



DATAPREP HOLDINGS BHD.

Registration No. 198901005754 (183059-H) (Incorporated in Malaysia)

ANNUAL REPORT 2024/2025



Transforming Services for the **FUTURE**

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ABOUT US

The demand for Dataprep's solutions and services has grown immensely over the years. This resulted in our diverse transformation internally, enhancing high performance cultures and brand building initiatives to ensure optimum efficiency and effectiveness in all services.



VISION

To be a leading regional ICT service company providing business and technology solutions and services.



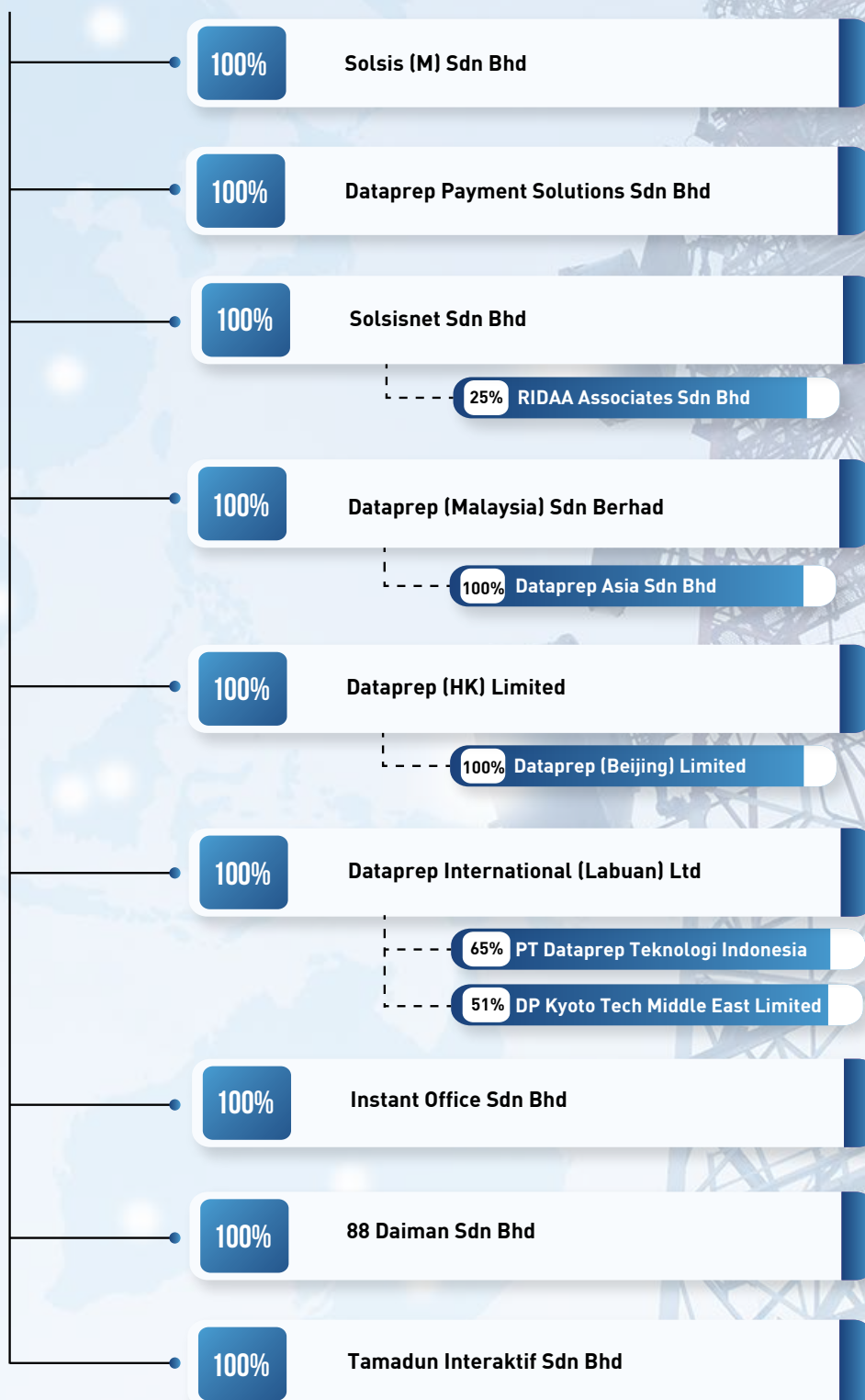
MISSION

To build relationship and develop innovative solutions and services which help clients to create and realize values.

CORPORATE STRUCTURE



Dataprep Holdings Bhd





STRONG AND RELIABLE PARTNER

Assist clients to focus on
business by providing
solutions and managing ICT
infrastructure seamlessly

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 36TH ANNUAL GENERAL MEETING ("AGM") OF DATAPREP HOLDINGS BHD ("DATAPREP" OR "THE COMPANY") WILL BE HELD AT BUKIT KIARA EQUESTRIAN AND COUNTRY RESORT, JALAN BUKIT KIARA OFF JALAN DAMANSARA, 60000 KUALA LUMPUR ON MONDAY, 1 DECEMBER 2025 AT 10.00 A.M. FOR THE FOLLOWING PURPOSES:

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial period ended 30 June 2025 together with the Reports of the Directors and Auditors thereon. **(Please refer to Explanatory Note A)**
2. To approve the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company, up to an amount not exceeding RM400,000.00, for the period from 27 June 2024 to 30 November 2025. **(Please refer to Explanatory Note B)** **(Ordinary Resolution 1)**
3. To approve the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company, up to an amount not exceeding RM400,000.00, for the period from 1 December 2025 until the date of the next Annual General Meeting of the Company. **(Please refer to Explanatory Note C)** **(Ordinary Resolution 2)**
4. To re-elect the following Directors who retire pursuant to Clause 116 of the Company's Constitution and being eligible, have offered themselves for re-election:
 - a. Che Khalid bin Embong **(Ordinary Resolution 3)**
 - b. Chan Kea Yong @ Chan Kea Hee **(Ordinary Resolution 4)**
 - c. Dr Choo Koon Lip **(Ordinary Resolution 5)**
 - d. Dr Wan Ahmad Rudirman bin Wan Razak **(Ordinary Resolution 6)**
 - e. Datuk Syahril Yusri bin Abdul Aziz **(Ordinary Resolution 7)**
5. To re-elect the following Directors who retire by rotation pursuant to Clause 131 of the Company's Constitution and being eligible, have offered themselves for re-election:
 - a. Dato' Nor Adha bin Yahya **(Ordinary Resolution 8)**
 - b. Datuk Mohamad Sabir bin Mohamad Sabri **(Ordinary Resolution 9)**
6. To reappoint Messrs. Folks DFK & Co as Auditors of the Company for the ensuing year and to authorize the Directors to fix their remuneration. **(Ordinary Resolution 10)**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following ordinary resolutions:

7. **Authority to Directors to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act")** **(Ordinary Resolution 11)**

"THAT subject always to the Act, the Constitution of the Company and approvals from the relevant authorities, where such approval is necessary, full authority be and is hereby given to the Directors of the Company, pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors of the Company 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 total number of issued shares of the Company for the time being.

NOTICE OF ANNUAL GENERAL MEETING

[Cont'd]

THAT, pursuant to Section 85 of the Act and Clause 76 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new Company shares pursuant to Sections 75 and 76 of the Act.

AND THAT the Directors of the Company be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.

AND FURTHER THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company." **(Please refer to Explanatory Note D)**

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

BY ORDER OF THE BOARD

NOR FAZIEANA BINTI DAUD

Membership No. MAICSA 7067115

SSM Practicing Certificate No. 201908003530

Company Secretary

Selangor Darul Ehsan, Malaysia

31 October 2025

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote for him but his attendance shall automatically revoke the proxy's authority. A proxy may but need not be a member of the Company but must be of full age of eighteen (18) years and above. There shall be no restriction as to the qualification of the proxy.
2. A member is entitled to appoint more than one (1) proxy to attend, speak and vote instead of the member at the meeting. A proxy may but need not be a member of the Company.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings(s) represented by each proxy. A members can also appoint Chairman of the Meeting as a proxy.
4. Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
5. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
6. The Proxy Form can be deposited at the office of the Poll Administrator, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia. or submit via online at <https://srmy.vistra.com> not less than forty-eight (48) hours before the time of holding the 36th AGM or any adjournment thereof.
7. Should the member has appointed proxy but decide to participate himself instead, the member has to revoke the appointed proxy and reach the Poll Administrator not less than forty-eight (48) hours before the AGM.

NOTICE OF ANNUAL GENERAL MEETING

(Cont'd)

8. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Clause 88 of the Company's Constitution, a Record of Depositors as at 20 November 2025 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting.
9. Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements, all resolutions set out in the Notice of 36th AGM will be put to vote on a poll.

EXPLANATORY NOTES TO ORDINARY RESOLUTIONS AND SPECIAL BUSINESS

Note A: To receive the Audited Financial Statements

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only and do not require shareholders' approval. Hence, this Agenda is not put forward for voting.

Note B: To approve the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company, up to an amount not exceeding RM400,000.00, for the period from 27 June 2024 to 30 November 2025.

Ordinary Resolution 1

This resolution seeks shareholders' approval for the payment of Directors' fees and benefits to the Non-Executive Directors of the Company, up to RM400,000.00 for the period from 27 June 2024 to 30 November 2025. The proposal is being re-tabled for consideration to ensure that the Non-Executive Directors are appropriately remunerated for their roles and responsibilities.

In determining the total amount of Directors' fees and benefits, the Board had taken into account various factors, among others, the claimable benefits and the number of meetings of the Board and Board Committees held during the said period.

Note C: To approve the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company, up to an amount not exceeding RM400,000.00, for the period from 1 December 2025 until the date of the next Annual General Meeting of the Company.

Ordinary Resolution 2

Pursuant to Section 230(1) of the Act, fees and benefits payable to the Directors of public company or a listed company and its subsidiaries shall be approved by shareholders at a general meeting. The Directors' benefits payable comprises of meeting attendance allowances and other claimable benefits.

In determining the estimated total amount of Directors' benefits, the Board has considered various factors, among others, the estimated claimable benefits and estimated number of meetings for the Board and Board Committees held for the period commencing from the conclusion of 36th AGM up to the conclusion of the next AGM of the Company.

In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for additional fees to meet the shortfall.

NOTICE OF ANNUAL GENERAL MEETING

[Cont'd]

Note D: Authority to Directors to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Act

Ordinary Resolution 11

The proposed Ordinary Resolution 11, if passed, will empower the Directors of the Company to allot and issue new shares in the Company at any time, to such person or persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit ("General Mandate"), provided that the number of shares issued pursuant to this General Mandate, when aggregated with the total number of any such shares issued during the preceding 12 months, does not exceed 10% of the total number of issued shares of the Company at the time of issue. This General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

With this General Mandate, the Company will be able to raise funds expeditiously for the purpose of funding future investment, working capital and/or acquisition(s) without having to convene a general meeting to seek shareholders' approval when such opportunities or needs arise.

Pursuant to Section 85 of the Companies Act 2016 read together with Clause 76 of the Company's Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible shares.

Section 85(1) of the Companies Act 2016 ("Act") provides that:

"Subject to the constitution, where a company issue shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders".

Clause 76 of the Company's Constitution states as follows: -

- 76.1 Subject to any direction to the contrary that may be given by the Company in general meeting, any new shares or other convertible Securities proposed to be issued shall, before they are issued be offered to such persons as are at the date of the offer entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by written notice specifying the number of shares or convertible Securities offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or convertible Securities offered, The Board may dispose of those shares or convertible Securities in such manner as they think most beneficial to the Company. The Board may likewise also dispose of any new shares or convertible Securities which (by reason of the ratio which the new shares or convertible Securities bear to shares or Securities held by the persons entitled to an offer of new shares or convertible Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution.
- 76.2 Except so far as otherwise provided by or pursuant to the conditions of issue, any new share capital shall be considered as part of the original share capital of the Company and shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture and otherwise as the original share capital.

The proposed Ordinary Resolution 11, if passed, will exclude your pre-emptive right to be offered new shares and/or convertible securities to be issued by the Company pursuant to the said Ordinary Resolution.

NOTICE OF ANNUAL GENERAL MEETING

(Cont'd)

STATEMENT ACCOMPANYING THE NOTICE OF 36TH ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2), Appendix 8A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. The Directors who are seeking re-election as Directors of the Company at the 36th AGM of the Company are:

- | | | |
|----|--|-------------------------|
| a. | Che Khalid bin Embong (Clause 116) | (Ordinary Resolution 3) |
| b. | Chan Kea Yong @ Chan Kea Hee (Clause 116) | (Ordinary Resolution 4) |
| c. | Dr Choo Koon Lip (Clause 116) | (Ordinary Resolution 5) |
| d. | Dr Wan Ahmad Rudirman bin Wan Razak (Clause 116) | (Ordinary Resolution 6) |
| e. | Datuk Syahril Yusri bin Abdul Aziz (Clause 116) | (Ordinary Resolution 7) |
| f. | Dato' Nor Adha bin Yahya (Clause 131) | (Ordinary Resolution 8) |
| g. | Datuk Mohamad Sabir bin Mohamad Sabri (Clause 131) | (Ordinary Resolution 9) |

("the retiring Directors")

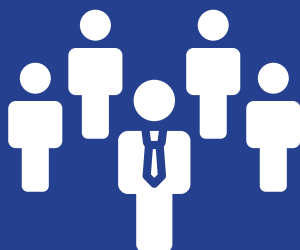
The profile of the retiring Directors are set out in the Directors' Profile of the Annual Report of the Company.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03 of the MMLR of Bursa Securities.

