any new shares pursuant the 2022 General Mandate.



ADMINISTRATIVE GUIDE FOR SHAREHOLDERS ATTENDING THE 21st ANNUAL GENERAL MEETING (“AGM/THE MEETING”)

Date	: Wednesday, 30 August 2023
Time	: 9.30 a.m.
Venue	: Langkawi Room, Level 2, Main Club House, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan

PARKING

1. **FREE** parking at the designated location at the Bukit Jalil Golf & Country Resort.
2. The Company will **NOT** provide cash reimbursements for parking charges incurred by shareholders/proxies who park their vehicles at other car parks, or use the valet parking service at Bukit Jalil Golf & Country Resort.

REGISTRATION

3. Registration will start at **8.00 a.m.** and will close 20 minutes after commencement of the 21st AGM, or such time as may be determined by the Chairman of the Meeting. Shareholders are requested to be punctual.
4. Please produce your **ORIGINAL Identity Card (“I/C”) or Passport (for foreigners)** during registration for verification. **No photocopy of I/C or Passport will be accepted.** Please make sure you collect your I/C thereafter.

After registration and signing on the Attendance List, please vacate the registration area. Shareholders are allowed to enter the meeting hall at 9.00 a.m.

5. After verification and registration, you will be given an identification wristband. If you are attending the 21st AGM as a shareholder as well as proxy, you will be registered once and will only be given a wristband to enter the meeting hall. No person will be allowed to enter the meeting hall without wearing the wristband.

A voting device will be distributed to you when you enter the meeting hall for electronic voting purposes. Please return the device after the Meeting is over. A penalty of RM150 will be imposed for loss of the voting device.

6. Please note that you will not be allowed to register on behalf of another person, even with the original I/C or Passport of that other person.

HELPDESK

7. The registration counters will only handle verification of shareholdings and registration. If you have other queries or need clarification relating to registration, please proceed to the Help Desk.
8. The Help Desk will also handle revocation of proxy appointments.

REFRESHMENT

9. Refreshment will be served at a designated location after the completion of the 21st AGM.

DOOR GIFT

10. There will be no door gift given to shareholders who attend the 21st AGM.

MEETING

11. The Meeting will start promptly at 9.30 a.m.
12. Please ensure that all mobile devices i.e. phones and other sound emitting devices are switched off or put on silent mode during the 21st AGM to ensure smooth and uninterrupted proceedings of the Meeting.
13. The 21st AGM will be conducted in English.
14. No video recording during the proceedings of the Meeting is allowed.

DRESS CODE

15. Formal or casual. However, slippers and short pants are discouraged.

VOTING PROCEDURE

13. Pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions as set out in the Notice of the 21st AGM will be put to vote by poll.

ENTITLEMENT TO ATTEND AND VOTE AT THE 21ST AGM

14. For the purpose of determining the shareholders who shall be entitled to attend the 21st AGM, the Company will be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors ("ROD") as at 22 August 2023.

Only shareholders whose names appear on the ROD as at 22 August 2023, shall be entitled to attend and vote at the 21st AGM, or appoint proxy(ies) to attend and vote on their behalf.

15. If you wish to attend the 21st AGM yourself, please do not submit any Proxy Form for the 21st AGM. You will not be allowed to attend the 21st AGM together with the proxy appointed by you regardless of how many CDS accounts you may have.
16. If you have submitted your Proxy Form prior to the 21st AGM and subsequently decided to attend the 21st AGM yourself, please proceed to the Help Desk to revoke the appointment of your proxy **before registration**.

ANNUAL REPORT 2023

17. The Annual Report 2023 is available on Bursa Malaysia's website at www.bursamalaysia.com under company announcements of Green Packet Berhad as well as Green Packet's website at <https://www.greenpacket.com>.
18. Printed copies are also available for collection at the secretariat counter next to the registration counters on a first come first served basis.

ENQUIRIES

19. If you have any enquiry relating to the 21st AGM, please contact the following person during office hours (9.00 a.m. to 5.00 p.m.) on Mondays to Fridays:

Symphony Corporate Services Sdn. Bhd.

General Line: +6016-439 7718

Fax Number: +603-51319134

Email: symphonycorporateservices@gmail.com

Contact Person: Eric Tan



Registered Office:

B-23A-3, The Ascent Paradigm
No. 1, Jalan SS 7/26A, Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan

31 July 2023

Dear Valued Shareholders,

21st Annual General Meeting

We are pleased to inform that the 21st Annual General Meeting ("**AGM**") of Green Packet Berhad will be held at Langkawi Room, Level 2, Main Club House, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan on Wednesday, 30 August 2023 at 9.30 a.m.

The Annual Report 2023 and the CG Report are published on Bursa Malaysia Securities Berhad's website and the Company's website:

https://www.bursamalaysia.com/market_information/announcements/company_announcement
<https://www.greenpacket.com/investor-relations/bursa-reports>

The Annual Report 2023 in the electronic form is accessible through QR Code set out below.

Should you require a printed copy of the Annual Report 2023, kindly complete the Request Form below and a copy of the same will be forwarded to you within four (4) market days from the date of receipt of your written request.

We take this opportunity to thank you and look forward to your continuing support.

