



# ANNUAL REPORT 2022



**FUTURE**

**OF**

**BUSINESS,**

**TODAY.**

## THANK YOU TO OUR SHAREHOLDERS

We are pleased to present to you our annual report, which provides a comprehensive overview of PRIVASIA Technology Berhad (“PRIVASIA” or “the Group”)’s financial performance, key achievements, and strategic initiatives over the past year. As we reflect on the challenges we faced during the pandemic, we are proud of our ability to navigate through the turbulence and deliver strong financial results in the last quarter.

Despite the challenging business environment brought about by the COVID-19 pandemic, we achieved significant milestones, including securing the Point of Presence Phase 2 (“POP2”) project worth RM1.24 billion amid stiff competition among industry players.

Our success is a testament to the hard work and dedication of our employees, as well as the ongoing support of our shareholders.

We look forward to a bright future, and we are confident that, together, we can achieve great. As we move forward, we will continue to focus on building a sustainable and resilient business that creates value for our shareholders.

Thank you for your ongoing support and investment in our company. We look forward to a successful future together.



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**NOTICE OF THE  
FIFTEENTH ANNUAL  
GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT the Fifteenth Annual General Meeting (“15th AGM”) of PRIVASIA Technology Berhad (“PRIVASIA” or “the Company”) will be held at C-21-02, 3 Two Square, No. 2, Jalan 19/1, 46300 Petaling Jaya, Selangor Darul Ehsan on **Wednesday, 28 June 2023 at 10.00 a.m.** for the following purposes:

**AGENDA : AS ORDINARY BUSINESS**

- |  |  |
|--|--|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2022 together with the Reports of the Directors and the Auditors thereon.  | Please refer to Note 1 of the Explanatory Note |
| 2. To re-elect the following Directors who shall retire pursuant to Clause 165 of the Company’s Constitution and being eligible, have offered themselves for re-election:-<br><br>I. Mr. Andre Anthony a/l Hubert Rene; and<br>II. Dato’ Azman Bin Mahmud. | Ordinary Resolution 1<br>Ordinary Resolution 2 |
| 3. To re-elect Mr. Yip Kit Weng who shall retire pursuant to Clause 156 of the Company’s Constitution and being eligible, have offered himself for re-election.  | Ordinary Resolution 3                          |
| 4. To approve the payment of Directors’ fees up to RM444,000 payable to the Directors of the Company from 1 July 2023 until the conclusion of the next AGM of the Company to be held in 2024.  | Ordinary Resolution 4                          |
| 5. To approve the payment of Directors’ benefits payable to the Directors of the Company up to RM86,000 from 1 July 2023 until the conclusion of the next AGM of the Company to be held in 2024.   | Ordinary Resolution 5                          |
| 6. To approve the payment of Directors’ fees and benefits of the Company’s subsidiaries of RM34,800 for the financial year ended 31 December 2022.   | Ordinary Resolution 6                          |
| 7. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.  | Ordinary Resolution 7                          |

**AGENDA : AS SPECIAL BUSINESS**

To consider and, if thought fit, with or without any modifications, to pass the following Ordinary Resolution:-

- |   |                       |
|---|-----------------------|
| 8. <b>Authority to Allot Shares and Waiver for Pre-Emptive Rights</b><br>“THAT pursuant to Sections 75 and 76 of the Companies Act, 2016 (“the Act”), ACE Market listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”)(“Listing Requirements”) and/or the approvals of the relevant regulatory authorities, where required, the Directors be and are hereby empowered to issue and allot shares in the capital of the Company, from time to time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that such authority shall continue in force until the conclusion of the next AGM of the Company.<br><br>THAT pursuant to Section 85 of the Act read together with Clause 31 of the Company’s Constitution, approval be and is hereby given to disapply and waive the statutory pre-emptive rights conferred upon the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to the Act.<br><br>AND THAT the Directors be exempted from the obligation to offer such new shares first to the existing shareholders of the Company arising from any issuance of the new shares pursuant to the Act and are also empowered to obtain the approval from Bursa Securities for the listing of and quotation of the additional shares so issued.” | Ordinary Resolution 8 |
|---|-----------------------|

**AGENDA : ANY OTHER BUSINESS**

9. To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016 and Company's Constitution.

**BY ORDER OF THE BOARD,**

**WONG CHOW LAN (MAICSA 7012088)**  
**(SSM PC NO. 201908000012)**  
**FOO LI LING (MAICSA 7019557)**  
**(SSM PC NO. 201908001737)**

Company Secretaries  
 Petaling Jaya  
 Date : 21 April 2023

**NOTES**

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint more than one (1) proxy to attend and vote on his/her behalf. Where a member appoints more than one (1) proxy, the member shall specify the proportion of the shareholding to be represented by each proxy, failing which the appointments shall be invalid.
2. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a Meeting shall have the same rights as the Member to speak at the Meeting.
3. For the purpose of determining who shall be entitled to attend the 15th AGM, the Company shall request Bursa Malaysia Depository Sdn. Bhd. to issue a Record of Depositors as at 20 June 2023. A Depositor whose name appears as such Record of Depositors shall be entitled to attend the Meeting.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of its attorney duly authorised in writing.
5. Where a Member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
6. Where a Member is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
7. The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power or authority, must be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. and may either be in the following manner and must not less than forty eight (48) hours before time for holding the Meeting i.e. latest by 26 June 2023 at 10.00 a.m or any adjournments thereof or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll; otherwise the instrument of proxy shall not be treated as valid and the person so named shall not be entitled to vote in respect thereof.

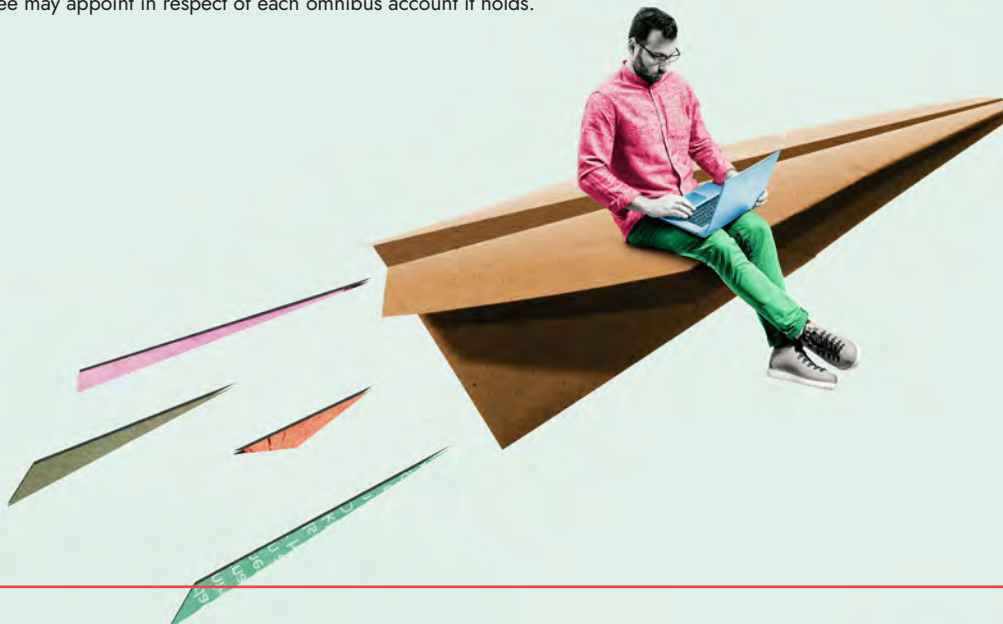
In hardcopy form

Either by hand or post, at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Any alteration to the Form of Proxy must be initialled.

Electronically

You may also submit the Form of Proxy electronically through the Boardroom Smart Investor Portal ("BSIP") at <https://investor.boardroomlimited.com> (Kindly refer to the Administrative Details for the procedures on electronics lodgement of proxy form).

8. Pursuant to Paragraph 8.31A(1) of Bursa Malaysia Securities Berhad ACE Market Listing Requirements, all the resolutions in the 15th AGM of the Company shall be put to vote by way of poll.
9. By submitting the proxy form, the member consents to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the AGM, including any adjournment thereof.



## EXPLANATORY NOTES ON ORDINARY BUSINESS

### AGENDA 1 REPORTS AND FINANCIAL STATEMENTS

Agenda item no. 1 is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 do not require shareholders' approval for the financial statements. Hence, this Agenda is not to be put forward for voting.

### AGENDA 4, 5 & 6 PAYMENT OF DIRECTORS' FEES AND BENEFITS

Section 230(1) of the Companies Act 2016 provides that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, shareholders' approval shall be sought at the 15th AGM on the Directors' fees and benefits under Resolution 4, 5 & 6.

The Directors' benefits comprised of meeting allowance payable to Directors at each meeting.

**Directors' Fees for the period** from 1 July 2023 until the conclusion of the next AGM of the Company to be held in 2024.

FEES	AMOUNT (RM)
EXECUTIVE DIRECTORS	120,000
NON-EXECUTIVE DIRECTORS	324,000
<b>TOTAL</b>	<b>444,000</b>

**Directors' Benefits for the period** from 1 July 2023 until the conclusion of the next AGM of the Company to be held in 2024.

BENEFITS	AMOUNT (RM)
EXECUTIVE DIRECTORS	27,000
NON-EXECUTIVE DIRECTORS	59,000
<b>TOTAL</b>	<b>86,000</b>

**Directors' Fees and Benefits** of the Company's subsidiaries for the financial year ended 31 December 2022.

FEES	AMOUNT (RM)
DIRECTORS FEES	34,800
<b>TOTAL</b>	<b>34,800</b>

## EXPLANATORY NOTES ON SPECIAL BUSINESS

### AGENDA 8 AUTHORITY TO ALLOT SHARES AND WAIVER FOR PRE- EMPTIVE RIGHTS

At its 14th AGM which was held on 30 June 2022, the Company had obtained general mandate for its directors to issue shares up to 20% of the issued and paid-up capital of the Company to be utilised until 31 December 2022, and thereafter, the 10% general mandate will be reinstated. As at the date of this Notice, no new shares in the Company were issued pursuant to the general mandate obtained at the 14th AGM and which will lapse at the conclusion of the 15th AGM to be held on 28 June 2023.

The proposed resolution if passed, will give the Directors of the Company, from the date of the 15th AGM, the authority to allot and issue shares of up to 10% of the total number of issued shares of the Company at the time of the issue for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the shareholders of the Company at a general meeting, will expire at the conclusion of the next AGM.

A renewal of this authority is being sought at the 15th AGM to provide flexibility to the Company to undertake future possible fund raising activities, including but not limited to further placement of shares for purpose of funding future investments, working capital and/or acquisitions without having to convene another general meeting.

The approval of the issuance and allotment of the new shares under Sections 75 and 76 of the Companies Act 2016 shall have the effect of the shareholders having agreed to disapply and waive their statutory pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 and Clause 31 of the Company's Constitution. By approving Ordinary Resolution 8, the shareholders of the Company agree to waive and are deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Companies Act, 2016 and Clause 31 of the Company's Constitution pertaining to the issuance and allotment of new shares under Sections 75 and 76 of the Companies Act 2016, which will result in a dilution to their shareholding percentage in the Company.

## STATEMENT ACCOMPANYING NOTICE OF THE 15TH AGM

**PURSUANT TO  
PARAGRAPH  
8.29(2) OF THE ACE  
MARKET LISTING  
REQUIREMENTS OF  
BURSA MALAYSIA  
SECURITIES  
BERHAD**

(a) Details of individuals who are standing for re-election as Director

In accordance with Clause 156 of the Company's Constitution, the Board can appoint a person as an additional director or as a replacement for another director. A director appointed in this way automatically retires at the first AGM after their appointment in accordance with Clause 165 unless elected or re-elected at that AGM.

Mr Yip Kit Weng who was appointed as Director on 15 November 2022 retire in accordance with Clause 156 of the Company's Constitution and being eligible, offered himself for re-election.

Pursuant to Rule 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the information relating to the retiring Directors are as set out on page 19 in Directors' Profile of the Company's Annual Report.

(b) Statement relating to general mandate for issue of securities in accordance with Paragraph 6.04(3) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

Details on the proposed 10% General Mandate to enable the Directors of the Company to issue and allot shares under Section 76 of the Companies Act 2016 are as stated in the Explanatory Notes of the Notice of 15th AGM.



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

DATO' AZMAN BIN MAHMUD	Chairman/ Independent Non-Executive Director	LEONG KAH CHERN	Independent Non-Executive Director
DATUK PUVANESAN A/L SUBENTHIRAN	Group Chief Executive Officer/Managing Director	RACHEL LAU JEAN MEI	Independent Non-Executive Director
ANDRE ANTHONY A/L HUBERT RENE	Deputy Chief Executive Officer/ Executive Director	YIP KIT WENG	Independent Non-Executive Director <i>Appointed on 15 November 2022</i>
Haida Shenny Binti Hazri	Independent Non-Executive Director	HASLINDA BT HUSSEIN	Independent Non-Executive Director <i>Resigned on 30 November 2022</i>

### AUDIT AND RISK MANAGEMENT COMMITTEE

Haida Shenny Binti Hazri	Chairman	<b>INVESTMENT COMMITTEE</b> <i>(Dissolved effective 31 December 2022)</i>	RACHEL LAU JEAN MEI	Chairman <i>Appointed as a Chairman on 2 September 2022</i>
LEONG KAH CHERN	Member		DATUK PUVANESAN A/L SUBENTHIRAN	Member
YIP KIT WENG	Member <i>Appointed as a Member on 15 November 2022</i>		ANDRE ANTHONY A/L HUBERT RENE	<i>Alternate to Datuk Puvanesan A/L Subenthiran</i>
HASLINDA BT HUSSEIN	Member <i>Resigned as a Member on 30 November 2022</i>		LEONG KAH CHERN	Member <i>Appointed as a Member on 15 February 2022</i>

### NOMINATION AND REMUNERATION COMMITTEE

LEONG KAH CHERN	Chairman	HASLINDA BT HUSSEIN	Chairman <i>Resigned as a Chairman and Member on 25 August 2022</i>
Haida Shenny Binti Hazri	Member		
RACHEL LAU JEAN MEI	Member		

### COMPANY SECRETARIES

WONG CHOW LAN	MAICSA 7012088 SSM PC NO. 201908000012
FOO LI LING	MAICSA 7019557 SSM PC NO. 201908001737

### SHARE REGISTRARS

BOARDROOM SHARE REGISTRARS SDN. BHD. Company Registration No.: 199601006647 (378993-D)	11th Floor Menara Symphony No. 5, Jalan Semangat Seksyen 13 46200 Petaling Jaya Selangor Darul Ehsan Malaysia Tel: +603 7890 4700 Fax: +603 7890 4670
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### AUDITORS

BAKER TILLY MONTEIRO HENG PLT 201906000600 (LLP0019411-LCA) (AF 0117)	Chartered Accountants Baker Tilly Tower Level 10, Tower 1, Avenue 5, Bangsar South City 59200 Kuala Lumpur W.Persekutuan (KL) Tel: +603-2297 1000 Fax: +603-2282 9980
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### STOCK EXCHANGE LISTING

ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD	Stock Name : PRIVA Stock Code : 0123
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### WEBSITE

WWW.PRIVASIA.COM

### REGISTERED OFFICE

62C, Jalan SS21/62 Damansara Utama  
47400 Petaling Jaya Selangor Darul Ehsan  
Tel: +603-7729 3337

## CORPORATE STRUCTURE

**PRIVASIA  
TECHNOLOGY  
BERHAD**

**PRIVASIA  
SDN BHD**  
100%

**PRIVACOM  
SDN BHD**  
100%

**PRIVASAT  
SDN BHD**  
100%

**MAPRI  
SDN BHD**  
25%

**PRIVANET  
SDN BHD**  
100%

**PRIVATEL  
SDN BHD**  
95%

**PRIVATEL  
(SINGAPORE)  
PTE LTD**  
100%

**INFOCRATS  
SDN BHD**  
30%

**PRIVAPORTS  
SDN BHD**  
100%

**SPRING REACH  
DISTRIBUTION SDN BHD**  
100%

**PRIVARAIL  
SDN BHD**  
80%

**PRIVASIA IOT  
SDN BHD**  
100%

**FINANSHERE  
SDN BHD**  
60%

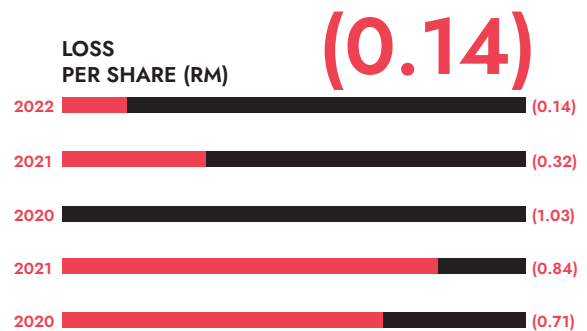
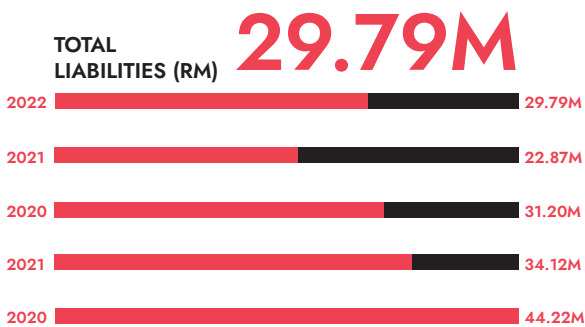
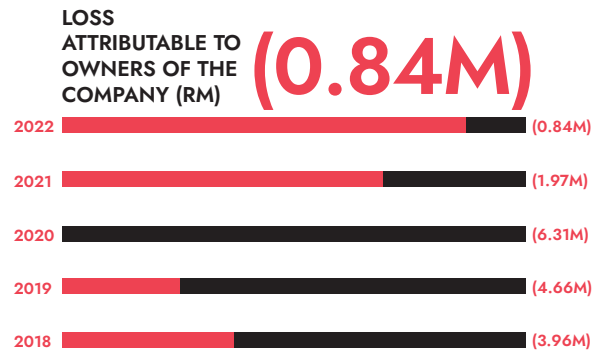
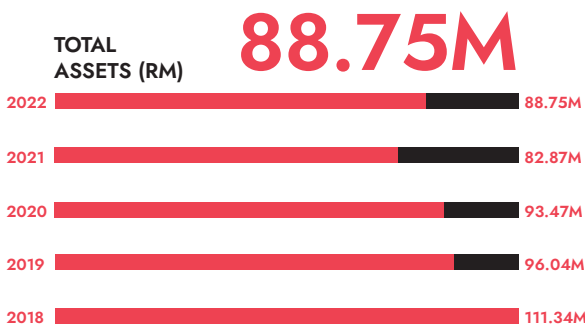
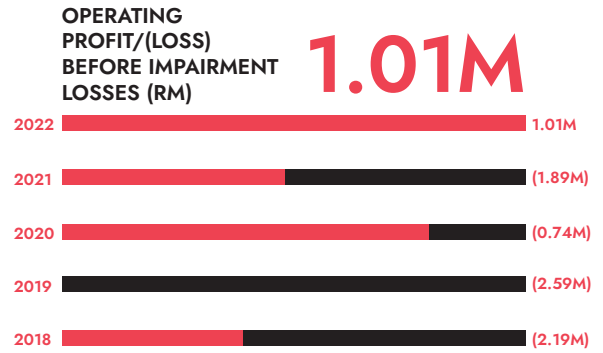
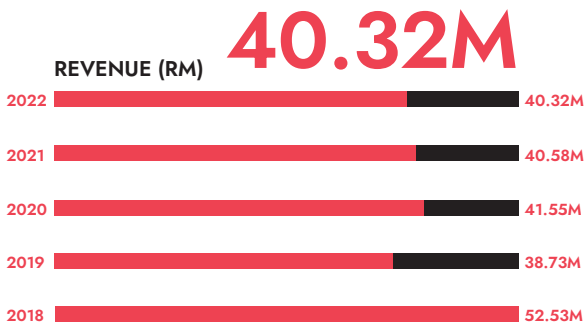
**DIGITAL MEDTECH  
SOLUTIONS SDN BHD**  
30%

## 5 YEARS FINANCIAL HIGHLIGHTS

### PRIVASIA'S 5 YEARS FINANCIAL RESULTS

As we thought that we were on track to returning to profitability, COVID-19 has derailed our plans and we had to re-strategise. The PRIVASIA team therefore focused on cost-saving plans and streamlining operational efficiencies. We ended 2022 by narrowing the Operating Losses to our lowest level yet among the previous 5 financial years. PRIVASIA's 5 years financial highlights are as follows:

DESCRIPTION	2022 RM	2021 RM	2020 RM	2019 RM	2018 RM
REVENUE	40,323,472	40,576,163	41,553,248	38,728,615	52,531,641
OPERATING PROFIT/( LOSS) BEFORE IMPAIRMENT LOSSES	1,011,159	(1,887,209)	(734,687)	(2,589,578)	(2,190,677)
OPERATING LOSS AFTER IMPAIRMENT LOSSES	(448,252)	(2,026,845)	(4,062,687)	(3,058,574)	(2,190,677)
LOSS BEFORE TAX	(1,201,811)	(2,704,627)	(5,025,364)	(4,456,962)	(3,715,684)
LOSS FOR THE FINANCIAL YEAR	(1,297,605)	(2,303,437)	(6,449,668)	(5,241,688)	(4,818,102)
LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY	(836,017)	(1,971,572)	(6,311,832)	(4,661,184)	(3,960,136)
TOTAL ASSETS	88,747,917	82,870,848	93,472,213	96,037,762	111,334,693
TOTAL LIABILITIES	29,789,466	22,865,605	31,200,353	34,124,183	44,216,032
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	59,545,579	60,933,678	62,912,918	62,416,841	68,225,534
NET ASSETS PER SHARE (RM)	0.10	0.10	0.10	0.11	0.12
LOSS PER SHARE (SEN)	(0.14)	(0.32)	(1.03)	(0.84)	(0.71)



**YIP KIT WENG**  
INDEPENDENT  
NON-EXECUTIVE DIRECTOR

**DATUK PUVANESAN  
A/L SUBENTHIRAN**  
GROUP CHIEF  
EXECUTIVE OFFICER /  
MANAGING DIRECTOR

**DATO' AZMAN BIN MAHMUD**  
CHAIRMAN / INDEPENDENT  
NON-EXECUTIVE DIRECTOR

# BOARD OF

**ANDRE ANTHONY**  
**A/L HUBERT RENE**  
DEPUTY CHIEF EXECUTIVE OFFICER/  
EXECUTIVE DIRECTOR

**RACHEL LAU JEAN MEI**  
INDEPENDENT  
NON-EXECUTIVE DIRECTOR

**LEONG KAH CHERN**  
INDEPENDENT  
NON-EXECUTIVE DIRECTOR

# DIRECTORS



## DATO' AZMAN BIN MAHMUD

**CHAIRMAN /  
INDEPENDENT  
NON-EXECUTIVE  
DIRECTOR**

**MALAYSIAN  
AGE 62  
MALE**

**DATE OF  
APPOINTMENT**  
10 MAY 2021

**BOARD MEETING  
ATTENDANCE IN  
THE FINANCIAL  
YEAR ENDED  
31 DECEMBER  
2022**  
6/6

### **ACADEMIC/PROFESSIONAL QUALIFICATION(S)/MEMBERSHIP(S)**

Agricultural Engineering Alumnus,  
University Putra Malaysia

### **RELEVANT EXPERIENCE**

Dato' Azman Bin Mahmud ("Dato' Azman") was appointed as an Independent Non-Executive Director of PRIVASIA Group on 10 May 2021 and as Chairman of PRIVASIA Group on 14 June 2021.

After having served with the Malaysian Investment Development Authority (MIDA) for over three decades, Dato' Azman ended his tenure there as the Chief Executive Officer. He had the enviable responsibility to drive investments into the country and lead the team in advising, formulating and recommending strategies, policies, investment and industry development programmes in the manufacturing and services sectors to the government of Malaysia.

In his former role as CEO of MIDA, he was also pivotal in attracting foreign investments into the country, in addition to being instrumental in driving domestic investments in various industries and sectors.

Now helping the stewardship of Export-Import Bank Malaysia Berhad (EXIM Bank), Dato' Azman is enthusiastic about using his vast industry and investment know-how in driving and positioning Malaysian businesses from all over the country in their global business ventures, as per the Government's mandate. He is also highly sought after by several leading key organisations to be on the board of their organisations for his wisdom and expertise.

Dato Azman also helms the Chairmanship of several boards of companies and organisations, which includes Cnnerganz Berhad, Panasonic Malaysia Sdn Bhd, Panasonic Manufacturing Malaysia Berhad, UPM Holdings Sdn Bhd, SME Aerospace Sdn Bhd Bhd.

He also holds other Board positions in GDEX Berhad, Texchem Resources Berhad and Kulim Technology Park Corporation, in addition to being a member of several organisations related to the development of businesses and investments and as an investment panel member for Penjana Kapital (an entity established by the Ministry of Finance in July 2020). He is also the Board of charitable organisation Akademi Transformasi Asnaf Perlis MAIPs Sdn Bhd.

His past leadership repertoire includes directorship in Malaysia Petroleum Resources Corporation (MPRC), Collaborative Research in Science, Engineering & Technology (CREST) (Chairman), Regional Corridor Development Authority (RECODA) (Director and Member of Audit Committee), InvestKL, Johor Corporation (JCorp), Special Task Force to Facilitate Business (PEMUDAH) (Permanent Member), Cyberjaya Implementation Council (Permanent Member) and Iskandar Regional Development Authority (IRDA) (Member of Approvals and Implementation Committee (AIC)).



## DATUK PUVANESAN A/L SUBENTHIRAN

**GROUP CHIEF  
EXECUTIVE OFFICER/  
MANAGING  
DIRECTOR**

**MALAYSIAN  
AGE 47  
MALE**

**DATE OF  
APPOINTMENT**  
4 MAY 2009

**BOARD MEETING  
ATTENDANCE IN  
THE FINANCIAL  
YEAR ENDED  
31 DECEMBER  
2022**  
6/6

**ACADEMIC/PROFESSIONAL  
QUALIFICATION(S)/MEMBERSHIP(S)**

Diploma in Economics, National Council for Educational Awards, Ireland

BA (Hons) in Accounting and Finance, London South Bank University, UK

Fellow of the Association of Chartered Certified Accountants (ACCA)

Chartered Accountant with the Malaysian Institute of Accountants (MIA)

Harvard Business School Senior Management Development Program

Harvard Business School Leadership Development Program

### RELEVANT EXPERIENCE

Datuk Puvanesan A/L Subenthiran ("Datuk Puvanesan") is one of the founding members of PRIVASIA, and was appointed as the Group Chief Executive Officer ("GCEO") and Managing Director of PRIVASIA Group on 4 May 2009. He was appointed to the board of PRIVASIA Sdn. Bhd. on 4 August 2004.

During the financial year ended ("FYE") 2022, Datuk Puvanesan was a member of Investment Committee. On 31 December 2022, the Investment Committee has been dissolved and subsequently his position as a member has been relinquished.

Prior to this, Datuk Puvanesan was a senior in the Business Advisory and Assurance Department of BDO Simpsons Xavier in Ireland. Upon his return to Malaysia, Datuk Puvanesan held the position of Chief Financial Officer of the Makmal Jaya Group.

Since January 2021, he was appointed as Non-Executive Director of Malaysia Debt Ventures Berhad and he also hold directorships in a number of private limited companies incorporated in Malaysia. He does not hold any other directorship of public companies and listed issuers.



## ANDRE ANTHONY A/L HUBERT RENE

**DEPUTY CHIEF  
EXECUTIVE OFFICER/  
EXECUTIVE  
DIRECTOR**

**MALAYSIAN  
AGE 47  
MALE**

**DATE OF  
APPOINTMENT**  
4 MAY 2009

**BOARD MEETING  
ATTENDANCE IN  
THE FINANCIAL  
YEAR ENDED  
31 DECEMBER  
2022**  
6/6

**ACADEMIC/PROFESSIONAL  
QUALIFICATION(S)/MEMBERSHIP(S)**

Bachelor of Law (LLB) (Hons), University of Wales, College of Cardiff, UK

Harvard Business School Senior Management Development Program

### RELEVANT EXPERIENCE

Andre Anthony A/L Hubert Rene ("Mr. Andre") is one of the founding members of the PRIVASIA Group, and was appointed as Deputy Chief Executive Officer of the Group on 4 May 2009.

Mr Andre is an alternate member of Datuk Puvanesan in Investment Committee. On 31 December 2022, the Investment Committee has been dissolved and subsequently his position as an alternate member has been relinquished.

Upon graduation, Mr. Andre moved into the dotcom business with Dreammotor.com as a member of its business development team. He was involved in setting up the company and the expansion of its operations and business to Singapore and Hong Kong. Mr. Andre subsequently joined Westports Holdings Berhad's IT Department before venturing full-time into IT consultancy.

Once fully into the IT field, Mr. Andre harnessed his skills in various areas of IT as well as in the management and operations of running a business. He helped steer and grow PRIVASIA from a small IT Company focused on a niche area to the large group that it is today.

He was the President of the Harvard Business School Alumni Club of Malaysia's associate wing from 2010 - 2012. He was also an independent director of the Labuan Port Authority from June 2017 to May 2018.

He currently holds directorships in a number of private limited companies and he does not hold any other directorship of public companies and listed issuers.





## HAIDA SHENNY BINTI HAZRI

**INDEPENDENT  
NON-EXECUTIVE  
DIRECTOR**

**MALAYSIAN  
AGE 49  
FEMALE**

**DATE OF  
APPOINTMENT**  
9 AUGUST 2018

**BOARD MEETING  
ATTENDANCE IN  
THE FINANCIAL  
YEAR ENDED  
31 DECEMBER  
2022**  
6/6

**ACADEMIC/PROFESSIONAL  
QUALIFICATION(S)/MEMBERSHIP(S)**

Bachelor of Commerce, Accounting and Finance,  
University of Melbourne, Australia

Bachelor of Law (LLB),  
University of Melbourne, Australia

Masters of Law,  
University of Malaya, Malaysia

### RELEVANT EXPERIENCE

Haida Shenny Binti Hazri ("Ms Haida") was appointed as an Independent Non-Executive Director of PRIVASIA on 9 August 2018. She is the Chairman of the Audit and Risk Management Committee and she is a member of the Nomination and Remuneration Committee.

Ms Haida commenced her career with PETRONAS where she undertook legal and commercial roles in PETRONAS E&P, LNG and Technology Businesses. Her last position in PETRONAS was Chief Executive Officer of PETRONAS Technology Ventures Sdn. Bhd.

After leaving Petronas in 2012, she joined Sapura Energy (known as SapuraKencana Petroleum at that time) and held the position of Vice President of Strategy and New Ventures (E&P). She was part of the team that worked on the building up of the E&P business for Sapura.

Ms Haida also held the position of Chief Executive Officer of Matrix Reservoir Sdn. Bhd., owner and operator of Tok Bali Supply Base, which built and operationalised the third supply base in Malaysia. She then joined Bintulu Supply Base Sdn. Bhd. to build a supply base in Bintulu, Sarawak where she served as the Chief Executive Officer until 2019.

Ms Haida serves on the Board of various public companies and listed issuers. She is currently a Non-Independent Non-Executive Director in Velesto Energy Berhad, and an Independent Non-Executive Chairperson of Keyfield International Berhad, a public company incorporated in Malaysia.

She is also a Non-Independent Non-Executive Director of Matrix Reservoir Sdn Bhd, a subsidiary of Ahmad Zaki Resources Berhad ("AZRB") since 2019. She also holds directorship in other private limited companies.

She currently sits on the Oil and Gas Industry Advisory Panel of Malaysia Petroleum Resource Corporation ("MPRC"). She is also a member of the Melbourne University Alumni Council.

She currently undertakes advisory work through Putih Advisors Asia Sdn Bhd, focusing on areas relating to E&P, LNG, supply base and port related matters.



## LEONG KAH CHERN

**INDEPENDENT  
NON-EXECUTIVE  
DIRECTOR**

**MALAYSIAN  
AGE 51  
MALE**

**DATE OF  
APPOINTMENT**  
10 MAY 2021

**BOARD MEETING  
ATTENDANCE IN  
THE FINANCIAL  
YEAR ENDED  
31 DECEMBER  
2022**  
6/6

**ACADEMIC/PROFESSIONAL  
QUALIFICATION(S)/MEMBERSHIP(S)**

Bachelor of Arts, majoring in Accounting and Financial Management, University of Essex, England

Harvard Business School Competing on Business Analytics and Big Data Program

**RELEVANT EXPERIENCE**

Leong Kah Chern ("Mr Danny") was appointed as an Independent Non-Executive Director of PRIVASIA on 10 May 2021. He is the Chairman of the Nomination and Remuneration Committee and a member Audit and Risk Management Committee. On 15 February 2022, Mr Danny was appointed as a member of the Investment Committee. Effective 31 December 2022, the Investment Committee has been dissolved and his position as a member of Investment Committee has been relinquished.

Mr Danny started his career at Accenture Malaysia Sdn Bhd (formerly known as Andersen Consulting) focusing on telecommunications consulting in 1994. After he left Accenture as a Senior Manager in 2003, he co-founded Adeptis Solutions Sdn Bhd ("Adeptis") which provides automotive solutions and business consulting services to their clients which was subsequently acquired by Cuscapi Berhad ("Cuscapi") (formerly known as Datascan Berhad). Mr Danny became the Group Chief Executive Officer ("CEO") of Cuscapi until 2010.

After Cuscapi, Mr Danny joined e-pay (M) Sdn Bhd ("e-pay"), a wholly owned subsidiary of EPY Capital Holdings Limited in 2010 as the CEO. After e-pay was acquired by GHL Systems Berhad ("GHL") in 2014, Mr Danny assumed the role of CEO of GHL, where he was tasked to merge the operations of both GHL and e-pay while developing and executing strategies to increase GHL's presence in Malaysia through payment services provided by both businesses.

In June 2015, he assumed the leadership role of GHL's Strategic Planning unit to focus on defining the group's strategy as well as implementing them. Mr Danny was appointed as Group CEO of GHL on 1 December 2016. As Group CEO, he was responsible for overseeing the operations for the entire group, reporting directly to the Vice Executive Chairman and Board of Directors.

During his time as Group CEO, GHL was awarded the prestigious Asia's Corporate Excellence and Sustainability Award as Asia's Best Performing Company as well as The Edge's Billion Ringgit Club Award in 2019.

Mr Danny left GHL on 31 December 2020. He is currently the Group Chief Executive Officer of Revenue Group Berhad. Mr Danny was awarded the Emerging Entrepreneurs Award for Outstanding & Exemplary Achievements in Entrepreneurship in 2007 and The Brand Leadership Award by The Brand Laureate in 2020.

He does not hold any other directorship of public companies and listed issuers.



## RACHEL LAU JEAN MEI

**INDEPENDENT  
NON-EXECUTIVE  
DIRECTOR**

**MALAYSIAN  
AGE 37  
FEMALE**

**DATE OF  
APPOINTMENT**  
10 MAY 2021

**BOARD MEETING  
ATTENDANCE IN  
THE FINANCIAL  
YEAR ENDED  
31 DECEMBER  
2022**  
6/6

**ACADEMIC/PROFESSIONAL QUALIFICATION(S)/MEMBERSHIP(S)**

Bachelor of Commerce with Distinction, Australian National University  
Masters of Law, University of Sydney, Australia

**RELEVANT EXPERIENCE**

Rachel Lau Jean Mei (“Ms Rachel”) was appointed as an Independent Non-Executive Director of PRIVASIA Group on 10 May 2021. She is a member of the Nomination and Remuneration Committee and Investment Committee. On 2 September 2022, Ms Rachel was re-designated as Chairman of the Investment Committee, in place of Pn Haslinda who stepped down as the Chairman and a member of Investment Committee. Effective 31 December 2022, the Investment Committee has been dissolved and her position as a Chairman and member of Investment Committee has been relinquished.

Ms Rachel is the Managing Partner and Co-Founder of RHL Ventures Sdn Bhd (“RHL Ventures”). Prior to that, Ms Rachel had years of experience in investment management during her tenure with Heitman Investment Management and ING Investment Management.

Ms Rachel was one of the youngest independent directors in a New York Stock Exchange (“NYSE”) listed company, GNC Holdings (NYSE: GNC), privatized by CITIC Capital Holdings Limited in 2020. She has served on many other technology boards including Signature Market Sdn Bhd, Versa Sdn Bhd and Glife Technologies Pte Ltd.

Rachel also sits on the Board of Caring Pharmacy Bhd. and serves as the Board of Governors for Charterhouse Malaysia. She is on the panel of experts in the Ministry of Youth and Sports and serves as the Country Chair for Global Dignity Malaysia. In 2018, Ms Rachel was named as one of the 50 People who are Redefining the Way We Live by Business Times Singapore.

She does not hold any other directorship in other listed issuers.



## YIP KIT WENG

**INDEPENDENT  
NON-EXECUTIVE  
DIRECTOR**

**MALAYSIAN  
AGE 52  
MALE**

**DATE OF  
APPOINTMENT**  
15 NOVEMBER 2022

**BOARD MEETING  
ATTENDANCE IN  
THE FINANCIAL  
YEAR ENDED  
31 DECEMBER  
2022**  
1/1

**ACADEMIC/PROFESSIONAL QUALIFICATION(S)/MEMBERSHIP(S)**

Bachelor of Commerce in Accounting & Finance,  
University of Western Australia

Fellow Member of Chartered Tax Institute of Malaysia (CTIM)

Chartered Accountant of the Malaysian Institute of Accountants (MIA)

Certified Financial Planner (CFP),  
Financial Planning Association of Malaysia

Fellow of Certified Practising Accountant Australia (FCPA),  
Australian Society of Certified Practising Accountants (CPAs)

**RELEVANT EXPERIENCE**

Yip Kit Weng (“Mr Yip”) was appointed as an Independent Non-Executive Director of PRIVASIA on 15 November 2022 and he is also appointed as a member of the Audit and Risk Management Committee.