Details of the general mandate to allot shares in the Company pursuant to Sections 75 and 76 of the Act are set out in Explanatory Note of the Notice of the 36th AGM.

The Annual Report 2024/2025 and other accompanying documents will be sent by electronic mail to Shareholders who have maintained their e-mail addresses in the Record of Depositors with Bursa Malaysia Depository Sdn. Bhd.

CORPORATE INFORMATION



BOARD OF DIRECTORS

MEMBERS

Dato' Nor Adha bin Yahya
(Chairman/ Independent Non-Executive Director)

Datuk Mohamad Sabir bin Mohamad Sabri
(Non-Independent Executive Director/Managing Director)

Chan Kea Yong & Chan Kea Hee
(Non-Independent Executive Director)

Che Khalid bin Embong
(Independent Non-Executive Director)

Dr Choo Koon Lip
(Independent Non-Executive Director)

Dr Wan Ahmad Rudirman bin Wan Razak
(Independent Non-Executive Director)

Datuk Syahril Yusri bin Abdul Aziz
(Non-Independent Non-Executive Director)

AUDIT COMMITTEE

Chairman
Che Khalid bin Embong

Members
Dr Choo Koon Lip
Dr Wan Ahmad Rudirman bin Wan Razak

NOMINATION AND REMUNERATION COMMITTEE

Chairman
Dr Choo Koon Lip

Members
Che Khalid bin Embong
Dr Wan Ahmad Rudirman bin Wan Razak

COMPANY SECRETARY

Nor Fazieana binti Daud
MAICSA 7067115
SSM PC NO. 201908003530

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Semangat (Jalan Professor Khoo Kay Kim)
Seksyen 13,
46200 Petaling Jaya
Selangor Darul Ehsan
Telephone : (+603) 7890 4700
Facsimile : (+603) 7890 4670

REGISTERED OFFICE

Suite 5.02, 5th Floor
Wisma Academy
4A, Jalan 19/1,
46300 Petaling Jaya
Selangor Darul Ehsan
Telephone : (+603) 7843 1600
Facsimile : (+603) 7956 2324

WEBSITE

www.dp.com.my

PRINCIPAL BANKERS

Malayan Banking Berhad
Maybank Islamic Berhad
CIMB Bank Berhad
CIMB Islamic Bank Berhad
Bank Muamalat Malaysia Berhad
Hong Leong Bank Berhad
Public Bank Berhad
RHB Bank Berhad

AUDITORS

Messrs. Folks DFK & Co (AF0502)
12th Floor, Wisma Tun
Sambanthan
No.2, Jalan Sultan Sulaiman
50000 Kuala Lumpur

STOCK EXCHANGE LISTING

Listed on Main Board of Bursa
Malaysia Securities Berhad
in 1991
Stock Name : DATAPRP
Stock Code : 8338
Sector : Technology
Sub-sector : Digital Services

SOLUTIONS AND SERVICES



SERVER STORAGE VIRTUALIZATION

Providing solutions to optimize the total number of physical or logical components of servers and storage in an ICT environment, thereby simplifying ICT infrastructure and improving manageability which ultimately reducing the Total Cost of Ownership.

CLOUD COMPUTING ENABLEMENT

Providing consultation and deployment of Cloud Computing infrastructure and services. Cloud Computing can offer greater levels of automation, reduced operating costs, improved application performance and better utilisation of computing resources. Cloud Services include consumer and business products, services and solutions that are delivered and consumed in real-time over the Internet. It enhances business performance for sound return of investment.

DATA CENTRE

Providing solutions for customers seeking to design and build secure, resilient and redundant facilities to house mission-critical equipment. The solution covers connectivity services, data and network security, precision air conditioning, uninterruptible power supply, structured cabling, and protection against water leakage, with electrical and mechanical systems engineered with multiple levels of redundancy, and 24-hour service, 7 days a week centralized environmental monitoring.

NETWORK INTEGRATION

Providing solutions to design, upgrade and expand the data communication and Ethernet networks. The solution helps to consolidate and optimize ICT network resources, thus improving clients' business productivity by providing high availability, resilient and optimally performing network infrastructure.

SOLUTIONS AND SERVICES

(Cont'd)

ICT SECURITY SOLUTIONS

Providing solutions for customers seeking simple, cost-effective, practical multi-layer or defence-in-depth approach to security. The solutions provide end-to-end security capability that meet clients' businesses and regulatory requirements while securing ICT and data assets, thus minimizing security risks.

PRODUCT LIFECYCLE MANAGEMENT (PLCM)

Providing solutions for customers seeking turnkey solutions to provide, deploy, manage and maintain common ICT equipment and infrastructure during its lifecycle or its agreed contract tenure. Maintenance coverage includes corrective, preventive and predictive maintenance.

CUSTOMER PREMISE EQUIPMENT (CPE)

Providing solutions for customers seeking cost-effective, reliable and high performance routers for internet and Wide Area Network (WAN) links.

ICT OUTSOURCING SERVICES

With our in-depth experience in managing ICT infrastructure, we help our clients to focus on business by working behind the scenes to manage their ICT infrastructure seamlessly. By applying Information Technology Infrastructure Library (ITIL) best practices and quality management system in our processes, service performance and quality are consistently maintained.

MULTI-VENDOR SUPPORT

Organizations typically select and procure a combination of hardware and software platforms and applications. Our multi-vendor support addresses the needs of such organizations requiring a single service provider to support such a complex environment by providing an end-to-end service which is measured by service levels and is available all over Malaysia.

ICT SERVICE MANAGEMENT

Providing solutions to address a complete ICT service lifecycle which will enable companies to deliver higher level of services to customers. It provides a single view of all service transactions and provides companies with a wealth of decision support tools to continuously monitor the quality of service process.

ICT SERVICE DESK

Providing a complete web-based, ITIL-compliant ICT Service Desk solution which offers an integrated package with request management (trouble ticketing), asset tracking, purchasing, contract management, self-service portal and knowledge base. The solution enables clients to have a full-ICT help desk and a set of productive help desk staff.

PAYMENT SOLUTIONS AND SERVICES (PSS)

PSS focus is on payment devices which include the supply and maintenance of Point of Sale (POS) and Electronic Draft Capture (EDC) terminals that support credit/debit cards, as well as other multi-purpose cards. PSS also provides other related offerings such as hardware and software solutions and merchant acquisition services.

HEALTHCARE TECHNOLOGY

Healthcare technology is any technology or solutions, including medical devices, IT systems, algorithms, artificial intelligence (AI), cloud and block chain, designed to support healthcare organizations. Newer technologies, like cloud, block chain and AI tools based on machine learning, can help healthcare organizations uncover patterns in large amounts of data while also making that data more secure and easier to manage. Healthcare technology solutions improve performance, increase collaboration across systems and manage costs. It can streamline processes, automate tasks and improve workflows at a scale that's not possible for humans alone. These solutions are helping healthcare professionals to improve patient care, create better experiences and reduce burnout.

E-MONEY ISSUER

A secure dual payment instrument which is accessible via mobile phones and pre-funded card based payment. dPurse is designed and developed with the aims to address student's daily spending needs as well as an alternative payment option to cash.

TELCO INFRASTRUCTURE

Managing tower sites, built-to-suit tower, co-location and rental of telecommunication tower through our existing right of ways nationwide, including installing and laying of fibre-optic network. The services and solutions which we provide enable telecommunications providers to meet their growing infrastructure requirements more efficiently and effectively, allowing greater focus on the customer service demands complementary offerings are innovative designed to meet the changing needs of customers and promote increased sharing of infrastructure assets through In-Building Solutions (IBS) - Supply, Design and Implementation, Passive Operations and Maintenance, Fibre-Optic Leasing and Camouflage/Customize structure.

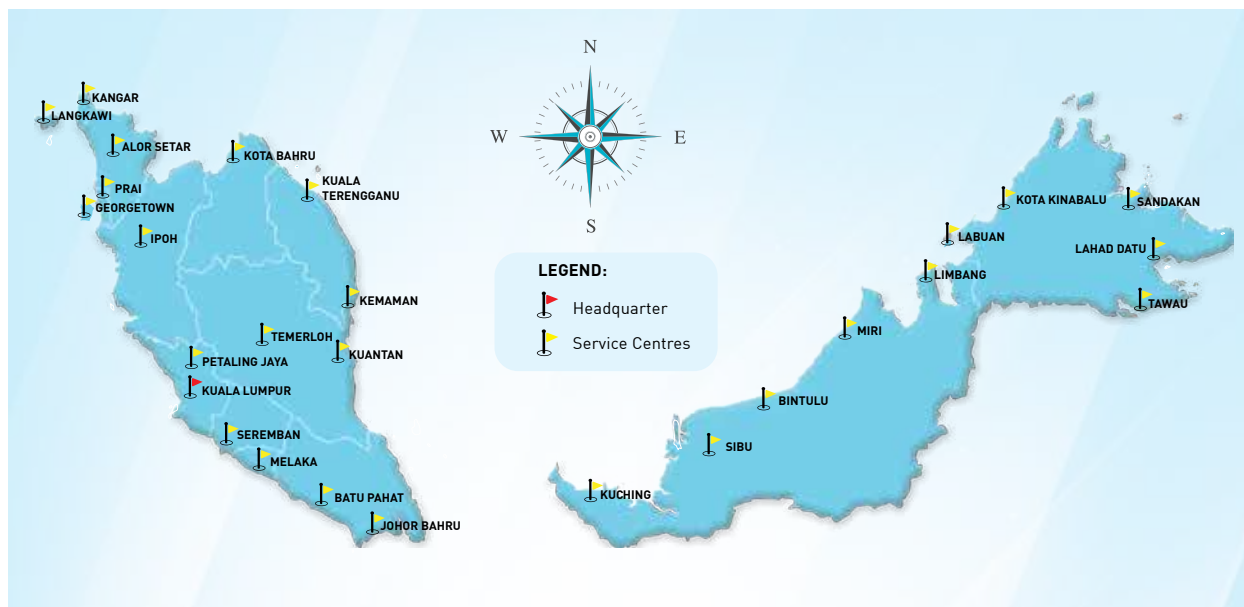
TRANSMITTER SYSTEM

Providing Solutions for customers seeking turnkey solutions to provide, deploy, manage and maintain digital transmitter equipment and infrastructure during its lifecycle and its agreed contract tenure. Maintenance coverage includes corrective, preventive and predictive maintenance.

SOLUTIONS AND SERVICES

(Cont'd)

OUR CAPABILITIES AND TRACK RECORD 27 SERVICE LOCATIONS NATIONWIDE



SUPPORT INFRASTRUCTURE

Driven by more than five decades of continuous growth and accumulated ICT expertise, supported by a team of professional staff with proven capabilities in implementing large-scale ICT projects, Dataprep Group is fully equipped to provide comprehensive support and reliable backup solutions to its clients. With 27 locations nationwide, the Group offers operational and maintenance services, including a 24/7 call centre.