Yours faithfully,
For and on behalf of Green Packet Berhad

Datuk Seri Dr. Yusof Bin Ismail
Chairman / Independent Non-Executive Director



Please scan this QR code to view/download our Annual Report 2023

To : Symphony Corporate Services Sdn. Bhd.

Facsimile no. : +603-51319134

Email : symphonycorporateservices@gmail.com

Name of Shareholder :

NRIC No./Passport No./Company No. : Telephone No. :

CDS Account No. :

Email Address :

Correspondence Address :

Signature : Date :



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Then fold here

AFFIX
STAMP

SHARE REGISTRAR OF GREEN PACKET BERHAD

Symphony Corporate Services Sdn Bhd (1021936-V)
S-4-04, The Gamuda Biz Suites,
Jalan Anggerik Vanilla 31/99, Kota Kemuning,
40460 Shah Alam, Selangor Darul Ehsan

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FORM OF PROXY

CDS Account No.	
Total number of ordinary shares held	

*I/We (full name in block), _____
 bearing *NRIC No./Passport No./Company Registration No. _____
 of (full address) _____

being shareholder(s) of Green Packet Berhad ("**the Company**") hereby appoint :-

First Proxy "A"

Full Name (in block)	NRIC/ Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address			

and/or failing *him/her,

Second Proxy "B"

Full Name (in block)	NRIC/ Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address			

and/or failing *him/her,

Third Proxy "C"

Full Name (in block)	NRIC/ Passport No.	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address			

or failing *him/her, the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the 21st Annual General Meeting ("**AGM**") of the Company to be held at Langkawi Room, Level 2, Main Club House, Bukit Jalil Golf & Country Resort, Jalan Jalil Perkasa 3, Bukit Jalil, 57000 Kuala Lumpur, Wilayah Persekutuan on Wednesday, 30 August 2023 at 9:30 a.m..

Please indicate with an "X" in the space provided below on how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting at *his/her discretion.

No.	Ordinary Resolutions	For	Against
1.	To re-elect Kenny Khoo Chuan Wah as Director (pursuant to Clause 99 of the Company's Constitution).		
2.	To e-elect Lionel Vernon Yong Nguon Kee as Director (pursuant to Clause 105 of the Company's Constitution).		
3.	To e-elect Dato' Chong Mun Phing as Director (pursuant to Clause 105 of the Company's Constitution).		
4.	To e-elect Kunal Tayal as Director (pursuant to Clause 105 of the Company's Constitution).		
5.	To e-elect Datuk Seri Dr. Yusof Bin Ismail as Director (pursuant to Clause 105 of the Company's Constitution).		
6.	To e-elect Mohd Azhar Bin Mohd Yusof as Director (pursuant to Clause 105 of the Company's Constitution).		
7.	To approve payment of Directors' fees of RM336,000.		
8.	To approve payment of Directors' benefits of up to RM60,000.		
9.	Appoint Messrs. ChengCo PLT as Auditors of the Company and to authorise the Directors to fix their remuneration		
10.	Renewal of Authority to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016.		

As witness my/our hand(s) this day _____ of _____ 2023.

*Signature/Common Seal of the Shareholder(s)

*Strike out whichever not applicable



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Notes:

- (1) For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting from Bursa Malaysia Depository Sdn Bhd, in accordance to Clause 71 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), a copy of the Record of Depositors as at 22 August 2023. Only a depositor whose name appears on the Record of Depositors as at 22 August 2023 shall be entitled to attend this meeting or appoint proxies to attend, speak and vote on his/her behalf.
- (2) A member entitled to attend and vote at this meeting is entitled to appoint proxy/proxies to attend and vote in his stead but his attendance shall automatically revoke the proxy's authority. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- (3) A member shall be entitled to appoint up to three (3) proxies to attend and vote at the same meeting. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- (4) Where a member of the Company is an authorised nominee as defined under the SICDA, it may appoint at least one (1) proxy but limited to three (3) proxies in respect of each securities account it holds with securities of the Company standing to the credit of the said securities account.
- (5) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**") as defined under the SICDA, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds.

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AFFIX
STAMP

SHARE REGISTRAR OF GREEN PACKET BERHAD

Symphony Corporate Services Sdn Bhd (1021936-V)
S-4-04, The Gamuda Biz Suites,
Jalan Anggerik Vanilla 31/99, Kota Kemuning,
40460 Shah Alam, Selangor Darul Ehsan

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- (6) The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing and if the appointer is a corporation/company, either under its common seal or the hands of its attorney.
- (7) The appointment of a proxy may be made in the following manner and must be received by the Company via its Share Registrar, Symphony Corporate Services Sdn Bhd not less than 48 hours before the time set for the AGM or no later than 28 August 2023 at 9:30 a.m.:
 - (a) By electronic means via website: The proxy appointment must be made via <https://symphonycorporateservices.com.my>;
 - (b) By electronic means via email: The Form of Proxy must be received via email at symphonycorporateservices@gmail.com;
 - (c) By electronic means via facsimile: The Form of Proxy must be received via facsimile at 03-5131 9134; or
 - (d) In hardcopy form: The Form of Proxy must be deposited at the office of the Company's Share Registrar, Symphony Corporate Services Sdn Bhd of S-4-04, The Gamuda Biz Suites, Jalan Anggerik Vanilla 31/99, Kota Kemuning, 40460 Shah Alam, Selangor Darul Ehsan.