Since 1 January 2021, Mr Yip serves as a Divisional Councillor of CPA Australia, Malaysia Division and was elected as Deputy President for 2023.

Mr Yip began his career in 1993 with Messrs Pricewaterhouse before joining Utama Wardley Berhad (a merchant bank jointly owned by Utama Banking Group Berhad and HSBC Investment Bank Asia Ltd) three years later. He spent a total of 8 years as Senior Manager, Corporate Finance with Utama Merchant Bank Berhad and also worked as Executive Director with AFG Advisory Sdn Bhd from 2004 to 2008.



## HASLINDA BT HUSSEIN

**INDEPENDENT  
NON-EXECUTIVE  
DIRECTOR**

**MALAYSIAN  
AGE 45  
FEMALE**

**DATE OF  
APPOINTMENT**  
12 NOVEMBER 2018

**BOARD MEETING  
ATTENDANCE IN  
THE FINANCIAL  
YEAR ENDED  
31 DECEMBER  
2022**  
6/6

**ACADEMIC/PROFESSIONAL  
QUALIFICATION(S)/MEMBERSHIP(S)**

Degree in Commerce, Accounting,  
Adelaide University, Australia

Chartered Accountants Australia and New Zealand

Member of the Malaysian Institute of Accountants

**RELEVANT EXPERIENCE**

Haslinda Bt Hussein ("Pn Haslinda") was appointed as an Independent Non-Executive Director of PRIVASIA on 12 November 2018. On 30 November 2022, Pn Haslinda resigned as the Independent Non-Executive Director. Before her resignation, she was a Member of the Audit and Risk Committee and the Chairman of the Investment Committee.

Pn Haslinda began her career in 2000 as an auditor in Arthur Andersen and later in Ernst & Young, Malaysia. She then joined PETRONAS from year 2003 to 2016 with her last position being Head of Strategic Planning and Portfolio Management.

During her 13 years in PETRONAS, she also held other Senior positions including Head of Group Planning & Performance and Head of Group CFO office where she played an instrumental role in a stapled REIT listing and corporate bond issuance. Her experience in PETRONAS includes tax, budgeting, financial modelling, financial accounting, reporting and management.

Currently, she manages an investment holding company which also operates one of the biggest private art galleries in Malaysia. On 1 May 2021, Pn Haslinda was appointed as an Independent Non-Executive Chairperson of Steel Hawk Berhad, a company listed on the Leap Market of Bursa Malaysia.

**ADDITIONAL  
INFORMATION**

- I. None of the Directors has any family relationship with, and is not related to, any Director or major shareholders of PRIVASIA.
- II. None of the Directors has any conflict of interest with PRIVASIA.
- III. None of the Directors has any conviction for offences within the past five years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies during the FYE 2022.
- IV. Directorships held by the Directors in public companies and listed issuers, other than companies within the PRIVASIA, if any, are disclosed in the Directors section.
- V. Full profiles of the Directors are available on the PRIVASIA website.

He has approximately 30 years of experience in Equity Fundraising, Corporate Finance and Advisory Services, Corporate Banking, Private Debt Securities Issuances and Private Equity Transactions.

Previously, he served as Deputy Group Managing Director of Affin Hwang Investment Bank Berhad for 2 years and from November 2019 to October 2020, Mr Yip was also a Non-Independent and Non-Executive Director of Affin Hwang Asset Management Berhad, AILMAN Asset Management Sdn Bhd and Affin Hwang Trustee Berhad.

Prior to that, he was the Executive Director and Head of Investment Banking at Nomura Securities Malaysia Berhad since 2014. He has also held positions as Director, Corporate and Investment Banking Services at RHB Investment Bank, and spent four years from 2010 to 2013, as Director/Team Head of Equity Capital Markets with CIMB Investment Bank.

Mr Yip also serves as an Independent Non-Executive Director of Esente Capital Berhad. Mr Yip currently also serves as an Independent Non-Executive Chairman of Frugl Group Limited, a company listed on the Australian Stock Exchange.

He does not hold any other directorship of public companies and listed issuers.

KEY SENIOR  
MANAGEMENT





**FRONT ROW  
LEFT TO RIGHT**

**KULARAJAH M. THAVARATNAM**  
GROUP FINANCE DIRECTOR

**MOGANAVANI PRAMASIVAH**  
GENERAL MANAGER, FINANCE

**LUQMAN BIN A. HAMID**  
BUSINESS DEVELOPMENT DIRECTOR

**FANITSYARA KAM PHON**  
HEAD OF PRODUCT, PROCUREHERE

**PUSHPENDER SINGH**  
HEAD OF DEPARTMENT, PRIVASAT

**BACK ROW  
LEFT TO RIGHT**

**SULAIHA BINTI SAWADI**  
GROUP HUMAN RESOURCE DIRECTOR

**HASBULLAH BIN HASSIN**  
HEAD OF PLANNING,  
OPERATIONS AND SPECIAL PROJECTS

**ZAHARI BIN ZAKARIA**  
GENERAL MANAGER, SALES

**LOW ENG KEONG**  
PRODUCT INNOVATION &  
BRAND DIRECTOR

## KEY SENIOR MANAGEMENT

### KULARAJAH M. THAVARATNAM GROUP FINANCE DIRECTOR

AGE 53  
MALE  
MALAYSIAN

### ACADEMIC/ PROFESSIONAL QUALIFICATION(S)/ MEMBERSHIP(S)

Post Graduate  
Diploma in Information  
Technology, University  
of Lincoln, UK

Degree in Business  
and Accounting,  
University of  
Lincolnshire &  
Humberside, UK

Fellow Member of the  
Chartered Institute  
of Management  
Accountant (CIMA), UK

Member of the  
Malaysian Institute of  
Accountants (MIA)

DATE OF APPOINTMENT  
7 DECEMBER 2021

### RELEVANT EXPERIENCE

Kularajah has over 15 years of accounting, finance and corporate finance experience in various organisations in both Malaysia and the United Kingdom.

He began his career as a Tax Manager in United Kingdom. Upon his return to Malaysia, he has held numerous senior positions which include Group Financial Controller, Group Accountant and Finance Manager for both listed and non-listed companies, and has acquired extensive experience in financial reporting and accounting management.

He joined PRIVASIA in 2020, where he has been responsible for ensuring appropriate financial planning, overseeing the financial corporate compliance and internal management reporting functions of the Group and reviewing all financial aspects of special projects involving the Group, which includes both internal and external acquisitions.

### PAST EXPERIENCES

GROUP FINANCIAL CONTROLLER,  
CENSOFF HOLDING BERHAD

PARTNER,  
MAHZAN SULAIMAN PLT

GROUP FINANCE & MIS MANAGER,  
GUNUNG CAPITAL BERHAD

### HASBULLAH HASSIN HEAD OF PLANNING, OPERATIONS AND SPECIAL PROJECTS

AGE 48  
MALE  
MALAYSIAN

### ACADEMIC/ PROFESSIONAL QUALIFICATION(S)/ MEMBERSHIP(S)

MBA in Global  
Business Analysis  
Manchester Business  
School, UK

Masters in Business  
Administration (MBA),  
*(as a British Chevening  
Scholar)*,  
Sydney Graduate  
School of Management

Masters in Economics,  
University of Malaya

Associate of the  
Institute of Chartered  
Secretaries and  
Administrators UK

DATE OF APPOINTMENT  
1 MARCH 2023

### RELEVANT EXPERIENCE

Hasbullah has over 25 years of professional experience in the corporate and public sectors. He has worked in various industries, including telecommunication, LCD manufacturing, property development as well as a holding company that operates in oil & gas, aviation, shipbuilding, engineering, and maintenance, repair, and overhaul services. He has served several companies, including Axiata Berhad, Celcom Malaysia Berhad, Telekom Malaysia Berhad, Land & General Berhad, an associate company of Khazanah Nasional Berhad, and Destini Berhad.

In his most recent role in the corporate sector, he served as Senior Vice President/General Manager Operations & Special Projects at Destini. In this role, he was involved in subsidiary performance and monitoring, risk management, tendering exercise, business review, and restructuring (including functioning as an acting CEO of a subsidiary) as well as process improvements.

He also took part in an acquisition exercise of a public listed entity via private placement and assisted in the formation of the company's new management in 2018, a role that he also played when Telekom Malaysia Berhad acquired Technology Resources Industries Berhad (parent company of Celcom Malaysia) in 2003.

### PAST EXPERIENCES

PRINCIPAL PRIVATE SECRETARY/  
CHIEF OF STAFF TO THE MINISTER,  
MINISTER OF HEALTH

PRINCIPAL PRIVATE SECRETARY/  
CHIEF OF STAFF TO THE MINISTER,  
MINISTER OF SCIENCE, TECHNOLOGY  
AND INNOVATION.

SENIOR VICE PRESIDENT,  
PRESIDENT/GCEO OFFICE,  
DESTINI BERHAD

HEAD OF GOVERNMENT RELATIONS  
AND STAKEHOLDERS MANAGEMENT,  
AXIATA GROUP BERHAD

**LOW ENG KEONG**  
**PRODUCT**  
**INNOVATION**  
**AND BRAND**  
**DIRECTOR**

AGE 46  
 MALE  
 MALAYSIAN

**ACADEMIC/  
 PROFESSIONAL  
 QUALIFICATION(S)/  
 MEMBERSHIP(S)**

BSc. (Hons)  
 Mechanical  
 Engineering,  
 Queen Mary  
 University of London,  
 UK

DATE OF APPOINTMENT  
 29 JULY 2022

**RELEVANT EXPERIENCE**

With over 20 years of experience, Low Eng Keong ("Eugene") is a multi-disciplinary creative who is constantly seeking new perspectives to solve business challenges, from an atomic-level human-centered design thinking.

Eugene's passion for being an infinite learner has enabled him to consistently create impactful contextual content and experiences for the people and brands he works with.

He is known for his ability to strategise, conceptualise and develop communication solutions that elevate brand awareness, consumer experience, and brand loyalty.

He firmly believes in the importance of having a purpose-driven approach and has a strong affinity for strategy, UX/UI, and design. Over the years, Eugene has had the privilege of working with a wide variety of brands across various industries, including FMCGs, fashion, toys, e-commerce, retail, video games and music festivals.

**PAST EXPERIENCES**

CREATIVE DIRECTOR,  
 DENTSU MALAYSIA SDN. BHD.

CREATIVE & DESIGN DIRECTOR,  
 BOMBSHELTER STUDIOS SDN. BHD.

**SULAIHA SAWADI**  
**GROUP HUMAN**  
**RESOURCE**  
**DIRECTOR**

AGE 44  
 FEMALE  
 MALAYSIAN

**ACADEMIC/  
 PROFESSIONAL  
 QUALIFICATION(S)/  
 MEMBERSHIP(S)**

BSc. Human  
 Development,  
 University Putra  
 Malaysia

DATE OF APPOINTMENT  
 01 JANUARY 2010

**RELEVANT EXPERIENCE**

Sulaiha is a resourceful Human Resources Management expert with over 19 years of experience in developing and implementing change management and strategy plans for organisations.

As PRIVASIA's human resource director, Sulaiha brings her articulate, organised, and highly motivated approach to the company's talent management strategy. She is a subject matter expert with employment laws and industrial law, and is highly effective at recruiting and developing key players in organizations of all sizes.

With her extensive experience and knowledge of HR best practices, she is able to identify top talent and develop programs to retain and motivate them, while ensuring compliance with relevant regulations.

Sulaiha is a results-oriented professional who takes pride in building strong relationships with team members and stakeholders at all levels within PRIVASIA. Her expertise and leadership skills make her a valuable asset to any company looking to attract and retain top talent in today's competitive business environment.



## KEY SENIOR MANAGEMENT

### PUSHPENDER SINGH HEAD OF DEPARTMENT, PRIVASAT

AGE 43  
MALE  
INDIAN

**ACADEMIC/  
PROFESSIONAL  
QUALIFICATION(S)/  
MEMBERSHIP(S)**  
BSc. Information Systems,  
Birla Institute of Technology & Science, Pilani, India

DATE OF APPOINTMENT  
1 OCTOBER 2021

### RELEVANT EXPERIENCE

Pushpender is a VSAT industry expert with over 20 years of experience. He has a strong background in presales, product management, technical and project management, and is known for being result-driven, hardworking, and an energetic team leader. He has led many large project deployments for new networks and is a specialist and subject matter expert in all VSAT broadband networks (Ka-Band, Ku-Band, C-Band & teleport hosting Services).

As a business unit manager, he leads products and presales teams, plans strategies for the company's growth, and is responsible for creating end-to-end products with all possible applications support. He is also the technical and commercial lead for VSAT based networks, creating products based on market requirements and monitoring the smooth implementation of costing, packages, and pricing models.

### PAST EXPERIENCES

HEAD OF NETWORK OPERATIONS,  
MAJU NUSA SDN. BHD.

HEAD OF TECHNICAL OPERATIONS,  
NUMIX ENGINEERING SDN. BHD.

### FANITSYARA KAM PHON HEAD OF PRODUCT, PROCUREHERE

AGE 28  
FEMALE  
MALAYSIAN

**ACADEMIC/  
PROFESSIONAL  
QUALIFICATION(S)/  
MEMBERSHIP(S)**  
BSc. (Hons)  
Biotechnology,  
University Of Malaya

Project Management Professional  
(PMP No 3201787)

DATE OF APPOINTMENT  
1 OCTOBER 2022

### RELEVANT EXPERIENCE

Fanitsyara started her career as an Assistant Director at the Prime Minister's Office of Malaysia ("PMO").

A year later, she joined PRIVASIA Sdn. Bhd. as a business development executive. In 2019, Fanitsyara worked as a B2B region executive in Philip Morris Malaysia alongside her career as a Project Manager of PROCUREHERE, PRIVASIA Sdn. Bhd.

**PAST EXPERIENCES**  
PROJECT MANAGER,  
PROCUREHERE

B2B REGION EXECUTIVE,  
PHILIP MORRIS MALAYSIA

BUSINESS DEVELOPMENT EXECUTIVE,  
PRIVASIA SDN. BHD.

PENOLONG PENGARAH,  
PRIME MINISTER'S OFFICE  
OF MALAYSIA (PMO)

### LUQMAN A. HAMID BUSINESS DEVELOPMENT DIRECTOR

AGE 40  
MALE  
MALAYSIAN

**ACADEMIC/  
PROFESSIONAL  
QUALIFICATION(S)/  
MEMBERSHIP(S)**

BSc. Biomedical Engineering,  
Marquette University,  
Wisconsin, USA

Master Business Administration (MBA),  
Open University  
Malaysia

DATE OF APPOINTMENT  
27 JUNE 2022

### RELEVANT EXPERIENCE

Luqman first worked as a project development assistant manager at Pharmaniaga Biomedical Sdn Bhd. Later, he joined Worldwide Holdings Berhad, assuming the role of a Strategic Business Unit manager.

He then continued his professional experience at Kuala Selangor Resources Sdn Bhd working as a Business Development Director. He has also served as a Group Business Development Director at Cita Kapital Sdn Bhd before starting his career at DIGITAL MEDTECH SOLUTIONS Sdn. Bhd

**PAST EXPERIENCES**  
GROUP BUSINESS DIRECTOR,  
CITA KAPITAL SDN BHD

BUSINESS DIRECTOR,  
KUALA SELANGOR RESOURCES SDN BHD

STRATEGIC BUSINESS UNIT MANAGER,  
WORLDWIDE HOLDINGS BERHAD

ASSISTANT MANAGER, PROJECT  
DEVELOPMENT,  
PHARMANIAGA BIOMEDICAL SDN. BHD.

HEAD OF R&D,  
DELPHAX INNOVATION SDN BHD.

### MOGANAVANI PRAMASIVAH GENERAL MANAGER, FINANCE

AGE 38  
FEMALE  
MALAYSIA

**ACADEMIC/  
PROFESSIONAL  
QUALIFICATION(S)/  
MEMBERSHIP(S)**

BComm. (Hons)  
Accounting, Universiti  
Tunku Abdul Rahman,  
Malaysia

MBA Major in  
Marketing,  
University of Malaya,  
Malaysia

Fellow of the  
Association of  
Chartered Certified  
Accountants (FCCA), UK

Member of the  
Malaysian Institute of  
Accountants (MIA)

DATE OF APPOINTMENT  
16 JUNE 2022

### RELEVANT EXPERIENCE

Over 15 years of working experience in audit, accounting and financial planning spanning across various industries including multinational companies and public listed companies.

Mogana has a strong background in audit and is passionate in driving process improvement and automation to drive efficiency and integrated reporting. She has a keen eye for identifying opportunities for productivity improvements and streamlining processes, and is skilled in implementing effective systems and technology solutions to support these initiatives.

**PAST EXPERIENCES**  
FINANCE DIRECTOR,  
IKRAM EDUCATION SDN. BHD.

GROUP FINANCIAL CONTROLLER,  
MINDA GLOBAL BERHAD

FINANCE MANAGER,  
IMU EDUCATION SDN. BHD.

AUDIT MANAGER,  
ERNST & YOUNG

**ZAHARI ZAKARIA**  
**GENERAL**  
**MANAGER, SALES**

**AGE 54**  
**MALE**  
**MALAYSIAN**

**ACADEMIC/  
 PROFESSIONAL  
 QUALIFICATION(S)/  
 MEMBERSHIP(S)**

BSc. (Hons)  
 Business Management,  
 Indiana University,  
 USA

DATE OF APPOINTMENT  
 1 OCTOBER 2021

**RELEVANT EXPERIENCE**

Zahari is an experienced senior manager with over 25 years of experience in operations management, project management, and digital strategy.

He has expertise in strategic planning, business development, customer relationship management, new market penetration, project management, tendering and bidding, quality assurance, budget development, cost control, team management, and stakeholder management.

Zahari's career highlights include spearheading the development and delivery of a state-of-the-art ICT infrastructure for the world's first Floating LNG with a 10% cost saving and culminated in receiving the Gold Star Project Team Award.

He also championed the data center consolidation initiative for the entire PETRONAS Environment, leading to a 20% reduction in resources duplication and 35% savings in infrastructure costs.

Zahari is a strong leader and believer in focused execution, result orientation, and shared success.

**PAST EXPERIENCES**

CHIEF BUSINESS OFFICER,  
 MUTIARA SMART SDN. BHD.

SENIOR DELIVERY MANAGER  
 (PROJECT MANAGEMENT),  
 PETRONAS ICT SDN. BHD.

HEAD OF BUSINESS DEVELOPMENT  
 (GOVERNMENT SECTOR),  
 SAPURA TECHNOLOGY BHD.

**ADDITIONAL  
 INFORMATION**

- I. *None of the Key Senior Management has any family relationship with, and is not related to, any Director or major shareholders of PRIVASIA.*
- II. *None of the Key Senior Management has any conflict of interest with PRIVASIA.*
- III. *None of the Key Senior Management has any conviction for offences within the past five years other than traffic offences, if any, and has not been imposed with any public sanctions or penalty by the relevant regulatory bodies during the financial year ended 2022.*
- IV. *None of the Key Senior Management has any Directorships held in public companies.*



## SEGMENT RESULTS

INFORMATION  
TECHNOLOGY (IT)  
REVENUE  
2022 (RM)

26.6M



INFORMATION  
TECHNOLOGY (IT)  
GROSS PROFIT  
2022 (RM)

6.89M



INFORMATION  
COMMUNICATION  
TECHNOLOGY (ICT)  
REVENUE  
2022 (RM)

6.39M



INFORMATION  
COMMUNICATION  
TECHNOLOGY (ICT)  
GROSS PROFIT  
2022 (RM)

1.41M



SATELLITE-BASED  
NETWORK  
SERVICES (SAT)  
REVENUE 2022 (RM)

7.76M



SATELLITE-BASED  
NETWORK  
SERVICES (SAT)  
GROSS PROFIT  
2022 (RM)

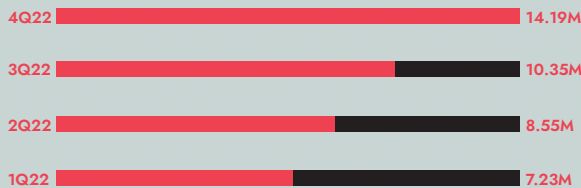
5.46M



## QUARTERLY RESULTS

REVENUE (RM)

14.19M



PROFIT AFTER  
TAX (RM)

1.66M



## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW OF GROUP'S OPERATIONS

Following 2 years of uncertainty and a global pandemic that has proven to be one of the most challenging times for PRIVASIA, we forged on and continued to extract the possible from the impossible to wrap up year 2022 for quarter 4 on a positive note.

The journey in 2022 was merely a spill over from 2021 with COVID-19 related issues monopolising headlines. The road was less bumpy at best but yet very challenging. Coupled with a reduction in customer orders and logistic difficulties which led to longer delivery times, PRIVASIA had to consider alternatives to ensure it consistently generated revenue and revenue streams especially coming out of the Movement Control Order ("MCO") period.

Nevertheless, remaining optimistic, the one thing which PRIVASIA has always focussed on was our belief in digitalisation as the way forward. Thus in 2022, to further accelerate PRIVASIA's digital transformation, the team worked hard to trim down operational costs, introduced stringent cost optimisation measures and poured additional resources into product development. Our investment in pivoting towards digitalisation has been a successful strategic win which has enabled the Group to achieve better results in terms of its performance for the year. Our success is further visible as we were awarded of a large contract during the year.

For financial year 2023, the Group will continue to tender for more projects and serve a wider field of customers. The Board is positive that with the expertise and experience of its key management personnel, PRIVASIA will be able to move to greater heights against prevailing market uncertainties as it continues to build on its core businesses, leverage on its strength and seek growth opportunities.

### OPERATIONS REVIEW BY SEGMENT

The goal in 2022 was to expand our product offering, conduct cost rationalisation and strive towards operational efficiency as we became aware that we needed to come out strongly and efficiently after the pandemic. We see this as an opportunity to scale up our business, to position ourselves better as a leading outsourcing player in the industry.

### FINANCIAL OVERVIEW ON IT SEGMENT

Revenue for the IT segment stood at RM26.6 million, compared to RM34.2 million in the previous year's twelve months ended 31 December 2021.

Coming out of the pandemic has been slow in terms of new sales closure which resulted in a lower revenue during the year and resulted in an increase in operating losses to RM3.5 million for this segment.

### INFORMATION TECHNOLOGY ("IT") SEGMENT

As a key business process outsourcing player in Malaysia, PRIVASIA's core business since incorporation has been in IT infrastructure outsourcing, consultancy and systems integration.

PRIVASIA's core IT products are PROCUREHERE (a Source-to-Pay digital procurement solution), FINANSHERE (a Syariah compliant supply chain financing platform) and i-TAP (an Integrated Port Management Solution).

PROCUREHERE's main function is to streamline workflows, real-time data and innovative features to organize, allocate, track and report on its activities from a single platform.

A 2020 award winner at the Malaysia Technology Excellence Award for Enterprise Software & IT Services, the success of PROCUREHERE is apparent as its total user count, consisting of customers and suppliers across the nation, currently stands at 28,577 from 23,044 in 2021 which represents a 24% year-on-year increase.

With a monthly average events of 4,134 and an approximate value of RM9.2 billion, by its customers showcases its reliability and efficiency.



Since inception last year, FINANSHERE aims to facilitate a more optimised working capital management by collaborating with various pools of funds to assist funding PROCUREHERE's registered users and vendors.



An extension of the PROCUREHERE ecosystem, FINANSHERE stems from PRIVASIA's desire to produce innovative value-added products at its core as it drives growth within its IT segment.

FINANSHERE has been widely received by customers and suppliers, boasting names such as Malaysia Airports, Indah Water Konsortium, Felda Global Ventures, SME Bank and Westports, among its clientele.



Leveraging on PRIVASIA's knowledge of the port business, the PRIVASIA team developed i-TAP as an end-to-end Multi-Cargo Terminal Operating System through its subsidiary, PRIVAPORTS Sdn Bhd.

The i-TAP system utilises a fully modular cloud based solution suitable for multicargo terminals of different sizes. The solution includes features that include robotics and AI to help terminals achieve digitalisation and automation goals.

The solution is currently used in 5 terminals in Malaysia including Kuantan Port, Westports and Lumut Port. PRIVAPORTS is currently focused on expanding its reach to other terminals in the region in 2023

**FINANCIAL OVERVIEW ON ICT SEGMENT**

The revenue of ICT segment rose from RM4.3 million to RM6.4 million.

The year ended 31 December 2022 recorded an operating loss of RM0.83 million as compared to operating loss of RM0.89 million in previous year.

**INFORMATION COMMUNICATIONS TECHNOLOGY ("ICT") SEGMENT**

Under the ICT segment, PRIVASIA provides wireless broadband, mobile coverage infrastructure for in-building for all operators in Malaysia.

The turnaround has been very encouraging for this segment coming out of the pandemic. With multiple new contracts in 2022, we are pleased that our efforts in our ICT segment are bearing fruit. In particular, in addition to securing a contract to build infrastructure for the implementation of Malaysia's 5G under Digital Nasional Berhad.

In 2023, we secured contract to support selected network facilities providers (NFP) to build their infrastructure for their in-building system for mobile coverage. We are also in the midst of securing consultancy project contracts for 5G projects.

**FINANCIAL OVERVIEW ON SAT SEGMENT**

The SAT segment revenue saw an increase from RM3.02 million to RM7.76 million for the year ended 31 December 2022, with an operating profit of RM4.13 million as compared to an operating profit of RM1.0 million for the previous year.

The spike in revenue was due the milestone billings from a new contract secured during the year.

**SATELLITE-BASED NETWORK SERVICES ("SAT") SEGMENT**

The SAT segment provides a broad spectrum of satellite-based network solutions, such as managed network, high speed internet, value-added broadband applications and satellite IP Virtual Private Network for the general public as well as the commercial and retail sectors.

In 2022, we secured a large contract, which is the Point of Presence Project – Phase 2 awarded by the Malaysian Ministry of Information, Communication and Culture. This project is expected to inject a consistent stream of revenue over the next 8 years with 3 years of deployment period and 5 years of maintenance period.

**GROUP FINANCIAL REVIEW**

The Group recorded LBT and LAT of RM1.2 million and RM1.3 million respectively as compared to LBT and LAT of RM2.7 million and RM2.3 million respectively against the same period last year. The lower losses are attributable to Group-wide cost saving initiatives and the progress billings of new projects.

The Group's total assets has increased to RM88.75 million from RM82.87 million due to the additions of hardware in the outsourcing project.

During that period, the Group's cash and bank balance also reduced from RM10.33 million to RM6.11 million and the loans and borrowings has risen from RM12.51 million to RM14.83 million.

**INFORMATION TECHNOLOGY (IT) SEGMENT REVENUE**

**RM26.6M** \_\_\_\_\_ 2022

**RM34.1M** \_\_\_\_\_ 2021

**INFORMATION COMMUNICATIONS TECHNOLOGY (ICT) SEGMENT REVENUE**

**RM6.39M** \_\_\_\_\_ 2022

**RM4.28M** \_\_\_\_\_ 2021

**SATELLITE-BASED NETWORK SERVICES (SAT) SEGMENT REVENUE**

**RM7.76M** \_\_\_\_\_ 2022

**RM3.02M** \_\_\_\_\_ 2021

As we move into 2023, we remain optimistic that global economies are re-opening. On the other hand, we are cautious of key trends and challenges that may impact our business.



# INDUSTRY OUTLOOK

Overall, we are pleased to have contributed to the digitalisation of businesses, in particular the SMEs. The implementation of digitalisation initiatives such as Malaysia's Digital Free Trade Zone is expected to spur the micro-SME market over the next few years.

The adoption of cloud solutions in internal processes is heartening and provides us reassurance that we are creating the right products for the public.

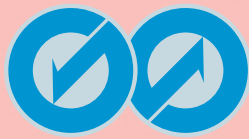
In the meantime, we will continue to focus on our existing customers as we look to unlock opportunities for businesses which adopt digitalisation and venturing into various segments of the of the digitalisation spectrum.

INFORMATION  
TECHNOLOGY  
("IT") SEGMENT

PRIVASIA

PRIVAPORTS

PRIVASIA IOT



PROCURE<sup>HERE</sup>



FinansHere

iTAP



The after-effects of the pandemic has seen the significant increase in mobile workforce whereby IT technology such as cloud computing and cyber security were being adapted by businesses and other industry players to operate outside of a traditional office setting as more people use their smartphones and other mobile devices to stay productive.

E-commerce platforms are also gaining popularity as the mode of B2B and B2C transactions and consumers will have better greater choice to improve their buying experience.

With the reopening of international borders to boost economic activities coming into the country, and with the Government support in providing grants to companies in the services industry to expedite the implementation and adaptation of digital technology to automate business operations, MDEC has projected that the growth in digital investments is expected to contribute 25.5% to the gross domestic product (GDP) by 2025.

We are optimistic that there will be continuous demand in this sector.



**INFORMATION COMMUNICATIONS TECHNOLOGY ("ICT") SEGMENT**



The government's JENDELA initiative which was introduced in 2021 has helped encourage the growth of the mobile and fibre infrastructure to meet the country's objective to provide full internet connectivity by year 2025. Phase 1 of the JENDELA initiative had seen internet service providers increase their total number of premises covered and wider 4G coverage to meet the 7.5 million premises and 96.9% coverage target set by the Government. Year 2023 will see the initiation of phase 2 (2023 - 2025) of the JENDELA initiative aimed at achieving access of 100% total population.

The government had further backed this initiative during the recent budget announcement to accelerate the implementation of the JENDELA phase 2 infrastructure. Under Budget 2023, the government had allocated a total of RM700 million for the JENDELA initiative, with Phase 2 set to accelerate the digital transformation which has been a key focus area close the digital divide.

**JENDELA REPORT PHASE 1 2020 - 2022**

**96.9%**

4G COVERAGE IN POPULATED AREAS

**7.5Mil**

PREMISES PASSED WITH GIGABIT SPEED

**35Mbps**

MOBILE BROADBAND SPEED (MEAN)

**3G**

GRADUAL RETIREMENT BY 2021

**Remote Areas**

SATELLITE CONNECTIVITY TO IMPROVE MOBILE COVERAGE IN REMOTE AREAS (previously in Phase 2)

**5G**

PLANNING AND IMPLEMENTATION FOR COMMERCIALISATION (previously in Phase 2)

**JENDELA REPORT PHASE 2 2023 - 2025**

**100%**

INTERNET COVERAGE IN POPULATED AREAS

**9.0Mil**

PREMISES PASSED WITH GIGABIT SPEED

**100Mbps**

MOBILE BROADBAND SPEED (MEAN)

Source : JENDELA Q3 2022 Report

**SATELLITE-BASED NETWORK SERVICES ("SAT") SEGMENT**



Under the same JENDELA initiative which was introduced in 2021, VSAT services will complement and provide the additional connectivity to those underserved and rural areas that are lacking telco or fibre internet access to achieve the JENDELA 100% connectivity target. Telecommunications and internet services industry players are encouraged to offer and increase their satellite broadband coverage not only to urban areas, but further extend it to rural areas. With the recent launch of the new Measat-3d satellite, it is expected to provide better internet coverage and at the same time expedite the country's adaptation of 5G technology.

We are proud to be part of this initiative under the Phase 2 of the Point of Presence Project awarded by the Kementerian Komunikasi Dan Multimedia Malaysia and we are confident, provided with the expertise that we have, to gain the confidence of the government to fulfil the requirements of future projects under this initiative.

INTELLECTUAL  
PROPERTY (IP)  
PRODUCTS

OUR CLIENTELE



AXA AFFIN GENERAL INSURANCE BHD.  
 BERJAYA CORPORATION BHD.  
 BINTULU PORT HOLDINGS BHD.  
 BOUSTEAD PLANTATIONS BHD.  
 EDGEPOINT INFRASTRUCTURE SDN. BHD.  
 FELCRA BHD.  
 FGV HOLDINGS BHD.  
 INDAH WATER KONSORTIUM SDN. BHD.  
 MALAYSIA AIRPORTS HOLDINGS BHD.  
 PENGURUSAN ASET AIR BHD.  
 SMALL MEDIUM ENTERPRISE DEVELOPMENT BANK MALAYSIA BHD.  
 WESTPORTS HOLDINGS BHD.  
 PORT KLANG (MALAY: PELABUHAN KLANG)



FinansHere

BOUSTEAD PLANTATIONS BHD.  
 FGV HOLDINGS BHD.  
 FIBERHOME TELECOMMUNICATION TECHNOLOGIES CO., LTD.  
 FIREFLY – SUBSIDIARY OF MALAYSIA AIRLINES  
 HEITECH PADU BHD.  
 INDAH WATER KONSORTIUM SDN. BHD.  
 MALAYSIA AIRPORTS HOLDINGS BHD.  
 MALAYSIA AIRLINES BHD.  
 MSM MALAYSIA HOLDINGS BHD.  
 PERNEC CORPORATION BHD.  
 PRIVASIA TECHNOLOGY BHD.  
 WESTPORTS HOLDINGS BHD.



KONSORTIUM PELABUHAN KEMAMAN SDN. BHD.  
 KUANTAN PORT CONSORTIUM SDN. BHD.  
 LUMUT MARITIME TERMINAL SDN BHD  
 SUKMA SAMUDRA SDN. BHD.  
 WESTPORTS HOLDINGS BHD.

OUR RESEARCH &  
DEVELOPMENT

PRIVASIA'S DEVELOPMENT  
COSTS 2022 (RM)

0.96M



Sustainability underpins how we do business, respect and create value for our stakeholders. We have ingrained it in our processes, policies, business values, and company culture. Today, Economic, Environmental, Social and Governance (“EESG”) goals are vital elements of our corporate strategy.

Our sustainable approach to creating long-term value delivers positive outcomes for stakeholders, minimises adverse impacts, contributes to society and conserves the environment.

A robust governance structure helps PRIVASIA implement a sustainability strategy, manage KPIs and goals, strengthen stakeholder relations and ensure overall accountability.

# SUSTAINABILITY AT PRIVASIA



**OUR SUSTAINABILITY FOCUS AREAS WITH THE UNITED NATIONS SUSTAINABILITY DEVELOPMENT GOALS ("UNSDG")**

**GOVERNANCE**

I. Develop and maintain a system of governance aligned with the best national and international standards and practices.



**PEOPLE**

I. Foster the involvement, well-being and development of our people.  
 II. Always improve, innovate and guarantee high safety standards along the value chain.



**ENVIRONMENT**

I. Achieve carbon neutrality by 2035.  
 II. Reduce our environmental footprint with a circular economy approach.



**INNOVATION**

I. Play an essential part in supporting our clients and community in the digitalisation of our nation.



**COMMUNITY**

I. Contribute to the social, technological and economic development of our communities.



**PRIVASIA'S SUSTAINABILITY GOVERNANCE**



**MATERIALITY**



Materiality assessments help prioritise areas that matter the most to key stakeholders and our business. During the last quarter of 2022, we performed a comprehensive materiality assessment. The process, led by an independent third party, identified 13 critical topics grouped into three main pillars: economic, environmental and social.

PRIVASIA will prioritise integrating these areas into the business strategy.

- 1. DATA PRIVACY & CYBERSECURITY
- 2. HUMAN RIGHTS
- 3. HEALTH & SAFETY
- 4. TRAINING & DEVELOPMENT
- 5. DIVERSITY, EQUAL OPPORTUNITY & NON-DISCRIMINATION
- 6. EMPLOYEE ENGAGEMENT
- 7. REGULATORY COMPLIANCE
- 8. QUALITY & CUSTOMER SATISFACTION
- 9. WASTE
- 10. SUSTAINABLE SUPPLY CHAIN MANAGEMENT
- 11. ENERGY & CLIMATE CHANGE
- 12. INDUSTRIAL ADVANCEMENT & NATION BUILDING
- 13. COMMUNITY CONTRIBUTIONS

**ECONOMIC : ECONOMIC AND NATION BUILDING THROUGH ENHANCEMENT OF INTERNET CONNECTIVITY AND TECHNOLOGY**



Information and Communication Technologies (“ICT”) infrastructure plays a substantial role in catalysing economic growth, especially in the fast-moving internet and mobile telecommunications era. We strongly believe a robust ICT infrastructure can boost the nation’s economic growth.

PRIVASIA delivers the most robust infrastructure to our most ambitious projects shaping the country’s bright future through the following segments: Outsourcing and consulting, eProcurement, ICT Distribution, Information and Communication Technologies Services, Satellite-Based Network Services and Radio Network Optimisation Services.

Internet connectivity has changed many aspects of individual lives, providing far-reaching economic and social benefits. PRIVASIA has dedicated significant resources to laying fibre cables inside buildings and outside plants. This work has improved the connectivity in most areas where there were previously no or poor services.

As one of South East Asia’s largest premium ICT outsourcing services and solutions providers, PRIVASIA has introduced PROCUREHERE. This cloud-based source-to-pay (“S2P”) digital procurement solution can improve how high-growth organisations manage their spending. The system gains unparalleled control and visibility with streamlined workflows, real-time data and innovative features to organise, allocate, track and report on spending from a single platform.

**ENVIRONMENT : RESOURCES MANAGEMENT**



PRIVASIA is committed to minimising its environmental impact and addressing the challenges of climate change relating to its operations and the entire value chain. The Company has committed to responsibly managing energy use and natural resources for many years. The Group’s energy management involves:



*Reducing costs through sustainable procurement and strategically decreasing consumption*



*Reducing greenhouse gas emissions for improved sustainability performance*



*Tracking utility costs to prepare more accurate budgets and gaining greater insight into operating costs*



*Reducing reliance on supply chains that do not share our environmental protection commitment*

Water is a limited, shared resource, and a reliable water supply is essential. PRIVASIA manages its water-related risks according to our needs and water availability. We monitor the volume of water used and aim to reduce its use by continuously improving water efficiency across operations. The Group conducts regular assessments of water-consuming systems to ensure no leaks and upgrades to modern, water-saving appliances where possible. We also have clear water preservation guidelines and ensure all staff conform.

**OUR PEOPLE FIRST: EMPLOYEE ENGAGEMENT AND TALENT MANAGEMENT**



Our people are essential to successfully delivering our strategy and sustaining our long-term business performance. We accelerate the development of our people, grow and strengthen their leadership capabilities and enhance their performance through solid engagement.