HEADQUARTER

- Kuala Lumpur

NORTHERN REGION

- Kangar
- Langkawi
- Alor Setar
- Georgetown
- Prai
- Ipoh

CENTRAL REGION

- Kuala Lumpur
- Petaling Jaya

SOUTHERN REGION

- Seremban
- Melaka
- Batu Pahat
- Johor Bahru

EASTERN REGION

- Kota Bharu
- Kuala Terengganu
- Kemaman
- Kuantan
- Temerloh

SABAH

- Kota Kinabalu
- Sandakan
- Tawau
- Lahad Datu

SARAWAK

- Limbang
- Miri
- Bintulu
- Sibul
- Kuching

WILAYAH PERSEKUTUAN

- Labuan



COMPREHENSIVE SERVICE COVERAGE

Complete maintenance
coverage includes corrective,
preventive and predictive
maintenance

PROFILE OF DIRECTORS

DATO' NOR ADHA BIN YAHYA

Independent Non-Executive Director



Malaysian



Age 54



Male

Date of Appointment:

23 November 2017

Length of Service (as of 30 June 2025):

7 years 7 months

Board Meeting Attended:

12/12

Board Committees Membership(s):

- NIL

Academic/Professional Qualification(s):

- Bachelor of Accounting (Honors), Universiti Putra Malaysia
- Member of Malaysian Institute of Accountants

Experience/ Occupation (s):

- Independent and Non-Executive Director, Tuju Setia Berhad (2020 - Present)
- Executive Director cum Chief Executive Officer, CKM Landas MRO Sdn Bhd (2014 - Present)
- Executive Director, Landas Efektif Sdn Bhd (2013 - Present)
- Director, KPNA Resources Sdn Bhd (1999 - Present)
- Independent and Non-Executive Director, Widad Group Berhad (2018 - 2024)
- Director, Equara Resources Sdn Bhd (2011 - 2020)
- Director, Kota Terbilang Sdn Bhd (2014 - 2020)
- Director, Impianco Development Sdn Bhd (2009 - 2020)
- Finance Director, Mizou Holdings Sdn Bhd (2002 - 2012)

Directorship in other public listed companies and listed issuers:

- Tuju Setia Berhad

Any interest in the securities of the Company and its subsidiaries:

Please refer to page 162

Any family relationship with Director and/or major shareholder of the Company or any conflict of interests with the Company:

None

List of convictions for offences within the past 5 years other than traffic offences, if any:

None

PROFILE OF DIRECTORS

(Cont'd)

DATUK MOHAMAD SABIR BIN MOHAMAD SABRI

Managing Director



Malaysian



Age 54



Male

Date of Appointment:

15 November 2017

Length of Service (as of 30 June 2025):

7 years 7 months

Board Meeting Attended:

12/12

Board Committees Membership(s):

- NIL

Academic/Professional Qualification(s):

- Bachelor of Business Administration (Honours) Finance, MARA University of Technology

Experience/ Occupation (s):

- Director of Group Strategy and Corporate Services, Widad Business Group Sdn Bhd (2015 - 2017)
- Director of Group Financial Management, Small Medium Enterprise Development Bank Malaysia Berhad ("SME Bank") (2014)
- Director of Group Strategy and Services, SME Bank (2013)
- Director of Strategic and Risk Management, SME Bank (2012)
- Vice President Corporate Planning and Strategy, SME Bank (2011)
- Head of Banking Supervision, Labuan Financial Services Authority ("LFSA") (2007)
- Bank Negara Malaysia serving the Banking and Financial Conglomerates Supervision Department (1994)

Directorship in other public listed companies and listed issuers:

None

Any interest in the securities of the Company and its subsidiaries:

Please refer to page 162

Any family relationship with Director and/or major shareholder of the Company or any conflict of interests with the Company:

None

List of convictions for offences within the past 5 years other than traffic offences, if any:

None

PROFILE OF DIRECTORS

(Cont'd)

CHAN KEA YONG @ CHAN KEA HEE

Non- Independent Executive Director



Malaysian



Age 56



Male

Date of Appointment:

24 January 2025

Length of Service (as of 30 June 2025):

6 months

Board Meeting Attended:

2/2

Board Committees Membership(s):

- NIL

Academic/Professional Qualification(s):

- Bachelor of Science in Electrical Engineering - Optical & Computer Engineering (1995) Dual Degree from University of Missouri – Columbia and University of Missouri – Kansas City

Experience/ Occupation (s):

- More than 30 years of experience in the manufacturing, sales and aftersales of semiconductor and IT industries.
- Actively involved with advisory works in relations to corporate restructuring, takeover, merger and acquisition, funding/debt restructuring involving both public listed and/or privately held companies
- Corporate Advisor to Central Global Berhad from Nov 2021 to Jan 2023.

Directorship in other public listed companies and listed issuers:

Nil

Any interest in the securities of the Company and its subsidiaries:

Nil

Any family relationship with Director and/or major shareholder of the Company or any conflict of interests with the Company:

None

List of convictions for offences within the past 5 years other than traffic offences, if any:

None

PROFILE OF DIRECTORS

(Cont'd)

CHE KHALID BIN EMBONG

Independent Non-Executive Director



Malaysian



Age 57



Male

Date of Appointment:

11 July 2024

Length of Service (as of 30 June 2025):

11 months

Board Meeting Attended:

7/7

Board Committees Membership(s):

- Chairman of Audit Committee
- Nomination and Remuneration Committee

Academic/Professional Qualification(s):

- Association of Chartered and Certified Accountants (ACCA) from Emile Woolf College of Accountancy, London
- Bachelor of Arts (Honors) in Accounting and Finance, from Leeds Beckett University

Experience/ Occupation (s):

- Associate Director, Widuri Capital Advisors Sdn. Bhd. (Nov 2020 until Present)
- Head, SHAPE Program (People Transformation) for Downstream Business - Sime Darby Oil Sdn. Bhd. (SDO) (Dec 2019 to Mac 2020)
- Head, Nutrition Unit, Sime Food and Beverages Sdn. Bhd. (Marketing arm of Sime Darby Plantation Berhad) (May 2017 to Nov 2019)
- Various positions in Sime Darby Plantation Berhad (March 2008 April 2017)
- Corporate Planning Division, Proton Holdings Berhad (2000 – March 2008)

Directorship in other public listed companies and listed issuers:

None

Any interest in the securities of the Company and its subsidiaries:

Nil

Any family relationship with Director and/or major shareholder of the Company or any conflict of interests with the Company:

None

List of convictions for offences within the past 5 years other than traffic offences, if any:

None

PROFILE OF DIRECTORS

(Cont'd)

DR CHOO KOON LIP

Independent Non-Executive Director



Singaporean



Age 43



Male

Date of Appointment:

24 January 2025

Length of Service (as of 30 June 2025):

6 months

Board Meeting Attended:

2/2

Board Committees Membership(s):

- Audit Committee
- Chairman of Nomination and Remuneration Committee

Academic/Professional Qualification(s):

- Bachelor of Science National University of Singapore
- Master in Business Administration, University of California, Los Angeles
- PhD in Finance (Investment Psychology), University of Melbourne

Experience/ Occupation (s):

- More than 15 years of experience focusing in corporate finance and investment strategies.
- Group Chief Executive Officer of Skylight Group.

Directorship in other public listed companies and listed issuers:

- Founding Director, Golden Mile Resources (ASX: G88), since June 2017
- Director of BPH Global (ASX: BP8), since 2024

Any interest in the securities of the Company and its subsidiaries:

Nil

Any family relationship with Director and/or major shareholder of the Company or any conflict of interests with the Company:

None

List of convictions for offences within the past 5 years other than traffic offences, if any:

None

PROFILE OF DIRECTORS

(Cont'd)

DR WAN AHMAD RUDIRMAN BIN WAN RAZAK

Independent Non-Executive Director



Malaysian



Age 53



Male

Date of Appointment:

1 August 2025

Length of Service (as of 30 June 2025):

-

Board Meeting Attended:

Not Available

Board Committees Membership(s):

- Audit Committee
- Nomination and Remuneration Committee

Academic/Professional Qualification(s):

- Doctorate, Business Administration, University of South Australia, Adelaide, Australia
- Masters, Business Administration, University of North London, London, United Kingdom
- Degree in Accounting, University of Portsmouth, United Kingdom
- Diploma in Accounting, University Sultan Zainal Abidin, Kuala Terengganu, Malaysia
- Fellow Member, CPA Australia
- Member, Malaysian Institute of Certified Public Accountants
- Member, Malaysian Institute of Accountants
- Member, ASEAN Chartered Professional Accountant

Experience/ Occupation (s):

- Independent Non-Executive Director, Encorp Berhad (July 2025 - Present)
- Chief Executive Officer of Malaysian Institute of Accountants (2022 - 2025)
- President/Group Chief Executive Officer of Terengganu Incorporated Sdn Bhd (2017 - 2021)
- Chief Executive Officer of MBI Terengganu (2017 - 2018)
- Group Deputy Chief Executive Officer / Director of Selia Ekuiti Sdn Bhd (2012 - 2016)
- Acting Chief Operating Officer and Group General Manager, Group Operations Services of KUB Malaysia Berhad (2008 - 2016)
- Group General Manager, Corporate Development Services of KUB Malaysia Berhad (2007 - 2008)
- Head of Corporate Strategy, Group Corporate Planning Division under the Managing Director's Office of Malaysia Airports Holdings Berhad (2005 - 2007)
- Chief Financial Officer / Head of Finance and Corporate Services Division for Asia Pacific Auction Centre Sdn Bhd (2001 - 2005)
- Malaysia Airports Holdings Berhad (1999 - 2001)
- CIMB Group of Companies (1996 - 1999)

Directorship in other public listed companies and listed issuers:

- Encorp Berhad

Any interest in the securities of the Company and its subsidiaries:

Nil

Any family relationship with Director and/or major shareholder of the Company or any conflict of interests with the Company:

None

List of convictions for offences within the past 5 years other than traffic offences, if any:

None

PROFILE OF DIRECTORS

[Cont'd]

DATUK SYAHRIL YUSRI BIN ABDUL AZIZ

Non-Independent and Non-Executive Director



Malaysian



Age 53



Male

Date of Appointment:

1 August 2025

Length of Service (as of 30 June 2025):

-

Board Meeting Attended:

Not Available

Board Committees Membership(s):

- NIL

Academic/Professional Qualification(s):

- Degree in Accounting, International Islamic University Malaysia
- Professional Qualification, Project Management, Project Management Institute
- Professional Qualification, Information Technology Audit, Information Systems Audit and Control Association
- Professional Qualification, Information Technology Assurance Management, Information Systems Audit and Control Association
- Professional Qualification, Business Continuity Professional - Cyber Resilience, Disaster Recovery Institute
- Professional Qualification, Cyber Security Management, International Council of E-Commerce Consultants
- Professional Qualification, Software Assurance Testing, International Software Testing Qualifications Board

Experience/ Occupation (s):

A Managing Consultant with 26 years of experience in Information Systems, Security and Continuity Technology covering technical aspects, assurance services and advisory to government and private firms.

Also has in-depth experience in systems and security application administration. Has helped numerous organizations from diverse vertical markets within Southeast region countries and Saudi Arabia.

Directorship in other public listed companies and listed issuers:

Nil

Any interest in the securities of the Company and its subsidiaries:

Nil

Any family relationship with Director and/or major shareholder of the Company or any conflict of interests with the Company:

None

List of convictions for offences within the past 5 years other than traffic offences, if any:

None

PROFILE OF DIRECTORS

(Cont'd)

NOTES:

1. Family Relationship with Director and/or Major Shareholder

No Directors has a family relationship with other Directors and/ or major shareholders of the Company.

2. Conflict of Interest

None of the Directors has any conflict of interest with the Company.

3. Conviction of Offences

None of the Directors has been convicted for any offences (other than traffic offences (if any) within the past five (5) years.

4. Public Sanction Or Penalty Imposed

Datuk Mohamad Sabir bin Mohamad Sabri and Dato' Nor Adha bin Yahya were publicly reprimanded and fined RM100,000 each by Bursa Malaysia Securities Berhad for breach of paragraph 16.13(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad on 19 September 2023.

Apart from the aforesaid reprimand and penalty by Bursa Malaysia Securities Berhad, none of the Directors were imposed with any other public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2023.

5. Board Meeting Attended

The Board meeting attendance was computed based on the respective dates of appointment of the Directors. During the financial period ended 2025, the Board convened six meetings. In addition, a further six special Board meetings were held between January 2024 and June 2025.

PROFILE OF KEY SENIOR MANAGEMENT

HASRUL BIN HASAN

Chief Corporate Officer



Malaysian



Age 48



Male

Date of Appointment:

1 March 2018

Academic/Professional Qualification(s):

- Bachelor of Accounting (Honours) from International Islamic University, Malaysia
- Member of Malaysian Institute of Accountants
- Associate Member of the Institute of Internal Auditors Malaysia
- ASEAN Chartered Professional Accountant

Experience/Occupation(s):

- Group Accountant, Widad Business Group Sdn Bhd (2015 - 2018)
- Vice President/Head of Group Compliance, Small Medium Enterprise Development Bank Malaysia Berhad ("SME Bank") (2015)
- Vice President/Head of Risk Management, SME Bank (2014)
- Assistant Vice President/Head, Risk Management & Compliance - SME Bank (2012)
- Assistant Vice President/Head, Compliance, SME Bank (2010)
- Bank Negara Malaysia serving the Banking and Financial Conglomerates Supervision Department supervising the Islamic, commercial and investment banking institutions (2001)

EWE TUAN AIK

Acting Chief Financial Officer



Malaysian



Age 42



Male

Date of Appointment:

31 May 2025

Academic/Professional Qualification(s):

- Diploma In Business Studies (Accounting), Kolej Tunku Abdul Rahman
- Bachelor of Commerce (Hons) Accounting, Universiti Tunku Abdul Rahman
- The Association of Chartered Certified Accountants (ACCA)
- Member of Malaysian Institute of Accountants

Experience/Occupation(s):

- He has accumulated professional accounting experience of more than 17 years from various industry including in property development, trading and property management as well as Information Technology related industry.

CHAIRMAN'S STATEMENT



DEAR VALUED SHAREHOLDERS

On behalf of the Board of Directors of Dataprep Holdings Bhd, it is my great pleasure to present the Group's 36th Annual Report for the Financial Period Ended 30 June 2025 ("FPE 2025")

GLOBAL AND DOMESTIC ECONOMIC OUTLOOK

During the financial period under review, the Malaysian economy continued to demonstrate resilience, supported by robust domestic demand, a recovery in tourism-related sectors, and improvements in the labour market. According to the *Economic and Monetary Review 2024* published by Bank Negara Malaysia ("BNM"), the economy was projected to expand between 4.5% and 5.5% in 2025, underpinned by household spending, investment activity, and growth in key sectors such as electrical and electronics ("E&E").

As we move into the new financial year, more recent updates provide clarity on the outlook. In its Quarterly Bulletin Q2 2025 released in July 2025, BNM revised the nation's Gross Domestic Product ("GDP") growth forecast to between 4.0% - 4.8% lower than the earlier projected range. It reflects a more cautious global outlook due to trade tensions and tariff uncertainties. Nonetheless, domestic demand, infrastructure projects, and the performance of the E&E and tourism sectors are expected to cushion the impact of softer external conditions.