PRIVASIA has a proactive approach to employee engagement and organised various social activities throughout the year, such as an annual quiz competition, festive celebrations, sports and wellness events, team building, monthly birthday celebrations for employees and Corporate Social Responsibility programmes.

PRIVASIA has a comprehensive talent management programme comprising induction and onboarding, internal and external skills training, on-the-job training, career development, annual performance reviews and succession planning.

**DIVERSITY, EQUITY, INCLUSION AND BELONGING**



Workplace diversity drives better decisions, innovation and overall performance. We are increasing our focus on diversity, equity, inclusion and belonging. We aim to provide a welcoming environment and equitable opportunities for all employees regardless of background, nationality, race, ethnicity, gender, age, sexual orientation, marital status, disability, or religion.

This principle is ingrained in our company values and articulated in our Code of Conduct and Ethics.

**OCCUPATIONAL HEALTH AND SAFETY**



People’s health and safety always come first. Our Health, Safety and Environment (“HSE”) Policy formalises our commitment to protecting people, assets and the environment.

Introducing all effective prevention measures, especially on high-risk jobs such as climbing up satellite or communication towers, protects the safety of employees and subcontractors. Contractors and employees are adequately briefed and well-trained on safety precautions and procedures. We also provide Personal Protective Equipment when our contractors and employees perform their duties.

**COMMUNITY**



Building relationships with local communities is a priority. Our efforts convey our sincerity and commitment that we are their partner, now and in the long term. We favour programmes aligned with our corporate strategy that will impact our stakeholders, partners, and communities in the long-term.

In 2022, community-building efforts centred on the environment, digital access and charitable giving.

**OPERATING RESPONSIBLY**



Product impact and innovation are critical to organic growth and our transformation into an ICT solutions company. We are proud of our competitive edge, differentiating us from other industry players.

**COST ADVANTAGE FROM A STRATEGIC PARTNERSHIP WITH LEADING IT PLAYERS**

- Cost competitiveness on hardware and software with partner pricing
- Well-equipped with knowledge of the latest technology

**COMPREHENSIVE ICT SOLUTIONS OFFERING BUSINESS SOLUTIONS IN KEY AREAS**

- Business Process Outsourcing
- Consultancy and System Integration
- Procurement Management

**ENTRENCHED POSITION IN THE PORTS & LOGISTICS SEGMENT FOR IT OUTSOURCING**

- One of the key players in the ports and logistics segment
- Strong reference point: currently serving Westports - one of the major ports in Malaysia

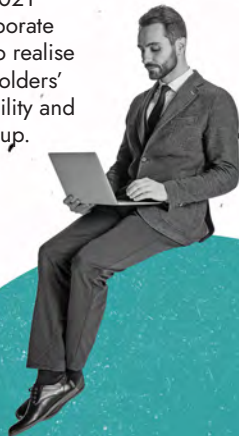
**INNOVATIVENESS THROUGH R&D**

- PRIVASIA provides eProcurement management solutions using its highly acclaimed eBidding hub
- Invested RM0.96 million in R&D in FYE 2022

*Please refer to our 2022 Sustainability Report for full disclosure of our sustainability initiatives. Our 2022 Sustainability Report can be downloaded from the website at [WWW.PRIVASIA.COM](http://WWW.PRIVASIA.COM).*

The Board recognises Corporate Governance as being vital and important to the success of the Group's businesses. The Board continuously reviews its Corporate Governance framework to ensure its relevance, effectiveness and sustainability in conducting the business and in addressing the challenges of the business.

In this statement, the Board reports in the manner which emphasizes the principles and best practices of corporate governance as laid out in the new Malaysian Code on Corporate Governance 2021 (the "Code") which was released on 28 April 2021 and ensures that standards of corporate governance are being observed to realise the objective of increasing shareholders' value and the continued sustainability and long-term performance of the Group.



# CORPORATE GOVERNANCE STATEMENT

This statement also serves as a compliance with Rule 15.25 of the ACE Market Listing Requirements of Bursa Securities.

The Code is based on three key principles of good corporate governance, which are:

- Board leadership and effectiveness;
- Effective audit and risk management; and
- Integrity in corporate reporting and meaningful relationship with stakeholders.

The Board is pleased to present the following statement which outlines the key aspects of how the Group has applied the Principles and Practices set out in the Code during the financial year ended 31 December 2022 ("FYE 2022").

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### PRACTICE 1.1 : COMPANY'S LEADERSHIP AND STRATEGIC AIMS

#### BOARD OF DIRECTORS AND BOARD STRUCTURES

The Group is governed by the Board who is accountable to stakeholders for the strategic direction and the pursuit of value creation for shareholders.

The Board is primarily responsible for ensuring that the principles of good corporate governance are practiced, and appropriate corporate governance structure is in place. An effective Board leads and controls the Company.

The composition of the Board during FYE 2022 are as follows:

NAME OF DIRECTORS	DIRECTORATE
DATO' AZMAN BIN MAHMUD	Chairman/Independent Non-Executive Director
DATUK PUVANESAN A/L SUBENTHIRAN	Group Chief Executive Officer/ Managing Director
ANDRE ANTHONY A/L HUBERT RENE	Deputy Chief Executive Officer/Executive Director
HAIKA SHENNY BINTI HAZRI	Independent Non-Executive Director
LEONG KAH CHERN	Independent Non-Executive Director
RACHEL LAU JEAN MEI	Independent Non-Executive Director
YIP KIT WENG	Independent Non-Executive Director <i>Appointed on 15 November 2022</i>
HASLINDA BT HUSSEIN	Independent Non-Executive Director <i>Resigned on 30 November 2022</i>

The major responsibilities of the Board are outlined in the Board Charter which documents the governance and structure of the Board and its committees, including the authority, matters reserved for the Board, guidance on Board's conduct and terms of reference ("TOR") of the Board and committees.

In the FYE 2022, the Board has discharged its key fiduciary duties, leadership functions and responsibilities as follows:-

- Reviewed and approved the Company's strategies, business plans and policies;
- Ensured the competency and succession planning of the Board and Key Senior Management;
- Ensured the Company is sustainable, successful and thriving organisation in the long run and striking a balance between the Economic and Environmental, Social and Governance factors;
- Ensured the adequacy and integrity of the Company's internal control system;
- Ensured the integrity of the Company's financial and non-financial reporting;
- Reviewed and approved the potential investment for the growth of the Group; and
- Ensured compliance and proper disclosure adherence at all times.

The Board reserves certain power for itself and delegates other matters to the Group CEO and senior management. The following are matters which are specifically reserved for the Board:

- I. Approval of corporate plans and programmes;
- II. Approval of annual budgets, including major capital commitments;
- III. Approval of new ventures;
- IV. Approval of material acquisition and disposals of undertakings and properties;
- V. Change to the management and control structure within the Group, including key policies, delegated authority limits; and
- VI. Review and update the Whistleblowing Policy.



**PRACTICE 1.1 :**  
**COMPANY'S**  
**LEADERSHIP AND**  
**STRATEGIC AIMS**  
*(continued)*

The Board has delegated certain responsibilities to Board Committees with clearly defined terms of reference to assist in discharging its duties. On 24 November 2022, the Board has revisited the rationale of having an Investment Committee. After considering that all potential investment require the Board's review and decision, the Board had decided to abolish the Investment Committee effective 31 December 2022.

The current Board Committees, following the abolition of the Investment Committee, are the Audit and Risk Management Committee and the Nomination and Remuneration Committee.

The Chairman of the respective Board Committees will report and table to the Board their respective recommendations for consideration and adoption.

The composition of each Board Committee during the FYE 2022 are as follows:

**AUDIT & RISK MANAGEMENT COMMITTEE ("ARMC")**

NAME OF DIRECTORS	DESIGNATION	DIRECTORATE
HAIDA SHENNY BINTI HAZRI	CHAIRMAN	Independent Non-Executive Director
LEONG KAH CHERN	MEMBER	Independent Non-Executive Director
YIP KIT WENG	MEMBER	Independent Non-Executive Director <i>Appointed on 15 November 2022</i>
HASLINDA BT HUSSEIN	MEMBER	Independent Non-Executive Director <i>Resigned on 30 November 2022</i>

**NOMINATION & REMUNERATION COMMITTEE ("NRC")**

NAME OF DIRECTORS	DESIGNATION	DIRECTORATE
LEONG KAH CHERN	CHAIRMAN	Independent Non-Executive Director
HAIDA SHENNY BINTI HAZRI	MEMBER	Independent Non-Executive Director
RACHEL LAU JEAN MEI	MEMBER	Independent Non-Executive Director

**INVESTMENT COMMITTEE**

NAME OF DIRECTORS	DESIGNATION	DIRECTORATE
RACHEL LAU JEAN MEI	CHAIRMAN	Independent Non-Executive Director <i>Re-designated as a Chairman on 2 September 2022</i>
LEONG KAH CHERN	MEMBER	Independent Non-Executive Director <i>Appointed as a Member on 15 February 2022</i>
DATUK PUVANESAN A/L SUBENTHIRAN	MEMBER	Group Chief Executive Officer/Managing Director
ANDRE ANTHONY A/L HUBERT RENE	ALTERNATE TO DATUK PUVANESAN A/L SUBENTHIRAN	Deputy Chief Executive Officer/Executive Director
HASLINDA BT HUSSEIN	CHAIRMAN	Independent Non-Executive Director <i>Resigned as a Chairman and Member on 25 August 2022</i>

*The committee was dissolved effective 31 December 2022.*

**PRACTICE 1.2 & 1.4 : ROLES OF THE CHAIRMAN**

The Chairman of the Board is responsible for instilling good corporate governance practice, leadership and ensuring the effectiveness of all aspects of the Board's role and responsibilities. The Chairman of the Group does not hold any memberships in any of the board committees.

By having non-involvement of Chairman in any Board Committee would provide check and balance as well as objective review by the board on deliberation made by the board committees.

The responsibilities of the Chairman amongst others include:

- I. To provide leadership to the Board and oversee the Board in the effective discharge of its fiduciary duties;
- II. Leading the Board in the adoption and implementation of good corporate governance practices in the Company;
- III. To set the Board agenda and to ensure the Board members receive complete and accurate information in a timely manner;
- IV. To lead in discussion in Meetings and ensure efficient and effective conduct of the Board's Meetings;
- V. To encourage active participation and to allow dissenting views to be freely expressed;
- VI. To promote constructive and respectful relations between Board Members and manage the interface between the Board and Management;
- VII. To facilitate effective communication between the Board and the stakeholders; and
- VIII. To commit time necessary to discharge effectively his role as Chairman.

The Chairman ensures orderly conduct and proceedings of the Board and general meeting and is responsible for managing the business of the Board to:

- I. All directors are properly briefed on issues arising at board meetings;
- II. Sufficient time is allowed for the discussion of complex or contentious issues and, where appropriate, arranging for informal meetings beforehand to enable through preparation for the board discussion; and
- III. The issues discussed are forward looking and concentrates on strategy.

During FYE 2022, the Board had met with the Executive Directors and management to discuss and receive update on the operational issues of the Group and the Board actively provides timely recommendation to improve and set strategies that will further enhance the business objectives of the Company.

**PRACTICE 1.3 : SEPARATION OF THE POSITIONS OF THE CHAIRMAN AND CEO**

The positions of the Chairman and CEO are held by two separate distinct individuals. The current CEO who also acts as the Managing Director is Datuk Puvanesan A/L Subenthiran.

The separation of the Chairman and the CEO with clear and distinct division of responsibilities ensures a proper balance of power and authority, as well as to enhance governance and transparency. The Chairman leads the Board in setting values and standards of the Group and is responsible for the effective conduct of the Board, whilst the CEO has overall responsibility on the business and day-to-day management of the Group.

The CEO's roles amongst others includes the following:

- a. Strategy development, monitoring and tracking;
- b. Business development;
- c. Regulation;
- d. Performance management;
- e. Human resources management;
- f. Risk management; and
- g. Stakeholder management.

**PRACTICE 1.5 : COMPANY SECRETARIES**

The role of the Company Secretaries are currently held by Ms. Wong Chow Lan and Ms. Foo Li Ling, who are both registered with the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA).

The Directors have ready and unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Board is regularly updated and apprised by the Company Secretaries.

The Company Secretaries give clear and sound advice on the measures to be taken and requirements to be observed by the Company and the Directors arising from new statutes and guidelines issued by the regulatory authorities. The Company Secretaries brief the Board on proposed contents and timing of material announcements to be made to Bursa Securities.

The Company Secretaries also serve notice to the Directors and Principal Officers to notify them of closed periods in accordance with the black-out periods for dealing in the Company's securities pursuant to Chapter 14 of the Bursa Securities ACE Market Listing Requirements.

**PRACTICE 1.5 :  
COMPANY  
SECRETARIES  
(continued)**

The Company Secretaries attend and ensure that all Board meetings are properly convened, and those accurate and proper records of the proceeding and resolutions passed are taken and maintained in the statutory register at the registered office of the Company.

The Company Secretaries also facilitate timely communication of decisions made and policies set by the Board at Board meetings, to the Senior Management for action.

The Company Secretaries work closely with management to ensure that there are timely and appropriate information flows within and to the Board and Board Committee, and between the Non-Executive Directors and management.

**PRACTICE 1.6 :  
INFORMATION  
AND SUPPORT  
TO THE BOARD**

The Board recognises that the decision-making process is highly dependent on the quality of information furnished. As such, in discharging their duties, the Directors need to have full and timely access to all information concerning the Company and the Group.

All Board meetings held were preceded by a notice issued by the Company Secretaries. Prior to each Board meeting, the agenda would be circulated to all Directors at least seven (7) days prior to the meeting. A set of board paper containing relevant reports is furnished to all Directors at least five (5) days prior to the meeting, to enable effective discussions and decision-making during Board meetings. In addition, the Board is also notified of any corporate announcements released to Bursa Securities.

All minutes of meetings are confirmed by the Board and respective committee members to ensure the deliberations and decisions of the Board are accurately reflected, including whether any director abstained from voting or deliberating on a particular matter. The Chairman of the Board and the Chairman of the respective committees sign off the confirmed minutes for record keeping and safeguarding purposes.

The Directors have full access to the advice and services of the Company Secretaries, the senior management staff, the external auditors and other independent professionals at all times in discharging their duties and responsibilities.

**PRACTICE 2.1 :  
BOARD  
CHARTER**

The Board has formalised a Board Charter to ensure that the Board are aware of their roles, duties and responsibilities and the application of principles and practices of good corporate governance in their business conduct and dealings in respect of, and on behalf of the Company and the various laws and legislations governing them and the Company.

The Board Charter serves not only as a reminder of the Board's roles and responsibilities but also acts as a general statement of intent and expectation as to how the Board discharges its duties and responsibilities.

The Board Charter is available in the Company's website at [WWW.PRIVASIA.COM](http://WWW.PRIVASIA.COM).

**PRACTICE 3.1 :  
(A) CODE OF  
ETHICS AND  
CONDUCT**

The Board recognises its role in establishing ethical values that support a culture of integrity, fairness, forthrightness, trust and pursuit of excellence.

This is formalised via Code of Ethics and Conduct that is periodically reviewed and adhered to by all Directors and employees of the Group.

The core areas of conducts under the Code of Ethics and Conduct include the followings: -

- a. Conflict of interest;
- b. Confidential information;
- c. Inside information and securities trading;
- d. Protection of assets;
- e. Business records and control;
- f. Compliance to the law;
- g. Personal gifting and contribution;
- h. Health and safety;
- i. Sexual harassment;
- j. Outside interest;
- k. Fair and courteous behaviour; and
- l. Misconducts

The Code of Ethics and Conduct can be accessed through the Company's website at [WWW.PRIVASIA.COM](http://WWW.PRIVASIA.COM)

**PRACTICE 3.1 :  
(B) ANTI-BRIBERY  
AND CORRUPTION  
POLICY**

In line with the new Section 27A of the Malaysian Anti-Corruption Commission Act 2009 on corporate liability for corruption, the Group has developed and adopted an Anti-Bribery and Corruption Policy ("ABC Policy") to prevent the occurrence of bribery and corrupt practices within the Group.

The ABC Policy can be accessed through the Company's website at [WWW.PRIVASIA.COM](http://WWW.PRIVASIA.COM).

**PRACTICE 3.1 :  
(C) FIT AND  
PROPER POLICY**

In the FYE 2022 the Board has reviewed and approved the Fit and Proper Policy for Directors to be adopted by the Group. The said policy was drafted in line with the Listing Requirements. The Policy sets the criteria in relation to a fit and proper requirement for Directors within the Group by exemplifying integrity and good character to promote and support an ethical culture. The Fit and Proper Policy is available in the Company's website at [WWW.PRIVASIA.COM](http://WWW.PRIVASIA.COM).

**PRACTICE 3.2 :  
WHISTLEBLOWING  
POLICY**

To encourage the reporting of genuine concerns about malpractice, illegal acts or failures to comply with recognised standards of work without fear of reprisal or victimisation, the Board has in place a Whistleblowing Policy which sets out avenues where legitimate concerns can be objectively addressed. The Audit and Risk Management Committee oversees the administration of the Whistleblowing Policy in an impartial manner, under the purview of the Board.

During the FYE 2022, there was no whistleblowing concern reported to the Company.

The Whistleblowing Policy is available in the Company's website at [WWW.PRIVASIA.COM](http://WWW.PRIVASIA.COM).

**PRACTICE 4.1 :  
MANAGEMENT  
RESPONSIBILITY  
FOR THE  
GOVERNANCE OF  
SUSTAINABILITY**

The Group's Group CEO is in charge of sustainability management. Regular meetings are convened together with Senior Management on a weekly and monthly basis to ensure that the execution of strategies and plans are on track. The Board is updated regularly with all progress and key developments.

The Board reviews the progress, key developments and closely monitors the implementation of sustainability related policies and actions in order the Company to achieve its sustainability related goals .

The Company is well guided by the Board, where sustainability-related matters are presented for deliberation and strategic direction for the Company is set. Matters discussed during this session range from amongst others, potential investments to new business pillars, succession planning and leveraging on new technologies.

Further details are disclosed in the Sustainability Statement of the Annual Report for reference to all stakeholders and also a copy of the Sustainability Report can be downloaded from the website at [WWW.PRIVASIA.COM](http://WWW.PRIVASIA.COM).

**PRACTICE 4.2 :  
COMPANY'S  
SUSTAINABILITY  
STRATEGIES,  
PRIORITIES AND  
TARGETS**

Apart from the Sustainability Statement which is in the Annual Report, the Company has published a detailed Sustainability Report. The report covers the core of its sustainability efforts which built on the 4 areas of:

- I. Sustainability Governance;
- II. Environment;
- III. Economic; and
- IV. Social/Work Place.

The Board endeavours in the coming years to undertake steps to further develop the Company's sustainability reporting, enhance its reporting credibility and will plan towards engaging external assurance.

**PRACTICE 4.3 :  
UNDERSTAND THE  
SUSTAINABILITY  
ISSUES RELEVANT  
TO THE COMPANY  
AND ITS BUSINESS,  
INCLUDING  
CLIMATE-RELATED  
RISKS AND  
OPPORTUNITIES**

The Board is confident that the Group CEO has a strong understanding on the area of sustainability and is able to engage and lead senior management in addressing sustainability-related matters and risk. It is crucial he is able to address sustainability risks and provide guidance on sustainability-related matters.

The senior management is kept abreast with sustainability developments in this constantly evolving environment by attending trainings including webinars and presentation, which includes but is not to be limited to, internal and external training and development programmes.

As for climate-related risks and opportunities, although in actual fact it is not directly connected to the Company's business nature, the Group CEO nevertheless makes an effort to keep himself up-to date with new developments.

**PRACTICE 4.4 :  
PERFORMANCE  
EVALUATIONS  
OF THE BOARD  
AND SENIOR  
MANAGEMENT**

As part of the Company's Evaluation exercise for 2022, the NRC does evaluation on all Directors on a yearly basis. During this exercise all Directors are evaluated.

As for the senior management, an appraisal session was conducted by the Group CEO during which the respective Head of Departments were formally assessed on their performance with regards to material sustainability risks, business development and opportunities.

Within the scope of remuneration, the management encourages a culture of organisational, team and individual performance consistent with its strategic goals.

The sustainability-linked Key Performance Indicators contain a balance of short-term and long-term goals.

**PRACTICE 4.5 :  
THE BOARD  
IDENTIFIES A  
DESIGNATED  
PERSON**

The Group CEO has been given the responsibility to be in charge and drive the sustainability agenda across the Group of companies.

**PRACTICE 5.1 :  
RE-ELECTION  
OF DIRECTORS**

The procedure on the re-election of directors by rotation is set out in the Company's Constitution. All directors are required to undertake an annual assessment where not only the recommendation of director due for re-election is contingent upon satisfactory evaluation, but it is also utilised in determining the effectiveness of the Board and Board committees.

All Directors are required to submit themselves for re-election by rotation at least once in every three (3) years at each Annual General Meeting ("AGM"). Newly appointed Directors shall hold office until the AGM following their appointment and shall then be eligible for re-election by shareholders.

The Company's Constitution also requires that at least one-third (1/3) of the Directors including Executive Directors, to retire from office by rotation and be eligible for re-election at every AGM. All Directors shall submit themselves for re-election at least once every three (3) years from their date of appointment in compliance with the Listing Requirements of the Bursa Securities.

The Board are encouraged to provide new ideas for the better future of the business of the Group. The composition of the Board committees are periodically reviewed and refreshed as and when necessary, in order to bring in new ideas and perspective to the boardroom to ensure that the board is "future-ready".

**PRACTICE 5.2 :  
BOARD  
COMPOSITION**

Mr Yip Kit Weng joined the Board as an additional Independent Non-Executive Director on 15 November 2022. On 30 November 2022, Pn Haslinda Bt Hussein has resigned as Independent Non-Executive Director. Following with the appointment of Mr Yip Kit Weng and the resignation of Pn Haslinda Bt Hussein, the board composition for the FYE 2022 comprise of seven (7) members comprising two (2) Executive Directors and five (5) Independent Non-Executive Directors.

The current size, composition and effective mix of Executive Directors and Independent Non-Executive Directors in the Board supports adequate objective and independent deliberation, review and decision making.

In addition, the current Board composition of which majority are Independent Non-Executive Directors allows for more effective oversight of management and ensures that no individual or group of individuals dominates the Board's decision-making process.

The number of Independent Directors is in compliance with the Ace Market Listing Requirements of Bursa Securities which requires the Board to have at least two (2) Independent Directors or 1/3 of the Board of Directors, whichever is higher.

The profile of each Board member is presented under the Directors' Profile of this Annual Report.

**PRACTICE  
5.3 & 5.4 :  
TENURE OF  
INDEPENDENT  
DIRECTORS**

The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine years, the Independent Director may continue to serve the Board subject to the Director's re-designation as a Non-Independent Director.

During the FYE 2022, the Board through the Nomination and Remuneration Committee assessed the independence of the independent directors based on the criteria set out in the Listing Requirement on an annual basis. The Board is satisfied with the level of independency demonstrated by the five Independent Non-Executive directors and their ability to act in the best interest of the Company.

**PRACTICE 5.5 :  
APPOINTMENT  
OF BOARD  
AND SENIOR  
MANAGEMENT**

In maintaining a competitive advantage, the Board recognises the importance of having a range of different skills, background and experience among its Directors and Senior Management.

The Directors are from diverse professional and business backgrounds with a wide range of academic and professional qualifications, business and financial experience relevant to lead the Group's business activities and as such, are able to effectively discharge their duties and responsibilities on the matters or issues of strategic planning, performance evaluation, resource allocation, setting of standards of conduct, identifying principal risks, reviewing internal control systems etc.

The Board approves the appointment of new Board members, the resignation of existing members, and the re-election of Directors based on the NRC's recommendation, and the NRC is guided by the Fit and Proper policy.

In FYE 2022, the NRC recommended the proposed appointment of Mr Yip as an Independent Non-Executive Director to replace Pn Haslinda Bt Hussein, who had expressed her intention to resign. The recommendation by the NRC after having assessed and considered the candidates' background, professional qualification, knowledge, integrity and competencies, independence as well as fulfilment of criteria set out in the Fit and Proper Policy. On 15 November 2022, the Board has approved Mr Yip's appointment and Pn Haslinda Bt Hussein stepped down as an Independent Non-Executive Director of the Company effective 30 November 2022.

The identification candidates for the appointment of Director has been facilitated through the recommendation from the Directors, Management or external parties, including the Company's contacts in related industries, finance, legal and accounting professionals. Other sources were not used as the NRC was satisfied that Mr Yip was the suitable candidate after assessment.

**PRACTICE 5.9 & 5.10: GENDER DIVERSITY**

The Board acknowledges that gender diversity will encourage more constructive debates, leading to better decisions made. During the FYE 2022, several key positions in the Group are held by women and the Board comprises of three (3) female directors.

The Board notwithstanding the view that diversity should be in tandem with expertise, experience and skills and not gender alone acknowledges the importance of the establishment of a gender diversity policy. However, the Board is collective opinion that there was no necessity to adopt formal gender diversity policy as the group is committed to provide fair and equal opportunities and nurturing diversity within the Group.

**DIVERSITY COMPOSITION OF BOARD MEMBERS DURING FYE 2022**

**DIRECTORSHIP**



**PRACTICE 5.8 & 7.2 : NOMINATION AND REMUNERATION COMMITTEE**

- I. Required skills, knowledge, expertise and experience;
- II. Time commitment, character, professionalism and integrity;
- III. Ability to work cohesively with other members of the Board;
- IV. Specialist knowledge or technical skills in line with the Group's strategy;
- V. Diversity in age, gender and experience/background; and
- VI. The number of directorships in companies outside the Group.

During the FYE 2022, Mr Yip was appointed as an Independent Non-Executive Director and for the best interest of the shareholders, the information of Mr Yip is disclosed in the Annual Report page 18.

The NRC comprises exclusively of Independent Non-Executive Directors. The NRC chaired by Mr Danny Leong Kah Chern, an Independent Non-Executive Director.

The Terms of Reference ("TOR") of the NRC is available in the Company's website at [WWW.PRIVASIA.COM](http://WWW.PRIVASIA.COM).

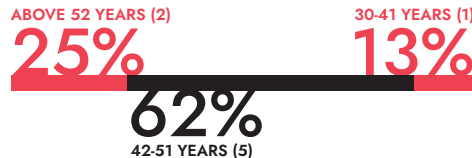
The summary of activities undertaken by the NRC during FYE 2022 includes the following:-

- I. Reviewed the size and composition of the Board and made recommendation to the Board as regards any changes that may, in their view, be beneficial to the Company and Group;
- II. Reviewed and assessed the independence of Independent Non-Executive Directors;
- III. Reviewed the effectiveness of the Board as a whole, committees of the Board and the contribution of individual directors;
- IV. Reviewed and recommended to the Board of directors who are retiring by rotation to be put forward for re-election;
- V. Reviewed and report to the Chairman of the Board on the performance evaluation of Non-Executive Directors;
- VI. Reviewed and recommend to the Board the appointment of new Directors;
- VII. Reviewed and recommend the payment of Directors' fees and other benefits payable to Directors;
- VIII. Ensuring the organisational chart and succession planning to be put in place; and
- IX. Reviewed and report to the Board on the implementation of succession planning.

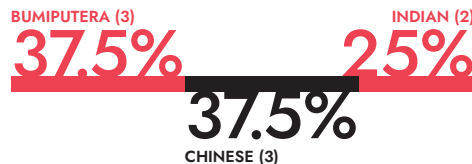
**GENDER**



**AGE GROUP**



**ETHNICITY**



**PRACTICE 5.6 & 5.7 : IDENTIFICATION OF CANDIDATES FOR APPOINTMENT OF DIRECTORS**

The Board uses a variety of approaches and sources to ensure that it is able to identify the most suitable candidates. In identifying suitable candidates, the NRC may use open advertising or the services of external advisers to facilitate the search.

The NRC would take into consideration the following criteria before the recommendation to the board is made:-

**PRACTICE 6.1 :  
BOARD,  
BOARD  
COMMITTEES  
AND INDIVIDUAL  
DIRECTOR'S  
EVALUATION**

The Board, through the NRC, has established a formal assessment mechanism to carry out an annual evaluation on the effectiveness of the Board, Board Committees, and the contribution of each individual Director, including the independence of Independent Non-Executive Directors. The assessment criteria for the Board and individual Director were reviewed and has been updated in December 2022 and are aligned with practices prescribed under MCCG.

In the FYE 2022, the NRC has carried out the annual evaluation. The performance evaluation on Board Committees has been conducted by way of self-assessment, whilst performance evaluation on individual Directors has been conducted by peer assessment.

In addition, the NRC has also evaluated the performance of Non-Executive Directors. The Chairman of the NRC shared the outcome with the Chairman of the Board for consultation and the result of the consultation was delivered to the Non-Executive Directors.

The NRC upon conducting its annual assessment on the Board, Board Committees and individual Director for the FYE 2022, was satisfied that:

- I. The size and composition of the Board and Board Committees are optimum with the appropriate mix of knowledge, skills, attributes and core competencies;
- II. The Board and Board Committees has been able to discharge its duties professionally and effectively in consideration of the scale and breadth of the operations;
- III. All the Directors continue to uphold the highest governance standards in their conduct and that of the Board;
- IV. All the Members of the Board are well qualified to hold their positions as Directors of the Company in view of their respective academic and professional qualifications, and depth of knowledge, skills and experience and their personal qualities;
- V. The Independent Directors comply with the definition of Independent Directors as stated in the ACE Market Listing Requirements of Bursa Securities, where none of the tenure of an Independent Director exceeds a cumulative of nine years, and therefore would be able to function as a check and balance and bring an element of objective to the Board; and
- VI. The Directors comply with the requirement prescribed under Rule 15.06 of ACE Market Listing Requirement as they hold either one or only a few directorships in public listed companies as described below:
  - a. Holding only one directorship: 5 Directors
  - b. Holding two directorships: 2 Directors
  - c. Holding three directorships: None
  - d. Holding five directorships: 1 Director

**PRACTICE 7.1 :  
REMUNERATION  
POLICIES**

The Group aims to set remuneration at levels which are sufficient to attract and retain the Directors needed to run the Group successfully, taking into consideration all relevant factors including the function, workload and responsibilities involved, but without paying more than is necessary to achieve this goal.

The NRC is responsible to review and recommend a formal and transparent remuneration framework or policy and procedure for Executive Directors and Senior Management.

In doing so, the NRC perform the following:-

- I. Ensure that remuneration policies and packages of Executive Directors and Senior Management are reflective of the Group's demands, complexities and performance as a whole as well as skills and experience required, and in line with the strategic objectives of the Company which rewards contribution to the long term success of the Company; and
- II. Ensure alignment of the compensation scale to corporate performance and that compensation offered is in line with current market practices by comparable companies, time commitment, responsibilities and employment conditions elsewhere within the Group and the market.

The remuneration policies are disclosed in the Board Charter which is available in the Company's website at [WWW.PRIVASIA.COM](http://WWW.PRIVASIA.COM).

**PRACTICE 8.1 :  
DIRECTORS REMUNERATION - COMPANY**

The aggregate remuneration of Directors' of the Group and of the Company for the FYE 2022 are as follows:-

EXECUTIVE DIRECTORS	SALARIES & OTHER EMOLUMENTS	FEES	ALLOWANCE	BONUS	DEFINED CONTRIBUTION	SOCSEIS	BENEFITS IN KIND	TOTAL
DATUK PUVANESAN A/L SUBENTHIRAN	-	RM48,000	RM7,500	-	-	-	-	RM55,500
ANDRE ANTHONY A/L HUBERT RENE	-	RM48,000	RM7,000	-	-	-	-	RM55,000

NON-EXECUTIVE DIRECTORS	SALARIES & OTHER EMOLUMENTS	FEES	ALLOWANCE	BONUS	DEFINED CONTRIBUTION	SOCSEIS	BENEFITS IN KIND	TOTAL
DATO' AZMAN BIN MAHMUD	-	RM60,000	RM4,500	-	-	-	-	RM64,500
HAIDA SHENNY BINTI HAZRI	-	RM54,000	RM7,000	-	-	-	-	RM61,000
LEONG KAH CHERN	-	RM54,000	RM7,500	-	-	-	-	RM61,500
RACHEL LAU JEAN MEI	-	RM49,500	RM6,000	-	-	-	-	RM55,500
YIP KIT WENG	-	RM6,000	RM1,000	-	-	-	-	RM7,000
HASLINDA BT HUSSEIN	-	RM49,000	RM6,000	-	-	-	-	RM55,000

**PRACTICE 8.1 :  
DIRECTORS REMUNERATION - SUBSIDIARY**

EXECUTIVE DIRECTORS	SALARIES & OTHER EMOLUMENTS	FEES	ALLOWANCE	BONUS	DEFINED CONTRIBUTION	SOCSEIS	BENEFITS IN KIND	TOTAL
DATUK PUVANESAN A/L SUBENTHIRAN	RM542,400.00	-	RM30,000.00	-	RM70,512.00	RM1,001.80	-	RM643,913.80
ANDRE ANTHONY A/L HUBERT RENE	RM516,000.00	-	RM30,000.00	-	RM67,080.00	RM1,001.80	-	RM614,081.80

**PRACTICE 8.2 & 8.3 :  
SENIOR MANAGEMENT REMUNERATION**

RANGE OF REMUNERATIONS DURING THE YEAR	NUMBER OF SENIOR MANAGEMENT
RM50,001 – RM100,000	1
RM100,001 - RM150,000	-
RM150,001 - RM200,000	-
RM200,001 - RM250,000	3
RM250,001 - RM300,000	2
RM300,001 - RM350,000	1
RM600,001 - RM650,000	2

The range of remuneration of the top nine (9) senior management's remuneration which includes salary and other emoluments are as per table on the left.

The Board is of the opinion that disclosure on a named basis is not required due to security and privacy reasons and the disclosures presented above is sufficient to allow shareholders to make an informed decision.



## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### PRACTICE 9.1 : CHAIRMAN OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Independent Non-Executive Director of ARMC is chaired by an Independent Director who is not the Chairman of the Board. During the FYE 2022, Ms Haida Shenny Binti Hazri is the Chairman of ARMC.

### PRACTICE 9.2 : FORMER KEY AUDIT PARTNER COOLING-OFF PERIOD

Currently there are no members of the ARMC who are former key audit partners of the Company.

At this juncture, the Board has the view that the appointment of former key audit partner may exert significant influence over the audit. Should a former key audit partner be considered as a candidate for the ARMC, a cooling off period will be required before appointment.

### PRACTICE 9.3 : EXTERNAL AUDITOR

Through the ARMC, the Company has always maintained a close and transparent relationship with its external auditors in seeking professional advice and ensuring compliance with the Malaysian Financial Reporting Standards and Companies Act, 2016 in Malaysia.

The interactions between the parties include the discussion of an audit plan, audit findings and corrective actions, where appropriate and the conclusion of the financial statements. The ARMC meet at least once with the external auditors without the presence of the Executive Directors and management.

The ARMC has assessed and is satisfied with the competency and independence of the external auditors. This assessment amongst others include:

- I. Ensuring auditor's compliance with relevant ethical and professional guidance on the rotation of audit partners;
- II. The resource capacity and competency of audit members assigned by the External Auditors;
- III. The level of fees including non-audit services fees paid by the Company to the External Auditors;
- IV. The timeliness and completion of the audit; and
- V. Obtaining written assurance from the External Auditors confirming independence throughout the conduct of the audit in accordance with the terms of all relevant professional and regulatory requirements.

The Audit and Risk Management Committee had recommended the re-appointment of the external auditors to the Board and thereafter to be tabled for the shareholders' approval at the forthcoming AGM.

### PRACTICE 9.4, 9.5 & 10.3 : AUDIT AND RISK MANAGEMENT COMMITTEE

The ARMC comprised solely of Independent Non-Executive Directors. The composition of the ARMC are:-

NAME OF DIRECTORS	DESIGNATION	DIRECTORATE
HAIDA SHENNY BINTI HAZRI	CHAIRMAN	Independent Non-Executive Director
LEONG KAH CHERN	MEMBER	Independent Non-Executive Director
YIP KIT WENG	MEMBER	Independent Non-Executive Director <i>Appointed as member on 15 November 2022</i>
HASLINDA BT HUSSEIN	MEMBER	Independent Non-Executive Director <i>Resigned as member on 30 November 2022</i>

The ARMC currently comprises of members with professional experience in financial, taxation and legal of which one of the member is a member of the Malaysian Institute of Accounts. Having an ARMC that is financially literate and independent enable a continuous application of a critical and probing view on the Company's financial reporting process, transactions and other financial information, and effectively challenge management's assertions on the Company's financials. The summary of the activities of the ARMC during FYE 2022 are set out under the Audit Committee Report in this Annual Report.

**PRACTICE  
10.1 & 10.2 :  
RISK MANAGEMENT  
AND INTERNAL  
CONTROL  
FRAMEWORK**

The Board affirms its responsibility in identifying principal risks and ensuring implementation of a proper risk management system to manage such risks.

The Board and the Audit and Risk Management Committee has put in place an Enterprise Risk Management (“ERM”) Framework and internal control systems to effectively discharge its responsibility in managing risks and counter threats arising from these risks.

The ERM Manual is implemented with an aim to provide practical guidance for developing, implementing and enhancing the ERM framework. The ERM Manual is structured into sections to:

- I. Provide a reference for the Board and Management on the concept, definition and processes of risk management of the Group;
- II. Provide a guide for developing and implementing the ERM Framework to support the implementation of risk management requirements and enhance the practice of ERM throughout the Group; and
- III. Provide details (including examples) of risk management processes, tools, templates and procedures that are customised for the development and implementation of the ERM Framework.

For the FYE 2022, internal audits were carried out in accordance with the approved Internal Audit Plan which had taken into consideration the Company’s Enterprise Wide Risk Profile.

The results of these internal audits were tabled and reported to the ARMC including the gaps, recommendations and advice by the internal auditors. Management’s response and targeted implementation timeline with respect to the areas for improvement were also taken into consideration for further improvements.