CHAIRMAN'S STATEMENT

(Cont'd)

Meanwhile, headline inflation is projected to remain moderate, averaging between 1.5% and 2.3% in 2025, offering a stable cost environment for businesses. This, coupled with supportive monetary policies, provides a measure of resilience for Malaysia's growth prospects.

Of particular relevance to our Group, the digital economy has already become a major driver of national growth, contributing RM427.7 billion in GDP in 2023, or about 23.5% of Malaysia's total economy (Department of Statistics Malaysia, Malaysia Digital Economy 2024 – report on 2023 Data). Further, according to Malaysia Digital Economy Blueprint (MyDIGITAL), the government has set a target for the digital economy to contribute 22.6% of GDP by 2025, reflecting its strategic importance in driving productivity and competitiveness.

KEY HIGHLIGHTS IN FPE2025

The financial period ended 30 June 2025 represented a critical chapter in Dataprep Group's ongoing transformation, as we continued to recalibrate our strategic direction and enhance operational capabilities. While navigating a complex business environment, our commitment to innovation and adaptability remained unwavering, enabling us to progress through challenging circumstances with measured financial outcomes.

In response to shifting market conditions, our strategic focus was centered on capturing opportunities within the rapidly expanding ICT ecosystem, with particular emphasis on sustainable growth and long-term profitability. While we experienced headwinds from operational adjustments and portfolio realignment, our dedication to identifying new business prospects and implementing robust cost management measures continues to be fundamental in positioning the Group for sustained advancement and operational resilience.

Furthermore, recognizing the evolving technological landscape, our strategic commitment to talent development and workforce capability enhancement reflects our determination to build a future-ready organization equipped to drive innovation and deliver sustained value. Through cultivating a culture of continuous professional growth and skills advancement, we strive to empower our workforce with the competencies needed to excel in an increasingly dynamic digital environment.

During the Financial Period Ended 30 June 2025, Dataprep Group recorded lower revenue of RM28.63 million for the FPE2025 as against revenue of RM31.33 million for the FYE 2023. The lower revenue contribution was due to completion of several large projects and the absence of contributions from one of our subsidiaries following its disposal on 15 August 2024.

The Group registered loss before taxation of RM23.27 million for the FPE2025 as against a loss before taxation of RM24.24 million for the FYE2023. The loss before taxation of RM23.27 million was primarily due to lower revenue from completed projects, an allowance for obsolete inventories of RM3.24 million, depreciation and amortization of RM3.98 million, impairment for expected credit loss on receivables of RM1.49 million, prepayment written off of RM1.22 million, and impairment on property, plant and equipment of RM0.51 million.

Despite these challenges, Dataprep Group maintained focus on strengthening its fundamentals. Several cost optimisation measures were undertaken during the year, including:

- Rationalisation of office premises, consolidating operations into a single office to improve efficiency and reduce overheads;
- Optimisation of manpower to align resources with business requirements and productivity; and
- Rationalisation of project delivery processes, and improved operational efficiency.

These measures are expected to enhance Dataprep Group's long-term resilience and performance ahead.

At the same time, we invested in talent development and upskilling initiatives, recognising that our people are central to sustaining innovation and growth. By nurturing a future-ready workforce, we aim to equip our employees with the capabilities required to support Dataprep Group's transformation journey and capitalise on opportunities within Malaysia's expanding digital economy.

CHAIRMAN'S STATEMENT

(Cont'd)

MOVING FORWARD

As we look ahead, Dataprep Group remains focused on aligning our strategies with Malaysia's digital transformation agenda, particularly the aspirations outlined under the 13th Malaysia Plan ("the 13MP") and MyDigital Blueprint. These initiatives underscore the nation's commitment to building a competitive and inclusive digital economy and AI Nation supported by a comprehensive transition towards digitalisation and advanced technologies particularly AI., and we are well-positioned to play a supporting role in this journey.

Under the 13MP, the Government aims to accelerate Malaysia's transition into a high-value, innovation-driven economy by strengthening digital infrastructure, expanding network coverage to 98% of populated areas by 2030, and ensuring that 95% of federal services are delivered online. Efforts to enhance the adoption of advanced technology and digitalisation will be intensified through the implementation of the National Science, Technology and Innovation Policy, the National Fourth Industrial Revolution (4IR) Policy and the Malaysia Digital Economy Blueprint. The 13MP also emphasises on developing comprehensive AI ecosystem, promoting cybersecurity readiness and nurturing digital talent to support future industries towards positioning Malaysia as an inclusive and sustainable AI nation.

These national aspirations present new avenues for collaboration across telecommunications, digital services and technology infrastructure – areas where Dataprep Group is strategically positioned to contribute its capabilities. The Group will continue to leverage its expertise in telecommunication projects and digital infrastructure development, while also exploring opportunities in emerging technologies such as 5G, Internet of Things (IoT), Artificial Intelligence (AI), Big Data, Payment Solutions and Services ("PSS"), Smart City Solutions, Health-Tech Solutions, and media-related applications. Our approach will be measured, focusing on opportunities that align with our strengths and risk appetite.

As we move forward, our priorities will remain focus on operational efficiency, prudent cost management, and nurturing a skilled and agile workforce to support our transformation. These efforts, together with the trust and support of our shareholders, clients, and stakeholders, will guide us in navigating an evolving business landscape while creating sustainable value for all.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to extend my sincere appreciation to all our valued shareholders, clients and business associates, especially during the trying times. In addition, my heartfelt gratitude goes to the members of the Board, management team and all our employees for their dedication, support and commitment. As we venture forth to embrace new opportunities and face challenges, we call upon all our stakeholders to continue lending their unwavering trust and support. I believe we will remain steadfast in our aim to steer the Group into a brighter and promising future.

Dato' Nor Adha Bin Yahya
Chairman

31 October 2025

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Dataprep Holdings Bhd ("Dataprep Group" or "the Group") is a public company listed on the Main Market of Bursa Malaysia Securities Berhad in the technology sector. Dataprep Group is an Information, Communications and Technology ("ICT") service provider since 1971 which focuses on Systems Integration, Managed Services and Payment Solutions and Services.

The Group has in-depth experience in managing ICT infrastructure, providing wide range of ICT services and solutions. The Group is able to provide solutions for customers seeking turnkey solutions to provide, deploy, manage and maintain ICT equipment and infrastructure during the lifecycle and agreed contract tenure. Maintenance coverage includes corrective, preventive and predictive maintenance.

The Group's subsidiary which was appointed as the "Apple" Authorised Reseller is focusing to market the ICT products and devices to enhance revenue contribution. The Group is also focusing on the healthcare information technology solutions and other related activities and growing its e-money segment to increase its revenue stream.

ICT PRODUCTS AND SERVICES

The ICT products and services segment remain the key contributor to the Group which contributed 99.23% of the Group's revenue of RM28.63 million for the financial period ended 30 June 2025 ("FPE 2025") and contributed 98.90% of the Group's revenue of RM31.33 million for the financial year ended 31 December 2023 ("FYE 2023").

The principal activities are Systems Integration and Managed Services. The Group's engagement with customers and partners is primarily through its subsidiary company, Solsis (M) Sdn Bhd ("Solsis"). The Company is recognised as established ICT service providers with extensive experiences and with proven good track record in many significant scale government and commercial ICT projects and solutions. Solsis serves a broad array of customers across all industries in both public and private sectors including Financial Services Industry ("FSI") and Oil & Gas ("O&G").

Solsis has the industry's best practices such as International Organisation for Standardisation ("ISO") ISO 9001:2015 and Information Technology Infrastructure Library ("ITIL") certifications, amongst others. Dataprep Group is one of the established ICT players in the industry for more than five decades. Our strategic partners and principals have recognised the value of support resources, infrastructure and roles as the Systems Integration and Managed Services provider. The Group will continue to partner with reputable ICT principals and collaborate with the strategic partners or companies on potential ICT projects and solutions.

PAYMENT SOLUTIONS AND SERVICES ("PSS")

For the FPE 2025, the PSS segment contributed 0.77% of the Group's revenue of RM28.63 million. The PSS segment contributed 1.01% of the Group's revenue of RM31.33 million for the FYE2023.

Dataprep's subsidiary company, Dataprep Payment Solutions Sdn Bhd ("DPS") is an independent payment Business Process Outsourcing company that transacts the PSS business.

The Group will focus and capitalise on the trend of digitization for growth, productivity and innovation opportunities including e-wallet and e-commerce and any other new business opportunities available in the current digital economy to enlarge this PSS segment.

The Group's subsidiary, DPS was granted approval by Bank Negara Malaysia ("BNM") on 13 November 2019 for issuing Designated Payment Instrument (electronic money or e-money) under Section 11 of the Financial Services Act 2013. DPS has rolled out its e-money business known as dPurse which was also approved as general e-wallet for public usage by BNM on 18 July 2022.

MANAGEMENT DISCUSSION AND ANALYSIS

[Cont'd]

STRATEGY

The Group is actively participating in projects tender, pursuing new business opportunities and collaborating with strategic domestic and overseas partners or companies to secure more profitable ICT projects, solutions and new business ventures for Dataprep Group.

The Group has strategised its marketing efforts to secure more ICT contracts to improve the revenue and financial position for the forthcoming financial year.

Our strategy involves the following initiatives:

1. To solicit new business opportunities in both public and private sectors;
2. To focus on revenue from services with recurring income by increasing more Managed Services contracts utilising its nationwide resources and infrastructure to serve customers;
3. To expand PSS business by providing additional service offerings and venture into e-money business by promoting and marketing the in-house developed products, e-money known as dPurse and mobile application solutions known as MyUmmah;
4. To continue developing partnerships with principals by representing them in service delivery and nationwide support for their products and services;
5. To expand our customers' base via a dedicated in-house sales team in identifying opportunities for new customer;
6. To expand our sales coverage via dedicated nationwide sales resources;
7. To focus on current customers by providing exceptional customer experiences, personalized support, and continuous engagement as customer retention and loyalty is the key to long-term success and revenue growth;
8. To explore other new business ventures and opportunities by collaboration with strategic partners or companies to enhance the Group's revenue and earnings stream;
9. To focus and market the "Apple" ICT products and devices by the subsidiary which was appointed as the "Apple" Authorized Reseller; and
10. To expand its business on the healthcare information technology solutions and other related activities.

REVIEW OF GROUP FINANCIAL PERFORMANCE

FOR THE FPE2025 AND FYE2023:

	FPE2025 1.1.2024 to 30.06.2025 RM'000	FYE2023 1.1.2023 to 31.12.2023 RM'000
Revenue	28,625	31,333
Gross Profit	1,544	3,673
Other Income	9,956	351
Operating Expenses	(28,242)	(20,908)
EBITDA	(16,742)	(16,884)
Depreciation and Amortisation	(3,981)	(5,662)
Depreciation of Right of Use Assets	(1,429)	(1,206)
Finance Cost	(1,118)	(488)
Loss Before Taxation	(23,270)	(24,240)
Loss After Taxation	(22,393)	(23,972)

The Group recorded lower revenue of RM28.63 million for the FPE2025 as against revenue of RM31.133 million for the FYE 2023. The lower revenue contribution was due completion of several large projects and the absence of contributions from one of our subsidiaries following its disposal on 15 August 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

The first quarter revenue was RM6.18 million, second quarter was RM10.70 million, third quarter was RM2.25 million, fourth quarter was RM4.48 million, fifth quarter was RM0.98M and final sixth quarter was RM4.03 million. Higher revenue recognition in the first and second quarter of the financial year was due to contribution from one of our subsidiaries prior to its disposal on 15 August 2024.

The Group recorded lower gross profit margin of 5.39% for the FPE2025 as against gross profit margin of 11.7% for the FYE2023 due to completion of high gross profit margin projects.

The Group recorded loss before taxation of RM23.27 million for the FPE2025 as against a loss before taxation of RM24.24 million for the FYE2023. The loss before taxation of RM23.27 million was primarily due to lower revenue from completed projects, an allowance for obsolete inventories of RM3.24 million, depreciation and amortization of RM3.98 million, impairment for expected credit loss on receivables of RM1.43 million, prepayment written off of RM1.22 million, and impairment on property, plant and equipment of RM0.51 million. These will partially offset by higher other income including sales of enterprise e-wallet solution of RM4.35 million and sales of enterprise community management platform of RM3.48 million and gain on disposal of subsidiary of RM1.78 million.

EBITDA loss of RM16.74 million was recorded for the FPE2025 as compared to loss of RM16.88 million for the FYE2023. Higher operating expenses of RM28.24 million for the FPE2025 as against RM20.91million for the FYE2023 was mainly due to the allowance for obsolete inventories of RM3.24 million and prepayment written off of RM1.22 million and impairment on property, plant and equipment of RM0.51 million.

REVIEW OF OPERATING ACTIVITIES

During the financial year under review, the Group's revenue for its ICT Products and Services was RM28.41 million. The Group has successfully secured a few new projects in FPE2025 to offset the impact of revenue decline arising from the completion of a few managed services projects during the year.