**PRACTICE  
11.1 & 11.2 :  
INTERNAL  
AUDIT**

The mission of the Internal Audit Function is to provide independent and objective assurance and consulting function that adds value and improves the operations of the Group. It will assist the Group to achieve its objectives through systematically evaluating and improving the risk management, internal controls and corporate governance within the Group.

In discharging the ARMC’s responsibilities of ensuring that the Internal Audit Function is effective and function independently, the Group’s Internal Audit Function is outsourced to Crowe Governance Sdn. Bhd. (the “Internal Auditors”), a professional consulting firm.

An Internal Audit Charter that has been reviewed and approved by the ARMC is in place to define the purpose of the Internal Audit function, as well as the scope, authority and responsibilities. In the performance of responsibilities, the Internal Auditors adheres to the International Professional Practices Framework (“IPPF”) issued by the Institute of Internal Auditors which includes the International Standards for the Professional Practice of Internal Auditing and the Code of Ethics.

To uphold independence, the Internal Auditors independently reports directly to the Audit and Risk Management Committee and are not authorised to:

- I. Perform any operational duties for the Group;
- II. Initiate or approve accounting transactions; and
- III. Direct the activities of the Group’s employees, except to the extent that the employee has been appropriately assigned to assist the Internal Auditors.

Further details on the Internal Audit Function are reported in the Statement on Risk Management and Internal Control on page 56 to 58.

## PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

### PRACTICE 12.1 : STAKEHOLDERS COMMUNICATION

The Company strictly adheres to the disclosure requirements of Bursa Securities and recognises the importance of timely and equal dissemination of information to shareholders and stakeholders to fulfil transparency and accountability objectives.

A Corporate Disclosure Policy was established to ensure that communications to the public regarding the Group are timely, factual, accurate and complete. Another key channel of communication with the shareholders, investors and the investment community at large is the Group's investor relations function.

The institutional shareholders, fund managers, research analysts and substantial shareholders have a direct channel and are able to enter into a dialogue with the Company's representatives.

The Company also maintains a website (WWW.PRIVASIA.COM) through which shareholders and members of the public in general can gain access to information about the Group.

### PRACTICE 12.2 : INTEGRATED REPORTING

Integrated reporting enables concise communication about how an organisation's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value over the short, medium and long term.

The Board acknowledges that having such reports benefits all stakeholders interested in an organisation's ability to create value over time, including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers.

The Company is not a Large Company under the Code and is not required to adopt integrated reporting.

The Board will look into implementing integrated reporting in future.

### PRACTICE 13.1 : NOTICE OF ANNUAL GENERAL MEETING (AGM)

The AGM remains the principal forum for communication and dialogue with the shareholders of the Company. Shareholders are notified of the AGM and provided with a copy of the Company's Annual Report at least twenty-eight (28) days before the date of the AGM.

The Company ensures that sufficient notice period is given to the shareholders in order for them to schedule their time to attend the Company's AGM.

### PRACTICE 13.1 : NOTICE OF ANNUAL GENERAL MEETING (AGM) (continued)

The notice of AGM contains information such as the date, time, venue of the AGM, the shareholders' right to appoint a proxy and details of the resolutions that will be tabled at the AGM.

To foster better transparency, the poll is performed independently, with an Independent Scrutineer appointed to verify the polling procedures and observe that polling process is properly carried out.

The Independent Scrutineer, will confirm the results of the polls before submission to the Chairman for announcement of the results.

### PRACTICE 13.2 : DIRECTORS' ATTENDANCE OF ANNUAL GENERAL MEETING

The entire Board is committed to attend the AGM. During the AGM, the Board members are prepared to respond to all queries and had undertaken to provide sufficient clarification on issues and concerns raised by the shareholders.

The external auditors are also present to provide their professional and independent clarification on queries raised by shareholders. Status of all resolutions proposed at the AGM is announced to Bursa Malaysia at the end of the meeting day.

All Directors were present at the fully virtual 14th AGM held on 30 June 2022.

### PRACTICE 13.3, 13.4, 13.5 & 13.6 : LEVERAGE OF TECHNOLOGY

Amid the evolving Covid-19 outbreak in Malaysia and out of the Company's concern to the well-being and safety of its members, the Company have provided their members with the Remote Participation and Electronic Voting ("RPEV") facilities to enable them to participate and vote remotely at the 14th AGM.

This is in line with Clause 104 of the Company's Constitution and is also a proactive measure by the Company to facilitate greater participation by members in its AGM without requiring physical presence of members or their proxies.

In addition, the Company values its shareholders and ensured that the meeting provide sufficient information on the development of the Company. The presentation by the group CEO, provides the shareholders with an update on the company's development, future plan and strategies moving forward. The minutes containing the discussion during the AGM is also published to the Company's website which is assessable to all its shareholders.

By leveraging on the RPEV facilities, members may participate in the AGM by viewing a live webcast of the AGM, asking questions online, and submitting votes in real time, without physically attending the AGM.

**ADDITIONAL  
INFORMATION :  
MEETING  
ATTENDANCE**

The Board meets on a quarterly basis, with additional meetings convened as and when required. All Directors have attended all the Board meetings held during the FYE 2022 and have complied with the attendance requirement for Board meetings as stipulated in the Listing Requirements.

Details of Directors' attendance at Board and Board Committee meetings during the FYE 2022 are summarised as follows:-

**BOARD OF  
DIRECTORS'  
MEETING**

NO. OF MEETING	DATE OF MEETING	NAME OF DIRECTORS	ATTENDANCE
1/2022	23 February 2022	DATO' AZMAN BIN MAHMUD (CHAIRMAN)	6/6
2/2022	12 April 2022	DATUK PUVANESAN A/L SUBENTHIRAN	6/6
3/2022	26 May 2022	ANDRE ANTHONY A/L HUBERT RENE	6/6
4/2022	30 June 2022	HAIDA SHENNY BINTI HAZRI	6/6
5/2022	25 August 2022	LEONG KAH CHERN	6/6
6/2022	24 November 2022	RACHEL LAU JEAN MEI	6/6
		YIP KIT WENG <i>Appointed on 15 November 2022</i>	1/1
		HASLINDA BT HUSSEIN <i>Resigned on 30 November 2022</i>	6/6

**AUDIT & RISK  
MANAGEMENT  
COMMITTEE  
MEETING**

NO. OF MEETING	DATE OF MEETING	NAME OF DIRECTORS	ATTENDANCE
1/2022	22 February 2022	HAIDA SHENNY BINTI HAZRI (CHAIRMAN)	5/5
2/2022	11 April 2022	LEONG KAH CHERN	5/5
3/2022	25 May 2022	YIP KIT WENG <i>Appointed on 15 November 2022</i>	1/1
4/2022	24 August 2022	HASLINDA BT HUSSEIN <i>Resigned on 30 November 2022</i>	5/5
5/2022	23 November 2022		

**NOMINATION &  
REMUNERATION  
COMMITTEE  
MEETING**

NO. OF MEETING	DATE OF MEETING	NAME OF DIRECTORS	ATTENDANCE
1/2022	22 February 2022	LEONG KAH CHERN (CHAIRMAN)	3/3
2/2022	2 September 2022	HAIDA SHENNY BINTI HAZRI	3/3
3/2022	31 October 2022	RACHEL LAU JEAN MEI	3/3

**INVESTMENT  
COMMITTEE  
MEETING**  
*Dissolved effective  
on 31 December 2022*

NO. OF MEETING	DATE OF MEETING	NAME OF DIRECTORS	ATTENDANCE
1/2022	16 February 2022	RACHEL LAU JEAN MEI (CHAIRMAN) <i>Appointed as Chairman on 2 September 2022</i>	3/3
2/2022	2 June 2022	DATUK PUVANESAN A/L SUBENTHIRAN	3/3
3/2022	13 October 2022	ANDRE ANTHONY A/L HUBERT RENE <i>Alternate to Datuk Puvanesan A/L Subenthiran</i>	-
		LEONG KAH CHERN	3/3
		HASLINDA BT HUSSEIN <i>Resigned as a Chairman and member on 2 August 2022</i>	2/2

**ADDITIONAL  
INFORMATION :  
DIRECTOR'S  
TRAINING**

Directors' training is an on-going process as Directors recognise the need to continually refresh and develop their knowledge and skills, and to update themselves with developments in the industry and the business landscape in order for the Group to remain competitive.

All Directors have attended the Mandatory Accreditation Programme for Directors of Public Listed Companies. During FYE 2022, the Directors of the Company attended various forums, programmes, workshops and seminars as shown in the table on the below:-

**LIST OF TRAINING  
ATTENDED BY  
DIRECTORS AS AT  
31 DECEMBER 2022**

NAME OF DIRECTORS	DATE	DETAILS OF PROGRAMME/SEMINAR
DATO' AZMAN BIN MAHMUD	09 - 10/03/2022	Islamic Finance For Board Of Director
	19/05/2022	Climate Change Impact On Banks And Role Of The Board
	13 – 16/06/2022	Fide Core Program Module A
	08 – 11/08/2022	Fide Core Program Module B
	26/08/2022	Pre-Budget 2023 Dialogue
DATUK PUVANESAN A/L SUBENTHIRAN	15/06/2022	HRD Corp National Forum Series
	18/07/2022	Setting Sustainability Goals And Strategies
	10/09/2022	Annual Banquet Malaysian Medical Association
	12/09/2022	KL Venture Forum
	13/09/2022	Chairman Dialogue Series With Tan Sri Gnanalingam
	29/11/2022	National Human Capital Conference
ANDRE ANTHONY A/L HUBERT RENE	08/02/2022	India Malaysia Strategic Business Summit
	24/03/2022	Masterclass Webinar Authentic Leadership For APJ With Nutanix
	13 – 15/09/2022	World Congress On Innovation And Technology 2022
HAIDA SHENNY BINTI HAZRI	08/03/2022	London Business School Masterclass In Dubai - An Evergreen Society
	07/04/2022	Audit Oversight Board Conversation With Audit Committee
	21/04/2022	PNB Knowledge Forum - Sustainable Investing, ESG At The Forefront
	09-11/05/2022	World Hydrogen Summit And Exhibition Rotterdam
	23/06/2022	Road To Transition: How Will The New Market Reality Play Out For The Upstream Industry?
	28/07/2022	Rystad Talks Energy - Powering The Energy Transition - China's Roles
	10/08/2022	PNB Knowledge Forum - The Enigma Of Convergence Of Science And Art
	26-28/09/2022	International Directors Summit 2022
LEONG KAH CHERN	08/03/2022	Beyond Box-Ticking: Enhancing Effectiveness Of Nominating Committees
	09/03/2022	Beyond Box-Ticking: Essentials For Effective Remuneration Committees
	22/11/2022	Conversation With Audit Committees
	22/12/2022	Becoming A Future - Focused Risk Management Committee
RACHEL LAU JEAN MEI	08/03/2022	Beyond Box-Ticking: Enhancing Effectiveness Of Nominating Committees
	09/03/2022	Beyond Box-Ticking: Essentials For Effective Remuneration Committees
	21/03/2022	Sustainability Series: Sustainability & Impact On Organisations - What Directors Need To Know?
YIP KIT WENG <i>Appointed on 15 November 2022</i>		NIL
HASLINDA BT HUSSEIN <i>Resigned on 30 November 2022</i>	20/01/2022	Foundation Course On Sustainability
	03/03/2022	101 Sustainability Awareness

### DIRECTORS' RESPONSIBILITY STATEMENT IN RELATION TO THE FINANCIAL STATEMENTS

The Board is aware of its responsibilities to the shareholders and the requirements to present a balanced and meaningful assessment of the Group's financial position, by means of the annual financial and quarterly report's statements and other published information.

The Directors are required to ensure that the financial statements of the Group and the Company are drawn up in accordance with the 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 state of affairs of the Group and the Company for FYE 2022.

With assistance from the Audit and Risk Management Committee, the Board has reviewed both the financial and statutory compliance aspects of the Audited Financial Statements.

In preparing the financial statements, the Directors have selected and applied consistently appropriate accounting policies and made reasonable and prudent judgments and estimates.

The Directors also have a general responsibility for taking such steps that are reasonable to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

### COMPLIANCE WITH THE CODE

The Group has adopted all practices and recommendations with exception of the following:

PRACTICE	EXPLANATION OF DEPARTURE
5.10	The Board is collective opinion that there was no necessity to adopt formal gender diversity policy as the Group is committed to provide fair and equal opportunities and nurturing diversity within the Group.
8.2 & 8.3	Detailed disclosure on remuneration of top five (5) senior management and each member of senior management on a named basis is not disclosed due to security and privacy reasons. The Board is of the opinion that disclosures presented above is sufficient to allow shareholders to make an informed decision.
12.2	The Company is not a Large Company under the Code and is not required to adopt integrated reporting.

This Statement of Corporate Governance is made in accordance with the resolution of the Board of Directors dated 12 April 2023.

The Board is satisfied that the Group has maintained high standards of Corporate Governance and had strived to achieve the highest level of integrity and ethical standard, in all its business dealings, including compliance with the Code throughout the FYE 2022.

## AUDIT & RISK MANAGEMENT COMMITTEE REPORT

### INTRODUCTION

The Audit and Risk Management Committee ("ARMC") is pleased to present its Report for the financial year ended 31 December 2022 ("FYE 2022") which provides insights to the manner in which the ARMC had discharged its functions, in compliance with Rule 15.15(1) of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Malaysian Code on Corporate Governance ("MCCG")

### A. COMPOSITION

As of the date of this report, the ARMC comprises of three (3) members, all of whom are independent non-executive directors. This complies with Rule 15.09(1)(a) and (b) of the AMLR of Bursa Securities and Practice 9.4 under Principle B of the MCCG.

Members of the ARMC during the financial year are as follows:-

NAME	DESIGNATION	DIRECTORSHIP
HAIDA SHENNY BINTI HAZRI	Chairman	Independent Non-Executive Director
LEONG KAH CHERN	Member	Independent Non-Executive Director
YIP KIT WENG	Member	Independent Non-Executive Director <i>Appointed as a Member on 15 November 2022</i>
HASLINDA BT HUSSEIN	Member	Independent Non-Executive Director <i>Resigned as a Member on 30 November 2022</i>

On 15 November 2022, Mr. Yip Kit Weng was appointed as a member of the ARMC to replace Pn Haslinda Bt Hussein who had stepped down as a member of ARMC on 30 November 2022.

Mr Yip Kit Weng is a Chartered Accountant with the Chartered Accountants Australia and a member of the Malaysian Institute of Accountants ("MIA"). The ARMC, therefore, meets the requirements of Rule 15.09(1)(c) of the AMLR of Bursa Securities which stipulates that at least one (1) member of the ARMC must be a qualified accountant.

### B. MEETINGS

For the FYE 2022, a total of five (5) meetings were held and the details of attendances are as set out below:

NAME OF DIRECTORS	ATTENDANCE
HAIDA SHENNY BINTI HAZRI	5/5
LEONG KAH CHERN	5/5
YIP KIT WENG <i>(Appointed as a Member on 15 November 2022)</i>	1/1
HASLINDA BT HUSSEIN <i>(Resigned as a Member on 30 November 2022)</i>	5/5

The Chairman of the ARMC reports to the Board on principal matters deliberated at the ARMC meetings. Minutes of each ARMC meeting were recorded by the company secretaries and tabled for confirmation at the following ARMC meeting and subsequently presented to the Board for notation.

In addition, the Group Chief Executive Officer, the Executive Director, the Group Finance Director, senior management, external auditors and outsourced internal auditors also attended the meetings when invited by the ARMC to provide and present reports or information during the deliberation of matters pertaining to their respective areas, in the meetings.

In 2022, the ARMC held two (2) private sessions with the external auditors, without the presence of Management where they are given the opportunity to raise any concerns or professional opinions and thus, to be able to exert its functions independently.

### C. TERMS OF REFERENCE

The Terms of Reference ("TOR") of the ARMC is available for reference under the "Investor Relations" section of the Company's website at [WWW.PRIVASIA.COM](http://WWW.PRIVASIA.COM).

**D. SUMMARY OF ACTIVITIES**

The following activities were carried out by the ARMC during the FYE 2022:

- I. Reviewed the quarterly unaudited financial results and the annual audited financial statements for recommendation to the Board;
- II. Reviewed with the external auditors the Audit Planning Memorandum and the scope of work for the year;
- III. Considered the internal audit function of the Group;
- IV. Reviewed the internal audit reports to ensure that appropriate and prompt remedial action has been taken by Management on lapses in controls or procedures identified by internal auditors;
- V. Reviewed the changes in major accounting policies;
- VI. Reviewed significant or unusual events;
- VII. Reviewed the compliance with accounting standards and other legal requirements;
- VIII. Reviewed major audit findings raised by the external auditors and management's responses, including the status of previous audit recommendations;
- IX. Considered and recommended the appointment of internal and external auditors for the Board's approval;
- X. Reviewed the Audit and Risk Management Committee Report and Statement on Risk Management and Internal Control;
- XI. Ensured outsourced internal audit function has adequate resources, consisting of people who are adequately skilled;
- XII. Review any related party transaction and conflict of interest situation that may arise within the Company and the Group;
- XIII. Considered and recommend the proposed audit's fee for the Board's approval;
- XIV. Received the whistleblowing update; and
- XV. Reviewed and considered on the changes to the Terms of Reference of ARMC to in line with the current changes in MCCG, and other requirements before recommending to the Board for approval.

**E. INTERNAL AUDIT FUNCTIONS**

The Group's internal audit function is outsourced to Crowe Governance Sdn. Bhd., a professional consulting firm, which provides support to the ARMC in monitoring and managing risks and internal control systems of the Group.

The main role of the internal audit function is to review the effectiveness and adequacy of the existing internal control policies and procedures and to provide recommendations, if any, for the improvement of the internal control policies and procedures. All internal auditors' reports are deliberated by the ARMC and recommendations made are acted upon.

During FYE 2022, the internal auditors carried out the following activities:-

**1. SCOPE OF INTERNAL AUDIT REVIEW:**

<b>PRIVASAT Sdn Bhd</b>	Contract Management and Project Management
<b>PRIVASIA Sdn Bhd</b>	Contract Management and Project Management
<b>PRIVATEL Sdn Bhd</b>	Contract Management and Project Management
<b>PRIVAPORTS Sdn Bhd</b>	Contract Management and Project Management
<b>PRIVASIA IOT Sdn Bhd</b>	Contract Management and Project Management
<b>Group Centralised Function</b>	Related Party Transactions. HR And Payroll Processing.
<b>Group</b>	Follow-Up Audit

**2. PRESENTED OVERALL RATING ON BUSINESS PROCESSES.**

**3. PRESENTED SUMMARY ON PRIORITISATION OF AUDIT FINDING FOR ACTIONS/IMPLEMENTATION.**

**4. PRESENTED SUMMARY ON INTERNAL AUDIT FINDING.**

Further details on the internal audit function are reported in the Statement on Risk Management and Internal Control on page 56 to 58.

The total costs incurred for the internal audit function of the Company for the FYE 2022 was RM40,000.

This report was made in accordance with a resolution of the Board passed on 12 April 2023.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTRODUCTION

The Board of Directors (“the Board”) is pleased to present its Statement on Risk Management and Internal Control for the financial year ended 31 December 2022. This Statement is prepared pursuant to paragraph 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, and in accordance with the Principles and Best Practices provisions relating to risk management and internal controls provided in the Malaysian Code on Corporate Governance (“Code”). This Statement is guided by the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers.

### BOARD’S RESPONSIBILITIES

The Board acknowledges its overall responsibility for maintaining a sound and effective system of risk management and internal controls, which includes the establishment of an appropriate risk and control framework as well as the review of its effectiveness, adequacy and integrity. It should be noted, however, that such systems are designed to manage rather than to eliminate the risk of failure to achieve business objectives. In addition, it should be noted that these systems can only provide reasonable but not absolute assurance against material misstatement or loss.

There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group in its achievement of objectives and strategies. This process includes enhancing the risk management and internal control system as and when there are changes to the business environment or regulatory guidelines. The process has been in place during the year up to the date of approval of the annual report and is subject to review by the Board.

The Board is assisted by management in implementing the Board’s policies and procedures on risk and control by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal controls to manage and control these risks.

The key features of the risk management and internal control systems are described below:

### RISK MANAGEMENT

The Board recognises that risk management should be an integral part of the business operation.

The Group has in place risk profiles of major business units. Key risks of major business units were identified, assessed and categorised to highlight the source of risk, their impacts and the likelihood of occurrence. Risk profiles for the major business units were identified.

The risk profile of the major business units of the Group are being monitored by its respective key management staff and existing Enterprise Risk Management (“ERM”) Framework of the Group is continuously assessed to identify enhancement required, if any. Key risks of the Group are discussed at Management and Board Meetings.

Existing Enterprise Risk Management (ERM) Framework of the Group has been assessed to identify enhancement required. This is to ensure a robust and sustainable ERM framework is aligned with the Group’s vision and missions, as the Group firmly believes that risk management is critical for the Group’s sustainability and the enhancement of shareholder value.

### INTERNAL CONTROL

The Board receives and reviews quarterly reports from the management on key financial data, and regulatory matters. This is to ensure that matters that require the Board and management’s attention are highlighted for review, deliberation and decision on a timely basis. The Board approves appropriate responses or amendments to the Group’s policy. Besides, the results of the Group are reported quarterly and any significant fluctuations are analysed and acted on in a timely manner.

There is a budgeting system that requires preparation of the annual budget by all major business units. The annual budgets which contain financial, operating targets and performance indicators are reviewed and approved by the Executive Directors together with the management before being presented to the Board for final review and approval.

Issues relating to the business operations are highlighted to the Board’s attention during Board meetings. Further independent assurance is provided by the Group internal audit function and the Audit and Risk Management Committee. The Audit and Risk Management Committee reviews internal control matters and updates the Board on significant issues for the Board’s attention and action.

**INTERNAL CONTROL**  
(continued)

The other salient features of the Group's systems of internal controls are as follows:-

- Established organisational structure with clearly defined lines of responsibilities, authority limits, and accountability aligned to business and operations requirement;
- Quarterly review of the financial performance of the Group by the Board and the Audit and Risk Management Committee;
- Operations review meetings are held by the respective business units to monitor the progress of business operations, deliberate significant issues and formulate corrective measures;
- Management meetings are held where policies, decisions and expected operational performance targets and objectives set are communicated and executed;
- Risk management principles, policies, procedures are in place to reflect changing risks or resolve operational deficiencies, and to ensure relevance and compliance with current or applicable laws and regulations. Cases of non-compliance to policies and procedures are reported to the Board and Audit and Risk Committee by exception;
- The Group has maintained recruitment, appraisal, reward and training programmes as the Board considers the integrity of staff at all level is of utmost importance. The Group's culture and values, and the standard of ethical behaviour and conduct it expects from the directors and employees have been communicated to them via letter of appointment and employee handbook;
- Insurance and physical security of major assets are in place to ensure that the assets of the Group are sufficiently covered against any mishap that will result in material losses to the Group;
- Adopts a Whistle Blowing Policy, providing an avenue for employees to report actual or suspected misconduct, malpractices or violations of the Group's policies in a safe and confidential manner;
- Enhancing the quality and ability of employees through training and development;
- Standardised policies and procedures are implemented to the financial and operational controls of the Group;

**INTERNAL CONTROL**  
(continued)

- Adequate financial information systems is in place to capture and present internal business information;
- As computers are used for transmitting information and storing data, the Group maintains IT security controls such as user and password access rights and backup of data; and
- The Group adopts an Anti-Bribery and Corruption Policy which describes the Group's commitment to ensure zero-tolerance against any forms of bribery and corruption, in order to maintain the highest standard of integrity, transparency and accountability in the business operations.

**EXTERNAL AUDIT**

In the course of conducting quarterly limited review and annual statutory audit, the external auditor will highlight any significant review, audit, accounting and internal controls matters which require attention to the Board and Audit and Risk Management Committee. In the quarterly Audit and Risk Management Committee meetings, the external auditor will provide views on any related matters for the attention of the Audit and Risk Management Committee. At least once a year, the Audit and Risk Management Committee shall meet the external auditor without the Executive Directors and management being present. This year, the Audit and Risk Management Committee met twice times with the external auditor without the Executive Directors and management being present.

As required by the Bursa Securities' Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control. Their review has been conducted to access whether the Statement on Risk Management and Internal Control is supported by the documentation in reviewing the adequacy and integrity of risk management and the system of internal control for the Group.

**INTERNAL  
AUDIT  
FUNCTION**

The Board acknowledges the importance of the internal audit function and has outsourced its internal audit function to a professional service firm, as part of its efforts in ensuring that the Group systems of internal controls are adequate, efficient and effective. The internal audit function assists the Board and Audit and Risk Management Committee in providing independent assessment of the effectiveness and adequacy and efficiency of the Group's system of internal controls.

The internal audit function of the Group is carried out according to an annual audit plan approved by the Audit and Risk Management Committee. The internal audit function adopts a risk-based approach and prepares its audit plans based on significant risks identified. The internal audit provides an assessment of the adequacy, efficiency and effectiveness of the Group's existing internal control policies and procedures and provides recommendations, if any, for the improvement of the control policies and procedures. The results of the audit reviews are reported periodically to the Audit and Risk Management Committee. Follow up reviews are also carried out to assess the status of implementation of management action plans, which are based on internal audit recommendations. The results of these follow up reviews are also highlighted to the Audit and Risk Management Committee.

The audit reports are reviewed by the Audit and Risk Management Committee and forwarded to the Management so that any recommended corrective actions could be undertaken. The Management is responsible for ensuring that the necessary corrective actions on reported weaknesses are taken within the required time frame.

A total of RM40,000 was spent on internal audit activities for the financial year ended 31 December 2022.

**REVIEW  
BY BOARD**

The Board considered the adequacy and effectiveness of the risk management and internal control process in the Group during the financial year.

A review on the adequacy and effectiveness of the risk management and internal control systems has been undertaken based on information from:

- Management within the organisation responsible for the development and maintenance of the risk management and internal control framework;

**REVIEW  
BY BOARD  
(continued)**

- Assessments of major business units and functional controls by respective management to complement the above input in providing a holistic view of the Group risk and control framework effectiveness; and
- The work by the internal audit function which submitted the Internal Audit Plan highlighting the key processes, which have been defined based on the Audit and Risk Management Committee's assessment on the Group's financial, operational, compliance, and information technology risks, and Internal Audit reports to the Audit and Risk Management Committee together with recommendations for improvement.

The Audit and Risk Management Committee will address and monitor the implementation of key action plans and any internal control weakness and ensure continuous process improvement.

In accordance to the Bursa's Guidelines, management is responsible to the Board for:

- Identifying risks relevant to the business of the Group's objectives and strategies implementation;
- Designing, implementing and monitoring the risk management framework in accordance with the Group's strategic vision and overall risk appetite; and
- Identifying changes to risk or emerging risks, taking action as appropriate and promptly bringing these to the attention of the Board.

Before producing this Statement, the Board has also received assurance from the Group Chief Executive Officer and Group Finance Director of the Company that, to their best of their knowledge that the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects.

The Board considers the system of internal controls described in this statement to be satisfactory and the risks to be at an acceptable level within the context of the Group's business environment. The Board and management will continue to take measures to strengthen the risk and control environment and monitor the health of the risk and internal controls framework.

This statement is made in accordance with a resolution of the Board of Directors passed on 12 April 2023.

## ADDITIONAL COMPLIANCE INFORMATION

### INTRODUCTION

The information set out below is disclosed in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

#### 1/ UTILISATION OF PROCEEDS

There were no funds raised by the Company through any corporate proposal during the financial year ended 31 December 2022.

#### 2/ OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

The approval of the shareholders for the employees' share option scheme of up to ten (10) percent of the issued and paid-up share capital of the Company ("ESOS") was obtained at the extraordinary general meeting of the Company which was held on 12 March 2009. There were no options allocated during the financial year under review. Further, the Company did not issue any warrants and convertible securities during the financial year under review.

#### 3/ AUDIT AND NON-AUDIT FEE

The amount of audit and non-audit fees incurred for the services rendered to the Company and the Group by the external auditors during the financial year under review are as follows:-

TYPE OF FEES	THE COMPANY	THE GROUP
AUDIT FEE	90,000	256,886
NON-AUDIT FEE	50,000	50,000
<b>TOTAL</b>	<b>140,000</b>	<b>306,886</b>

#### 4/ MATERIAL CONTRACTS

There were no material contracts subsisting at the end of the financial year ended 31 December 2022 entered into by the Company and the Group, involving the interests of the Directors and major shareholders.

#### 5/ REVALUATION POLICY ON LANDED PROPERTIES

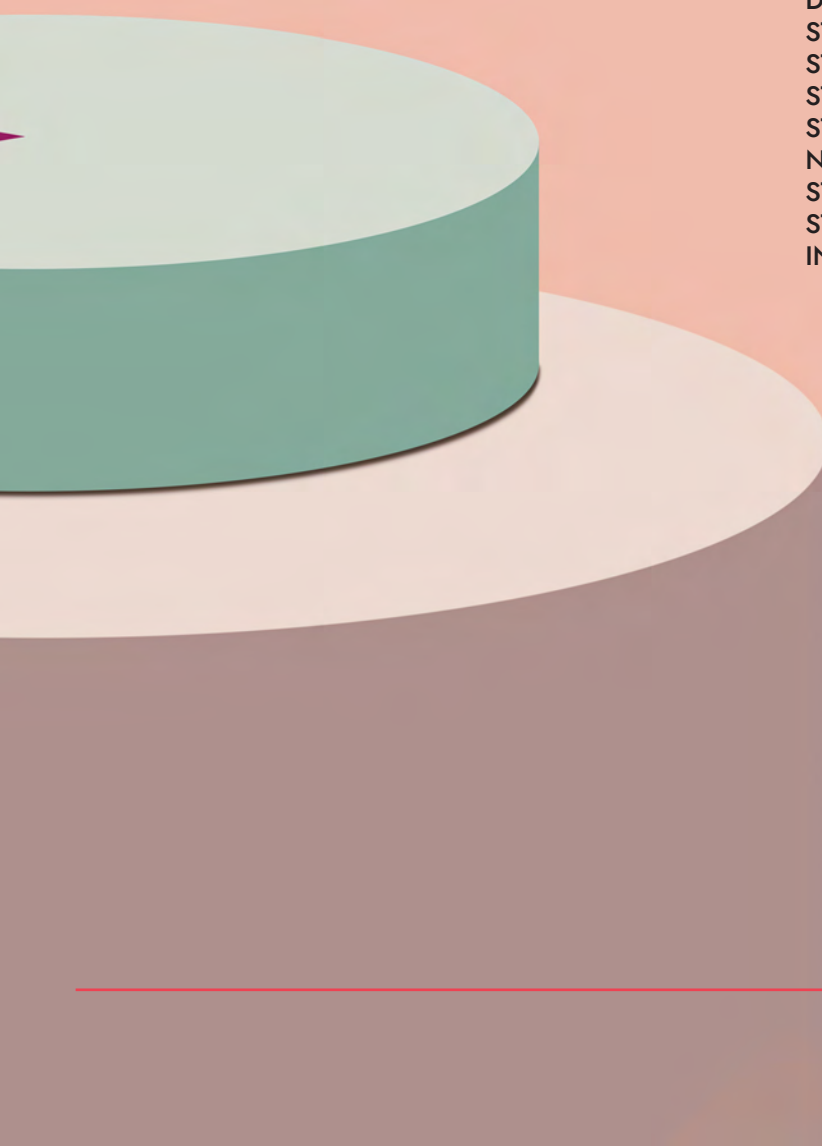
The Group does not have a revaluation policy for its landed properties.

#### 6/ RELATED PARTY TRANSACTIONS

There are no significant related party transactions other than those disclosed in Note 26 in the financial statements.



# FINANCIAL STATEMENTS



DIRECTORS' REPORT  
STATEMENTS OF FINANCIAL POSITION  
STATEMENTS OF COMPREHENSIVE INCOME  
STATEMENTS OF CHANGES IN EQUITY  
STATEMENTS OF CASH FLOW  
NOTES TO THE FINANCIAL STATEMENTS  
STATEMENT BY DIRECTORS  
STATUTORY DECLARATION  
INDEPENDENT AUDITOR'S REPORT

## DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2022.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 8 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

### RESULTS

	GROUP (RM)	COMPANY (RM)
LOSS FOR THE FINANCIAL YEAR, NET OF TAX	(1,297,605)	(2,297,179)
ATTRIBUTABLE TO:		
OWNERS OF THE COMPANY	(836,017)	(2,297,179)
NON-CONTROLLING INTERESTS	(461,588)	-
	(1,297,605)	(2,297,179)

### DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 December 2022.

### RESERVES OR PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

### BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, 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 doubtful debts and had satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render it necessary to write off any bad debts or render the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

### CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, 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 values as shown in the accounting records of the Group and of the Company had 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 of the Group and of the Company 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 method 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:

- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial year.

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

**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 MATERIAL AND UNUSUAL NATURE**

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

**ISSUE OF SHARES AND DEBENTURES**

During the financial year, no new issue of shares or debentures were made by the Company.

**OPTIONS GRANTED OVER UNISSUED SHARES**

No options were granted to any person to take up the unissued shares of the Company during the financial year.

**DIRECTORS**

The directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

DATUK PUVANESAN A/L SUBENTHIRAN\*  
 ANDRE ANTHONY A/L HUBERT RENE\*  
 HAIDA SHENNY BINTI HAZRI  
 DATO' AZMAN BIN MAHMUD  
 LEONG KAH CHERN  
 RACHEL LAU JEAN MEI  
 YIP KIT WENG  
 HASLINDA BT HUSSEIN

(Appointed on 15th November 2022)  
 (Resigned on 30 November 2022)

\* *Directors of the Company and certain subsidiaries*

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

AZIZUL RAHMAN BIN YEOP ABDUL MUTALIB  
 DATIN SAFIRA BINTI MOHD ARIF  
 RICHARD LEE TECK SOON  
 SULAIHA BINTI SAWADI  
 THIAGARAJAN A/L TINAKARUN  
 ROFINA NGAU TINGANG  
 FEROUZ AHMED AHANGER  
 DATO' MOHAMED SHARIL BIN MOHAMED TARMIZI  
 MOHD HILMI BIN MOHD HITHIR



**DIRECTORS'  
INTEREST**

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	NUMBER OF ORDINARY SHARES			AT 31 DECEMBER 2022
	AT 1 JANUARY 2022	BOUGHT	SOLD	
<b>DIRECT INTERESTS:</b>				
DATUK PUVANESAN A/L SUBENTHIRAN	17,242,200	-	-	17,242,200
ANDRE ANTHONY A/L HUBERT RENE	5,674,700	-	-	5,674,700
HAIDA SHENNY BINTI HAZRI	576,000	-	-	576,000
LEONG KAH CHERN	500,000	-	-	500,000
<b>INDIRECT INTERESTS:</b>				
DATUK PUVANESAN A/L SUBENTHIRAN*	150,885,720	-	-	150,885,720
ANDRE ANTHONY A/L HUBERT RENE*	154,713,220	-	-	154,713,220

\* Shares held through company in which the director has substantial financial interests.

By virtue of their interests in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Datuk Puvanesan A/L Subenthiran and Andre Anthony A/L Hubert Rene are deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares or debentures of the Company and its related corporations during the financial year.

**DIRECTORS'  
BENEFITS**

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) 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.

	GROUP (RM)	COMPANY (RM)
<b>DIRECTORS OF THE COMPANY</b>		
<b>EXECUTIVE DIRECTORS</b>		
- FEES	96,000	96,000
- OTHER EMOLUMENTS	1,272,496	14,500
	<u>1,368,496</u>	<u>110,500</u>
<b>NON-EXECUTIVE DIRECTORS</b>		
- FEES	272,500	272,500
- OTHER EMOLUMENTS	32,000	32,000
	<u>304,500</u>	<u>304,500</u>
<b>DIRECTORS OF THE SUBSIDIARIES</b>		
<b>EXECUTIVE DIRECTORS</b>		
- FEES	34,800	-
	<u>34,800</u>	<u>-</u>
<b>TOTAL DIRECTORS REMUNERATION</b>	<b><u>1,707,796</u></b>	<b><u>415,000</u></b>

**DIRECTORS' BENEFITS**  
*(continued)*

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the 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.

**INDEMNITY TO DIRECTORS AND OFFICERS**

During the financial year, the total amount of indemnity insurance coverage and insurance premium paid for the directors and certain officers of the Company were RM5,000,000 and RM10,000 respectively.

**SUBSIDIARIES**

The details of the Company's subsidiaries are disclosed in Note 8 to the financial statements. The available auditors' reports on the accounts of the subsidiaries did not contain any qualification.