The Group will make continuous effort to review and streamline its services delivery structure with cost consciousness in hiring and spending while maintaining quality of services. We will emphasise on our core strength of good deliveries and participate in more tender opportunities especially of the large-scale ICT projects which the Group has the manpower of experience engineers and technicians at nationwide service locations with good deliveries track record to customers. The Group is also focusing on new opportunities derived from the multimedia and communication sector, healthcare information technology solution and the e-money to increase the revenue stream.

BUSINESS PROSPECTS

The Group has implemented business strategy to improve revenue and profitability by focusing on the ICT solutions and expanding its e-money business. The Group will leverage on its more than five decades of proven group-wide accumulated ICT experiences and professional staffs, and proven track record in large-scale ICT projects to actively participate in more tenders for both the public and private sectors. It continues to enhance its marketing efforts by leveraging its expertise in innovative ICT solutions for digital infrastructure development and actively explores new sales opportunities through collaborations with strategic partners in the ICT industry to secure more projects.

The Group is targeting the e-money segment for the education sector as well as general sector to boost the revenue for its payment solutions and services segment. The Group via its wholly-owned subsidiary, Dataprep Payment Solutions Sdn Bhd had on 13 November 2019 secured approval from Bank Negara Malaysia for issuing electronic money or e-money. The Group has rolled out its e-money business known as dPurse which was approved as general e-wallet for public usage by BNM on 18 July 2022.

The Group's subsidiary which has rolled out its e-money business known as dPurse is carrying out marketing activities to promote and increase the usage of dPurse to the general public

MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

The Group remains focused on aligning our strategies with Malaysia's digital transformation agenda, particularly the aspirations outlined under the MyDigital Blueprint and the 13th Malaysia Plan. These initiatives underscore the nation's commitment to building a competitive, sustainable and inclusive digital economy, and we are well-positioned to play a supporting role in this journey.

The Group will continue to leverage its capabilities in telecommunication projects and digital infrastructure development, while also exploring opportunities in emerging technologies such as 5G, Internet of Things (IoT), Artificial Intelligence (AI), Payment Solutions and Services ("PSS"), Smart City Solutions, Health-Tech Solutions, and media-related applications. Our approach will be measured, focusing on opportunities that align with our strengths.

On 12 December 2024, the Group has undertaken the following corporate exercise: -

- (i) proposed private placement of up to 226,700,000 new ordinary shares in the Company ("Shares"), representing up to 30% of the Company's total issued Shares, to third party investors to be identified ("Proposed Placement"); and
- (ii) proposed reduction of the Company's issued share capital of up to RM100.0 million pursuant to Section 116 of the Companies Act 2016 ("Proposed Capital Reduction").

The Group is in the midst of completing the corporate exercise Proposals as announced.

On 19 August 2025, Bursa Securities had, vide its letter dated approved Dataprep's Extension of Time Application of 6 months up to 23 February 2026 to complete the implementation of the Proposed Private Placement.

On 13 October 2025, the Group had announced that the sealed order of the High Court confirming the Capital Reduction has been lodged with the Companies Commission of Malaysia. Pursuant thereto, the Capital Reduction shall take effect and be deemed completed on the same date.

Moving ahead, the above proposal will continue to strengthen the financial position of the Group and help eliminate the accumulated losses of RM100 million. Meanwhile, proceeds raised from the private placement will improve the Group's cash and bank position, and support its working capital requirements.

The Group remains optimistic and has strategised to enhance revenue and profitability by leveraging upcoming new business opportunities across the broad spectrum of ICT opportunities available in the market in line with the Government's Digital Initiatives and the Malaysian Digital Economy Blueprint. Additionally, the Group will continue optimising manpower cost to align resources with business requirement and improve profitability.

Despite challenges posed from current business environment, barring any unforeseen circumstances, the Group remains optimistic of achieving improved performance in the coming financial years.

MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

HISTORICAL FINANCIAL RESULTS

FINANCIAL PERIOD / YEAR ENDED	18 MONTHS	12 MONTHS			
	Audited FPE 30 JUNE	Audited FYE 31 December	Audited FYE 31 December	Audited FYE 31 December	Audited FYE 31 December
	1.1.2024 To 30.06.2025 RM'000	1.1.2023 to 31.12.2023 RM'000	1.1.2022 to 31.12.2022 RM'000	1.1.2021 to 31.12.2021 RM'000	1.1.2020 to 31.12.2020 RM'000
Revenue	28,625	31,333	28,127	35,990	36,217
Gross Profit	1,544	3,673	4,459	6,743	9,640
Other Income	9,956	351	228	444	166
Operating Expenses	(28,242)	(20,908)	(16,305)	(14,021)	(16,708)
EBITDA	(16,742)	(16,884)	(11,618)	(6,834)	(6,902)
Depreciation and Amortisation	(3,981)	(5,662)	(5,201)	(2,734)	(1,173)
Depreciation of Right of Use Assets	(1,429)	(1,206)	(1,219)	(1,254)	(1,330)
Finance Cost	(1,118)	(488)	(506)	(321)	(362)
Loss Before Taxation	(23,270)	(24,240)	(18,544)	(11,143)	(9,767)
Loss After Taxation	(22,393)	(23,972)	(18,535)	(11,012)	(9,776)

Note:

The Group has changed the financial year end from 31 December 2024 to 30 June 2025, covering 18 months financial period ended 30 June 2025.

SUSTAINABILITY REPORT

The Sustainability Statement presented by the Board of Directors of Dataprep Holdings Bhd (“Dataprep”) summarises the sustainability approach and performance of Dataprep and its subsidiaries (the Group”) for the financial period ended 30 June 2025 (“FPE2025”).



Scope

The scope of the Sustainability Statement covers the Group’s operations in Malaysia.

Assurance

This Statement has been subject to internal corporate assurance. The data reported herein has been validated by the Group’s Management and reviewed by the Group’s internal corporate assurance function. The assurance process follows a risk-based approach aligned with internal audit practices, which includes coverage of processes related to the Group’s management of sustainability matters.

The Group’s Stakeholders

In building sustainable business, engaging stakeholders is critical for the Group to understand various interests and expectations.

During the financial period, the Group have engaged with various stakeholders through defined touchpoints and bidirectional communication channels. This approach encourages and ensures the exchange of valuable ideas, providing a platform to voice concerns, contribute constructive feedback, and identify innovative solutions towards mutual sustainability goals. Our commitment to transparency has never been stronger as we continue to refine our business practices and strive for excellence.

SUSTAINABILITY REPORT

[Cont'd]

The Group's Stakeholders (Cont'd)

The following summarises the Group's key stakeholders and engagement during the financial period.

Stakeholder Groups	Engagement Approaches	Issues of Interest
Shareholders and Investors	<ul style="list-style-type: none"> Corporate website (www.dp.com.my) Quarterly and annual reporting General meetings 	<ul style="list-style-type: none"> Business Profitability and Financial Performance
Regulators and Authorities	<ul style="list-style-type: none"> Regular communication to ensure compliance with applicable standards Meetings and discussions 	<ul style="list-style-type: none"> Compliance
Employees	<ul style="list-style-type: none"> Training and development Meetings and discussions Performance appraisals Open and transparent work culture 	<ul style="list-style-type: none"> Employee and Talent Development Employee Wellbeing and Welfare Occupational Safety and Health Labour Practices and Standards Information Security and Privacy Anti Bribery & Corruption
Customers	<ul style="list-style-type: none"> Customer Surveys Meetings and discussions 	<ul style="list-style-type: none"> Service Delivery Performance

The Groups Sustainability Statement is categorised into 3 main areas as follows:

Governance and Ethics	Protection of the Environment	Protection of Human Capital & Delivering Value to the Community
<ul style="list-style-type: none"> Code of Conduct and Ethics Anti Bribery & Corruption Whistleblowing Information Security Management Supply Chain Management 	<ul style="list-style-type: none"> Energy Management Waste Management 	<ul style="list-style-type: none"> Occupational Safety and Health Safety & Health Awareness Employee Welfare and Wellbeing Employee Talent Development Labour Practices and Standards

We are currently in the process of conducting a materiality assessment to identify and prioritize ESG issues that are most relevant to our business and stakeholders, in line with Bursa Malaysia's Sustainability Reporting Guidelines. This includes collecting data through internal engagement and stakeholder feedback, with the aim of developing a materiality matrix that will guide our future ESG strategy and disclosures. The assessment is expected to be completed by 30 June 2026, and will be incorporated into our sustainability reporting once finalized.

SUSTAINABILITY REPORT

(Cont'd)

GOVERNANCE AND ETHICS

The Group remain committed in ensuring that our activities are based on the accepted business integrity and ethics, maintaining strong corporate governance systems and processes as well as upholding the principle of transparency with respect to our disclosure obligations to stakeholders.

Code of Conduct and Ethics

Code of Conduct and Ethics established by the Group covers all Directors and employees within the Group. It is formulated to enhance the standard of corporate governance and corporate behaviour with the intention of achieving the following objectives:-

- (a) To establish standards of ethical behaviour based on trustworthiness and values that can be accepted, are held or upheld by any one person;
- (b) To enhance skills in the implementation of duties and adaptability to the work environment;
- (c) To inculcate noble values in performing duties so as to improve work quality and productivity;
- (d) To uphold the spirit of responsibility and social responsibility in line with the legislation, regulations, and guidelines for administering a Company; and
- (e) To enhance public confidence and trust in the integrity, objectivity and impartiality of the Group.

Anti-Bribery and Corruption

The Group conduct its business in a legal and ethical manner and require Directors and all employees to be committed to acting professionally and with integrity in business dealings. The Group have taken reasonable and appropriate measures to ensure that its businesses do not participate in corrupt activities for its advantage or benefit in line with its zero-tolerance stance on bribery and corruption.

The Group have established Anti-Bribery and Corruption Policy that sets out the parameters to prevent the occurrence of bribery and corrupt practices in relation to the businesses of the Group.

The Group's operations are assessed for corruption via the Group's internal Corporate Assurance function.

	FYE2023	FPE2025
Percentage of operations assessed for corruption risk	100%	100%

Relevant trainings on anti-bribery and anti-corruption were provided to the employees are summarised as follows:

	FYE2023	FPE2025
Senior Management	88%	71%
Executives	95%	81%
Non-executives	96%	87%

We are pleased to report that there were no confirmed incidents of corruption or bribery reported during the financial period.

SUSTAINABILITY REPORT

[Cont'd]

GOVERNANCE AND ETHICS (Cont'd)

Whistleblowing

This Whistleblowing Policy and Procedures apply to Directors and all employees of the Group and are designed to provide proper internal reporting channels and guidance to disclose any wrongdoing or improper conduct relating to unlawful conducts, inappropriate behaviour, malpractices, any violation of established written policies and procedures within the Group or any action that is or could be harmful to the reputation of the Group and/or compromise the interests of the shareholders, clients and the public without fear of reprisal, victimisation, harassment or subsequent discrimination.

A whistle-blower is encouraged to raise genuine concern about any wrongdoing or improper conduct at the earliest opportunity, and in an appropriate way. who discloses wrongdoing or improper conduct in good faith and in compliance with the provisions of Whistleblowing Policy and Procedures and shall be protected against any detrimental action, including discrimination, discharge, demotion, suspension, disadvantage, termination or adverse treatment.

The Policy also applicable to any vendor, business dealer, partner, associate, or any other person having business relationships with the Group.

Information Security Management

The Group have established Information Security Management Policy in line with its commitment to protect information or data related to its corporate information and operations, employees, partners and vendors.

The Group ensure that data is processed and used for the intended purpose which is communicated with the data owners, and consent is obtained according to applicable laws. Meanwhile, personal data is handled in accordance with applicable data protection laws and regulations, such as the Personal Data Protection Act 2010 in Malaysia.

As an ICT company, the Group's information technology system and information security monitoring are managed internally by a dedicated ICT team.

There were no substantiated complaints concerning breaches of customer privacy or losses of customer data during the financial period.

Supply Chain Management

The Group recognises the importance of supporting local suppliers in its supply chain management to promote development of domestic economy. In line with the Group procedures, major suppliers are subjected to annual performance review.

During the financial period, 100% of the Group procurement are from local suppliers.

SUSTAINABILITY REPORT

(Cont'd)

PROTECTION OF THE ENVIRONMENT

Our commitment to environmental stewardship remains steadfast in 2025, integral to our sustainable business practices. We prioritize minimizing adverse environmental impacts through comprehensive measures aimed at protection and sustainability. To this end, we have established clear environmental objectives, monitoring processes, and strategies for ongoing evaluation and adjustment.

Energy Management

The Group is committed towards efficient energy management including adoption of energy efficient equipment and reducing unnecessary utilisation of energy.

During the financial period, the overall electricity consumption recorded are as follows:

	FYE2023 (MWh)	FPE2025 (MWh)
Overall energy consumption	565.94	610.54

Waste Management

As part of its ongoing sustainability initiatives, the Group actively promotes waste separation and recycling practices. This includes the responsible handling and disposal of electronic waste (e-waste) generated from ICT peripherals and components. Through these efforts, the Group ensures that unwanted e-waste is managed appropriately, reflecting our commitment to sustainable operations. Our continued focus on waste minimization and recycling reinforces our dedication to environmentally conscious practices and supports our long-term sustainability goals.

During the financial period, the Group generated 0.19 metric tonnes of waste, all of which was disposed of appropriately.