**AUDITORS**

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

The auditors' remuneration of the Group and the Company during the financial year are RM322,656 and RM152,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

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**DATO' AZMAN BIN MAHMUD**  
Director

Date : 12 April 2023

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**DATUK PUVANESAN A/L SUBENTHIRAN**  
Director

Date : 12 April 2023

## STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	NOTE	GROUP		COMPANY	
		2022 RM	2021 RM	2022 RM	2021 RM
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
PROPERTY, PLANT AND EQUIPMENT	5	14,193,775	13,096,687	1,766	3,967
INVESTMENT PROPERTY	6	1,990,000	1,825,957	-	-
GOODWILL AND OTHER INTANGIBLE ASSETS	7	39,225,019	39,090,134	-	-
INVESTMENTS IN SUBSIDIARIES	8	-	-	44,931,191	42,945,432
INVESTMENTS IN ASSOCIATES	9	-	-	30,000	-
DEFERRED TAX ASSETS	10	300,000	300,000	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>55,708,794</b>	<b>54,312,778</b>	<b>44,962,957</b>	<b>42,949,399</b>
<b>CURRENT ASSETS</b>					
INVENTORIES	11	176,223	477,889	-	-
CURRENT TAX ASSETS		647,224	190,582	-	-
TRADE AND OTHER RECEIVABLES	12	18,236,211	11,851,010	5,481,204	9,580,057
CONTRACT ASSETS	13	7,870,867	5,709,039	-	-
DEPOSITS, CASH AND BANK BALANCES	14	6,108,598	10,329,550	2,894	5,303
<b>TOTAL CURRENT ASSETS</b>		<b>33,039,123</b>	<b>28,558,070</b>	<b>5,484,098</b>	<b>9,585,360</b>
<b>TOTAL ASSETS</b>		<b>88,747,917</b>	<b>82,870,848</b>	<b>50,447,055</b>	<b>52,534,759</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>					
SHARE CAPITAL	15	62,630,042	62,630,042	62,630,042	62,630,042
EXCHANGE RESERVE		(58,114)	(18,020)	-	-
ACCUMULATED LOSSES		(3,026,349)	(1,678,344)	(45,754,554)	(43,457,375)
		59,545,579	60,933,678	16,875,488	19,172,667
<b>NON-CONTROLLING INTERESTS</b>		<b>(587,128)</b>	<b>(928,435)</b>	<b>-</b>	<b>-</b>
<b>TOTAL EQUITY</b>		<b>58,958,451</b>	<b>60,005,243</b>	<b>16,875,488</b>	<b>19,172,667</b>
<b>NON-CURRENT LIABILITIES</b>					
LOANS AND BORROWINGS	16	6,669,094	5,875,550	-	-
DEFERRED TAX LIABILITIES	10	203,506	-	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>6,872,600</b>	<b>5,875,550</b>	<b>-</b>	<b>-</b>
<b>CURRENT LIABILITIES</b>					
LOANS AND BORROWINGS	16	8,157,598	6,634,229	-	-
CURRENT TAX LIABILITIES		530	176,734	-	-
TRADE AND OTHER PAYABLES	17	13,197,988	8,869,714	33,571,567	33,362,092
CONTRACT LIABILITIES	13	1,560,750	1,309,378	-	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>22,916,866</b>	<b>16,990,055</b>	<b>33,571,567</b>	<b>33,362,092</b>
<b>TOTAL LIABILITIES</b>		<b>29,789,466</b>	<b>22,865,605</b>	<b>33,571,567</b>	<b>33,362,092</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>88,747,917</b>	<b>82,870,848</b>	<b>50,447,055</b>	<b>52,534,759</b>

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

## STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	NOTE	GROUP		COMPANY	
		2022	2021	2022	2021
		RM	RM	RM	RM
REVENUE	18	40,323,472	40,576,163	-	-
COST OF SALES		(26,686,705)	(30,230,686)	-	-
<b>GROSS PROFIT</b>		<b>13,636,767</b>	<b>10,345,477</b>	-	-
OTHER INCOME	19	537,892	2,350,191	246,690	8,782
OTHER EXPENSES		(13,163,500)	(14,582,877)	(2,095,208)	(1,367,615)
<b>OPERATING PROFIT/(LOSS) BEFORE IMPAIRMENT LOSSES</b>		<b>1,011,159</b>	<b>(1,887,209)</b>	<b>(1,848,518)</b>	<b>(1,358,833)</b>
NET (IMPAIRMENT LOSSES)/REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL INSTRUMENTS AND CONTRACT ASSETS		(1,459,411)	(139,636)	(448,661)	168,684
<b>OPERATING LOSS AFTER IMPAIRMENT LOSSES</b>		<b>(448,252)</b>	<b>(2,026,845)</b>	<b>(2,297,179)</b>	<b>(1,190,149)</b>
FINANCE COSTS		(723,559)	(609,032)	-	-
SHARE OF RESULT OF AN ASSOCIATE, NET OF TAX		(30,000)	(68,750)	-	-
<b>LOSS BEFORE TAX</b>	20	<b>(1,201,811)</b>	<b>(2,704,627)</b>	<b>(2,297,179)</b>	<b>(1,190,149)</b>
INCOME TAX (EXPENSE)/CREDIT	22	(95,794)	401,190	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(1,297,605)</b>	<b>(2,303,437)</b>	<b>(2,297,179)</b>	<b>(1,190,149)</b>
<b>OTHER COMPREHENSIVE LOSS, NET OF TAX</b> <i>ITEM THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS</i>					
EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN OPERATION		(40,094)	(7,668)	-	-
<b>OTHER COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR</b>		<b>(40,094)</b>	<b>(7,668)</b>	-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR</b>		<b>(1,337,699)</b>	<b>(2,311,105)</b>	<b>(2,297,179)</b>	<b>(1,190,149)</b>
<b>LOSS ATTRIBUTABLE TO:</b>					
- OWNERS OF THE COMPANY		(836,017)	(1,971,572)	(2,297,179)	(1,190,149)
- NON-CONTROLLING INTERESTS		(461,588)	(331,865)	-	-
		<b>(1,297,605)</b>	<b>(2,303,437)</b>	<b>(2,297,179)</b>	<b>(1,190,149)</b>
<b>TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:</b>					
- OWNERS OF THE COMPANY		(876,111)	(1,979,240)	(2,297,179)	(1,190,149)
- NON-CONTROLLING INTERESTS		(461,588)	(331,865)	-	-
		<b>(1,337,699)</b>	<b>(2,311,105)</b>	<b>(2,297,179)</b>	<b>(1,190,149)</b>
<b>LOSS PER SHARE (SEN):</b>					
- BASIC AND DILUTED	23	(0.14)	(0.32)		

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

## STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

< ATTRIBUTABLE TO THE OWNERS OF THE COMPANY >							
NOTE	SHARE CAPITAL	EXCHANGE RESERVE	ACCUMULATED LOSSES	SUB-TOTAL	NON- CONTROLLING INTERESTS	TOTAL EQUITY	
	RM	RM	RM	RM	RM	RM	
<b>GROUP</b>							
AT 1 JANUARY 2022	62,630,042	(18,020)	(1,678,344)	60,933,678	(928,435)	60,005,243	
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR</b>							
LOSS FOR THE FINANCIAL YEAR	-	-	(836,017)	(836,017)	(461,588)	(1,297,605)	
OTHER COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR	-	(40,094)	-	(40,094)	-	(40,094)	
<b>TOTAL COMPREHENSIVE LOSS</b>	-	(40,094)	(836,017)	(876,111)	(461,588)	(1,337,699)	
<b>TRANSACTIONS WITH OWNERS</b>							
CHANGES IN OWNERSHIP INTERESTS IN A SUBSIDIARY	8(d)	-	-	(511,988)	(511,988)	511,986	
NON-CONTROLLING INTERESTS ARISING FROM INVESTMENT IN A SUBSIDIARY		-	-	-	290,909	290,909	
<b>TOTAL TRANSACTIONS WITH OWNERS</b>		-	-	(511,988)	(511,988)	802,895	
<b>AT 31 DECEMBER 2022</b>	<b>62,630,042</b>	<b>(58,114)</b>	<b>(3,026,349)</b>	<b>59,545,579</b>	<b>(587,128)</b>	<b>58,958,451</b>	

## STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (continued)

< ATTRIBUTABLE TO THE OWNERS OF THE COMPANY >							
NOTE	SHARE CAPITAL	EXCHANGE RESERVE	RETAINED EARNINGS/ (ACCUMULATED LOSSES)	SUB-TOTAL	NON-CONTROLLING INTERESTS	TOTAL EQUITY	
	RM	RM	RM	RM	RM	RM	
<b>GROUP</b>							
AT 1 JANUARY 2021	62,630,042	(10,352)	293,228	62,912,918	(641,058)	62,271,860	
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR</b>							
LOSS FOR THE FINANCIAL YEAR	-	-	(1,971,572)	(1,971,572)	(331,865)	(2,303,437)	
OTHER COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR	-	(7,668)	-	(7,668)	-	(7,668)	
TOTAL COMPREHENSIVE LOSS	-	(7,668)	(1,971,572)	(1,979,240)	(331,865)	(2,311,105)	
<b>TRANSACTIONS WITH OWNERS</b>							
NON-CONTROLLING INTERESTS ARISING FROM INVESTMENT IN A SUBSIDIARY, REPRESENTING TOTAL TRANSACTIONS WITH OWNERS							
	-	-	-	-	44,488	44,488	
AT 31 DECEMBER 2021	62,630,042	(18,020)	(1,678,344)	60,933,678	(928,435)	60,005,243	

< ATTRIBUTABLE TO THE OWNERS OF THE COMPANY >			
	SHARE CAPITAL	(ACCUMULATED LOSSES)	TOTAL EQUITY
	RM	RM	RM
<b>COMPANY</b>			
AT 1 JANUARY 2021	62,630,042	(42,267,226)	20,362,816
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR</b>			
LOSS FOR THE FINANCIAL YEAR, REPRESENTING TOTAL COMPREHENSIVE LOSS	-	(1,190,149)	(1,190,149)
AT 31 DECEMBER 2021	62,630,042	(43,457,375)	19,172,667
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR</b>			
LOSS FOR THE FINANCIAL YEAR, REPRESENTING TOTAL COMPREHENSIVE LOSS	-	(2,297,179)	(2,297,179)
AT 31 DECEMBER 2022	62,630,042	(45,754,554)	16,875,488

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

## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	NOTE	GROUP		COMPANY	
		2022 RM	2021 RM	2022 RM	2021 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
LOSS BEFORE TAX		(1,201,811)	(2,704,627)	(2,297,179)	(1,190,149)
ADJUSTMENTS FOR:					
AMORTISATION OF INTANGIBLE ASSETS		1,010,935	1,043,990	-	-
BAD DEBTS WRITTEN OFF		-	14,003	-	-
DEPRECIATION OF INVESTMENT PROPERTY		26,596	26,596	-	-
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT		1,292,528	5,671,537	2,201	2,639
DERECOGNITION OF PROPERTY, PLANT AND EQUIPMENT		(4,043)	-	-	-
GAIN ON DISPOSAL OF INTANGIBLE ASSETS		-	(39,415)	-	-
- PROPERTY, PLANT AND EQUIPMENT		(106,018)	(518,307)	-	-
IMPAIRMENT LOSS ON:					
- AMOUNT OWING BY AN ASSOCIATE (NON-TRADE)		-	7,629	-	-
- AMOUNT OWING BY SUBSIDIARIES (TRADE)		-	-	448,661	-
- CONTRACT ASSETS		1,067,107	446,431	-	-
- INVESTMENT PROPERTY		-	315,000	-	-
- INVESTMENT IN SUBSIDIARIES		-	-	663,156	-
- TRADE RECEIVABLES		460,558	47,455	-	-
INTANGIBLE ASSETS WRITTEN OFF		-	1	-	-
INTEREST EXPENSE		723,559	609,032	-	-
INTEREST INCOME		(110,442)	(125,184)	-	(8,782)
INVENTORIES WRITTEN BACK		-	(11,848)	-	-
INVENTORIES WRITTEN DOWN		239,344	-	-	-
INVENTORIES WRITTEN OFF		-	2,706	-	-
PROPERTY, PLANT AND EQUIPMENT WRITTEN OFF		5	892	-	-
REVERSAL OF IMPAIRMENT LOSS ON:					
- AMOUNT OWING BY SUBSIDIARIES (NON-TRADE)		-	-	-	(167,810)
- AMOUNT OWING BY SUBSIDIARIES (TRADE)		-	-	-	(874)
- INVESTMENT PROPERTY		(190,639)	-	-	-
- TRADE RECEIVABLES		(68,254)	(361,879)	-	-
- INVESTMENT IN A SUBSIDIARY		-	-	(246,690)	-
SHARE OF RESULT OF AN ASSOCIATE		30,000	68,750	-	-
UNREALISED LOSS ON FOREIGN EXCHANGE		52,230	11,810	-	-
WAIVER OF DEBT FROM A TRADE PAYABLE		(200,629)	-	-	-
<b>OPERATING PROFIT/(LOSS) BEFORE CHANGES IN WORKING CAPITAL</b>		<b>3,021,026</b>	<b>4,504,572</b>	<b>(1,429,851)</b>	<b>(1,364,976)</b>

## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (continued)

	NOTE	GROUP		COMPANY	
		2022 RM	2021 RM	2022 RM	2021 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)</b>					
OPERATING PROFIT/(LOSS) BEFORE CHANGES IN WORKING CAPITAL, BROUGHT FORWARD		3,021,026	4,504,572	(1,429,851)	(1,364,976)
<b>CHANGES IN WORKING CAPITAL:</b>					
INVENTORIES		62,322	603	-	-
RECEIVABLES		(6,478,421)	(1,329,566)	2,540,305	2,348,141
CONTRACT ASSETS		(3,228,935)	(1,235,074)	-	-
PAYABLES		4,337,156	(3,496,140)	103,733	114,672
CONTRACT LIABILITIES		251,372	753,076	-	-
NET CASH (USED IN)/GENERATED FROM OPERATIONS		(2,035,480)	(802,529)	1,214,187	1,097,837
INCOME TAX PAID		(525,134)	(953,986)	-	-
INTEREST RECEIVED		110,442	125,184	-	8,782
INTEREST PAID		(464,468)	(347,289)	-	-
NET CASH (USED IN)/FROM OPERATING ACTIVITIES		(2,914,640)	(1,978,620)	1,214,187	1,106,619
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
ACQUISITION OF AN ASSOCIATE, NET OF CASH ACQUIRED	9	(30,000)	-	(30,000)	-
ADDITIONAL INVESTMENT IN SUBSIDIARIES	8	(2)	-	(2,648,915)	(66,732)
ADDITION OF INTANGIBLE ASSETS		(1,145,820)	(938,286)	-	-
ADVANCES TO AN ASSOCIATE		(299,084)	-	(135,933)	-
REPAYMENT FROM/(ADVANCES TO) SUBSIDIARIES		-	-	1,492,510	(1,963,924)
PROCEEDS FROM DISPOSAL OF INTANGIBLE ASSETS		-	112,186	-	-
PROCEEDS FROM DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT		108,259	1,651,823	-	-
PURCHASE OF PROPERTY, PLANT AND EQUIPMENT	(a)	(214,804)	(272,989)	-	(4,228)
NET CASH (USED IN)/FROM INVESTING ACTIVITIES		(1,581,451)	552,734	(1,322,338)	(2,034,884)



## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 (continued)

	NOTE	GROUP		COMPANY	
		2022	2021	2022	2021
		RM	RM	RM	RM
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	(b)				
CHANGES IN PLEDGED DEPOSITS		(59,922)	(69,380)	-	-
INTEREST PAID		(259,091)	(261,743)	-	-
PAYMENTS OF LEASE LIABILITIES		(52,555)	(169,962)	-	-
PROCEEDS FROM TRADE FACILITIES		1,058,635	1,269,574	-	-
REPAYMENTS OF HIRE PURCHASE		(206,840)	(902,080)	-	-
REPAYMENTS OF TERM LOANS		(1,143,809)	(5,340,038)	-	-
ADVANCES FROM/(REPAYMENT TO) AN ASSOCIATE		139,517	(68,750)	-	-
ADVANCES FROM/(REPAYMENT TO) SUBSIDIARIES		-	-	105,742	(447,438)
WITHDRAWAL OF DEPOSITS WITH LICENSED BANKS		-	146,023	-	-
SUBSCRIPTION OF SHARES BY NON-CONTROLLING INTEREST IN A SUBSIDIARY		290,909	44,488	-	-
NET CASH (USED IN)/FROM FINANCING ACTIVITIES		(233,156)	(5,351,868)	105,742	(447,438)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(4,729,247)	(6,777,754)	(2,409)	(1,375,703)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		4,179,434	10,964,873	5,303	1,381,006
EXCHANGE RATE ADJUSTMENT		(40,131)	(7,685)	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	14	(589,944)	4,179,434	2,894	5,303

(a) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment.

	NOTE	GROUP		COMPANY	
		2022	2021	2022	2021
		RM	RM	RM	RM
CASH PAYMENTS ON PURCHASE OF PROPERTY, PLANT AND EQUIPMENT		214,804	272,989	-	4,228
FINANCED BY WAY OF HIRE PURCHASE ARRANGEMENT		2,037,016	-	-	-
FINANCED BY WAY OF FINANCE LEASE ARRANGEMENTS		188,753	-	-	-
		<b>2,440,573</b>	<b>272,989</b>	<b>-</b>	<b>4,228</b>

(b) Reconciliation of changes in liabilities arising from financing activities are as follows:

	< NON-CASH >				31 DECEMBER 2022
	1 JANUARY 2022	CASH FLOWS	ACQUISITION	DERECOGNITION	
	RM	RM	RM	RM	RM
<b>GROUP</b>					
AMOUNT OWING TO AN ASSOCIATE	-	139,517	-	-	139,517
HIRE PURCHASE PAYABLE	-	(206,840)	2,037,016	-	1,830,176
LEASE LIABILITIES	73,790	(52,555)	188,753	(52,791)	157,197
TERM LOANS	6,975,758	(1,143,809)	-	-	5,831,949
TRADE FACILITIES	2,677,498	1,058,635	-	-	3,736,133
	<b>9,727,046</b>	<b>(205,052)</b>	<b>2,225,769</b>	<b>(52,791)</b>	<b>11,694,972</b>
<b>COMPANY</b>					
AMOUNT OWING TO SUBSIDIARIES	<b>33,119,073</b>	<b>105,742</b>	-	-	<b>33,224,815</b>

	1 JANUARY 2021	CASH FLOWS	31 DECEMBER 2021
	RM	RM	RM
<b>GROUP</b>			
AMOUNT OWING TO AN ASSOCIATE	68,750	(68,750)	-
HIRE PURCHASE PAYABLE	902,080	(902,080)	-
LEASE LIABILITIES	243,752	(169,962)	73,790
TERM LOANS	12,315,796	(5,340,038)	6,975,758
TRADE FACILITIES	1,407,924	1,269,574	2,677,498
	<b>14,938,302</b>	<b>(5,211,256)</b>	<b>9,727,046</b>
<b>COMPANY</b>			
AMOUNT OWING TO SUBSIDIARIES	<b>33,566,511</b>	<b>(447,438)</b>	<b>33,119,073</b>

(c) Total cash outflows for leases as a lessee:

	NOTE	GROUP		COMPANY	
		2022	2021	2022	2021
		RM	RM	RM	RM
<b>INCLUDED IN NET CASH (USED IN)/ FROM OPERATING ACTIVITIES:</b>					
PAYMENT RELATING TO SHORT TERM LEASES	20	92,320	19,966	-	-
PAYMENT RELATING TO LEASES OF LOW-VALUE ASSETS	20	12,910	20,847	113	95
INTEREST PAID IN RELATION TO LEASE LIABILITIES	20	6,593	7,525	-	-
<b>INCLUDED IN NET CASH (USED IN)/ FROM FINANCING ACTIVITIES:</b>					
PAYMENTS OF LEASE LIABILITIES		52,555	1,69,962	-	-
<b>TOTAL CASH OUTFLOWS FOR LEASES</b>		<b>164,378</b>	<b>218,300</b>	<b>113</b>	<b>95</b>

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

## NOTES TO THE FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION

PRIVASIA Technology Berhad ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the ACE Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at 62C, Jalan SS21/62, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan. The principal place of business of the Company is located at Unit C-21-02, 3 Two Square, No.2 Jalan 19/1, 46300 Petaling Jaya, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 8.

There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 12 April 2023.

### 2. BASIS OF PREPARATION

#### 2.1 STATEMENT OF COMPLIANCE

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### 2.2 ADOPTION OF AMENDMENTS/IMPROVEMENTS TO MFRSS

The Group and the Company have adopted the following amendments/improvements to MFRSs for the current financial year:

##### Amendments/Improvements to MFRSs

MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
MFRS 3	Business Combinations
MFRS 9	Financial Instruments
MFRS 116	Property, Plant and Equipment
MFRS 137	Provisions, Contingent Liabilities and Contingent Assets
MFRS 141	Agriculture

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

**2.3  
NEW MFRS AND  
AMENDMENTS/  
IMPROVEMENTS TO  
MFRSS THAT HAVE  
BEEN ISSUED, BUT  
YET TO BE EFFECTIVE**

(a) The Group and the Company have not adopted the following new MFRS and amendments/improvements to MFRSs that have been issued, but yet to be effective:

		EFFECTIVE FOR FINANCIAL PERIODS BEGINNING ON OR AFTER
<u>NEW MFRS</u>		
MFRS 17	INSURANCE CONTRACTS	1 JANUARY 2023
<u>AMENDMENTS/IMPROVEMENTS TO MFRSS</u>		
MFRS 1	FIRST-TIME ADOPTION OF MALAYSIAN FINANCIAL REPORTING STANDARDS	1 JANUARY 2023#
MFRS 3	BUSINESS COMBINATIONS	1 JANUARY 2023#
MFRS 5	NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS	1 JANUARY 2023#
MFRS 7	FINANCIAL INSTRUMENTS: DISCLOSURES	1 JANUARY 2023#
MFRS 9	FINANCIAL INSTRUMENTS	1 JANUARY 2023#
MFRS 10	CONSOLIDATED FINANCIAL STATEMENTS	DEFERRED
MFRS 15	REVENUE FROM CONTRACTS WITH CUSTOMERS	1 JANUARY 2023#
MFRS 16	LEASES	1 JANUARY 2024
MFRS 17	INSURANCE CONTRACTS	1 JANUARY 2023
MFRS 101	PRESENTATION OF FINANCIAL STATEMENTS	1 JANUARY 2023# / 1 JANUARY 2024
MFRS 107	STATEMENTS OF CASH FLOWS	1 JANUARY 2023#
MFRS 108	ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS	1 JANUARY 2023
MFRS 112	INCOME TAXES	1 JANUARY 2023
MFRS 116	PROPERTY, PLANT AND EQUIPMENT	1 JANUARY 2023#
MFRS 119	EMPLOYEE BENEFITS	1 JANUARY 2023#
MFRS 128	INVESTMENTS IN ASSOCIATES AND JOINT VENTURES	DEFERRED / 1 JANUARY 2023#
MFRS 132	FINANCIAL INSTRUMENTS: PRESENTATION	1 JANUARY 2023#
MFRS 136	IMPAIRMENT OF ASSETS	1 JANUARY 2023#
MFRS 137	PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS	1 JANUARY 2023#
MFRS 138	INTANGIBLE ASSETS	1 JANUARY 2023#
MFRS 140	INVESTMENT PROPERTY	1 JANUARY 2023#

# Amendments as to the consequence of effective of MFRS 17 Insurance Contracts

**2.3.1**

The Group and the Company plan to adopt the above applicable new MFRS and amendments/improvements to MFRSs when they become effective. The initial application of the applicable new MFRS and amendments/improvements to MFRSs is not expected to have material impact to the current and prior periods financial statements.

**2.4  
FUNCTIONAL AND  
PRESENTATION  
CURRENCY**

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

**2.5  
BASIS OF  
MEASUREMENT**

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed in Note 3.

**3.  
SUMMARY OF  
SIGNIFICANT  
ACCOUNTING  
POLICIES**

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

**3.1  
BASIS OF  
CONSOLIDATION**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of the subsidiaries and associates used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

**(A)  
SUBSIDIARIES  
AND BUSINESS  
COMBINATION**

Subsidiaries are entities (including structured entities) over which the Group is exposed, or has rights, to variable returns from its involvement with the acquirees and has the ability to affect those returns through its power over the acquirees.

The financial statements of subsidiaries are included in the consolidated financial statements from the date the Group obtains control of the acquirees until the date the Group loses control of the acquirees.

The Group applies the acquisition method to account for business combinations from the acquisition date.

For a new acquisition, goodwill is initially measured at cost, being the excess of the following:

- the fair value of the consideration transferred, calculated as the sum of the acquisition-date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Any amounts that relate to pre-existing relationships or other arrangements before or during the negotiations for the business combination, that are not part of the exchange for the acquiree, will be excluded from the business combination accounting and be accounted for separately; plus
- the recognised amount of any non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date (the choice of measurement basis is made on an acquisition-by-acquisition basis); plus
- if the business combination is achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree; less
- the net fair value of the identifiable assets acquired and the liabilities (including contingent liabilities) assumed at the acquisition date.

The accounting policy for goodwill is set out in Note 3.8(a).

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

If the business combination is achieved in stages, the Group remeasures the previously held equity interest in the acquiree to its acquisition-date fair value, and recognises the resulting gain or loss, if any, in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss or transferred directly to retained earnings on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

**(A)**  
**SUBSIDIARIES**  
**AND BUSINESS**  
**COMBINATION**  
*(continued)*

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends as soon as the Group receives the information it was seeking about facts and circumstances or learns that more information is not obtainable, subject to the measurement period not exceeding one year from the acquisition date.

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any gain or loss arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an associate, a joint venture or a financial asset.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The difference between the Group's share of net assets before and after the change, and the fair value of the consideration received or paid, is recognised directly in equity.

**(B)**  
**NON-CONTROLLING**  
**INTERESTS**

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company and are presented separately in the consolidated statement of financial position within equity.

Losses attributable to the non-controlling interests are allocated to the non-controlling interests even if the losses exceed the non-controlling interests.

**(C)**  
**ASSOCIATES**

Associates are entities over which the Group has significant influence, but not control, to the financial and operating policies.

Investment in associates are accounted for in the consolidated financial statements using the equity method.

Under the equity method, the investment in associates are initially recognised at cost. The cost of investment includes transaction costs. Subsequently, the carrying amount is adjusted to recognise changes in the Group's share of net assets of the associate.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When the Group's interest in an associate decreases but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to the profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

**(D)**  
**TRANSACTIONS**  
**ELIMINATED ON**  
**CONSOLIDATION**

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

### 3.2 SEPARATE FINANCIAL STATEMENTS

In the Company's statement of financial position, investment in subsidiaries and associates are measured at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs. The policy for the recognition and measurement of impairment losses shall be applied on the same basis as would be required for impairment of non-financial assets as disclosed in Note 3.12(b).

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future, in substance, considered as part of the Company's investment in the subsidiaries.

### 3.3 FOREIGN CURRENCY TRANSACTIONS AND OPERATIONS

Foreign currency transactions are translated to the respective functional currencies of the Group entities using the exchange rates prevailing at the transaction dates.

At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the exchange rates prevailing at the reporting date.

#### (A) TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated at the historical rates as at the dates of the initial transactions.

Foreign exchange differences arising on settlement or retranslation of monetary items are recognised in profit or loss except for monetary items that are designated as hedging instruments in either a cash flow hedge or a hedge of the Group's net investment of a foreign operation. When settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, exchange differences are recognised in profit or loss in the separate financial statements of the parent company or the individual financial statements of the foreign operation. In the consolidated financial statements, the exchange differences are considered to form part of a net investment in a foreign operation and are recognised initially in other comprehensive income until its disposal, at which time, the cumulative amount is reclassified to profit or loss.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

#### (B) TRANSLATION OF FOREIGN OPERATIONS

The assets and liabilities of foreign operations denominated in the functional currency different from the presentation currency, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency at exchange rates prevailing at the reporting date. The income and expenses of foreign operations are translated at exchange rates at the dates of the transactions.

Exchange differences arising on the translation are recognised in other comprehensive income. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in foreign exchange translation reserves related to that foreign operation is reclassified to profit or loss. For a partial disposal not involving loss of control of a subsidiary that includes a foreign operation, the proportionate share of cumulative amount in foreign exchange translation reserve is reattributed to non-controlling interests. For partial disposals of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount in foreign exchange translation reserve is reclassified to profit or loss.

### 3.4 FINANCIAL INSTRUMENTS

Financial instruments are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments.

Except for the trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient are measured at the transaction price determined under MFRS 15 *Revenue from Contracts with Customers*.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract; it is a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured as fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

#### (A) SUBSEQUENT MEASUREMENT

The Group and the Company categorise the financial instruments as follows:

For the purposes of subsequent measurement, financial assets are classified as financial assets at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

The Group and the Company reclassify financial assets when and only when their business models for managing those assets change.

#### (I) FINANCIAL ASSETS

##### DEBT INSTRUMENTS

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. The Group and the Company classify their debt instruments at amortised cost.

Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. The policy for the recognition and measurement of impairment is in accordance with Note 3.12(a). Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

#### (II) FINANCIAL LIABILITIES

The Group and the Company classify their financial liabilities at amortised cost.

Subsequent to initial recognition, financial liabilities are measured at amortised cost using effective interest method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.



**3.4  
FINANCIAL  
INSTRUMENTS  
(continued)**

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 specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

**(B)  
FINANCIAL  
GUARANTEE  
CONTRACTS**

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the liability is measured at the higher of the amount of the loss allowance determined in accordance with Section 5.5 of MFRS 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15.

**(C)  
REGULAR WAY  
PURCHASE OR  
SALE OF  
FINANCIAL ASSETS**

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting (i.e. the date the Group and the Company commit themselves to purchase or sell an asset).

Trade date accounting refers to:

- (i) the recognition of an asset to be received and the liability to pay for it on the trade date; and
- (ii) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Generally, interest does not start to accrue on the asset and corresponding liability until the settlement date when title passes.

**(D)  
DERECOGNITION**

A financial asset or a part of it is derecognised when, and only when:

- (i) the contractual rights to receive cash flows from the financial asset expire, or
- (ii) the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

The Group and the Company evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

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

**(E)  
OFFSETTING  
OF FINANCIAL  
INSTRUMENTS**

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

**3.5  
PROPERTY, PLANT  
AND EQUIPMENT**

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.12(b).

**(A)  
RECOGNITION  
AND MEASUREMENT**

Cost of assets includes expenditures that are directly attributable to the acquisition of the asset and any other costs that are directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes cost of materials, direct labour, and any other direct attributable costs but excludes internal profits. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs in Note 3.17.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate item of property, plant and equipment.

**(B)  
SUBSEQUENT  
COSTS**

The cost of replacing a part of an item of property, plant and equipment is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the part will flow to the Group or the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss as incurred.

**(C)  
DEPRECIATION**

All property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	<b>Useful Lives</b>
Buildings	94 years
Computer Equipment	3 – 5 years
Telecommunication and Other Equipment	3 – 5 years
Renovation	3 – 5 years
Motor Vehicles	5 years
Other Assets	1 year

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted as appropriate.

**(D)  
DERECOGNITION**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in profit or loss.

3.6  
LEASES(A)  
DEFINITION  
OF LEASE

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset;
- the Group and the Company have the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group and the Company have the right to direct the use of the asset.

(B)  
LESSEE  
ACCOUNTING

At the lease commencement date, the Group and the Company recognise a right-of-use asset and a lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

The Group and the Company present right-of-use assets that do not meet the definition of investment property in Note 6 and lease liabilities in Note 16.

**RIGHT-OF-USE ASSET**

The right-of-use asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. If the Group and the Company expect to exercise a purchase option, the right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts from the commencement date of the underlying asset. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.12(b).

**LEASE LIABILITY**

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 and the Company use their incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

**3.6**  
**LEASES**  
*(continued)*

**(B)**  
**LESSEE**  
**ACCOUNTING**  
*(continued)*

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Variable lease payments that do not depend on an index or a rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the statements of comprehensive income.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

**SHORT-TERM LEASES AND LEASES OF LOW VALUE ASSETS**

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**(C)**  
**LESSOR**  
**ACCOUNTING**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

When the Group and the Company are intermediate lessors, they account for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described in Note 3.6(b), then it classifies the sublease as an operating lease.

If an entity in the Group is a lessor in a finance lease, it derecognises the underlying asset and recognises a lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

If an entity in the Group is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statements of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

When a contract includes lease and non-lease components, the Group and the Company apply MFRS 15 to allocate the consideration under the contract to each component.

**3.7  
INVESTMENT  
PROPERTY**

Investment property is property held to earn rental income or for capital appreciation or both.

Investment property is initially measured at cost, including transaction costs. The Group uses the cost model to measure its investment property after initial recognition. Accordingly, investment property is stated at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.12(b).

Cost includes purchase price and any directly attributable costs incurred to bring the property to its present location and condition intended for use as an investment property. The cost of a self-constructed investment property includes the cost of material, direct labour and any other direct attributable costs. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs in Note 3.17.

An investment property is derecognised on its disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gains and losses arising from derecognition of the asset is recognised in the 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 carried at fair value to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, any difference arising on the date of change in use between the carrying amount of the item immediately prior to the transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment.

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**3.8  
GOODWILL  
AND OTHER  
INTANGIBLE ASSETS****(A)  
GOODWILL**

Goodwill arising from business combinations is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.12(b).

In respect of equity-accounted associates, goodwill is included in the carrying amount of the investment and is not tested for impairment individually. Instead, the entire carrying amount of the investment is tested for impairment as a single asset when there is objective evidence of impairment.

**(B)  
DEVELOPMENT  
COSTS**

An intangible asset arising from development is recognised when the following criteria are met:

- it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefits;
- adequate resources to complete the development and to use or sell the intangible asset are available; and
- the expenditures attributable to the intangible asset during its development can be reliably measured.

Other development costs that do not meet these criteria are recognised in profit or loss as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Capitalised development costs are measured at cost less accumulated amortisation and accumulated impairment losses. The policy for the recognition and measurement of impairment of any losses is in accordance with Note 3.12(b).

**3.8  
GOODWILL  
AND OTHER  
INTANGIBLE ASSETS  
(continued)**

**(C)  
COMPUTER  
SOFTWARE**

Computer software that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.12(b).

**(D)  
AMORTISATION**

The amortisation methods used and the estimated useful lives are as follows:

	Method	Useful lives
Development Costs	Straight-line	5 – 10 years
Computer Software	Straight-line	3 – 5 years

The residual values, useful lives and amortisation methods are reviewed at the end of each reporting period.

**3.9  
INVENTORIES**

Inventories are measured at the lower of cost and net realisable value.

Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- consumables and trading goods: the actual costs of purchase and incidentals in bringing the inventories into store. These costs are assigned on a weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**3.10  
CONTRACT  
ASSETS/  
(LIABILITIES)**

Contract asset is the right to consideration in exchange for goods or services transferred to the customers when that right is conditioned on something other than the passage of time (for example, the Company's future performance). The policy for the recognition and measurement of impairment losses is in accordance with Note 3.12(b).

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration or has billed the customer.

**3.11  
CASH AND  
CASH EQUIVALENTS**

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits and other short-term, highly liquid investments with a maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are presented net of bank overdrafts, pledged deposits and deposits placed with licensed banks with maturity period more than three months.

### 3.12 IMPAIRMENT OF ASSETS

#### (A) IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS

Financial assets measured at amortised cost, contract assets and financial guarantee contracts will be subject to the impairment requirement in MFRS 9 which is related to the accounting for expected credit losses on the financial assets. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12-month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables and contract assets, the Group and the Company apply the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information.

The Group and the Company assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group and the Company consider a financial asset to be in default when:

- the debtor is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

**3.12  
IMPAIRMENT  
OF ASSETS  
(continued)**

**(A)  
IMPAIRMENT OF  
FINANCIAL ASSETS  
AND CONTRACT  
ASSETS  
(continued)**

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the debtor;
- a breach of contract, such as a default of past due event;
- the lender(s) of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The amount of impairment losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

**(B)  
IMPAIRMENT OF  
NON-FINANCIAL  
ASSETS**

The carrying amounts of non-financial assets (except for inventories, contract assets and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount. For goodwill, the recoverable amount is estimated at each reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs"). Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a CGU or a group of CGUs that are expected to benefit from the synergies of business combination.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss.

Impairment losses in respect of goodwill are not reversed. For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. Reversal of impairment loss is restricted by the asset's carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.



**3.13  
SHARE CAPITAL**

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

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**3.14  
EMPLOYEE BENEFITS****(A)  
SHORT-TERM  
EMPLOYEE BENEFITS**

Short-term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Group and the Company.

**(B)  
DEFINED  
CONTRIBUTION**

As required by law, the Group and the Company contribute to the Employees Provident Fund ("EPF"), the national defined contribution plan. Such contributions are recognised as an expense in the financial year where the employees have rendered their services to the Group and the Company.

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**3.15  
PROVISIONS**

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

If the effect of the time value of money is material, provisions that are determined based on the expected future cash flows to settle the obligation are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provisions due to passage of time is recognised as finance costs.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

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**3.16  
REVENUE AND  
OTHER INCOME**

The Group and the Company recognise revenue that depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group and the Company expect to be entitled in exchange for those goods or services.

Revenue recognition of the Group and the Company are applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer).

The Group and the Company measure revenue at its transaction price, being the amount of consideration to which the Group and the Company expect to be entitled in exchange for transferring promised good or service to a customer, excluding amounts collected on behalf of third parties.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the good or service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Group and the Company have assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contract.

**(A)  
SALE OF GOODS**

Revenue from sale of goods are recognised at a point in time when control of the goods has been transferred, being when the customer accepts the delivery of the goods.

A receivable is recognised when the customer accepts the delivery of the goods as the consideration is unconditional other than the passage of time before the payment is due.

**3.16**  
**REVENUE AND**  
**OTHER INCOME**  
*(continued)*

**(B)**  
**RENDERING OF**  
**INFORMATION**  
**TECHNOLOGY**  
**SERVICES**

Revenue from a contract to provide Information Technology services is recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously. This is determined based on the time elapsed (output method).

**(C)**  
**RENDERING OF**  
**INFORMATION AND**  
**COMMUNICATIONS**  
**TECHNOLOGY**  
**SERVICES**

Revenue from a contract to provide Information and Communication Technology services is recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously. This is determined based on the time elapsed (output method).

**(D)**  
**RENDERING OF**  
**SATELLITE-BASED**  
**NETWORK SERVICES**

Revenue from a contract to provide Satellite-based network services is recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously. This is determined based on the time elapsed (output method).

**(E)**  
**INTEREST INCOME**

Interest income is recognised using the effective interest method.

**(F)**  
**RENTAL INCOME**

Rental income is recognised on a straight-line basis over the term of the lease.

**3.17**  
**BORROWING**  
**COSTS**

Borrowing costs are interests and other costs that the Group incurs in connection with borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognised in profit or loss using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The Group begins capitalising borrowing costs when the Group has incurred the expenditures for the asset, incurred related borrowing costs and undertaken activities that are necessary to prepare the asset for its intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

### 3.18 INCOME TAXES

Income tax expense in profit or loss comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

#### (A) CURRENT TAX

Current tax is the expected taxes payable or receivable on the taxable income or loss for the financial year, using the tax rates that have been enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

#### (B) DEFERRED TAX

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unutilised tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal timing of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is 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 tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle their income tax recoverable and income tax payable on a net basis or their tax assets and liabilities will be realised simultaneously.

#### (C) SALES AND SERVICES TAX

Revenue, expenses and assets are recognised net of the amount of sales and services tax except

- where the sales and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales and services tax included.

The net amount of sales and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

### 3.19 EARNINGS PER SHARE

The Group presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

### 3.20 OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Executive Officer of the Group, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker that makes strategic decisions.

### 3.21 FAIR VALUE MEASUREMENTS

Fair value of an asset or a liability, except for lease transactions, is determined as 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. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a 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.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

**Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.**

**Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.**

**Level 3: Unobservable inputs for the asset or liability.**

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

### 3.22 CONTINGENCIES

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future event(s) not wholly within the control of the Group and of the Company.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:

- a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (b) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

**4.  
SIGNIFICANT  
ACCOUNTING  
JUDGEMENTS,  
ESTIMATES AND  
ASSUMPTIONS**

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

**(A)  
IMPAIRMENT  
OF GOODWILL AND  
OTHER INTANGIBLE  
ASSETS**

Goodwill is tested for impairment annually and at other times when such indicators exist. The Group determines whether other intangible assets, not yet available for use, is impaired, at least on an annual basis. Development costs have finite useful lives and are assessed for impairment whenever there is an indication of impairment.

This assessment requires significant judgements by the directors on the discount rates applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including forecast growth rates and gross profit margin.

The carrying amounts of the Group's goodwill and other intangible assets are disclosed in Note 7.

**(B)  
IMPAIRMENT  
OF TRADE  
RECEIVABLES AND  
CONTRACT ASSETS**

The Group has significant trade receivables and contract assets as at the end of the financial year. Directors made significant judgements over assumptions about risk of default and expected loss rate. In making the assumptions, the directors selected inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of the reporting period.

The carrying amounts of the trade receivables and contract assets are disclosed in Notes 12 and 13.

The information about the impairment losses on the Group's and the Company's trade receivables and contract assets are disclosed in Note 28.

4.  
SIGNIFICANT  
ACCOUNTING  
JUDGEMENTS,  
ESTIMATES AND  
ASSUMPTIONS  
*(continued)*

(C)  
IMPAIRMENT OF  
PROPERTY, PLANT  
AND EQUIPMENT  
AND INVESTMENT  
PROPERTY

The Group's property, plant and equipment and an investment property are measured at cost less accumulated depreciation and any accumulated impairment losses. The directors have performed an impairment assessment on the office building and an investment property to estimate the recoverable amounts of these assets which involved significant judgements.

The Group estimated the recoverable amounts of the office building and investment property based on the market valuation performed by an external independent valuer include sales comparison method, being comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for size and tenure. The valuation requires significant judgement in determining the appropriate valuation methods and the key assumptions used in the valuations.

The carrying amounts of the property, plant and equipment and investment property are disclosed in Notes 5 and 6.

(D)  
IMPAIRMENT OF  
INVESTMENT IN  
SUBSIDIARIES

The Company assess impairment of investment in subsidiaries whenever the events or changes in circumstances indicate that the carrying amount of a subsidiary may not be recoverable i.e. the carrying amount of the subsidiary is more than the recoverable amount.

The directors' assessment of the recoverable amount involved significant judgement. The recoverable amounts of investment in subsidiaries were determined based on value-in-use which includes the discount rates applied in the recoverable amount calculation and the assumption supporting the underlying cash flow projections which include future sales, gross profit margin and operating expenses.

The carrying amounts of the investment in subsidiaries are disclosed in Note 8.

**5.**  
**PROPERTY, PLANT**  
**AND EQUIPMENT**

	BUILDINGS	COMPUTER EQUIPMENT	TELECOM- MUNICATION AND OTHER EQUIPMENT	RENOVATION	MOTOR VEHICLE	OTHER ASSETS	RIGHT-OF- USE ASSETS	TOTAL
	RM	RM	RM	RM	RM	RM	RM	RM
<b>GROUP</b>								
<b>COST</b>								
AT 1 JANUARY 2022	12,000,000	49,710,632	14,183,756	829,763	40,303	199,318	707,175	77,670,947
ADDITIONS	-	2,170,972	33,460	-	-	47,388	188,753	2,440,573
DISPOSALS	-	(4,365,620)	(6,837)	-	-	-	-	(4,372,457)
WRITTEN OFF	-	-	(15,831)	-	-	-	-	(15,831)
DERECOGNITION*	-	-	-	-	-	-	(707,175)	(707,175)
EXCHANGE DIFFERENCE	-	-	143	-	-	-	-	143
AT 31 DECEMBER 2022	12,000,000	47,515,984	14,194,691	829,763	40,303	246,706	188,753	75,016,200
<b>ACCUMULATED DEPRECIATION</b>								
AT 1 JANUARY 2022	1,723,405	47,368,718	13,811,626	799,717	37,615	194,239	638,940	64,574,260
DEPRECIATION CHARGE FOR THE FINANCIAL YEAR	127,659	872,170	181,161	7,412	2,687	47,344	54,095	1,292,528
DISPOSALS	-	(4,363,827)	(6,389)	-	-	-	-	(4,370,216)
WRITTEN OFF	-	-	(15,826)	-	-	-	-	(15,826)
DERECOGNITION*	-	-	-	-	-	-	(658,427)	(658,427)
EXCHANGE DIFFERENCE	-	-	106	-	-	-	-	106
AT 31 DECEMBER 2022	1,851,064	43,877,061	13,970,678	807,129	40,302	241,583	34,608	60,822,425
<b>CARRYING AMOUNT</b>								
AT 31 DECEMBER 2022	10,148,936	3,638,923	224,013	22,634	1	5,123	154,145	14,193,775

\* During the year, the Group had derecognised other equipment classified under right-of-use assets amounting to RM48,748 due to early termination of contract.

**5.**  
**PROPERTY, PLANT  
AND EQUIPMENT**  
*(continued)*

	BUILDINGS	COMPUTER EQUIPMENT	TELECOM- MUNICATION AND OTHER EQUIPMENT	RENOVATION	MOTOR VEHICLE	OTHER ASSETS	RIGHT-OF- USE ASSETS	TOTAL
	RM	RM	RM	RM	RM	RM	RM	RM
<b>GROUP</b>								
<b>COST</b>								
AT 1 JANUARY 2021	12,000,000	52,062,550	18,472,732	782,628	40,303	283,807	707,175	84,349,195
ADDITIONS	-	193,730	31,648	47,135	-	476	-	272,989
DISPOSALS	-	(2,515,835)	(4,193,373)	-	-	(84,965)	-	(6,794,173)
WRITTEN OFF	-	(29,813)	(127,280)	-	-	-	-	(157,093)
EXCHANGE DIFFERENCE	-	-	29	-	-	-	-	29
AT 31 DECEMBER 2021	12,000,000	49,710,632	14,183,756	829,763	40,303	199,318	707,175	77,670,947
<b>ACCUMULATED DEPRECIATION</b>								
AT 1 JANUARY 2021	1,595,746	45,512,435	16,061,931	766,100	29,555	277,826	475,976	64,719,569
DEPRECIATION CHARGE FOR THE FINANCIAL YEAR	127,659	4,050,634	1,287,644	33,617	8,060	959	162,964	5,671,537
DISPOSALS	-	(2,164,552)	(3,411,559)	-	-	(84,546)	-	(5,660,657)
WRITTEN OFF	-	(29,799)	(126,402)	-	-	-	-	(156,201)
EXCHANGE DIFFERENCE	-	-	12	-	-	-	-	12
AT 31 DECEMBER 2021	1,723,405	47,368,718	13,811,626	799,717	37,615	194,239	638,940	64,574,260
<b>CARRYING AMOUNT</b>								
AT 31 DECEMBER 2021	10,276,595	2,341,914	372,130	30,046	2,688	5,079	68,235	13,096,687



**5.**  
**PROPERTY, PLANT  
AND EQUIPMENT**  
*(continued)*

	COMPUTER EQUIPMENT
	RM
<b>COMPANY</b>	
<b>COST</b>	
AT 1 JANUARY 2022 / 31 DECEMBER 2022	8,980
<b>ACCUMULATED DEPRECIATION</b>	
AT 1 JANUARY 2022	5,013
DEPRECIATION CHARGE FOR THE FINANCIAL YEAR	2,201
AT 31 DECEMBER 2022	7,214
<b>CARRYING AMOUNT</b>	
AT 31 DECEMBER 2022	1,766
<b>COST</b>	
AT 1 JANUARY 2021	4,752
ADDITIONS	4,228
AT 31 DECEMBER 2021	8,980
<b>ACCUMULATED DEPRECIATION</b>	
AT 1 JANUARY 2021	2,374
DEPRECIATION CHARGE FOR THE FINANCIAL YEAR	2,639
AT 31 DECEMBER 2021	5,013
<b>CARRYING AMOUNT</b>	
AT 31 DECEMBER 2021	3,967

**(A)**  
**ASSETS PLEDGED  
AS SECURITY**

Buildings of the Group with carrying amount of RM10,148,936 (2021: RM10,276,595) have been pledged as security to secure banking facilities granted to a subsidiary as disclosed in Note 16.

Computer equipment of the Group with carrying amount of RM1,810,681 (2021: Nil) have been pledged as security for hire purchase arrangement as disclosed in Note 16.

**5.**  
**PROPERTY, PLANT  
AND EQUIPMENT**  
*(continued)*

**(B)**  
**RIGHT-OF-USE  
ASSETS**

The Group leases several assets including buildings and other equipment.

Information about leases for which the Group is lessee is presented below:

	BUILDINGS	GROUP COMPUTER AND OTHER EQUIPMENT	TOTAL
	RM	RM	RM
<b>CARRYING AMOUNT</b>			
AT 1 JANUARY 2021	137,187	94,012	231,199
DEPRECIATION	(121,180)	(41,784)	(162,964)
AT 31 DECEMBER 2021	16,007	52,228	68,235
ADDITION	-	188,753	188,753
DEPRECIATION	(16,007)	(38,088)	(54,095)
DERECOGNITION	-	(48,748)	(48,748)
AT 31 DECEMBER 2022	-	154,145	154,145

The Group leases buildings for office and warehouse space. The leases for office and warehouse space generally have lease term between 2 to 3 years.

The Group also leases other equipment with lease term 5 years.

During the year, the Group had derecognised other equipment classified under right-of-use assets amounting to RM48,748 due to early termination of contract.

6.  
INVESTMENT  
PROPERTY

	GROUP	
	2022 RM	2021 RM
<b>AT COST:</b>		
AT 1 JANUARY / 31 DECEMBER	2,500,000	2,500,000
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSS</b>		
AT 1 JANUARY	674,043	332,447
DEPRECIATION CHARGE FOR THE FINANCIAL YEAR	26,596	26,596
(REVERSAL)/IMPAIRMENT LOSS	(190,639)	315,000
AT 31 DECEMBER	510,000	674,043
<b>CARRYING AMOUNT</b>		
AT 31 DECEMBER	<u>1,990,000</u>	<u>1,825,957</u>

The Group's investment property comprises a commercial property that is for rental earning purpose.

The investment property of the Group with carrying amount of RM1,990,000 (2021: RM1,825,957) has been pledged as security to secure banking facilities as disclosed in Note 16.

The following are recognised in profit or loss in respect of investment property:

	GROUP	
	2022 RM	2021 RM
RENTAL INCOME	93,500	53,125
DIRECT OPERATING EXPENSES - INCOME GENERATING INVESTMENT PROPERTY	<u>(37,223)</u>	<u>(37,728)</u>

FAIR VALUE  
INFORMATION

Fair value of investment property is categorised as follows:

	GROUP LEVEL 3 RM
31.12.2022 : LEASEHOLD BUILDING	<u>1,990,000</u>
31.12.2021 : LEASEHOLD BUILDING	<u>1,798,000</u>

The fair value of investment property is measured at Level 3 hierarchy.

LEVEL 3  
FAIR VALUE

Level 3 fair values of buildings have been derived using the sales comparison approach. Sales prices of comparable buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable buildings.

There are no Level 1 and Level 2 investment property during the financial years ended 31 December 2022 and 31 December 2021.

VALUATION  
PROCESS APPLIED  
BY THE GROUP

The fair value of investment property is determined by an external independent valuer, Laurelcap Sdn. Bhd., a member of The Board of Valuers, Appraisers, Estate Agents and Property Managers in Malaysia, with appropriate recognised professional qualification.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

**7.**  
**GOODWILL AND OTHER**  
**INTANGIBLE ASSETS**

	GOODWILL RM	DEVELOPMENT COSTS RM	COMPUTER SOFTWARE RM	TOTAL RM
<b>GROUP</b>				
<b>COST</b>				
AT 1 JANUARY 2021	36,005,230	15,629,181	5,105,260	56,739,671
<b>ADDITIONS</b>				
- DEVELOPED INTERNALLY	-	938,286	-	938,286
DISPOSALS	-	-	(363,844)	(363,844)
WRITTEN OFF	-	-	(915)	(915)
AT 31 DECEMBER 2021	36,005,230	16,567,467	4,740,501	57,313,198
<b>ADDITIONS</b>				
- DEVELOPED INTERNALLY	-	956,548	189,272	1,145,820
RECLASSIFICATION	-	(210,568)	210,568	-
AT 31 DECEMBER 2022	36,005,230	17,313,447	5,140,341	58,459,018
<b>ACCUMULATED, AMMORTISATION AND IMPAIRMENT LOSS</b>				
AT 1 JANUARY 2021	4,116,996	8,547,081	4,806,984	17,471,061
AMORTISATION CHARGE FOR THE FINANCIAL YEAR	-	850,736	193,254	1,043,990
DISPOSALS	-	-	(291,073)	(291,073)
WRITTEN OFF	-	-	(914)	(914)
AT 31 DECEMBER 2021	4,116,996	9,397,817	4,708,251	18,223,064
AMORTISATION CHARGE FOR THE FINANCIAL YEAR	-	889,207	121,728	1,010,935
AT 31 DECEMBER 2022	4,116,996	10,287,024	4,829,979	19,233,999
<b>CARRYING AMOUNT</b>				
AT 31 DECEMBER 2021	31,888,234	7,169,650	32,250	39,090,134
AT 31 DECEMBER 2022	31,888,234	7,026,423	310,362	39,225,019

**(A)**  
**AMORTISATION**

The amortisation of development costs of the Group amounting to RM889,207 (2021: RM850,736) is included in cost of sales. The amortisation of computer software of the Group amounting to RM46,452 and RM75,276 (2021: RM118,138 and RM75,116) are included in cost of sales and other expenses respectively.

**(B)**  
**DEVELOPMENT  
COSTS**

Development costs represent software under development and fully developed. It is reasonably anticipated that the costs will be recovered through future commercial activities.

**(C)**  
**COMPUTER  
SOFTWARE**

It represents software acquired that is not integral to the functionality of equipment.

**7.**  
**GOODWILL AND**  
**OTHER INTANGIBLE**  
**ASSETS**  
*(continued)*

**(D)**  
**GOODWILL**

Directors review the business performance based on the type of products and services of the strategic business units which represent its reportable operating segments. For the purpose of impairment testing, goodwill acquired through business combinations is allocated to the following Group's cash-generating units ("CGUs") which are also reportable operating segments, which represent the lowest level within the Group at which the goodwill is monitored for internal reporting purposes.

The carrying amounts of goodwill arising from business combination has been allocated to the Group's CGUs identified according to the following segments for impairment testing are as follows:

	GROUP	
	2022 RM	2021 RM
<b>CASH-GENERATING UNIT</b>		
INFORMATION TECHNOLOGY ("IT") - CGU 1	31,189,056	31,189,056
INFORMATION AND COMMUNICATION TECHNOLOGY ("ICT") - CGU 2	699,178	699,178
	<b>31,888,234</b>	<b>31,888,234</b>

The recoverable amount of CGUs has been determined based on value-in-use calculations using cash flows projection from financial budget and forecasts approved by directors covering a five-year period. The same method has also been used in the previous financial year. For each of the CGUs with significant amount of goodwill, the value-in-use calculation is most sensitive to the following key assumptions:

	2022	2021
<b>CGU 1</b>		
REVENUE (% OF ANNUAL GROWTH RATE)	39%	7%
OPERATING EXPENSES (% OF ANNUAL INCREMENTAL RATE)	8%	-4%
GROSS MARGIN (% OF REVENUE)	15% - 25%	28% - 37%
DISCOUNT RATE	16%	16%
<b>CGU 2</b>		
REVENUE (% OF ANNUAL GROWTH RATE)	47%	22%
OPERATING EXPENSES (% OF ANNUAL INCREMENTAL RATE)	-6%	-6%
GROSS MARGIN (% OF REVENUE)	15% - 18%	10%
DISCOUNT RATE	18%	16%

Gross margin is the forecasted margin as a percentage of revenue over the five year projection period. These are increased over the projection period for anticipated efficiency improvements.

Discount rate was estimated based on the industry weighted average cost of capital. The discount rate applied to the cash flow projections is pre-tax and reflects directors' estimate of the risks specific to the CGUs at the date of assessment.

In current financial year, the estimated recoverable amount of the CGU 1 exceeds the carrying amount of the CGU 1. Accordingly, there is no indication of impairment based on the management's assessment. Based on the sensitivity analysis performed, management believes that there is no reasonably possible change in key assumptions that would cause the carrying amount of the CGU to exceed its recoverable amounts.

In current financial year, the estimated recoverable amount of the CGU 2 exceeds the carrying amount of the CGU 2. Accordingly, there is no indication of impairment based on the management's assessment. Based on the sensitivity analysis performed, management believes that there is no reasonably possible change in key assumptions that would cause the carrying amount of the CGU to exceed its recoverable amounts.

**8.**  
**INVESTMENT IN**  
**SUBSIDIARIES**

	NOTE	COMPANY	
		2022 RM	2021 RM
UNQUOTED SHARES, AT COST		61,929,972	61,863,240
ADD: ADDITION DURING THE FINANCIAL YEAR		2,648,915	66,732
LESS: IMPAIRMENT LOSS	(a)	(19,776,335)	(19,113,179)
		44,802,552	42,816,793
LOANS THAT ARE PART OF NET INVESTMENT	(b)	32,258,006	32,504,696
LESS: IMPAIRMENT LOSS	(b)	(32,129,367)	(32,376,057)
		128,639	128,639
<b>AT THE END OF THE FINANCIAL YEAR</b>		<b>44,931,191</b>	<b>42,945,432</b>

(a) The Company's investment in subsidiaries that are impaired at the reporting date and the reconciliation of movement in the impairment of investment in subsidiaries is as follows:

	COMPANY	
	2022 RM	2021 RM
AT 1 JANUARY	19,113,179	19,113,179
IMPAIRMENT LOSS FOR THE FINANCIAL YEAR	663,156	-
<b>AT 31 DECEMBER</b>	<b>19,776,335</b>	<b>19,113,179</b>

During the financial year, there is an impairment loss of RM663,156 as the recoverable amount is lower than the carrying amount.

(b) Loans that are part of net investment represent amount owing by subsidiaries which are non-trade in nature, unsecured and non-interest bearing. The settlement of the amounts are neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as a long-term source of capital to the subsidiaries. As these amounts are, in substance, a part of the Company's net investment in the subsidiaries, they are stated at cost less accumulated impairment loss, if any.

The reconciliation of movement in the impairment loss on loans that are part of net investment is as follows:

	COMPANY	
	2022 RM	2021 RM
AT 1 JANUARY	32,376,057	32,376,057
IMPAIRMENT LOSS FOR THE FINANCIAL YEAR	(246,690)	-
<b>AT 31 DECEMBER</b>	<b>32,129,367</b>	<b>32,376,057</b>

During the financial year, there is a reversal of impairment loss of RM246,690 as the recoverable amount is higher than the carrying amount.

**8.**  
**INVESTMENT IN**  
**SUBSIDIARIES**  
*(continued)*

(c) Details of the subsidiaries are as follows:

NAME OF COMPANY	OWNERSHIP INTEREST		PRINCIPAL ACTIVITIES
	2022 %	2021 %	
<b>DIRECT SUBSIDIARIES</b>			
PRIVASIA SDN. BHD.	100	100	OUTSOURCING, CONSULTATION, E-PROCUREMENT AND RELATED FUNCTIONS
PRIVANET SDN. BHD.	100	100	PROVISION OF TOTAL WIRELESS AND COMMUNICATION SOLUTIONS
PRIVASAT SDN. BHD.	100	100	PROVIDING HIGH SPEED INTERNET BROADBAND ACCESS (SATELLITE SERVICES)
SPRING REACH DISTRIBUTION SDN. BHD.	100	70	TRADING OF ELECTRONIC AND TELECOMMUNICATION EQUIPMENT
PRIVAPORTS SDN. BHD.	100	100	DEVELOPMENT, PROMOTION AND OPERATION OF GENERAL CARGO TERMINAL OPERATING SYSTEM FOR GENERAL CARGO TERMINALS
PRIVARAIL SDN. BHD.	80	80	PROVISION OF THE RAILWAY SYSTEM, ENGINEERING AND RELATED SERVICES, AND INFORMATION TECHNOLOGY AND COMMUNICATION SERVICES
FINANSHERE SDN. BHD.	60	60	PROVISION OF DIGITAL PROCUREMENT INTEGRATED WITH SHARIAH COMPLIANT SUPPLY CHAIN FINANCE COLLABORATION SOLUTION
DIGITAL MEDTECH SOLUTIONS SDN. BHD.*	30	100	PROVISION OF SOFTWARE DEVELOPMENT, MULTIMEDIA, INFORMATION TECHNOLOGY AND OTHER RELATED SERVICES

\* The Company's effective ownership in DIGITAL MEDTECH SOLUTIONS Sdn. Bhd. was diluted from 100% to 30% as a result of the additional shares subscribed by third parties. Upon completion of the subscription, the subsidiary was deemed disposed and classified as an associate of the Company.

NAME OF COMPANY	OWNERSHIP INTEREST		PRINCIPAL ACTIVITIES
	2022 %	2021 %	
<b>INDIRECT SUBSIDIARIES</b>			
<b>SUBSIDIARIES OF PRIVASIA SDN. BHD.</b>			
PRIVASIA (SABAH) SDN. BHD.#	-	100	PROVISION OF SUPPLYING, TESTING AND COMMISSIONING OF IT ACTIVE EQUIPMENT
PRIVACOM SDN. BHD.	100	100	DEALER IN DATA PROCESSING EQUIPMENT, COMPUTER SYSTEM AND PROVISION OF TELECOMMUNICATION AND COMPUTER NETWORK CONSULTANCY SERVICES
<b>SUBSIDIARY OF PRIVANET SDN. BHD.</b>			
PRIVATEL SDN. BHD.	95	95	PROVISION OF NETWORK ENGINEERING SERVICES
<b>SUBSIDIARY OF PRIVATEL SDN. BHD.</b>			
PRIVATEL (SINGAPORE) PTE. LTD. ^	95	95	PROVISION OF NETWORK ENGINEERING SERVICES
<b>SUBSIDIARY OF PRIVARAIL SDN. BHD.</b>			
PRIVASIA IOT SDN. BHD.	80	80	PROVISION OF COMMUNICATION SOLUTIONS

# Dissolved during the financial year.

^ Audited by an independent member firm of Baker Tilly International.

All the subsidiaries have principal place of business and are incorporated in Malaysia, except for PRIVASIA (Singapore) Pte. Ltd. which has principal place of business and is incorporated in Singapore.

**8.**  
**INVESTMENT IN**  
**SUBSIDIARIES**  
*(continued)*

## (d) Acquisition of additional interest in subsidiaries

**2022**

- (i) On 15 June 2022, FINANSHERE Sdn. Bhd. issued additional 502,490 ordinary shares of RM1 each, of which 301,494 ordinary shares were subscribed by the Company for a consideration of RM301,494, satisfied by the way of capitalisation of intercompany loan payable by FINANSHERE Sdn. Bhd. to the Company. Accordingly, the Company's effective ownership in FINANSHERE Sdn. Bhd. remains the same subsequent to the subscription.
- (ii) On 31 October 2022, PRIVAPORTS Sdn. Bhd. issued additional 2,000,000 ordinary shares of RM1 each, of which 2,000,000 ordinary shares were subscribed by the Company for a consideration of RM2,000,000, satisfied by the way of capitalisation of intercompany loan payable by PRIVAPORTS Sdn. Bhd. to the Company. Accordingly, the Company's effective ownership in PRIVAPORTS Sdn. Bhd. remains the same subsequent to the subscription.
- (iii) On 14 November 2022, the other shareholders of SPRING REACH DISTRIBUTIONS Sdn. Bhd. ("SRDSB") disposed of 300,000 units of ordinary shares to the Company for a consideration of RM2. Accordingly, SRDSB become a wholly owned subsidiary of the Company.

Effect of the increase in the Company's ownership interest is as follows:

	2022 RM
FAIR VALUE OF CONSIDERATION TRANSFERRED	2
INCREASE IN SHARE OF NET ASSETS	(511,988)
<b>EXCESS CHARGED DIRECTLY TO EQUITY</b>	<b>(511,986)</b>

- (iv) On 30 December 2022, FINANSHERE Sdn. Bhd. issued additional 224,783 ordinary shares of RM1 each of which 134,870 ordinary shares were subscribed by the Company for a consideration of RM134,870, satisfied by the way of capitalisation of intercompany loan payable by FINANSHERE Sdn. Bhd. to the Company. Accordingly, the Company's effective ownership in FINANSHERE Sdn. Bhd. remains the same subsequent to the subscription.
- (v) On 31 December 2022, PRIVAPORTS Sdn. Bhd. issued additional 212,549 ordinary shares of RM1 each, of which 212,549 ordinary shares were fully subscribed by the Company for a consideration of RM212,549, satisfied by the way of capitalisation of intercompany loan payable by PRIVAPORTS Sdn. Bhd. to the Company. Accordingly, the Company's effective ownership in PRIVAPORTS Sdn. Bhd. remains the same subsequent to the subscription.



**8.**  
**INVESTMENT IN**  
**SUBSIDIARIES**  
*(continued)*

## (d) Acquisition of additional interest in subsidiaries (continued)

**2021**

- (i) On 18 March 2021, PRIVASIA IOT Sdn. Bhd issued additional 141,483 ordinary shares of RM1 each, of which 141,483 ordinary shares were fully subscribed by PRIVARAIL Sdn. Bhd. for a consideration of RM141,483, satisfied by the way of capitalisation of intercompany loan payable by PRIVASIA IOT Sdn. Bhd. ("PIOT") to PRIVARAIL Sdn. Bhd. ("PRIVARAIL"). Accordingly, PRIVARAIL's effective ownership in PIOT remains the same subsequent to the subscription.
- (ii) On 30 November 2021, the Company incorporated a wholly-owned subsidiary, DIGITAL MEDTECH SOLUTIONS Sdn. Bhd., by way of issuance of 2 ordinary shares of RM1 each for a total consideration of RM2.
- (iii) On 20 December 2021, FINANSHERE Sdn. Bhd. issued additional 111,220 ordinary shares of RM1 each, of which 66,732 ordinary shares were subscribed by the Company for a consideration of RM66,732, satisfied by the way of capitalisation of intercompany loan payable by FINANSHERE Sdn. Bhd. to the Company. Accordingly, the Company's effective ownership in FINANSHERE Sdn. Bhd. remains the same subsequent to the subscription.

## (e) Dilution of equity interest in DIGITAL MEDTECH SOLUTIONS Sdn. Bhd.

On 9 June 2022, DIGITAL MEDTECH SOLUTIONS Sdn. Bhd. issued additional 99,998 ordinary shares of RM1 each, of which 29,998 ordinary shares were subscribed by the Company for a consideration of RM29,998, satisfied by the way of capitalisation of intercompany loan payable by DIGITAL MEDTECH SOLUTIONS Sdn. Bhd. to the Company. Accordingly, the Company's effective ownership in DIGITAL MEDTECH SOLUTIONS Sdn. Bhd. was diluted from 100% to 30% as a result of the additional shares subscribed by third parties. Upon completion of the subscription, the subsidiary was deemed disposed and classified as an associate of the Company.

## (f) Dissolution of PRIVASIA (Sabah) Sdn. Bhd.

On 20 October 2021, the Company applied to the Companies Commission of Malaysia ("CCM") to strike off its indirect subsidiary, PRIVASIA (Sabah) Sdn. Bhd., from the register of CCM pursuant to Section 550 of the Companies Act 2016. On 7 February 2022, PRIVASIA (Sabah) Sdn. Bhd. had been struck off from the register and dissolved following the publication of the notice of striking off pursuant to Section 551(3) of the Companies Act 2016 in the Gazette. Accordingly, PRIVASIA (Sabah) Sdn. Bhd. has ceased to be an indirect subsidiary of the Company.

The dissolution of PRIVASIA (Sabah) Sdn. Bhd. does not have any impact on the financial position of the Group.

**8.**  
**INVESTMENT IN**  
**SUBSIDIARIES**  
*(continued)*

(g) Non-Controlling Interests ("NCI") in subsidiaries

The financial information of the Group's subsidiaries that have NCI are as follows:

	SPRING REACH DISTRIBUTION SDN. BHD.	PRIVATEL SDN. BHD.	PRIVATEL (SINGAPORE) PTE. LTD.	PRIVARAIL SDN. BHD.	PRIVASIA IOT SDN. BHD.	FINANSHERE SDN. BHD.	TOTAL
	RM	RM	RM	RM	RM	RM	RM
<b>2022</b>							
NCI PERCENTAGE OF OWNERSHIP	-	5%	5%	20%	20%	40%	
CARRYING AMOUNT OF NCI	-	(102,509)	(33,537)	23,151	(227,278)	(246,953)	(587,126)
LOSS ALLOCATED TO NCI	-	(18,856)	(3,119)	(3,411)	(112,517)	(323,685)	(461,588)
<b>2021</b>							
NCI PERCENTAGE OF OWNERSHIP	30%	5%	5%	20%	20%	40%	
CARRYING AMOUNT OF NCI	(511,988)	(83,653)	(30,418)	26,562	(114,761)	(214,177)	(928,435)
PROFIT/(LOSS) ALLOCATED TO NCI	161	(56,384)	(1,338)	(3,004)	(25,775)	(245,525)	(331,865)

**8.**  
**INVESTMENT IN**  
**SUBSIDIARIES**  
*(continued)*

(h) Summarised financial information of non-controlling interests

The summarised financial information (before intra-group elimination) of the Group's subsidiaries that have NCI are as follows:

	PRIVATEL SDN. BHD.	PRIVATEL (SINGAPORE) PTE. LTD.	PRIVARAIL SDN. BHD.	PRIVASIA IOT SDN. BHD.	FINANSHERE SDN. BHD.
	RM	RM	RM	RM	RM
<b>2022</b>					
<b>SUMMARISED STATEMENTS OF FINANCIAL POSITION</b>					
NON-CURRENT ASSETS	133,608	355	141,485	17,662	212,115
CURRENT ASSETS	5,701,399	-	7,328	185,297	6,924
CURRENT LIABILITIES	(4,264,627)	(671,099)	(33,054)	(1,639,005)	(836,423)
NET ASSETS/(LIABILITIES)	1,570,380	(670,744)	115,759	(1,436,046)	(617,384)
LOANS THAT ARE PART OF INVESTMENT	(3,620,545)	-	-	(192,914)	-
	<b>(2,050,165)</b>	<b>(670,744)</b>	<b>115,759</b>	<b>(1,628,960)</b>	<b>(617,384)</b>
<b>SUMMARISED STATEMENTS OF COMPREHENSIVE INCOME</b>					
REVENUE	5,579,195	-	-	691,907	57,483
LOSS FOR THE FINANCIAL YEAR	(377,117)	(22,294)	(17,057)	(562,587)	(809,213)
TOTAL COMPREHENSIVE LOSS	(377,117)	(62,338)	(17,057)	(562,587)	(809,213)
<b>SUMMARISED CASH FLOW INFORMATION</b>					
NET CASH USED IN OPERATING ACTIVITIES	(137,408)	(21,722)	(9,006)	(188,300)	(467,408)
NET CASH (USED IN)/FROM INVESTING ACTIVITIES	(326,195)	-	-	12,187	(221,096)
NET CASH FROM FINANCING ACTIVITIES	141,135	15,853	8,979	175,805	689,023
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<b>(322,468)</b>	<b>(5,869)</b>	<b>(27)</b>	<b>(308)</b>	<b>519</b>
DIVIDENDS PAID TO NON-CONTROLLING INTERESTS	-	-	-	-	-

**8.**  
**INVESTMENT IN**  
**SUBSIDIARIES**  
**(continued)**

(h) Summarised financial information of non-controlling interests *(continued)*

The summarised financial information (before intra-group elimination) of the Group's subsidiaries that have NCI are as follows: *(continued)*

	SPRING REACH DISTRIBUTION SDN. BHD.	PRIVATEL SDN. BHD.	PRIVATEL (SINGAPORE) PTE. LTD.	PRIVARAIL SDN. BHD.	PRIVASIA IOT SDN. BHD.	FINANSHERE SDN. BHD.
	RM	RM	RM	RM	RM	RM
<b>2021</b>						
<b>SUMMARISED STATEMENTS OF FINANCIAL POSITION</b>						
NON-CURRENT ASSETS	10	68,733	778	141,485	19,797	10,645
CURRENT ASSETS	2,725,129	5,330,235	4,948	7,367	592,616	7,615
CURRENT LIABILITIES	(4,431,769)	(3,204,778)	(614,080)	(16,036)	(1,485,871)	(553,704)
NET (LIABILITIES)/ASSETS	(1,706,630)	2,194,190	(608,354)	132,816	(873,458)	(535,444)
LOANS THAT ARE PART OF INVESTMENT	-	(3,867,235)	-	-	(192,914)	-
	(1,706,630)	(1,673,045)	(608,354)	132,816	(1,066,372)	(535,444)
<b>SUMMARISED STATEMENTS OF COMPREHENSIVE INCOME</b>						
REVENUE	5,363	4,255,720	-	-	1,471,654	9,196
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	536	(1,127,672)	(19,090)	(15,018)	(128,876)	(613,813)
TOTAL COMPREHENSIVE INCOME/(LOSS)	536	(1,127,672)	(26,757)	(15,018)	(128,876)	(613,813)
<b>SUMMARISED CASH FLOW INFORMATION</b>						
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	104,051	94,988	(18,332)	(14,879)	(528,566)	(612,475)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	26,530	(13,719)	-	-	(61,648)	(14,712)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	(166,891)	167,079	-	10,268	585,101	627,802
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(36,310)	248,348	(18,332)	(4,611)	(5,113)	615
DIVIDENDS PAID TO NON-CONTROLLING INTERESTS	-	-	-	-	-	-

**9.**  
**INVESTMENT IN**  
**ASSOCIATES**

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
UNQUOTED SHARES, AT COST	68,780	68,780	-	-
ADDITIONAL INVESTMENT DURING THE YEAR	30,000	-	30,000	-
	98,780	68,780	30,000	-
SHARE OF POST ACQUISITION RESERVES	(98,780)	(68,780)	-	-
	-	-	30,000 -	-

(a) Details of the associates which have principal place of business and are all incorporated in Malaysia are as follows:

NAME OF COMPANY	OWNERSHIP INTEREST		PRINCIPAL ACTIVITIES
	2022 %	2021 %	
<b>DIRECT ASSOCIATE</b> DIGITAL MEDTECH SOLUTIONS SDN. BHD.*	30	-	PROVISION OF SOFTWARE DEVELOPMENT, MULTIMEDIA, INFORMATION TECHNOLOGY AND OTHER RELATED SERVICES
<b>INDIRECT ASSOCIATES:</b> <b>ASSOCIATE OF</b> <b>PRIVANET SDN. BHD.</b> INFOCRATS SDN. BHD.	30	30	PROVISION OF SYSTEMS DEVELOPMENT IN COMPUTER SOFTWARE SOLUTIONS AND PACKAGES
<b>ASSOCIATE OF</b> <b>PRIVASAT SDN. BHD.</b> MAPRI SDN. BHD.#	25	25	PROVISION OF SATELLITE SERVICES IN OIL AND GAS MARKET, PARTICIPATING IN AEROSPACE BUSINESS AND MANUFACTURING SATELLITE.

# The statutory financial year end of MAPRI SDN. BHD. was 30 June 2022 which does not conclude with the financial year end of the Group. The audited financial statement of the Company were not available. Accordingly, it is equity accounted for using unaudited management financial statements.

\* The Company's effective ownership in DIGITAL MEDTECH SOLUTIONS SDN. BHD. was diluted from 100% to 30% as a result of the additional shares subscribed by third parties. Upon completion of the subscription, the subsidiary was classified as an associate of the Company.

(b) On 9 June 2022, DIGITAL MEDTECH SOLUTIONS Sdn. Bhd. issued additional 99,998 ordinary shares of RM1 each, of which each 29,998 ordinary shares were subscribed by the Company for a consideration of RM29,998, satisfied by the way of capitalisation of intercompany loan payable by DIGITAL MEDTECH SOLUTIONS Sdn. Bhd. to the Company. Accordingly, the Company's effective ownership in Digital Medtech Solutions Sdn. Bhd. was diluted from 100% to 30% as a result of the additional shares subscribed by third parties. Upon completion of the subscription, the subsidiary was classified as an associate of the Company.