Emissions Management

The Group recognises its responsibility in managing greenhouse gas (GHG) emissions as part of our commitment to environmental sustainability. We monitor and report our carbon footprint across three scopes in accordance with the Bursa Malaysia ESG Reporting Guide and international reporting standards.

During the financial period, the Group's GHG emissions were as follows:

Scope 1 (Direct emissions from owned or controlled sources)	27.75 tCO2e
Scope 2 (Indirect emissions from purchased electricity and energy)	354.12 tCO2e
Scope 3 (Other indirect emissions from business travel and employee commuting)	77.53 tCO2e
Total GHG Emissions	459.40 tCO2e

Note: Emissions data covers the 18-month period from 1 January 2024 to 30 June 2025.

The majority of our emissions are attributable to Scope 2 (indirect emissions from electricity consumption), reflecting the nature of our office-based ICT operations. The Group continues to explore opportunities to reduce our carbon footprint through energy efficiency initiatives, responsible travel practices, and sustainable business operations. We remain committed to monitoring our environmental impact and implementing practical measures to minimize our emissions over time.

SUSTAINABILITY REPORT

[Cont'd]

PROTECTING HUMAN CAPITAL

Occupational Safety and Health

At Dataprep Group, nurturing a secure, healthy and safe working environment is our top priority. The Group continuously evaluate, address, and mitigate potential health and safety hazards to ensure that our employees can flourish in a safe working environment. Our devotion to workplace safety is steadfast, as demonstrated by zero work-related fatalities, lost time incident rate and accidents or incidents resulting in loss of life or permanent disablement during the financial. The critical health and safety measures safeguard our employees' wellbeing, fostering a conducive working environment that prioritizes their safety, health, and mental wellness.

Safety and Health Awareness

In addition to promoting workplace safety, the Group provide regular trainings on occupational safety and health to strengthen our employees' awareness and skills. During the financial period, 107 out of 128 employees received training in occupational health and safety, which equates to 83.59% of our workforce. The continuous investment in our employees' education and development on safety and health is a testament to our commitment in empowering a highly skilled and motivated team within a safe and healthy environment.

Employee Welfare and Wellbeing

The Group's long-term sustainability also includes our ability to attract and retain talent. Various employment benefits, such as medical insurance and healthcare benefits, long term incentive plan are also provided to employees depending on employee categories and positions. We also provide various leave allowances such as compassionate leaves, marriage leaves, and maternity and paternity leave as required by the law.

The Group in general, provide employee benefits and welfare in accordance with the applicable laws and regulations such as minimum wage and flexible working arrangement.

The Group organises health check for employee to increase awareness on health conditions. Sessions on common diseases and sicknesses, including cancer, heart disease, and obesity, are provided to improve people's health awareness.

The Group have implemented the Flexible Working Arrangement (FWA) Policy to further empower our workforce. The FWA aims to create a better work-life balance, improve mental wellbeing, enhance productivity, and job satisfaction, decreased mental health-related issues, reduce commute costs, and foster greater workforce engagement. By prioritizing our employees' overall wellbeing and encouraging their personal growth, we have created a thriving organizational culture dedicated to the empowerment and success of our dedicated workforce.

Labour Practices and Standards

The Group is pleased to disclose that there were no significant cases of discrimination or any substantiated complaints concerning human rights violations in the Group's operations during the financial period.

The Group clearly prohibits any discriminatory actions against race, religion, gender, age, sexual orientation, disabilities, or nationality in the workplace. The Group is committed to comply with the applicable laws and regulations governing labour practices and standards, and relevant non-compliance or breaches can be reported via the whistleblowing channel.

We strive to create a working environment that embraces diversity and upholds equal opportunities in employment practices and decisions, such as recruitment, remuneration, promotion, disciplinary actions, and termination.

The Group believes in the fair treatment of employees and will comply with all applicable laws and regulations governing employment practices.

SUSTAINABILITY REPORT

(Cont'd)

PROTECTING HUMAN CAPITAL (Cont'd)

Employee and Talent Development

The Group believes that comprehensive and strong talent management is pivotal for its sustainability particularly on the development and retention of its skilled workforce.

Our employee development approach covers skills such as management skills, technical, industry exposure, as well as other soft skills such as communication skills.

The training provided to employees during the year included key trainings on compliance-related matters, anti-bribery and anti-corruption, safety and health, technical training ranging from accounting, taxation and transfer pricing, information technology, project management as well as training on soft skills and management skills.

DELIVERING VALUE TO THE COMMUNITY

The Group recognises the importance of social responsibility and our role in contributing to the communities we operate in. As a responsible corporate citizen, we remain committed to creating sustainable value for all stakeholders through targeted initiatives that align with our corporate values and address genuine community needs. Our approach to corporate social responsibility focuses on creating meaningful impact through strategic interventions in education, social welfare, and public service support.

Industry-Academia Collaboration – Nurturing Future Talent

In line with our commitment to nurturing future talent and strengthening industry-academia collaboration, our Group Managing Director serves as an Industry Advisor to Politeknik Sultan Idris Shah. Through this advisory role, we contribute our expertise in technology and business practices to support curriculum development and ensure educational programs remain aligned with evolving industry needs. This engagement enables us to share insights from our operational experience while supporting the development of skilled graduates who will drive Malaysia's digital economy forward.

Zakat Wakalah Distribution – Empowering Communities in Need

We continued our commitment to social equity through our zakat wakalah initiative, supporting underserved communities in accordance with Islamic principles of giving. Through our wakalah arrangement with the authorized zakat body, we distributed RM18,550 in zakat funds to 58 eligible beneficiaries. These individuals were carefully selected based on asnaf criteria, ensuring that financial assistance reached those most in need within our communities.

This initiative reflects our values of compassion, integrity, and community upliftment, providing direct financial relief and empowerment to low-income individuals and families. By participating in faith-based charitable giving, we reinforce our role in advancing social welfare and supporting the socio-economic wellbeing of vulnerable groups.

Office Furniture Donation to PDRM – Supporting Public Service Infrastructure

In conjunction with our office relocation in 2025, we undertook a meaningful initiative that combined community support with environmental stewardship. On 5 June 2025, we donated used office furniture valued at approximately RM3,000 to Polis Diraja Malaysia (PDRM), Cawangan PKTN PSP Unit 1, located at Cheras, Selangor. The donated items included office desks, chairs, cabinets, and other usable furnishings to enhance operational capacity and workplace comfort for law enforcement personnel.

This initiative delivered dual benefits: it reduced waste through asset reuse and extended product lifecycle while strengthening our collaboration with local authorities and contributing to public sector resilience. By supporting the infrastructure needs of public service institutions, we demonstrated our commitment to responsible resource management and community partnership.

SUSTAINABILITY REPORT

(Cont'd)



The Group recognises that creating shared value for our stakeholders and the communities we serve is fundamental to our long-term success. As we continue to grow and evolve, we remain committed to identifying and supporting initiatives that deliver meaningful social impact while reflecting our corporate values of integrity, responsibility, and sustainable development.

SUSTAINABILITY REPORT

(Cont'd)

Performance Table (Bursa ESG Reporting Platform)

Indicator	Measurement Unit	FYE2023 (Jan-Dec 2023)	FPE2025 (Jan 2024-30 June 2025)
1 Bursa (Anti Corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	88	71
Executive	Percentage	95	81
Non-Executive/ Technical Staff	Percentage	96	87
General Workers	Percentage	0	0
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
2 Bursa (Community/ Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	12,590.00	21,550.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	453	59
3 Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Management Under 30	Percentage	0.36	0.76
Management Between 30-50	Percentage	10.91	15.91
Management Above 50	Percentage	7.27	15.15
Executive Under 30	Percentage	12.36	3.79
Executive Between 30-50	Percentage	9.09	6.82
Executive Above 50	Percentage	2.18	5.3
Non-Executive/ Technical Staff under 30	Percentage	18.19	12.12
Non-Executive/ Technical Staff Between 30-50	Percentage	32	28.79
Non-Executive/ Technical Staff Above 50	Percentage	7.64	11.36
General Workers Under 30	Percentage	0	0
General Workers Between 30-50	Percentage	0	0
General Workers Above 50	Percentage	0	0

SUSTAINABILITY REPORT

(Cont'd)

Indicator	Measurement Unit	FYE2023 (Jan-Dec 2023)	FPE2025 (Jan 2024-30 June 2025)
3 Bursa (Diversity)			
Gender Group by Employee Category			
Management Male	Percentage	13.45	22.73
Management Female	Percentage	5.09	9.09
Executive Male	Percentage	9.09	5.3
Executive Female	Percentage	14.55	10.61
Non-Executive/ Technical Staff Male	Percentage	51.27	48.48
Non-Executive/ Technical Staff Female	Percentage	6.55	3.79
General Workers Male	Percentage	0	0
General Workers Female	Percentage	0	0
Bursa C3 (b) Percentage of directors by gender and age group			
Male	Percentage	80	100
Female	Percentage	20	0
Under 30	Percentage	0	0
Between 30-50	Percentage	20	33.33
Above 50	Percentage	80	66.67
4 Bursa (Energy Management)			
Bursa C4 (a) Total energy consumption	Megawatt	565.94	610.54
5 Bursa (Health & Safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incidents rate ("LTIR")	Rate	0	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	258	107
6 Bursa (Labour Practices & Standards)			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	296	32
Executive	Hours	306	16
Non-Executive/ Technical Staff	Hours	1,560	40
General Workers	Hours	0	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.08	3.03
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	6	17
Executive	Number	20	45
Non-Executive/ Technical Staff	Number	50	101
General Workers	Number	0	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0

SUSTAINABILITY REPORT

(Cont'd)

Indicator	Measurement Unit	FYE2023 (Jan-Dec 2023)	FPE2025 (Jan 2024-30 June 2025)
7 Bursa (Supply Chain Management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	95.18	100
8 Bursa (Data Privacy & Security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
9 Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	0	0
10 Bursa (Waste Management)			
Bursa C10 (a) Total waste generated	Metric tonne	0	0.19
C10(a)(i) Total waste diverted from disposal	Metric tonne	0	0
C10(a)(ii) Total waste directed to disposal	Metric tonne	0	0.19
11 Bursa (Emissions Management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	36.79	27.75
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	328.25	354.12
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	tCO ₂ e	119.70	77.53

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance 2021 ("MCCG") stipulates that the Board of Directors ("the Board") of a public listed company should establish an effective risk management and Internal control framework to enable the Board to discharge its responsibilities in meeting the goals and objectives of the company. A sound framework for risk management and internal control is important to safeguard shareholders' investments and the company's assets. The Board is pleased to provide the following Statement On Risk Management and Internal Control ("SORMIC") made in compliance with paragraph 15.26(b) of the Bursa Malaysia's Main Market Listing Requirements ("MMLR") and the SORMIC : Guidelines for Directors of Listed Issuers.

ROLES AND RESPONSIBILITIES

The Board places importance on its roles and responsibilities, and is committed to maintaining a sound Risk Management Framework ("RMF") and internal control system in the Company and its subsidiaries ("the Group") to ensure good corporate governance. The Board affirms its responsibility for reviewing the adequacies and effectiveness of the Group's corporate governance, risk management and internal control system. The Group's internal control system covers, inter alia, financial, business, operational and compliance controls and helps to ensure compliance with applicable laws, regulations, rules, policies and guidelines.

The management assists the Board in the implementation of the Board's policies and procedures on corporate governance, risk management and internal control by identifying and addressing the risks faced, and implementing appropriate risk management processes and internal controls to mitigate and control these risks.

Due to limitations that are inherent in the internal control system, the system adopted by the Group is designed to manage rather than to eliminate the risk of failure to achieve business objectives. The internal control system can only provide reasonable but not absolute assurance against any material misstatement of financial reporting or loss.

The Board has received assurance from the Managing Director ("MD") and Chief Financial Officer ("CFO") that, in the course of their management of day-to-day operations in respect of whole business activities of the Group, nothing has come to their attention which indicates that the risk management and internal control system is not operating effectively in all material aspects.

RISK MANAGEMENT

In dealing with its stewardship responsibilities, the Board recognises that RMF is part of good business management practice. The Group has a RMF to govern its risk management initiatives.

The Board entrusts the management with the overall responsibility of overseeing the adequacy and effectiveness of risk management processes of the Group.

Corporate Assurance Unit ("CAU") adopts risk based audit approach and selects the auditable areas for internal audit based on the identified risk areas of the operational activities by using the Risk Matrix tool.