**9.**  
**INVESTMENT IN**  
**ASSOCIATES**  
*(continued)*

## (c) Summarised financial impact of associates

The summarised financial information of the Group's associates are as follows:

	INFOCRATS SDN. BHD. RM	MAPRI SDN. BHD. RM	DIGITAL MEDTECH SOLUTIONS SDN. BHD. RM	TOTAL RM
<b>GROUP</b>				
<b>2022</b>				
<b>ASSETS AND LIABILITIES</b>				
CURRENT ASSETS	-	962,657	139,293	1,101,950
CURRENT LIABILITIES	(70,916)	(1,481,480)	(325,182)	(1,877,578)
NET LIABILITIES	(70,916)	(518,823)	(185,889)	(775,628)
<b>RESULTS:</b>				
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	(9,895)	1,784	(285,889)	(294,000)
<b>TOTAL COMPREHENSIVE (LOSS)/PROFIT</b>	<b>(9,895)</b>	<b>1,784</b>	<b>(285,889)</b>	<b>(294,000)</b>
<b>2021</b>				
<b>ASSETS AND LIABILITIES</b>				
CURRENT ASSETS	-	18,273	-	18,273
CURRENT LIABILITIES	(61,021)	(923,801)	-	(984,822)
NET LIABILITIES	(61,021)	(905,528)	-	(966,549)
<b>RESULTS:</b>				
LOSS FOR THE FINANCIAL YEAR	(7,930)	(615,517)	-	(623,447)
<b>TOTAL COMPREHENSIVE LOSS</b>	<b>(7,930)</b>	<b>(615,517)</b>	<b>-</b>	<b>(623,447)</b>

9.  
**INVESTMENT IN  
ASSOCIATES**  
*(continued)*

(d) The reconciliation of net assets of the associates to the carrying amount of the investment in associates are as follows:

	INFOCRATS SDN. BHD. RM	MAPRI SDN. BHD. RM	DIGITAL MEDTECH SOLUTIONS SDN. BHD. RM	TOTAL RM
<b>GROUP</b>				
<b>2022</b>				
SHARE OF NET ASSETS AT THE ACQUISITION DATE	30	68,750	30,000	98,780
SHARE OF POST-ACQUISITION LOSSES	(30)	(68,750)	(30,000)	(98,780)
CARRYING AMOUNT IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION	-	-	-	-
<b>GROUP'S SHARE OF RESULTS</b>	<b>(2,969)</b>	<b>446</b>	<b>(85,767)</b>	<b>(88,290)</b>
<b>2021</b>				
SHARE OF NET ASSETS AT THE ACQUISITION DATE	30	68,750	-	68,780
SHARE OF POST-ACQUISITION LOSSES	(30)	(68,750)	-	(68,780)
CARRYING AMOUNT IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION	-	-	-	-
<b>GROUP'S SHARE OF RESULTS</b>	<b>(2,379)</b>	<b>(153,879)</b>	<b>-</b>	<b>(156,258)</b>

The Group's share of accumulated losses in the associates is restricted to the Group's cost of investment in the associates. Accordingly, the Group has not recognised its share of losses of the associates amounting to RM58,290 (2021: RM87,508) during the financial year.

As at 31 December 2022, the cumulative unrecognised share of losses of the associates are RM187,904 (2021: RM129,614).

**10.**  
**DEFERRED**  
**TAX ASSETS/**  
**(LIABILITIES)**

	GROUP	
	2022 RM	2021 RM
AT 1 JANUARY	300,000	(803,928)
RECOGNISED IN PROFIT OR LOSS (NOTE 22)	(203,506)	1,103,928
<b>AT 31 DECEMBER</b>	<b>96,494</b>	<b>300,000</b>

Presented after appropriate offsetting as follows:

	GROUP	
	2022 RM	2021 RM
DEFERRED TAX ASSETS	300,000	300,000
DEFERRED TAX LIABILITIES	(203,506)	-
	<b>96,494</b>	<b>300,000</b>

This is in respect of estimated deferred tax assets/(liabilities) arising from temporary differences as follows:

	GROUP	
	2022 RM	2021 RM
<b>DEFERRED TAX ASSETS:</b>		
UNUTILISED TAX LOSSES	300,000	300,000
<b>DEFERRED TAX LIABILITIES:</b>		
DIFFERENCES BETWEEN CARRYING AMOUNTS OF PROPERTY, PLANT AND EQUIPMENT AND THEIR TAX BASE	(203,506)	-
	<b>96,494</b>	<b>300,000</b>

The deferred tax assets and liabilities are not available for set-off as they arise from different taxable entities within the Group.



**10.**  
**DEFERRED**  
**TAX ASSETS/**  
**(LIABILITIES)**  
*(continued)*

**UNRECOGNISED DEFERRED TAX ASSETS**

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
TEMPORARY DIFFERENCES	4,103,547	3,016,867	-	-
UNUTILISED TAX LOSSES	49,946,292	48,384,684	1,400,103	1,400,103
UNABSORBED CAPITAL ALLOWANCES	2,570,030	7,069,880	-	-
	<b>56,619,869</b>	<b>58,471,431</b>	<b>1,400,103</b>	<b>1,400,103</b>

The availability of unutilised tax losses for offsetting against future taxable profits of the respective subsidiaries in Malaysia are subject to requirements under the Income Tax Act, 1967 and guidelines issued by the tax authority.

The unutilised tax losses are available indefinitely for offset against future taxable profits of the Group and of the Company except for certain unutilised tax losses which are available for utilisation up to the following financial years:

	GROUP	COMPANY
	2022 RM	2022 RM
2028	37,614,485	1,202,740
2029	4,820,995	109,592
2030	4,054,501	87,771
2031	1,435,159	-
2032	2,021,152	-
	<b>49,946,292</b>	<b>1,400,103</b>

**11.**  
**INVENTORIES**

	GROUP	
	2022 RM	2021 RM
CONSUMABLE AND TRADING GOODS	176,223	477,889

- (a) The cost of inventories of the Group recognised an expense in cost of sales during the financial year was RM60,606 (2021: RM598,958).
- (b) The cost of inventories of the Group recognised as an expense in cost of sales during the financial year in respect of write down of inventories to net realisable value was RM239,344 (2021: Nil).
- (c) In the previous financial year, the cost of inventories written off of the Group recognised as an expense in cost of sales was RM2,706.
- (d) In the previous financial year, the Group wrote back the inventories previously written down of RM11,848.

12.  
TRADE AND  
OTHER  
RECEIVABLES

	NOTE	GROUP		COMPANY	
		2022 RM	2021 RM	2022 RM	2021 RM
<b>CURRENT TRADE</b>					
TRADE RECEIVABLES					
- THIRD PARTIES		12,471,048	10,780,575	-	-
- SUBSIDIARIES		-	-	4,081,015	6,437,985
		12,471,048	10,780,575	4,081,015	6,437,985
LESS: IMPAIRMENT LOSSES FOR:					
- THIRD PARTIES		(2,944,858)	(3,540,642)	-	-
- SUBSIDIARIES		-	-	(161,593)	(161,593)
		(2,944,858)	(3,540,642)	(161,593)	(161,593)
<b>TOTAL TRADE RECEIVABLES</b>	(a)	<b>9,526,190</b>	<b>7,239,933</b>	<b>3,919,422</b>	<b>6,276,392</b>
<b>NON-TRADE</b>					
AMOUNT OWING BY SUBSIDIARIES	(b)	-	-	6,546,915	8,039,426
AMOUNT OWING BY ASSOCIATES	(b)	356,515	57,431	135,933	-
THIRD PARTIES		3,560,009	1,899,044	76,000	-
DEPOSITS		1,189,639	1,432,607	2,000	2,000
PREPAYMENTS		3,669,289	1,287,426	9,599	22,243
		8,775,452	4,676,508	6,770,447	8,063,669
LESS: IMPAIRMENT LOSSES FOR:					
- THIRD PARTIES	(c)	(8,000)	(8,000)	-	-
- SUBSIDIARIES	(c)	-	-	(5,208,665)	(4,760,004)
- AN ASSOCIATE	(c)	(57,431)	(57,431)	-	-
		(65,431)	(65,431)	(5,208,665)	(4,760,004)
<b>TOTAL OTHER RECEIVABLES</b>		<b>8,710,021</b>	<b>4,611,077</b>	<b>1,561,782</b>	<b>3,303,665</b>
<b>TOTAL TRADE AND OTHER RECEIVABLES</b>		<b>18,236,211</b>	<b>11,851,010</b>	<b>5,481,204</b>	<b>9,580,057</b>

**12.**  
**TRADE AND**  
**OTHER**  
**RECEIVABLES**  
*(continued)*

- (a) The Group's and the Company's normal trade credit terms extended to customers ranging from 7 to 90 days (2021: 7 to 90 days). Other credit terms are assessed and approved on a case by case basis.

**RECEIVABLES THAT ARE IMPAIRED**

The Group's and the Company's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
AT 1 JANUARY	3,540,642	3,855,066	161,593	337,948
CHARGE FOR THE FINANCIAL YEAR				
- INDIVIDUALLY ASSESSED	460,558	47,455	-	-
REVERSAL OF IMPAIRMENT LOSSES	(68,254)	(361,879)	-	(874)
WRITTEN OFF	(988,088)	-	-	(175,481)
<b>AT 31 DECEMBER</b>	<b>2,944,858</b>	<b>3,540,642</b>	<b>161,593</b>	<b>161,593</b>

The information about the credit exposures are disclosed in Note 28(a).

- (b) Amounts owing by subsidiaries and associates are unsecured, non-interest bearing, repayable upon demand and are expected to be settled in cash.
- (c) The Group's and the Company's other receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of other receivables are as follows:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
AT 1 JANUARY	65,431	57,802	4,760,004	5,068,302
CHARGE FOR THE FINANCIAL YEAR				
- INDIVIDUALLY ASSESSED	-	7,629	448,661	-
REVERSAL OF IMPAIRMENT LOSSES	-	-	-	(167,810)
WRITTEN OFF	-	-	-	(140,488)
<b>AT 31 DECEMBER</b>	<b>65,431</b>	<b>65,431</b>	<b>5,208,665</b>	<b>4,760,004</b>

**13.  
CONTRACT ASSETS/  
(LIABILITIES)**

	GROUP	
	2022 RM	2021 RM
CONTRACT ASSETS RELATING TO SERVICES CONTRACT	7,870,867	5,709,039
CONTRACT LIABILITIES RELATING TO SERVICES CONTRACT	(1,560,750)	(1,309,378)

**(A)  
SIGNIFICANT  
CHANGES IN  
CONTRACT  
BALANCES**

	2022		2021	
	CONTRACT ASSETS INCREASE/ (DECREASE) RM	CONTRACT LIABILITIES (INCREASE)/ DECREASE RM	CONTRACT ASSETS INCREASE/ (DECREASE) RM	CONTRACT LIABILITIES (INCREASE)/ DECREASE RM
<b>GROUP</b>				
REVENUE RECOGNISED THAT WAS INCLUDED IN CONTRACT LIABILITY AT THE BEGINNING OF THE FINANCIAL YEAR	-	1,309,378	-	556,302
INCREASE DUE TO CONSIDERATION RECEIVED FROM CUSTOMERS, BUT REVENUE NOT RECOGNISED	-	(1,560,750)	-	(1,309,378)
INCREASE DUE TO REVENUE RECOGNISED FOR UNBILLED GOODS OR SERVICES TRANSFERRED TO CUSTOMERS	6,332,219	-	5,709,039	-
TRANSFERS FROM CONTRACT ASSETS RECOGNISED AT THE BEGINNING OF THE PERIOD TO RECEIVABLES	(3,103,284)	-	(4,473,965)	-
IMPAIRMENT LOSSES ON CONTRACT ASSETS	(1,067,107)	-	(446,431)	-

**(B)  
REVENUE  
RECOGNISED  
IN RELATION  
TO CONTRACT  
BALANCES**

	GROUP	
	2022 RM	2021 RM
REVENUE RECOGNISED THAT WAS INCLUDED IN CONTRACT LIABILITY AT THE BEGINNING OF THE FINANCIAL YEAR	1,309,378	556,302

Revenue recognised that was included in the contract liability balance at the beginning of the year represented primarily revenue from the services rendered when percentage of completion increases.

**(C)  
IMPAIRMENT**

The movement in the impairment of contract assets is as follows:

	GROUP	
	2022 RM	2021 RM
AT 1 JANUARY	446,431	-
CHARGE FOR THE FINANCIAL YEAR		
- INDIVIDUALLY ASSESSED	1,067,107	446,431
AT 31 DECEMBER	1,513,538	446,431

14.  
DEPOSITS,  
CASH AND  
BANK BALANCES

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
CASH AND BANK BALANCES	533,397	1,801,476	2,894	5,303
DEPOSITS PLACED WITH LICENSED BANKS	5,575,201	8,528,074	-	-
<b>CASH AND CASH EQUIVALENTS AS REPORTED IN THE STATEMENTS OF FINANCIAL POSITION</b>	<b>6,108,598</b>	<b>10,329,550</b>	<b>2,894</b>	<b>5,303</b>
LESS:				
- BANK OVERDRAFTS (NOTE 16)	(3,271,237)	(2,782,733)	-	-
- DEPOSITS PLEDGED AS SECURITY	(3,427,305)	(3,367,383)	-	-
<b>CASH AND CASH EQUIVALENTS AS REPORTED IN THE STATEMENTS OF CASH FLOWS</b>	<b>(589,944)</b>	<b>4,179,434</b>	<b>2,894</b>	<b>5,303</b>

Deposits placed with licensed banks of the Group bear interest at rates ranging from 1.40% to 2.60% (2021: 1.30% to 1.95%) per annum with maturity period ranging from 1 month to 12 months.

Included in the deposits placed with licensed banks of the Group is an amount of RM3,427,305 (2021: RM3,367,383) pledged as security for bank overdrafts and trade facilities granted to a subsidiary as disclosed in Note 16.

15.  
SHARE CAPITAL

	GROUP AND COMPANY			
	NUMBER OF ORDINARY SHARES		AMOUNTS	
	2022 UNIT	2021 UNIT	2022 RM	2021 RM
ISSUED AND FULLY PAID UP (NO PAR VALUE):				
AT BEGINNING/END OF THE FINANCIAL YEAR	614,020,020	614,020,020	62,630,042	62,630,042

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

**16.  
LOANS AND  
BORROWINGS**

	NOTE	COMPANY	
		2022 RM	2021 RM
<b>NON-CURRENT:</b>			
TERM LOAN I	(a)	5,145,293	5,863,961
LEASE LIABILITIES	(b)	121,283	11,589
HIRE PURCHASE PAYABLE	(c)	1,402,518	-
		<u>6,669,094</u>	<u>5,875,550</u>
<b>CURRENT:</b>			
TERM LOAN I	(a)	686,656	657,196
TERM LOAN II	(a)	-	454,601
LEASE LIABILITIES	(b)	35,914	62,201
HIRE PURCHASE PAYABLE	(c)	427,658	-
TRADE FACILITIES	(d)	3,736,133	2,677,498
BANK OVERDRAFTS	(d)	3,271,237	2,782,733
		<u>8,157,598</u>	<u>6,634,229</u>
<b>TOTAL LOANS AND BORROWINGS:</b>			
TERM LOANS	(a)	5,831,949	6,975,758
LEASE LIABILITIES	(b)	157,197	73,790
HIRE PURCHASE PAYABLE	(c)	1,830,176	-
TRADE FACILITIES	(d)	3,736,133	2,677,498
BANK OVERDRAFTS	(d)	3,271,237	2,782,733
		<u>14,826,692</u>	<u>12,509,779</u>

**(A)  
TERM LOANS**

Term loans 1 (2021 : Term loan I and II) of a subsidiary bear interest at a rate of 5.03% per annum (2021: 3.80% and 5.90% per annum respectively) and are repayable over 15 years and 5 years respectively commencing the day of first drawdown and are secured and supported as follows:

- (i) Legal charge over the buildings of a subsidiary as disclosed in Note 5;
- (ii) Legal charge over the investment property of a subsidiary as disclosed in Note 6;
- (iii) Debenture by way of a fixed and floating charge over assets of a subsidiary;
- (iv) Deposits placed with licensed banks as disclosed in Note 14;
- (v) Letter of negative pledge;
- (vi) Corporate guarantee of the Company; and
- (vii) Joint and several guarantee of two directors.

Term loans I and II require the subsidiary to maintain a debt to equity ratio of not exceeding 0.8 (2021: 0.8). Term loan II was fully settled during the financial year.

**16.**  
**LOANS AND**  
**BORROWINGS**  
*(continued)*

**(B)**  
**LEASE**  
**LIABILITIES**

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	GROUP	
	2022 RM	2021 RM
<b>MINIMUM LEASE PAYMENTS:</b>		
NOT LATER THAN ONE YEAR	42,000	63,949
LATER THAN ONE YEAR AND NOT LATER THAN 5 YEARS	129,500	11,640
	171,500	75,589
LESS: FUTURE FINANCE CHARGES	(14,303)	(1,799)
<b>PRESENT VALUE OF MINIMUM LEASE PAYMENTS</b>	<b>157,197</b>	<b>73,790</b>
<b>PRESENT VALUE OF MINIMUM LEASE PAYMENTS:</b>		
NOT LATER THAN ONE YEAR	35,914	62,201
LATER THAN ONE YEAR AND NOT LATER THAN 5 YEARS	121,283	11,589
	157,197	73,790
LESS: AMOUNT DUE WITHIN 12 MONTHS	(35,914)	(62,201)
<b>AMOUNT DUE AFTER 12 MONTHS</b>	<b>121,283</b>	<b>11,589</b>

Certain equipment of the Group as disclosed in Note 5 are pledged for leases. Such leases do not have terms of renewal which would give the effective interest rate implicit in the leases ranging from 4.43% to 5.31% (2021: 3.85% to 5.31%) per annum.

**(C)**  
**HIRE PURCHASE**  
**PAYABLE**

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	GROUP	
	2022 RM	
<b>MINIMUM LEASE PAYMENTS:</b>		
NOT LATER THAN ONE YEAR		498,281
LATER THAN ONE YEAR AND NOT LATER THAN 5 YEARS		1,494,843
		1,993,124
LESS: FUTURE FINANCE CHARGES		(162,948)
<b>PRESENT VALUE OF MINIMUM LEASE PAYMENTS</b>		<b>1,830,176</b>
<b>PRESENT VALUE OF MINIMUM LEASE PAYMENTS:</b>		
NOT LATER THAN ONE YEAR		427,658
LATER THAN ONE YEAR AND NOT LATER THAN 5 YEARS		1,402,518
		1,830,176
LESS: AMOUNT DUE WITHIN 12 MONTHS		(427,658)
<b>AMOUNT DUE AFTER 12 MONTHS</b>		<b>1,402,518</b>

Hire purchase payable of the Group bears interest at a rate of 4.43% per annum and is secured by the Group's computer equipment under hire purchase arrangement as disclosed in Note 5(a).

**(D)  
BANK OVERDRAFTS  
AND TRADE  
FACILITIES**

The bank overdrafts and trade facilities of the Group are secured by way of:

- (i) Legal charge over the buildings of a subsidiary as disclosed in Note 5;
- (ii) Legal charge over the investment property of a subsidiary as disclosed in Note 6;
- (iii) Deed of Assignment over all contract proceeds awarded by major customer and its related companies;
- (iv) Debenture by way of a fixed and floating charge over assets of a subsidiary;
- (v) Deposits placed with licensed banks as disclosed in Note 14;
- (vi) Letter of negative pledge;
- (vii) Corporate guarantee of the Company; and
- (viii) Joint and several guarantee of two directors.

**17.  
TRADE AND  
OTHER PAYABLES**

	NOTE	GROUP		COMPANY	
		2022 RM	2021 RM	2022 RM	2021 RM
<b>CURRENT: TRADE</b>					
THIRD PARTIES	(a)	4,279,431	2,905,425	-	-
AN ASSOCIATE		58,809	-	-	-
		4,338,240	2,905,425	-	-
<b>NON-TRADE</b>					
THIRD PARTIES		2,109,223	1,341,655	263,771	124,047
GST PAYABLE		51,886	51,886	-	-
SST PAYABLE		324,451	34,775	-	-
AMOUNTS OWING TO SUBSIDIARIES	(b)	-	-	33,224,815	33,119,073
AMOUNT OWING TO AN ASSOCIATE	(b)	80,708	-	-	-
DEPOSITS AND ACCRUALS		6,293,480	4,535,973	82,981	118,972
		8,859,748	5,964,289	33,571,567	33,362,092
<b>TOTAL TRADE AND OTHER PAYABLES</b>		<b>13,197,988</b>	<b>8,869,714</b>	<b>33,571,567</b>	<b>33,362,092</b>

The foreign currency exposure profile of trade and other payables of the Group is as follows:

	GROUP	
	2022 RM	2021 RM
UNITED STATES DOLLAR	1,373,430	1,082,640
SINGAPORE DOLLAR	17,729	16,516
	1,391,159	1,099,156

- (a) The normal trade credit terms granted by the trade creditors to the Group ranging from 30 to 60 days (2021: 30 to 60 days).
- (b) The amounts owing to subsidiaries and an associate are unsecured, non-interest bearing, repayable upon demand and are expected to be settled in cash.



18.  
REVENUE

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
<b>TIMING OF REVENUE RECOGNITION:</b>				
<u>AT A POINT IN TIME</u>				
SALES OF GOODS	485,955	1,047,989	-	-
<u>OVER TIME</u>				
INFORMATION COMMUNICATION TECHNOLOGY SERVICES	6,384,995	4,270,310	-	-
INFORMATION TECHNOLOGY SERVICES	25,697,163	32,295,927	-	-
SATELLITE-BASED NETWORK SERVICES	7,755,359	2,961,937	-	-
	<b>40,323,472</b>	<b>40,576,163</b>	-	-

The Group applies the practical expedient in paragraph 121 of MFRS 15 and accordingly, does not disclose information about remaining performance obligations that have original expected durations of one year or less and the Group recognises revenue from the satisfaction of the performance obligation when the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date.

19.  
OTHER INCOME

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
DISCOUNT RECEIVED	-	25,583	-	-
GAIN ON DISPOSAL OF:				
- INTANGIBLE ASSETS	-	39,415	-	-
- PROPERTY, PLANT AND EQUIPMENT	106,018	550,357	-	-
INTEREST INCOME	110,442	125,184	-	8,782
OTHERS	9,303	199,128	-	-
RENTAL INCOME	111,500	71,125	-	-
REVERSAL OF IMPAIRMENT LOSS ON INVESTMENT IN A SUBSIDIARY	-	-	246,690	-
SALES OF CONTRACTS	-	1,339,399	-	-
WAIVER OF DEBT FROM A TRADE PAYABLE	200,629	-	-	-
	<b>537,892</b>	<b>2,350,191</b>	<b>246,690</b>	<b>8,782</b>

**20.**  
**LOSS**  
**BEFORE TAX**

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at loss before tax:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
AMORTISATION OF INTANGIBLE ASSETS	1,010,935	1,043,990	-	-
AUDITORS' REMUNERATION: STATUTORY AUDIT				
- CURRENT YEAR	255,886	194,903	90,000	63,000
- PRIOR YEAR	14,500	4,969	12,000	-
AUDITORS' REMUNERATION: NON-STATUTORY AUDIT				
- CURRENT YEAR	50,000	50,000	50,000	50,000
- PRIOR YEAR	2,700	10,400	-	10,400
BAD DEBTS WRITTEN OFF	-	14,003	-	-
DEPRECIATION OF INVESTMENT PROPERTY	26,596	26,596	-	-
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT	1,292,528	5,671,537	2,201	2,639
DERECOGNITION OF PROPERTY, PLANT AND EQUIPMENT	(4,043)	-	-	-
EMPLOYEE BENEFITS EXPENSE (NOTE 21)	13,335,338	13,805,569	1,006,206	809,993
EXPENSES RELATING TO SHORT-TERM LEASE	92,320	19,966	-	-
EXPENSES RELATING TO LEASE OF LOW VALUE ASSETS	12,910	20,847	113	95
GAIN ON DISPOSAL OF INTANGIBLE ASSETS	-	(39,415)	-	-
GAIN ON DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT	(106,018)	(518,307)	-	-
IMPAIRMENT LOSS ON:				
- TRADE RECEIVABLES	460,558	47,455	-	-
- AMOUNT OWING BY SUBSIDIARIES	-	-	448,661	-
- AMOUNT OWING BY AN ASSOCIATE	-	7,629	-	-
- CONTRACT ASSETS	1,067,107	446,431	-	-
- INVESTMENT IN SUBSIDIARIES	-	-	663,156	-
- INVESTMENT PROPERTY	-	315,000	-	-
INTANGIBLE ASSET WRITTEN OFF	-	1	-	-
INTEREST EXPENSES:				
- HIRE PURCHASE	42,299	12,226	-	-
- LEASE LIABILITIES	6,593	7,525	-	-
- TERM LOANS	263,969	328,380	-	-
- TRADE FACILITIES AND BANK OVERDRAFTS	410,698	260,901	-	-
INTEREST INCOME	(110,442)	(125,184)	-	(8,782)
INVENTORIES WRITTEN BACK	-	(11,848)	-	-
INVENTORIES WRITTEN DOWN	239,344	-	-	-
INVENTORIES WRITTEN OFF	-	2,706	-	-

**20.**  
**LOSS**  
**BEFORE TAX**  
 (continued)

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
LOSS ON FOREIGN EXCHANGE				
- REALISED	23,619	23,550	18	2
- UNREALISED	52,230	11,810	-	-
PROPERTY, PLANT AND EQUIPMENT WRITTEN OFF	5	892	-	-
REVERSAL OF IMPAIRMENT LOSS ON:				
- TRADE RECEIVABLES	(68,254)	(361,879)	-	(874)
- AMOUNT OWING BY SUBSIDIARIES	-	-	-	(167,810)
- INVESTMENT PROPERTY	(190,639)	-	-	-
- INVESTMENT IN A SUBSIDIARY	-	-	(246,690)	-
SHARE OF RESULT OF AN ASSOCIATE, NET OF TAX	30,000	68,750	-	-
WAIVER OF DEBT FROM A TRADE PAYABLE	(200,629)	-	-	-

**21.**  
**EMPLOYEE**  
**BENEFITS EXPENSE**

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
SALARIES AND WAGES	9,362,189	9,977,786	471,901	344,625
DEFINED CONTRIBUTION PLANS	1,111,410	1,118,475	58,048	44,590
OTHER STAFF RELATED EXPENSES	1,153,943	1,036,178	61,257	40,287
DIRECTORS' REMUNERATION (NOTE (a))	1,707,796	1,673,130	415,000	380,491
	<b>13,335,338</b>	<b>13,805,569</b>	<b>1,006,206</b>	<b>809,993</b>

(a) The aggregate amounts of emoluments received and receivable by directors of the Group and of the Company during the financial year are as follows:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
<b>DIRECTORS OF THE COMPANY</b>				
EXECUTIVE DIRECTORS				
- FEES	96,000	96,000	96,000	96,000
- OTHER EMOLUMENTS	1,272,496	1,275,572	14,500	17,733
	<b>1,368,496</b>	<b>1,371,572</b>	<b>110,500</b>	<b>113,733</b>
NON-EXECUTIVE DIRECTORS				
- FEES	272,500	237,758	272,500	237,758
- OTHER EMOLUMENTS	32,000	29,000	32,000	29,000
	<b>304,500</b>	<b>266,758</b>	<b>304,500</b>	<b>266,758</b>
<b>DIRECTORS OF THE SUBSIDIARIES</b>				
EXECUTIVE DIRECTORS				
- FEES	34,800	34,800	-	-
<b>TOTAL DIRECTORS' REMUNERATION</b>	<b>1,707,796</b>	<b>1,673,130</b>	<b>415,000</b>	<b>380,491</b>

**22.**  
**INCOME TAX**  
**EXPENSE/(CREDIT)**

The major components of income tax expense/(credit) for the financial years ended 31 December 2022 and 31 December 2021 are as follows:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
<b>STATEMENTS OF COMPREHENSIVE INCOME</b>				
<b>CURRENT INCOME TAX:</b>				
- CURRENT INCOME TAX CHARGE	26,060	876,637	-	-
- ADJUSTMENT IN RESPECT OF PRIOR YEARS	(133,772)	(173,899)	-	-
	<u>(107,712)</u>	<u>702,738</u>	-	-
<b>DEFERRED TAX: (NOTE 10)</b>				
- ORIGINATION OF TEMPORARY DIFFERENCES	(175,105)	(942,364)	-	-
- ADJUSTMENT IN RESPECT OF PRIOR YEARS	378,611	(161,564)	-	-
	<u>203,506</u>	<u>(1,103,928)</u>	-	-
<b>INCOME TAX EXPENSES/ (CREDIT) RECOGNISED IN PROFIT OR LOSS</b>	<b><u>95,794</u></b>	<b><u>(401,190)</u></b>	-	-

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2021: 24%) of the estimated assessable profit for the financial year.

**22.**  
**INCOME TAX**  
**EXPENSE/(CREDIT)**  
*(continued)*

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense/(credit) are as follows:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
LOSS BEFORE TAX	(1,201,811)	(2,704,627)	(2,297,179)	(1,190,149)
TAX AT MALAYSIAN STATUTORY INCOME TAX RATE OF 24%	(288,435)	(649,110)	(551,323)	(285,636)
SHARE OF RESULT OF AN ASSOCIATE	7,200	16,500	-	-
ADJUSTMENTS:				
- INCOME NOT SUBJECT TO TAX	(111,379)	(356,793)	(59,206)	-
- NON-DEDUCTIBLE EXPENSES	687,944	509,424	610,529	108,170
- UTILISATION OF PREVIOUSLY UNRECOGNISED TAX LOSSES, CAPITAL ALLOWANCES AND TEMPORARY DIFFERENCES	(1,065,958)	(5,508)	-	-
- DEFERRED TAX NOT RECOGNISED ON UNRECOGNISED TAX LOSSES, CAPITAL ALLOWANCES AND TEMPORARY DIFFERENCES	621,583	419,760	-	177,466
- ADJUSTMENT IN RESPECT OF PRIOR YEARS				
- CURRENT TAX	(133,772)	(173,899)	-	-
- DEFERRED TAX	378,611	(161,564)	-	-
<b>INCOME TAX EXPENSE/(CREDIT)</b>	<b>95,794</b>	<b>(401,190)</b>	<b>-</b>	<b>-</b>

**23.**  
**LOSS PER SHARE**

(a) Basic loss per share is based on the loss for the financial year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	GROUP	
	2022 RM	2021 RM
LOSS ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (RM)	(836,017)	(1,971,572)
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES FOR BASIC LOSS PER SHARE (UNITS)	614,020,020	614,020,020
BASIC LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (SEN)	(0.14)	(0.32)

(b) The diluted loss per share of the Group for the financial years ended 31 December 2022 and 31 December 2021 are same as the basic loss per share of the Group as the Group has no dilutive potential ordinary shares.

**24.**  
**GUARANTEES**

The corporate guarantees, guaranteed by the Company for banking facilities granted to a subsidiary is as follows:

**(A)**  
**FINANCIAL**  
**GUARANTEES**

	COMPANY	
	2022 RM	2021 RM
CORPORATE GUARANTEES FOR BANKING FACILITIES GRANTED TO A SUBSIDIARY	12,839,319	12,435,989

**(B)**  
**BANK**  
**GUARANTEES**

The bank guarantees, issued to third parties are as follows:

	GROUP	
	2022 RM	2021 RM
BANK GUARANTEES ISSUED IN FAVOUR OF THIRD PARTIES	735,127	816,382

**25.**  
**SEGMENT**  
**INFORMATION**

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by the Group's Chief Executive Officer ("CEO") for the purpose of making decisions about resource allocation and performance assessment.

The four reportable operating segments are as follows:

SEGMENTS	PRODUCTS AND SERVICES
INFORMATION TECHNOLOGY ("IT")	Comprise IT infrastructure outsourcing, consultancy and systems integration and procurement management.
INFORMATION AND COMMUNICATIONS TECHNOLOGY ("ICT")	Provision of wireless broadband infrastructure, comprehensive mobile and wireless communications consultancy, and systems development for ICT and mobile solutions providers and enterprises.
SATELLITE-BASED NETWORK SERVICES ("SAT")	The SAT segment provides a broad spectrum of satellite-based network solutions, such as managed network, high speed internet, value-added broadband applications and satellite IP Virtual Private Network for the commercial sector and general public.
INVESTMENT HOLDING	Investment holding.
<u>SEGMENT PROFIT</u>	Performance is measured based on segment results, as included in the internal management reports that are reviewed by the Group's CEO. Segment results are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.
<u>SEGMENT ASSETS AND LIABILITIES</u>	The total segment assets and liabilities are measured based on all assets (including goodwill) and liabilities of a segment, as included in the internal management reports that are reviewed by the Group's CEO.

## 25. SEGMENT INFORMATION (continued)

	NOTE	IT	ICT	SAT	INVESTMENT HOLDING	ADJUSTMENTS AND ELIMINATIONS	TOTAL
2022	RM	RM	RM	RM	RM	RM	RM
<b>REVENUE:</b>							
REVENUE FROM EXTERNAL CUSTOMERS		26,183,118	6,384,995	7,755,359	-	-	40,323,472
INTER-SEGMENT REVENUE	(a)	459,037	-	-	-	(459,037)	-
<b>TOTAL REVENUE</b>		<b>26,642,155</b>	<b>6,384,995</b>	<b>7,755,359</b>	<b>-</b>	<b>(459,037)</b>	<b>40,323,472</b>
<b>RESULTS: INCLUDED IN THE MEASURE OF SEGMENT (LOSS)/PROFIT ARE:</b>							
AMORTISATION OF INTANGIBLE ASSETS		943,374	63,589	4,674	-	(702)	1,010,935
DEPRECIATION OF INVESTMENT PROPERTY		26,596	-	-	-	-	26,596
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT		1,151,643	61,268	85,761	2,201	(8,345)	1,292,528
DERECOGNITION OF PROPERTY, PLANT AND EQUIPMENT		(4,043)	-	-	-	-	(4,043)
EXPENSE RELATING TO SHORT-TERM LEASE		111,040	60,720	63,390	-	(142,830)	92,320
EXPENSE RELATING TO LEASE OF LOW VALUE ASSETS		8,042	4,118	637	113	-	12,910
GAIN ON DISPOSAL OF INTANGIBLE ASSETS		(38,268)	-	-	-	38,268	-
GAIN ON DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT		(102,039)	-	(3,979)	-	-	(106,018)
IMPAIRMENT LOSS ON TRADE RECEIVABLES		14,310	446,248	-	-	-	460,558
IMPAIRMENT LOSS ON INVESTMENT IN SUBSIDIARIES		-	-	-	663,156	(663,156)	-
IMPAIRMENT LOSS ON CONTRACT ASSETS		-	1,067,107	-	-	-	1,067,107
IMPAIRMENT LOSS ON AMOUNT OWING BY SUBSIDIARIES		293,237	-	-	448,661	(741,898)	-
INTEREST EXPENSE		685,616	15,647	22,921	-	(625)	723,559
INTEREST INCOME		(107,651)	(582)	(2,209)	-	-	(110,442)
INVENTORIES WRITTEN DOWN		4,078	60,414	174,852	-	-	239,344
PROPERTY, PLANT AND EQUIPMENT WRITTEN OFF		5	-	-	-	-	5
RENTAL INCOME		(111,500)	-	-	-	-	(111,500)
REVERSAL OF IMPAIRMENT LOSS ON AMOUNT OWING BY SUBSIDIARIES		-	(11,000)	-	-	11,000	-
REVERSAL OF IMPAIRMENT LOSS ON INVESTMENT PROPERTY		(190,639)	-	-	-	-	(190,639)
REVERSAL OF IMPAIRMENT LOSS ON TRADE RECEIVABLES		(67,374)	-	(880)	-	-	(68,254)
REVERSAL OF IMPAIRMENT LOSS ON INVESTMENT IN A SUBSIDIARY		-	-	-	(246,690)	246,690	-
WAIVER OF DEBT FROM A TRADE PAYABLE		-	(200,629)	-	-	-	(200,629)
SEGMENT (LOSS)/PROFIT		(3,491,112)	(827,790)	4,130,497	(2,297,179)	1,283,773	(1,201,811)
INCOME TAX EXPENSE		(94,913)	-	(881)	-	-	(95,794)
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<b>(3,586,025)</b>	<b>(827,790)</b>	<b>4,129,616</b>	<b>(2,297,179)</b>	<b>1,283,773</b>	<b>(1,297,605)</b>
SEGMENT ASSETS		78,386,923	13,728,032	6,177,240	50,447,055	(59,991,333)	88,747,917
SEGMENT LIABILITIES		29,690,791	12,973,759	1,965,552	33,571,567	(48,412,203)	29,789,466



**25.**  
**SEGMENT**  
**INFORMATION**  
*(continued)*

	NOTE	IT	ICT	SAT	INVESTMENT HOLDING	ADJUSTMENTS AND ELIMINATIONS	TOTAL
2021		RM	RM	RM	RM	RM	RM
<b>REVENUE:</b>							
REVENUE FROM EXTERNAL CUSTOMERS		33,286,652	4,270,310	3,019,201	-	-	40,576,163
INTER-SEGMENT REVENUE	(a)	868,616	10,763	1,850	-	(881,229)	-
<b>TOTAL REVENUE</b>		<b>34,155,268</b>	<b>4,281,073</b>	<b>3,021,051</b>	<b>-</b>	<b>(881,229)</b>	<b>40,576,163</b>
<b>RESULTS: INCLUDED IN THE MEASURE OF SEGMENT (LOSS)/PROFIT ARE:</b>							
AMORTISATION OF INTANGIBLE ASSETS		1,015,203	746	28,041	-	-	1,043,990
BAD DEBTS WRITTEN OFF		-	-	14,003	-	-	14,003
DEPRECIATION OF INVESTMENT PROPERTY		26,596	-	-	-	-	26,596
DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT		5,161,907	214,743	393,309	2,639	(101,061)	5,671,537
GAIN ON DISPOSAL OF INTANGIBLE ASSETS		(39,415)	-	-	-	-	(39,415)
GAIN ON DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT		(549,583)	(774)	32,050	-	-	(518,307)
IMPAIRMENT LOSS ON TRADE RECEIVABLES		19,523	-	27,932	-	-	47,455
IMPAIRMENT LOSS ON AMOUNT OWING BY A SUBSIDIARY (NON-TRADE)		8,521	-	-	-	(8,521)	-
IMPAIRMENT LOSS ON AMOUNT OWING BY AN ASSOCIATE		-	7,629	-	-	-	7,629
IMPAIRMENT LOSS ON CONTRACT ASSETS		-	446,431	-	-	-	446,431
IMPAIRMENT LOSS ON INVESTMENT PROPERTY		315,000	-	-	-	-	315,000
INTANGIBLES ASSETS WRITTEN OFF		-	1	-	-	-	1

**25.**  
**SEGMENT**  
**INFORMATION**  
*(continued)*

	NOTE	IT	ICT	SAT	INVESTMENT HOLDING	ADJUSTMENTS AND ELIMINATIONS	TOTAL
2021	RM	RM	RM	RM	RM	RM	RM
INTEREST EXPENSE		565,345	17,162	29,697	-	(3,172)	609,032
INTEREST INCOME		(114,617)	(321)	(1,464)	(8,782)	-	(125,184)
INVENTORIES WRITTEN BACK		(11,848)	-	-	-	-	(11,848)
INVENTORIES WRITTEN OFF		2,706	-	-	-	-	2,706
PROPERTY, PLANT AND EQUIPMENT WRITTEN OFF		19	10	863	-	-	892
EXPENSE RELATING TO SHORT-TERM LEASE		40,480	-	19,966	-	(40,480)	19,966
EXPENSE RELATING TO LEASE OF LOW VALUE ASSETS		9,257	10,621	874	95	-	20,847
RENTAL INCOME		(220,250)	-	-	-	149,125	(71,125)
REVERSAL OF IMPAIRMENT LOSS ON AMOUNT OWING BY SUBSIDIARIES							-
- TRADE		-	-	-	(874)	874	-
- NON-TRADE		-	(358,399)	-	(167,810)	526,209	-
REVERSAL OF IMPAIRMENT LOSS ON TRADE RECEIVABLES		(39,688)	-	(322,191)	-	-	(361,879)
SEGMENT (LOSS)/PROFIT		(612,942)	(889,689)	999,793	(1,190,149)	(1,011,640)	(2,704,627)
INCOME TAX CREDIT		401,190	-	-	-	-	401,190
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<b>(211,752)</b>	<b>(889,689)</b>	<b>999,793</b>	<b>(1,190,149)</b>	<b>(1,011,640)</b>	<b>(2,303,437)</b>
SEGMENT ASSETS		<b>77,536,251</b>	<b>13,029,929</b>	<b>1,785,747</b>	<b>52,534,759</b>	<b>(62,015,838)</b>	<b>82,870,848</b>
SEGMENT LIABILITIES		<b>28,193,916</b>	<b>11,161,082</b>	<b>1,703,675</b>	<b>33,362,092</b>	<b>(51,555,160)</b>	<b>22,865,605</b>

(a) Inter-segment revenue are eliminated on consolidation.