In this regard, two nominated risk facilitators consisting of Head of CAU and the Head of Quality and Professional Standards Unit facilitate the Group to manage risks arising from its daily operations. The risk facilitators deal with risk owners for purposes of gathering significant risks confronting the Group's activities. Such information is submitted to the Senior Management and to the Board periodically by highlighting key risks faced by the Group together with related responses in conformity with MCCG's requirements.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

Risk Management Framework ('RMF')

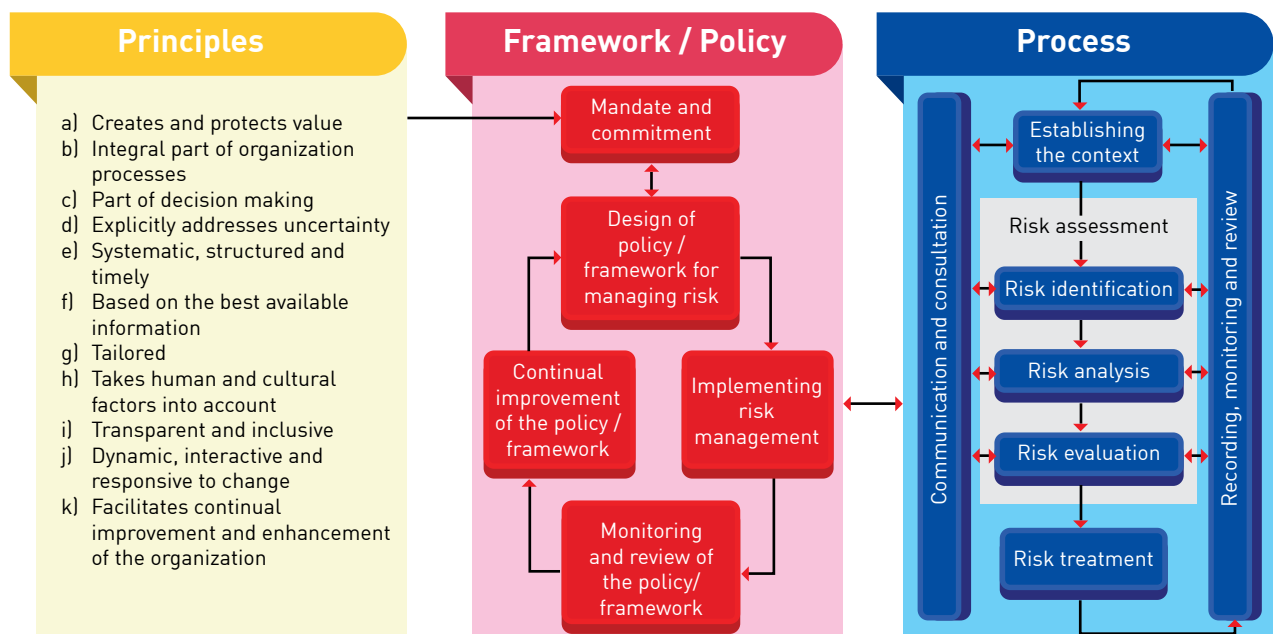
The primary goals and features of the Group's RMF are to support the overall business objectives of the Group by:

- Providing strategies, policies and organizational structure for management of risks that the Group assumes in its activities;
- Defining risk management roles and responsibilities within the organization and outlining procedures to mitigate risks;
- Ensuring consistent and acceptable management of risks throughout the business;
- Defining a reporting framework to ensure the communication of necessary risk management information to Senior Management and personnel engaged in risk management activities;
- Remaining agile and dynamic to accommodate the changing risk management needs and Board's approved risk appetite of the organisation while maintaining control of the overall risk position;
- Detailing the approved methods for risk assessment and Key Performance Indicators(KPIs); and
- Providing a system to accommodate the central accumulation of risk information, which can form part of each department's operational procedures.

Under the RMF, the Group has relevant policies and guidelines on risk assessment, reporting and disclosure which encompassed the following scope:

- Strategic risk assessment, which involves the identification and evaluation of risks that threaten the achievement of the Group's strategic objectives. This is carried out at the Senior Management level and provides a risk framework for the strategic planning process. Strategic risks are managed at corporate level; and
- Operational risk assessment, which involves a critical examination of each business unit's processes to identify and evaluate operational risks. This is carried out by the heads of business units with assistance from key personnel.

In compliance with the RMF, the undertaking of risk management activities are concentrated on all key business areas and operations. It is mainly based on International Organisation for Standardisation ("ISO") 31000:2018 Risk Management — Principles, Framework and Process that places emphasis on both the involvement of Senior Management and integration of risk management into the organisation as follows:



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

With ISO31000:2018, it helps the organisation to increase the likelihood of achieving objectives, improve the identification of opportunities and threats and effectively allocate and use resources for risk treatment by:

- Review of the principles of risk management, which are the key criteria for its success;
- Focus on leadership by top management who should ensure that risk management is integrated into all organizational activities, starting with the governance of the organization;
- Greater emphasis on the iterative nature of risk management, drawing on new experiences, knowledge and analysis for the revision of process elements, actions and controls at each stage of the process; and
- Streamlining of the content with greater focus on sustaining an open systems model that regularly exchanges feedback with its external environment to fit multiple needs and contexts.

WHISTLEBLOWING POLICY

The Group has established a Whistleblowing Policy. Its objective is to provide appropriate communication and feedback channels which facilitate whistleblowing in a transparent and confidential manner to enable employees and stakeholders to raise genuine concerns about possible improprieties, improper conduct or other malpractices within the Group in an appropriate manner.

The Audit Committee is responsible for the interpretation and supervision of the enforcement of this policy. It is committed to investigate and address all causes of reported misconduct.

INTERNAL CONTROL PROCESSES

The Board is committed to maintaining strong features of control structure and environment for the proper conduct of the Group's business operations. The Board has the following internal control processes in place:

- Company's vision and mission and standard operating procedures for all major operations monitoring. The Group has in place a well-established and documented business processes;
- A formal organisational structure with delineated lines of authority, responsibility and accountability within the Group. A process of hierarchical reporting has been established which provides for a documented and auditable trail of accountability. This organisational structure is aligned with its business and operational requirements;
- Group's vision, mission and strategic directions are communicated to employees at all levels through various means of communication and knowledge sharing;
- In most of the Group's business operations, periodic meetings are held to ensure that progress of business plans, exceptions and variations are fully discussed and appropriate actions taken. This ensures that business objectives are met. Adequate reports and minutes of meeting are generated for reviews on various business and operating units of the Group;
- The Board oversees the conduct of the Group's operations through various management reporting channels. Proper records are maintained, and the Board is informed of all major issues pertaining to financial and operational matters, internal control, regulatory compliance and risk management processes to ensure that it maintains full and effective supervision;
- The Group performs a comprehensive annual budgeting and forecasting exercise at the beginning of the financial year. Actual performance and significant variances against budget are monitored on an on-going basis;
- Key result areas and key performance indicators are established and aligned with strategic business objectives and are monitored on an on-going basis;
- Comprehensive management reports and accounts are prepared on a monthly basis for review by the Senior Management for effective monitoring and decision-making. Such management reports and accounts are also submitted on a quarterly basis to the Audit Committee and the Board for review; and
- The Group operates a comprehensive Management Information System ("MIS") that provides for transactions to be captured, compiled and reported. Management also uses the data and analysis provided by MIS to monitor their sales, service deliveries and call centre.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Cont'd)

MONITORING AND REVIEW

The Board delegates the day-to-day management functions to MD, who is assisted by a team of Senior Management in carrying out the duties. The role of the Senior Management is to drive each of the business operations in a manner that ensures the integrity of the internal control system and effective risk management processes are in place throughout the year.

From a process viewpoint, the MD presides over regular management meetings in each of the business operations. These meetings review financial performance, business issues and other related matters including internal control matters and risk management.

The Group's CAU whose primary responsibility is to conduct internal audit and provide assurance to the Board through the Audit Committee that the internal control system is functioning as intended. The Audit Committee receives feedback from the Head of CAU on the adequacy and effectiveness of internal control based on the conducted internal audit assignments. The Head of CAU has the relevant qualification to carry out the functions of the CAU according to the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors ("IIA"), USA. This is in line with the International Professional Practices Framework 2024 ("IPPF 2024") authoritative guidance on the internal audit profession that has been promulgated by IIA.

The Corporate Assurance team conducts reviews and appraisals of the adequacy and effectiveness of the internal control processes within the Group. Reports of deficiencies together with recommendations as appropriate are tabled at Audit Committee meetings.

The involvement of the external auditors in conducting the audit on the statutory financial statements would provide further assurance on the adequacy and effectiveness of the internal control system.

Issues highlighted by the auditors, if any, are addressed or rectified by management. There were no control deficiencies noted during the period under review which had material impact on the Group's financial performance, operations and integrity of financial information.

CONCLUSION

The Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system to safeguard shareholders' investment and Group's assets. It has received reasonable assurance from MD and CFO that the Group's risk management and internal control system are operating adequately and effectively. The risks taken are at an acceptable level within the business environment throughout the Group. The risk management and internal control system that existed provides a level of confidence and assurance to the Board.

This statement is made in accordance with the SORMIC — Guidelines for Directors of Listed Issuers ("Guidelines") issued on 31 December 2012, which is in line with the requirements of Paragraph 15.26(b) of the MMLR and Part II of Principle B, Intended Outcome 9.0, Practices 9.1 and 9.2 read together with corresponding Guidance 9.1 and 9.2 of the MCCG issued by Securities Commission Malaysia.

The Board and external auditors have duly reviewed this report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Dataprep Holdings Bhd (“the Company”) presents this statement to provide shareholders and investors with an overview of the corporate governance (“CG”) of the Company and its subsidiaries (“the Group”) during the financial period ended 2025.

The Board recognises the importance of practising acceptable standards of CG throughout the Group as a fundamental part of discharging its responsibilities to safeguard and enhance shareholders' value, while ensuring the sustainability, financial performance and sound financial position of the Group.

This statement outlines the key CG practices adopted by the Group during the financial period under review. It has been prepared in compliance with Paragraph 15.25(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”), the Companies Act 2016, the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”) issued by the Securities Commission Malaysia (“SC”) on 28 April 2021, and the Corporate Governance Guide (4th Edition) issued by BMSB. This statement is to be read together with the Corporate Governance Report 2024 (“CG Report”) of the Company, which is available on the Company’s corporate website at www.dp.com.my.

The Board remains committed to the effective adoption and implementation of the principles and best practices set out in the MCCG 2021, as well as the guidelines issued by the SC and the requirements of the MMLR, as part of its continuous efforts to strengthen the Group’s governance framework. The Group’s approach is anchored on accountability and substance over form, with governance systems designed to enhance decision-making and uphold balanced stakeholder expectations. www.dp.com.my.

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS

Clear Functions Reserved for the Board and Those Delegated to Management

The respective roles and responsibilities of the Board and Management are clearly defined and well understood by both parties, thereby ensuring clarity and accountability in discharging their duties.

The Board is responsible for the overall oversight and management of the Group. In discharging its duties, the Board ensures that all significant matters are appropriately considered and addressed, as it remains ultimately accountable under the applicable laws and regulations for the Group’s activities, strategies, financial position and performance. The Board delegates specific functions and authorities to its Board Committees, Managing Director (“MD”) and the Senior Management, while retaining overall responsibility for the stewardship and oversight of the Group.

Key matters reserved for the Board’s approval are clearly set out in the Board Charter and the approved Terms of Reference [“TOR”] of the respective Board Committees. These include the Group’s goals and strategies, financial plans and forecast, quarterly financial statements, public announcements, as well as matters relating to the appointment or re-appointment of external auditors.

Clear Roles and Responsibilities

The Board’s primary responsibilities encompass providing strategic direction to the Group, identifying key risk areas, establishing key performance indicators for the Group’s business, overseeing investment decisions, deliberating on significant financial matters and review the performance of management.

The Board also guided by the Board Charter which sets out the roles and responsibilities as listed below:

- a. Reviews and adopts the Group’s strategic plan, and monitors its implementation by management;
- b. Oversees the conduct of the Group’s business and the performance of management to ensure it is aligned with the Group’s strategies and policies;

CORPORATE GOVERNANCE OVERVIEW STATEMENT

[Cont'd]

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Clear Roles and Responsibilities (Cont'd)

- c. Identifies the principal risks and ensure the implementation of appropriate internal controls and mitigation measures to effectively monitor and manage such risks;
- d. Establishes succession planning and ensures that candidates appointed to the Senior Management positions are of sufficient calibre;
- e. Oversees the development and implementation of communications policy with its shareholders and other stakeholders to enable effective communication; and
- f. Reviews the adequacy and the integrity of the Group's management information and internal control system.

The Board delegates the day-to-day management of the Group to the MD who further delegates the authority to the management team. Both the MD and management team are accountable to the Board for the authority entrusted to them and provide quarterly updates on the operational progress and financial performance.

The following procedures are stated clearly in the Board Charter to ensure the conduct of business is properly executed:

- a. The conduct of Board members will be consistent with their duties and responsibilities to the Group and to the shareholders;
- b. The Directors would always act within limitations imposed by the Board on its activities;
- c. Directors' responsibilities and limitations are primarily set out in the Company's Constitution, MMLR of BMSB, the Board and/or shareholders' resolutions and other relevant legislations, where applicable;
- d. The Board shall be disciplined in carrying out its role;
- e. The Board is engaged in an open discussion. The Chairman will seek for a consensus from the Board but may, call for a vote when necessary;
- f. The Board members are entitled to have access to all relevant Group's information and to Senior Management in discharging their duties and responsibilities to enable them to make informed decisions;
- g. The Board members are expected to strictly observe the confidentiality of confidential material given or presented to the Board; and
- h. The Board members may take an independent professional advice, if required, at expense of the Group, subject to prior approval of the Chairman.

Significant matters reserved for the consideration of the Board include the followings:

- a. Approval of the audited financial statements and quarterly financial results of the Group;
- b. Approval of annual budget;
- c. Approval for the appointment and remuneration of Directors and Senior Management;
- d. Proposed corporate exercise; and
- e. Borrowings from financial institutions.