(b) The Group operates predominantly in Malaysia and hence, no geographical segment is presented.

(c) For IT segment, revenue from one customer (2021: one customer) represented approximately RM18,355,324 (2021: RM28,458,000) for the Group's total revenue.

**26.**  
**RELATED PARTIES**
**(A)**  
**IDENTITY OF**  
**RELATED PARTIES**

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Subsidiaries;
- (ii) Associates;
- (iii) Entities in which directors have substantial financial interests; and
- (iv) Key management personnel of the Group and of the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

**(B)**  
**SIGNIFICANT**  
**RELATED PARTY**  
**TRANSACTIONS**

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	GROUP	
	2022 RM	2021 RM
<b>A SUBSIDIARY</b>		
RENTAL OF SOFTWARE PAID/PAYABLE		
- PRIVASIA SDN. BHD.	(2,216)	(3,142)

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Notes 12 and 17.

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to a subsidiary as disclosed in Note 28(a).

**(C)**  
**COMPENSATION OF**  
**KEY MANAGEMENT**  
**PERSONNEL**

Key management personnel includes personnel having authority and responsibility for planning, directing and controlling the activities of the entities, directly or indirectly, including any director of the Group and of the Company.

The remuneration of the key management personnel is as follows:

	GROUP		COMPANY	
	2022 RM	2021 RM	2022 RM	2021 RM
DIRECTORS' REMUNERATIONS	1,707,796	1,673,130	415,000	380,491
OTHER KEY MANAGEMENT PERSONNEL:				
- SHORT-TERM EMPLOYEE BENEFITS	406,276	498,907	258,924	-
- DEFINED CONTRIBUTION PLANS	48,945	62,192	31,200	-
	<u>2,163,017</u>	<u>2,234,229</u>	<u>705,124</u>	<u>380,491</u>

**27.**  
**FINANCIAL**  
**INSTRUMENTS**

**(A)**  
**CATEGORIES**  
**OF FINANCIAL**  
**INSTRUMENTS**

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

	CARRYING AMOUNT RM	AMORTISED COST RM
<b>AT 31 DECEMBER 2022</b>		
<b>FINANCIAL ASSETS</b>		
<b>GROUP</b>		
TRADE AND OTHER RECEIVABLES, NET OF PREPAYMENTS	14,566,922	14,566,922
DEPOSITS, CASH AND BANK BALANCES	6,108,598	6,108,598
	<u>20,675,520</u>	<u>20,675,520</u>
<b>COMPANY</b>		
TRADE AND OTHER RECEIVABLES, NET OF PREPAYMENTS	5,471,605	5,471,605
DEPOSITS, CASH AND BANK BALANCES	2,894	2,894
	<u>5,474,499</u>	<u>5,474,499</u>
<b>FINANCIAL LIABILITIES</b>		
<b>GROUP</b>		
LOANS AND BORROWINGS	(14,826,692)	(14,826,692)
TRADE AND OTHER PAYABLES, NET OF GST AND SST PAYABLE	(12,821,651)	(12,821,651)
	<u>(27,648,343)</u>	<u>(27,648,343)</u>
<b>COMPANY</b>		
TRADE AND OTHER PAYABLES	(33,571,567)	(33,571,567)

**27.**  
**FINANCIAL**  
**INSTRUMENTS**  
**(continued)**

**(A)**  
**CATEGORIES**  
**OF FINANCIAL**  
**INSTRUMENTS**  
**(continued)**

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned *(continued)*:

	CARRYING AMOUNT RM	AMORTISED COST RM
<b>AT 31 DECEMBER 2021</b>		
<b>FINANCIAL ASSETS</b>		
<b>GROUP</b>		
TRADE AND OTHER RECEIVABLES, NET OF PREPAYMENTS	10,563,584	10,563,584
DEPOSITS, CASH AND BANK BALANCES	10,329,550	10,329,550
	20,893,134	20,893,134
<b>COMPANY</b>		
TRADE AND OTHER RECEIVABLES, NET OF PREPAYMENTS	9,557,814	9,557,814
DEPOSITS, CASH AND BANK BALANCES	5,303	5,303
	9,563,117	9,563,117
<b>FINANCIAL LIABILITIES</b>		
<b>GROUP</b>		
LOANS AND BORROWINGS	(12,509,779)	(12,509,779)
TRADE AND OTHER PAYABLES, NET OF GST AND SST PAYABLE	(8,783,053)	(8,783,053)
	(21,292,832)	(21,292,832)
<b>COMPANY</b>		
TRADE AND OTHER PAYABLES	(33,362,092)	(33,362,092)

**(B)**  
**FAIR VALUE**  
**MEASUREMENT**

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

There have been no transfers between Level 1 and Level 2 during the financial year (2021: no transfer in either directions).

**28.**  
**FINANCIAL RISK**  
**MANAGEMENT**  
**OBJECTIVES**  
**AND POLICIES**

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are exercised by the Executive Directors and the Group Finance Director. The Audit and Risk Management Committee provides independent oversight to the effectiveness of the risk management process.

The Group's and the Company's exposure to the financial risks and the objectives, policies and processes put in place to manage these risks are discussed below:

**(A)**  
**CREDIT RISK**

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from their operating activities (primarily trade and other receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures.

**TRADE RECEIVABLES**  
**AND CONTRACT**  
**ASSETS**

As at end of the reporting date, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by their carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group and the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group and the Company have adopted policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

**CREDIT RISK**  
**CONCENTRATION**  
**PROFILE**

At the end of the reporting period, 65% (2021: 61%) of the Group's trade receivables was due from three (2021: two) major customers.

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit losses provision for all trade receivables and contract assets. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward-looking information.

**28.**  
**FINANCIAL RISK**  
**MANAGEMENT**  
**OBJECTIVES**  
**AND POLICIES**  
**(continued)**

**(A)**  
**CREDIT RISK**  
**(continued)**

The information about the credit risk exposure on the Group's and Company's trade receivables and contract assets using provision matrix are as follows:

	EXPECTED CREDIT LOSS RATE	GROSS CARRYING AMOUNT RM	EXPECTED CREDIT LOSSES RM	NET BALANCE RM
<b>GROUP</b>				
<b>AT 31 DECEMBER 2022</b>				
<b>CONTRACT ASSETS</b>	0%	7,870,867	-	7,870,867
<b>TRADE RECEIVABLES</b>				
CURRENT	0%	3,975,773	-	3,975,773
1 TO 30 DAYS PAST DUE	0%	1,383,361	-	1,383,361
31 TO 60 DAYS PAST DUE	0%	2,886,013	-	2,886,013
61 TO 90 DAYS PAST DUE	0%	207,419	-	207,419
MORE THAN 91 DAYS PAST DUE	0%	1,073,624	-	1,073,624
		9,526,190	-	9,526,190
<b>CREDIT-IMPAIRED</b>				
<b>INDIVIDUALLY IMPAIRED</b>				
- CONTRACT ASSETS		1,513,538	1,513,538	-
- TRADE RECEIVABLES		2,944,858	2,944,858	-
		4,458,396	4,458,396	-
		<b>21,855,453</b>	<b>4,458,396</b>	<b>17,397,057</b>
<b>AT 31 DECEMBER 2021</b>				
<b>CONTRACT ASSETS</b>	0%	5,709,039	-	5,709,039
<b>TRADE RECEIVABLES</b>				
CURRENT	0%	3,019,811	-	3,019,811
1 TO 30 DAYS PAST DUE	0%	2,375,290	-	2,375,290
31 TO 60 DAYS PAST DUE	0%	397,543	-	397,543
61 TO 90 DAYS PAST DUE	0%	45,132	-	45,132
MORE THAN 91 DAYS PAST DUE	0%	1,402,157	-	1,402,157
		7,239,933	-	7,239,933
<b>CREDIT-IMPAIRED</b>				
<b>INDIVIDUALLY IMPAIRED</b>				
- CONTRACT ASSETS		446,431	446,431	-
- TRADE RECEIVABLES		3,540,642	3,540,642	-
		3,987,073	3,987,073	-
		<b>16,936,045</b>	<b>3,987,073</b>	<b>12,948,972</b>

**28.**  
**FINANCIAL RISK**  
**MANAGEMENT**  
**OBJECTIVES**  
**AND POLICIES**  
**(continued)**

**(A)**  
**CREDIT RISK**  
**(continued)**

**TRADE RECEIVABLES**  
**AND CONTRACT**  
**ASSETS**  
**(continued)**

The information about the credit risk exposure on the Group's and Company's trade receivables and contract assets using provision matrix are as follows: *(continued)*

	EXPECTED CREDIT LOSS RATE	GROSS CARRYING AMOUNT RM	EXPECTED CREDIT LOSSES RM	NET BALANCE RM
<b>COMPANY AT 31 DECEMBER 2022</b>				
<b>TRADE RECEIVABLES</b>				
MORE THAN 91 DAYS PAST DUE	0%	3,919,422	-	3,919,422
<b>CREDIT-IMPAIRED</b>				
INDIVIDUALLY IMPAIRED		161,593	161,593	-
		<b>4,081,015</b>	<b>161,593</b>	<b>3,919,422</b>
<b>COMPANY AT 31 DECEMBER 2021</b>				
<b>TRADE RECEIVABLES</b>				
MORE THAN 91 DAYS PAST DUE	0%	6,276,392	-	6,276,392
<b>CREDIT-IMPAIRED</b>				
INDIVIDUALLY IMPAIRED		161,593	161,593	-
		<b>6,437,985</b>	<b>161,593</b>	<b>6,276,392</b>



**28.**  
**FINANCIAL RISK**  
**MANAGEMENT**  
**OBJECTIVES**  
**AND POLICIES**  
*(continued)*

For other receivables and other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

**(A)**  
**CREDIT RISK**  
*(continued)*

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

**OTHER RECEIVABLES**  
**AND OTHER**  
**FINANCIAL ASSETS**

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Refer to Note 3.12(a) for the Group's and the Company's other accounting policies for impairment of financial assets and contract assets.

**FINANCIAL**  
**GUARANTEES**  
**CONTRACTS**

The Company is exposed to credit risk in relation to financial guarantees given to banks in respects of banking facilities granted to a subsidiary. The Company monitors the results of the subsidiary and its repayment on an on-going basis. The maximum exposure to credit risks amounts to RM12,839,319 (2021: RM12,435,989) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 28(b). As at the reporting date, there was no indication that the subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantee is provided as credit enhancement to subsidiary's secured borrowings.

**(B)**  
**LIQUIDITY RISK**

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, loan and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

**MATURITY ANALYSIS** The maturity analysis of the Group's and of the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows:

	< CONTRACTUAL CASH FLOWS >				TOTAL RM
	CARRYING AMOUNT RM	ON DEMAND OR WITHIN 1 YEAR RM	BETWEEN 1 AND 5 YEARS RM	MORE THAN 5 YEARS RM	
<b>GROUP</b>					
<b>AT 31 DECEMBER 2022</b>					
TRADE AND OTHER PAYABLES, NET OF GST AND SST PAYABLE	12,821,651	12,821,651	-	-	12,821,651
LOANS AND BORROWINGS	14,826,692	8,495,951	5,417,543	2,166,576	16,080,070
	<u>27,648,343</u>	<u>21,317,602</u>	<u>5,417,543</u>	<u>2,166,576</u>	<u>28,901,721</u>
<b>AT 31 DECEMBER 2021</b>					
TRADE AND OTHER PAYABLES, NET OF GST AND SST PAYABLE	8,783,053	8,783,053	-	-	8,783,053
LOANS AND BORROWINGS	12,509,779	6,933,552	3,804,840	3,127,832	13,866,224
	<u>21,292,832</u>	<u>15,716,605</u>	<u>3,804,840</u>	<u>3,127,832</u>	<u>22,649,277</u>
<b>COMPANY</b>					
<b>AT 31 DECEMBER 2022</b>					
TRADE AND OTHER PAYABLES	33,571,567	33,571,567	-	-	33,571,567
FINANCIAL GUARANTEES *	-	12,839,319	-	-	12,839,319
	<u>33,571,567</u>	<u>46,410,886</u>	<u>-</u>	<u>-</u>	<u>46,410,886</u>
<b>AT 31 DECEMBER 2021</b>					
TRADE AND OTHER PAYABLES	33,362,092	33,362,092	-	-	33,362,092
FINANCIAL GUARANTEES *	-	12,435,989	-	-	12,435,989
	<u>33,362,092</u>	<u>45,798,081</u>	<u>-</u>	<u>-</u>	<u>45,798,081</u>

\* The Company has given corporate guarantees to banks on behalf of a subsidiary for banking facilities. The potential exposure of the financial guarantees are equivalent to the amount of the banking facilities being utilised by the said subsidiary.

**28.**  
**FINANCIAL RISK**  
**MANAGEMENT**  
**OBJECTIVES**  
**AND POLICIES**  
 (continued)

**(C)**  
**FOREIGN**  
**CURRENCY RISK**

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates related primarily to the Group's operating activities (when sales and purchases are denominated in a foreign currency) and the Group's net investment in a foreign subsidiary.

The Group does not hedge its foreign currency exposures. The Group ensures that the net exposure is kept to an acceptable level.

The Group's material unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

	GROUP	
	2022 RM	2021 RM
<b>DEPOSITS, CASH AND BANK BALANCES</b>		
UNITED STATES DOLLAR ("USD")	134,453	127,601
<b>TRADE PAYABLES</b>		
UNITED STATES DOLLAR ("USD")	(532,394)	(299,431)
<b>OTHER PAYABLES</b>		
UNITED STATES DOLLAR ("USD")	(841,036)	(783,209)

**SENSITIVITY ANALYSIS FOR FOREIGN CURRENCY RISK**

The Group's principal foreign currency exposure relates to United States Dollar ("USD").

The following table demonstrates the sensitivity to a reasonably possible change in the USD, with all other variables held constant on the Group's total equity and loss for the financial year.

	CHANGE IN RATE	EFFECT ON EQUITY AND LOSS FOR THE FINANCIAL YEAR (RM)
<b>GROUP</b>		
<b>31 DECEMBER 2022</b>		
- USD	+10%	(94,162)
	-10%	94,162
<b>31 DECEMBER 2021</b>		
- USD	+10%	(72,583)
	-10%	72,583

**28.**  
**FINANCIAL RISK**  
**MANAGEMENT**  
**OBJECTIVES**  
**AND POLICIES**  
 (continued)

**(D)**  
**INTEREST RATE**  
**RISK**

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments as a result of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its long-term loans and borrowings with floating interest rates. The Group manages the net exposure to interest rate risks by maintaining sufficient lines of credit to obtain acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis. The Group does not enter into interest rate hedging transactions since it considers that the cost of such instruments outweighs the potential risk of interest rate fluctuation.

**SENSITIVITY**  
**ANALYSIS FOR**  
**INTEREST RATE RISK**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and loss for the financial year.

	CHANGE IN BASIS POINT	EFFECT ON EQUITY AND LOSS FOR THE FINANCIAL YEAR (RM)
<b>GROUP</b>		
31 DECEMBER 2022	+50	(55,744)
	-50	55,744
31 DECEMBER 2021	+50	(47,257)
	-50	47,257

**29.**  
**COMMITMENTS**

**OPERATING LEASE**  
**COMMITMENTS –**  
**AS LESSOR**

The Group leases an investment property and office building which has remaining lease term of one year (2021: one year). The undiscounted lease payment to be received is as follows:

	GROUP	
	2022 RM	2021 RM
NOT MORE THAN ONE YEAR	18,000	111,500

**30.**  
**CAPITAL**  
**MANAGEMENT**

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong credit rating and healthy capital ratio in order to support their business and maximise shareholder value. The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years ended 31 December 2022 and 31 December 2021.

The Group and the Company monitor capital using gearing ratio, which is net debts divided by total equity attributable to the owners of the Company plus net debts. Net debts comprises borrowings, less deposits, cash and bank balances. The gearing ratio at 31 December 2022 and 31 December 2021 are as follows:

	NOTE	GROUP		COMPANY	
		2022 RM	2021 RM	2022 RM	2021 RM
LOANS AND BORROWINGS	16	14,826,692	12,509,779	-	-
LESS:					
DEPOSITS, CASH AND BANK BALANCES	14	(6,108,598)	(10,329,550)	(2,894)	(5,303)
NET DEBTS/(CASH)		8,718,094	2,180,229	(2,894)	(5,303)
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY		59,545,579	60,933,678	16,875,488	19,172,667
TOTAL EQUITY PLUS NET DEBT		68,263,673	63,113,907	16,872,594	19,167,364
GEARING RATIO		13%	3%	*	*

\* Not meaningful.

The subsidiary has complied with the requirements as disclosed in Note 16(a).

## STATEMENT BY DIRECTORS

(PURSUANT TO SECTION 251(2)  
OF THE COMPANIES ACT 2016

We, DATO' AZMAN BIN MAHMUD and DATUK PUVANESAN A/L SUBENTHIRAN, being two of the directors of PRIVASIA Technology Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 66 to 140 are drawn up in accordance with the 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 at 31 December 2022 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors.

\_\_\_\_\_  
DATO' AZMAN BIN MAHMUD  
Director

Kuala Lumpur

Date: 12 April 2023

\_\_\_\_\_  
DATUK PUVANESAN A/L SUBENTHIRAN  
Director

Kuala Lumpur

Date: 12 April 2023

## STATUTORY DECLARATION

(PURSUANT TO SECTION 251(1)  
OF THE COMPANIES ACT 2016

I, KULARAJAH A/L M.THAVARATNAM, being the officer primarily responsible for the financial management of PRIVASIA Technology Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 66 to 140 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

\_\_\_\_\_  
KULARAJAH A/L M.THAVARATNAM  
MIA Membership No: CA 32004

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 12 April 2023.

Before me,

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRIVASIA TECHNOLOGY BERHAD (INCORPORATED IN MALAYSIA)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### OPINION

We have audited the financial statements of PRIVASIA Technology Berhad, which comprise the statements of financial position as at 31 December 2022 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 66 to 140.

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 December 2022, and of their financial performance and their cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

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#### 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 of the 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.

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#### 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.

#### GROUP

#### **GOODWILL AND OTHER INTANGIBLE ASSETS (NOTES 4(A) AND 7 TO THE FINANCIAL STATEMENTS)**

Goodwill is tested for impairment annually and at other times when such indicators exist. The Group determines whether other intangible assets, not yet available for use, is impaired, at least on an annual basis. Development costs have finite useful lives and are assessed for impairment whenever there is an indication of impairment.

We focused on this area because this assessment requires significant judgements by the directors on the discount rates applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including forecast growth rates and gross profit margin.

#### **OUR RESPONSE:**

Our audit procedures included, among others:

- considering and discussing the appropriateness of the methodology and method adopted by the Group in measuring the recoverable amount;
- discussing the Group's assumptions in relation to key inputs such as discount rate, forecast growth rates and gross profit margin;
- testing the mathematical accuracy of the impairment assessment; and
- performing a sensitivity analysis around the key inputs that are expected to be most sensitive to the recoverable amount.

**REPORT ON  
THE AUDIT OF  
THE FINANCIAL  
STATEMENTS**  
(continued)

**KEY AUDIT  
MATTERS**  
(continued)

**GROUP**  
(continued)

**TRADE RECEIVABLES (NOTES 4(B), 12 AND 13 TO THE FINANCIAL STATEMENTS)**

The Group has significant trade receivables and contract assets as at the end of the financial year. We focused on this area because the directors made significant judgements over assumptions about risk of default and expected loss rate. In making the assumptions, the directors selected inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of the reporting period.

**OUR RESPONSE:**

Our audit procedures included, among others:

- discussing the design and assessing the implementation of controls associated with monitoring and impairment assessment of trade receivables and contract assets that were either in default or significantly overdue;
- developing understanding of significant credit exposures which were significantly overdue or deemed to be in default through analysis of ageing reports and other collection reports prepared by the Group;
- obtaining confirmation of balances from selected samples of receivables;
- checking subsequent receipts, customer correspondence, and Group explanation on recoverability of debtors with significant past due balances; and
- Understanding and discussing the calculation of expected credit losses as at the end of the reporting period.

**PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY (NOTES 4(C), 5 AND 6 TO THE FINANCIAL STATEMENTS)**

The Group's property, plant and equipment and an investment property are measured at cost less accumulated depreciation and any accumulated impairment losses. The directors have performed an impairment assessment on the office building and an investment property to estimate the recoverable amounts of these assets which involved significant judgements.

The Group estimated the recoverable amounts of the office building and investment property based on the market valuation performed by an external independent valuer include sales comparison method, being comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for size and tenure. We focused on this area because the valuation requires significant judgement in determining the appropriate valuation methods and the key assumptions used in the valuations.

**OUR RESPONSE:**

Our audit procedures included, among others:

- evaluating the competence, capabilities and objectivity of the external valuer which included consideration of their qualifications and experience;
- understanding the scope and purpose of the valuation by assessing whether any matters that might have affected their objectivity or limited the scope of their work;
- reading the valuation reports for all significant properties and discussing with external valuer on their valuation approach and the significant judgements they made, including the selection of comparable properties and adjustments for differences in key attributes made to the transacted value of comparable properties; and
- assessing the valuation approach used and appropriateness of the key assumptions based on our knowledge of the property industry.

**COMPANY**

**INVESTMENT IN SUBSIDIARIES (NOTES 4(D) AND 8 TO THE FINANCIAL STATEMENTS)**

The company assesses investment in subsidiaries whenever the events or changes in circumstances indicate that the carrying amount may not be recoverable i.e. the carrying amount of the subsidiary is more than the recoverable amount.

We focused on this area because the directors' assessment of the recoverable amount involved significant judgement. The recoverable amounts of investment in subsidiaries were determined based on value-in-use which includes the discount rates applied in the recoverable amount calculation and the assumption supporting the underlying cash flow projections which include future sales, gross profit margin and operating expenses.



### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

Our response:

Our audit procedures included, among others:

- understanding the Company's process flow in preparing cash flow projections;
- comparing the actual results with previous cash flow projections to assess the performance of the business and reliability of the forecasting process;
- understanding and discussing the Company's assumptions in relation to key assumptions in the projections;
- testing the mathematical accuracy of the impairment assessment; and
- understanding and discussing the sensitivity of key assumptions that are expected to be most sensitive to the recoverable amount.

### KEY AUDIT MATTERS (continued)

### COMPANY (continued)

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### 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.

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### RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with the 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.

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.

The directors of the Company are responsible for overseeing the Group's financial reporting process.

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### 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.

**REPORT ON  
THE AUDIT OF  
THE FINANCIAL  
STATEMENTS  
(continued)**

- 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.

**AUDITORS'  
RESPONSIBILITIES  
FOR THE AUDIT OF  
THE FINANCIAL  
STATEMENTS  
(continued)**

- 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.

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 subsidiary of which we have not acted as auditors, is disclosed in Note 8(c) to the financial statements.

**OTHER MATTERS**

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 contents of this report.

**BAKER TILLY MONTEIRO HENG PLT**  
201906000600 (LLP0019411-LCA) & AF0117  
Chartered Accountants

Kuala Lumpur

Date: 12 April 2023

**NG ZU WEI**  
NO. 03545/12/2024 J  
Chartered Accountant

Kuala Lumpur

Date: 12 April 2023

## ANALYSIS OF SHAREHOLDING AS AT 17 MARCH 2023

ISSUED SHARE CAPITAL	: 614,020,000 Ordinary Shares
CLASS OF SHARES	: Ordinary Shares
VOTING RIGHTS	: One (1) Vote per Ordinary Shares

### NUMBER OF SHAREHOLDERS ANALYSIS BY SIZE OF SHAREHOLDINGS

SIZE OF SHARE HOLDINGS	NO. OF SHARE HOLDERS	% OF SHARE HOLDERS	NO. OF SHARES HELD	% OF SHARE HOLDINGS
Less than 100	23	0.38	717	0.00
100 – 1,000	512	8.54	276,583	0.05
1,001 – 10,000	2,150	35.88	14,052,600	2.29
10,001 – 100,000	2,719	45.37	105,712,700	17.22
100,001 – 30,701,000*	586	9.78	268,091,700	43.66
30,701,001 and above**	3	0.05	225,885,720	36.79
<b>TOTAL</b>	<b>5,993</b>	<b>100.00</b>	<b>614,020,020</b>	<b>100.00</b>

Note :

\* Less than 5% of issued holdings

\*\* 5% and above of issued holdings

### LIST OF SUBSTANTIAL SHAREHOLDERS (5% AND ABOVE)

NO.	NAMES OF SUBSTANTIAL SHAREHOLDERS	DIRECT INTEREST		INDIRECT INTEREST	
		NO. OF SHARES	%	NO. OF SHARES	%
1.	ANYOTECH SDN. BHD.	79,713,220	12.98	-	-
2.	RADIANT PRINCIPLES SDN. BHD.	75,000,000	12.21	-	-
3.	PANCARTHIRAN SDN. BHD.	71,172,500	11.59	-	-
4.	*DATUK PUVANESAN A/L SUBENTHIRAN			150,885,720	24.57
	Share held through:-				
	- Individual Account	15,981,400	2.60		
	- Maybank Securities Nominees (Tempatan) Sdn. Bhd.	1,260,800	0.21		
		17,242,200	2.81		
5.	**ANDRE ANTHONY A/L HUBERT RENE	5,674,700	0.92	154,713,220	25.20

### DIRECTORS' SHAREHOLDING (ACCORDING TO THE REGISTER OF DIRECTORS' SHAREHOLDINGS)

NO.	NAMES OF DIRECTORS	SHAREHOLDING			
		DIRECT	%	INDIRECT	%
1.	*DATUK PUVANESAN A/L SUBENTHIRAN			150,885,720	24.57
	Share held through:-				
	- Individual Account	15,981,400	2.60		
	- Maybank Securities Nominees (Tempatan) Sdn. Bhd.	1,260,800	0.21		
		17,242,200	2.81		
2.	**ANDRE ANTHONY A/L HUBERT RENE	5,674,700	0.92	154,713,220	25.20
3.	DATO' AZMAN BIN MAHMUD	-	-	-	-
4.	HAIDA SHENNY BINTI HAZRI	576,000	0.09	-	-
5.	RACHEL LAU JEAN MEI	-	-	-	-
6.	LEONG KAH CHERN				
	Share held through:-				
	Kenanga Nominees (Tempatan) Sdn. Bhd.	500,000	0.08	-	-
7.	YIP KIT WENG	-	-	-	-

\* Deemed interest under Section 8(4) of the Act by virtue of shares held by Anyotech Sdn Bhd and Pancarthiran Sdn Bhd.

\*\*Deemed interest under Section 8(4) of the Act by virtue of shares held by Anyotech Sdn Bhd and Radiant Principles Sdn Bhd.

**LIST OF THIRTY (30)  
LARGEST SECURITIES  
ACCOUNT HOLDERS  
(ACCORDING TO  
THE RECORD OF  
DEPOSITORS)**

NO.	NAMES	SHAREHOLDING	%
1.	ANYOTECH SDN. BHD.	79,713,220	12.98
2.	RADIANT PRINCIPLES SDN. BHD.	75,000,000	12.21
3.	PANCARTHIRAN SDN. BHD.	71,172,500	11.59
4.	DATO' MOHAMED SHARIL BIN MOHAMED TARMIZI	17,305,400	2.82
5.	DATUK PUVANESAN A/L SUBENTHIRAN	15,581,400	2.54
6.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM YEOW KIM (MG0000137)	13,138,000	2.14
7.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. RAKUTEN TRADE SDN. BHD. FOR LEE SIEW LIN	11,050,000	1.80
8.	ANDRE ANTHONY A/L HUBERT RENE	5,674,700	0.92
9.	SIM YI CHIAN	3,800,000	0.62
10.	LEONG YENG KIT	3,725,600	0.61
11.	ADRIAN HENRY D'SILVA	3,500,000	0.57
12.	FIRMANSYAH AANG BIN MUHAMAD	2,846,900	0.46
13.	CHONG SAU KUEN	2,500,000	0.41
14.	JEREMIAH A/L MICHEAL	2,250,000	0.37
15.	HENG YIK WAH	2,000,000	0.33
16.	LEE KAO CHOON	2,000,000	0.33
17.	MOHD FAIZ BIN MOKHTAR	2,000,000	0.33
18.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TANG VEE MUN (DATUK)	1,949,100	0.32
19.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NORAZHAR BIN ABDUL RAHMAN (E-TCS/PJA)	1,900,000	0.31
20.	DUCLOS SDN BHD	1,600,000	0.26
21.	DATUK ALI BIN ABDUL KADIR	1,525,000	0.25
22.	ABDULLAH SUHAIMI BIN YACOB	1,400,000	0.23
23.	HAN FOO JUAN	1,400,000	0.23
24.	SHAIFUL ZHRIN BIN SUBHAN	1,346,900	0.22
25.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGE SECURITIES ACCOUNT FOR VINCENT PHUA CHEE EE	1,300,000	0.21
26.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGE SECURITIES ACCOUNT FOR LIM KIAN LEONG (E-KLG)	1,300,000	0.21
27.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGE SECURITIES ACCOUNT FOR DATUK PUVANESAN A/L SUBENTHIRAN	1,230,800	0.20
28.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR CHUA WEE CHEE	1,200,000	0.20
29.	M&A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOON NEE SIEW (M&A)	1,200,000	0.20
30.	ONG YEW BENG	1,200,000	0.20

**PROPERTY  
OF THE  
GROUP**

LOCATION	DESCRIPTION/ EXISTING USE	BUILT UP AREA OF BUILDING (SQ. FT)	AGE OF BUILDING (YEARS)	TENURE	NET BOOK VALUE AS AT 31.12.22	DATE OF ACQUISITION/ REVALUATION
PRIVASIA SDN. BHD.						
UNIT C-21-01 TO 07 3 TWO SQUARE NO. 2 JALAN 19/1 46300 PETALING JAYA SELANGOR DARUL EHSAN	1st Storey: Retail Lot – Tenanted	1,798	13	99 years lease expiring on 6 SEPTEMBER 2106	12,138,936	28.03.2008
	2nd - 7th Storey: Office Use	23,508				
Strata title held under PN50495/M1-C/1/113, PN50495/M1-C/2/130, PN50495/M1-C/3/147, PN50495/M1-C/4/164, PN50495/M1-C/5/181, PN50495/M1-C/6/198, PN50495/M1-C/7/211, Lot 103, Seksyen 36, Bandar Petaling Jaya, Daerah Petaling, Selangor Darul Ehsan.						

**PRIVASIA  
TECHNOLOGY  
BERHAD**

**COMMUNICATION,  
BRAND AND  
ENGAGEMENT**

C-21-02, 3 Two Square  
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E : info@privasia.com

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Communication, Brand and Engagement  
PRIVASIA Technology Berhad

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The digital version of this Annual Report is available online at <https://www.privasia.com/annual-reports/>

**CONTACTS**

INVESTORS  
& ANALYSTS info@privasia.com

INDIVIDUAL  
SHAREHOLDERS info@privasia.com

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NUMBER OF SHARES HELD	CDS ACCOUNT NO.																						

I/We, \_\_\_\_\_ NRIC/Company No. \_\_\_\_\_  
(FULL NAME AS PER NRIC/CERTIFICATE OF INCORPORATION IN BLOCK LETTERS)

(Tel No: \_\_\_\_\_) of \_\_\_\_\_  
(FULL ADDRESS)

being a member / members of PRIVASIA TECHNOLOGY BERHAD, hereby appoint the following:

NAME OF PROXY	NRIC / PASSPORT NO.	NO. OF SHARES	PROPORTION OF SHAREHOLDINGS (%)

and / of failing him / her

NAME OF PROXY	NRIC / PASSPORT NO.	NO. OF SHARES	PROPORTION OF SHAREHOLDINGS (%)

or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the Fifteenth Annual General Meeting ("15th AGM") of the Company, which will be held at C-21-02, 3 Two Square, No. 2, Jalan 19/1, 46300 Petaling Jaya, Selangor Darul Ehsan on Wednesday, 28 June 2023 at 10.00 a.m. and at any adjournment thereof.

My/our proxy is to vote on the resolutions as indicated by an "X" in the appropriate spaces below. If this form is returned without any indication as to how the proxy shall vote, the proxy shall vote or abstain as he/she thinks fit.

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	TO RE-ELECT MR. ANDRE ANTHONY A/L HUBERT RENE AS DIRECTOR.		
2.	TO RE-ELECT DATO' AZMAN BIN MAHMUD AS DIRECTOR.		
3.	TO RE-ELECT MR. YIP KIT WENG.		
4.	TO APPROVE THE PAYMENT OF DIRECTORS' FEES PAYABLE TO DIRECTORS OF THE COMPANY FROM 1 JULY 2023 UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD IN 2024.		
5.	TO APPROVE THE PAYMENT OF DIRECTORS' BENEFITS PAYABLE TO THE DIRECTORS OF THE COMPANY FROM 1 JULY 2023 UNTIL THE CONCLUSION OF THE NEXT ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD IN 2024.		
6.	TO APPROVE THE PAYMENT OF DIRECTORS' FEES AND BENEFITS OF THE COMPANY'S SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022.		
7.	TO RE-APPOINT MESSRS BAKER TILLY MONTEIRO HENG PLT AS AUDITORS OF THE COMPANY UNTIL THE CONCLUSION OF THE NEXT AGM AND TO AUTHORISE THE DIRECTORS TO FIX THEIR REMUNERATION.		
8.	TO AUTHORISE THE DIRECTORS TO ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 AND WAIVER FOR PRE-EMPTIVE RIGHTS.		

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2023

SIGNATURE  
(IF SHAREHOLDER IS A CORPORATION, THIS PART SHOULD BE EXECUTED UNDER SEAL)

#### NOTES TO FORM OF PROXY:-

- A member of the Company entitled to attend and vote at the Meeting is entitled to appoint more than one (1) proxy to attend and vote on his/her behalf. Where a member appoints more than one (1) proxy, the member shall specify the proportion of the shareholding to be represented by each proxy, failing which the appointments shall be invalid.
- There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a Meeting shall have the same rights as the Member to speak at the Meeting.
- For the purpose of determining who shall be entitled to attend the 15th AGM, the Company shall request Bursa Malaysia Depository Sdn. Bhd. to issue a Record of Depositors as at 20 June 2023. A Depositor whose name appears as such Record of Depositors shall be entitled to attend the Meeting.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of its attorney duly authorised in writing.
- Where a Member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a Member is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy or the power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power or authority, must be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd. and may either be in the following manner and must not less than forty eight (48) hours before time for holding the Meeting i.e. latest by 26 June 2023 at 10.00 a.m. or any adjournments thereof or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll; otherwise the instrument of proxy shall not be treated as valid and the person so named shall not be entitled to vote in respect thereof.  
In hardcopy form - Either by hand or post, at Ground Floor or 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Any alteration to the Form of Proxy must be initialled.  
Electronically - You may also submit the Form of Proxy electronically through the Boardroom Smart investor Portal ("BSIP") at <https://investor.boardroomlimited.com>. (Kindly refer to the Administrative Details for the procedures on electronics lodgement of proxy form).
- Pursuant to Paragraph 8.31A(1) of Bursa Malaysia Securities Berhad ACE Market Listing Requirements, all the resolutions in the 15th AGM of the Company shall be put to vote by way of poll.
- By submitting the proxy form, the member consents to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the AGM, including any adjournment thereof.



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AFFIX  
STAMP

**PRIVASIA TECHNOLOGY BERHAD**

Registration No: 200801023769 (825092-U)

BOARDROOM SHARE REGISTRARS SDN. BHD.  
GROUND FLOOR OR 11TH FLOOR, MENARA SYMPHONY  
NO. 5, JALAN PROF. KHOO KAY KIM  
SEKSYEN 13  
46200 PETALING JAYA  
SELANGOR DARUL EHSAN

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PRIVASIA TECHNOLOGY BERHAD  
Registration No : 200801023769 (825092-U)  
C-21-02, 3 Two Square  
2, Jalan 19/1  
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