As part of succession planning, the Board is responsible for reviewing candidates for appointment as Director and ensuring that orderly succession of Executive Director and Senior Management positions. Nomination and Remuneration ("NR") Committee is delegated by the Board to review succession plans and remuneration packages for the Directors and Senior Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Code of Conduct and Ethics

The Group remains committed in promoting and maintaining the highest standards of transparency, accountability and ethics in the conduct of its business and operations.

The Group's Employee Handbook sets out the terms and conditions of employment as well as the standards of ethics and good conduct expected of all employees.

The Board has established the Code of Conduct and Ethics for Directors, which sets out the standards of business conduct and ethical behaviour expected of Directors in discharging their duties and responsibilities.

In addition, the Whistleblowing Policy and Procedures established by the Board apply to both the Directors and employees of the Group and are designed to provide proper internal reporting channels and guidance for disclosing any wrongdoing or improper conduct within the Group, without fear of reprisal, victimisation, harassment or discrimination.

The Code of Conduct and Ethics for Directors and the Whistleblowing Policy and Procedures are made available for reference on the Company's website at www.dp.com.my.

Sustainability of Business

The Group recognises the importance of sustainability and its growing impact on the business and is committed to understanding and implementing sustainable practices. The Group sets both long term and short-term targets to achieve the right balance between the needs of the wider community and the requirements of shareholders and stakeholders. In addition, the Group acknowledges its corporate social responsibility and remains committed in supporting worthy causes within the community.

Access to Information and Advice

To ensure effective conduct of Board meetings, a structured agenda together with the relevant Board papers such as progress reports on operations, periodic financial management reports, quarterly results of the Group and the Company, financial and corporate proposals, business strategy matters, minutes of the Board Committees and Directors' Circular Resolutions are circulated to all Directors in advance of each Board meeting. The Directors are thus given sufficient time to peruse the matters to be tabled, to enable them to request for additional materials, to conduct independent evaluation or analysis where necessary and actively participate in deliberations to make informed decisions.

At the Board meetings, the MD provides detailed explanations on significant issues raised by the Board, while the Chief Financial Officer ("CFO") presents the Group's financial performance. Senior Management is also invited to attend Board meetings to provide additional insights and professional perspectives on specific items for the Board's consideration.

Minutes of the Board and Board Committee meetings are circulated to Directors for review prior to their confirmation at the subsequent meetings. Directors may request for clarification, raise comments or suggest corrections before the minutes are confirmed. All matters arising from Board and Board Committee meetings are addressed by Management and the Board is updated on the progress or outcome either at the next meeting or if urgent, via email circulation. In carrying out their duties, the Directors have unrestricted access to information within the Group, as well as to the advice and services of the company secretary and where necessary, independent professional advice at the Group's expense.

In addition to the quarterly reports, the Board makes public disclosure through Bursa announcements and press releases.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Qualified and Competent Company Secretary

The company secretary plays an advisory role in supporting the Board in carrying out its role and responsibilities. The primary responsibilities of the company secretary include:

- Assists the Board to discharge their responsibilities in the best interests of the Group;
- Provides full assistance to the Board and its committees on issues of compliance with rules and procedures and statutory regulations;
- Circulates relevant news articles, guidelines and updates on statutory requirements for the Board members' reference and brief the Board on these updates at the Board meetings; and
- Ensures that all meetings of the Board and its committees are properly convened and that deliberations, proceedings and decisions thereof are properly recorded.

Board Charter

The Board Charter provides guidance and clarity for the Board and the Management on the roles of the Board and its Committees, as well as the responsibilities of Directors in discharging their duties to the Group.

The Board Charter is periodically reviewed and updated in line with the needs of the Group and to reflect any new regulatory requirements that may impact the discharge of the Board's responsibilities.

The Board Charter is available for reference at the Company's website www.dp.com.my.

Strengthen Composition

Nomination and Remuneration ("NR") Committee

The NR Committee was established in 2003 and comprises exclusively Non- Executive Directors, a majority of whom are independent.

The presence of the Independent Non-Executive Directors ensures that independent views and objectivity are brought to the Board's deliberations and decision-making processes.

As they are not involved in the day-to-day management of the Company and not full-time salaried employees, the Independent Non-Executive Directors are able to contribute impartial views and provide broader perspective on matters under consideration.

The present Committee consists of three (3) Independent Non-Executive Directors as follows:

Directors	Position
Dr. Choo Koon Lip	Chairman, Independent Non-Executive Director
Dr. Wan Ahmad Rudirman bin Wan Razak	Member, Independent Non-Executive Director
Che Khalid bin Embong	Member, Independent Non-Executive Director

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Nomination and Remuneration ("NR") Committee (Cont'd)

The objective of the NR Committee is to assist the Board in implementing procedures for the selection of Directors and in assessing the effectiveness of the Board, Board Committees and the contributions and performance of individual directors. In addition, NR Committee is responsible in establishing a remuneration framework for Board members and Senior Management, aligned with the Group's business strategy, responsibilities, expertise and long-term objectives of the Group.

The terms of reference of the NR Committee is made available for reference at the Company's website www.dp.com.my.

The principal roles of the NR Committee are inter-alia as follows:

- a. To review and recommend to the Board for approval, the remuneration structure and policy for Executive Directors and Senior Management;
- b. To review the remuneration packages of the Senior Management;
- c. To review and recommend to the Board for approval, the policy and framework for the Performance - Linked Compensation Scheme (if any);
- d. To review and recommend to the Board, the appointment of new Executive Directors and to assess the performance of Executive Directors on an on-going basis;
- e. To review and recommend to the Board, the appointment of new Executive Directors and MD: and
- f. To review the Board's succession plans and training programmes for Board members.

Develop, Maintain and Review Criteria for Recruitment and Annual Assessment of Directors

The appointment of new Directors is under the purview of the NR Committee which is responsible to perform a thorough assessment of the candidates and to deliberate on the assessment prior to recommending the candidates to the Board for its approval.

The NR Committee reviewed the required mix of skills and experiences and other qualities, including core competencies which Directors should bring to the Board.

The NR Committee, after having given consideration to the following, recommended the appointments to the Board for approval:

- Their abilities to act objectively and constructively in exercising their duties as Directors;
- Demonstration of professional ethical standards and integrity as Directors; and
- Critical analytical skills and judgments.

The NR Committee has carried out an evaluation of the effectiveness of the Board, Board Committees and individual Directors. The NR Committee also reviewed the outcome of the evaluation exercise and areas for continuous improvements.

The Group upholds the principle of equality regardless of age, gender, ethnicity or religion across the organisation. At the same time, the Group believes it is of utmost importance that the Board comprises of the best-qualified individuals with the requisite knowledge, experience, independence, foresight and good judgment to ensure that the Board functions effectively and discharge its duties in the best interests of the Group and shareholders.

The Group also recognises the recommendation of the Code, on Gender Diversity Policy which has been adopted by the Board and is available on the Company's website www.dp.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

[Cont'd]

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Remuneration Policies and Procedures

The NR Committee is entrusted with reviewing and recommending a suitable policy and framework for the remuneration packages for Executive Directors and Senior Management personnel of the Company.

The remuneration of the Directors for the financial period ended 30 June 2025 ("FPE2025") and the preceding financial year ended 31 December 2023 ("FYE 2023") for the Group and the Company are as follows:

Directors of Company	Group		Company	
	FPE2025 *18 months 30 Jun'2025 RM'000	FYE2023 12 months 31 Dec'2023 RM'000	FPE2025 *18 months 30 Jun'2025 RM'000	FYE2023 12 months 31 Dec'2023 RM'000
(i) Executive Director's Remuneration				
Salaries and allowances	1,104	568	1,104	568
Contributions to a defined contribution plan	132	69	132	69
Benefits-in-kind (BIK)	31	34	31	34
Share Based Payments-Esos Options	387	-	387	-
Total				
Executive Directors' Remuneration and BIK	1,654	671	1,654	671
(ii) Non-Executive Directors' Remuneration				
Fees	147	235	95	181
Allowances	26	45	26	45
Share Based Payments-Esos Options	232	-	232	-
Total				
Non-Executive Directors' Remuneration	405	280	353	226
(i+ii) Total Directors of Company Remuneration and BIK	2,059	951	2,007	897
(iii) Directors of Subsidiaries				
Executive Directors' Remuneration				
Salaries and allowances	391	459	-	-
Contributions to a defined contribution plan	41	51	-	-
Share Based Payments-Esos Options	290	-	-	-
Total Directors of Subsidiaries Remuneration	722	510	-	-
(i+ii+iii) Grand Total of Directors' Remuneration and BIK	2,781	1,461	2,007	897

*18 months :

The FPE2025 of 18 months included the extension of 6 months from January 2025 to June 2025, after December 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

[Cont'd]

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Remuneration Policies and Procedures (Cont'd)

The number of Directors of the Group and Company whose total remuneration during the respective FYE2023 and FPE2025 are within the following ranges:

Directors of Company	Group		Company	
	Number of Directors			
	FPE2025	FYE2023	FPE2025	FYE2023
	*18 months	12 months	*18 months	12 months
	30 Jun'2025	31 Dec'2023	30 Jun'2025	31 Dec'2023
Executive Directors :				
RM600,000 to RM1,000,000 per Director	1	1	1	1
Below RM300,000 per Director	1	-	1	-
Non-Executive Directors :				
Below RM100,000 per Director	5	4	5	4
Total	7	5	7	5

Directors of the Company remuneration on named basis received or to be received from the Group and Company for the current financial year are as follows:

	Group RM'000	Company RM'000
Directors of Company		
(i) Executive Director:		
Datuk Mohamad Sabir bin Mohamad Sabri		
Salaries and allowances	854	854
Contributions to a defined contribution plan	102	102
BIK	31	31
Share Based Payments-Esos Options	387	387
Chan Kea Yong (appointed in Jan'2025)		
Salaries and allowances	250	250
Contributions to a defined contribution plan	30	30
BIK	-	-
Total Executive Directors' Remuneration and BIK	1,654	1,654

CORPORATE GOVERNANCE OVERVIEW STATEMENT

[Cont'd]

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Remuneration Policies and Procedures (Cont'd)

	Group			Company		
	Fees RM'000	Allowances RM'000	Share Based Payments- Esos Options RM'000	Fees RM'000	Allowances RM'000	Share Based Payments- Esos Options RM'000
(ii) Non-Executive Directors						
Dato' Nor Adha bin Yahya	45	6	232	19	6	232
Che Khalid bin Embong (appointed in Jul'2024)	-	-	-	-	-	-
Dr. Choo Koon Lip (appointed in Jan'2025)	-	-	-	-	-	-
Dharmendra a/l Magasvaran (appointed from Jul'2024 to Aug'2025)	-	-	-	-	-	-
Mohd Shahrman bin Mohd Sidek (appointed from Jul'2024 to Jul'2025)	-	-	-	-	-	-
Haslinna binti Mohammed (appointed from Aug'2024 to Mar'2025)	-	-	-	-	-	-
Ong Kuan Wah (until Dec'2024)	35	4	-	18	4	-
Hamsiah binti Khalid (Jul'2024)	-	-	-	-	-	-
Dato' Mohd Rizal bin Mohd Jaafar (until Jun'2024)	24	4	-	24	4	-
Dato' Abdul Aziz bin Ishak (until Jun'2024)	26	6	-	17	6	-
Nur Zarina binti Ghazali (until Jun'2024)	17	6	-	17	6	-
Total Non-Executive Directors' Remuneration	147	26	232	95	26	232

The Board is mindful of the disclosure of details in relating to Directors' remuneration. The Company complies with the disclosure requirements under the MMLR of BMSB. The Board is of the view that the principles of transparency and accountability in CG, as they relate to Directors' remuneration, are appropriately served by the above disclosure.

Composition of the Board

The Board comprises members with a wide range of skills and experiences from the financial, business as well as Information Technology background to lead and control the Group.

The Board continues to give due consideration to its size, composition and spread of experience and expertise among its members. This is to ensure that matters related to strategy, performance and resources are thoroughly deliberated, considering the long-term interests of the Group's shareholders and stakeholders.

The present Board has six (6) members comprising three (3) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and two (2) Non-Independent Executive Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

[Cont'd]

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Composition of the Board (Cont'd)

The composition of the Board is in compliance with Paragraph 15.02 (1)(a) of the MMLR of BMSB which requires that at least two (2) directors or 1/3 of the Board of Directors, whichever is the higher, to be independent. As for Paragraph 15.02(1)(b) of the MMLR of BMSB, the Company is in the process of identifying and evaluating a suitable female candidate for appointment to the Board to ensure compliance with the requirement on board composition. The Company has been granted an extension of time by BMSB to comply with this requirement by December 2025. The Directors contribute to the Company through their business acumen, diverse knowledge and extensive experience. They comprise qualified professionals with expertise in accountancy, finance, computer science, economics and management. A brief profile of each director is provided in the Directors' Profile section of this annual report. This blend of skills and experiences enhance the effectiveness of the Board's decision-making process and enables the Board to lead efficiently.

Board to be Majority Independent Directors

The Board acknowledged the recommendation of the Code that, where the Chairman of the Board is not an independent director, the Board should comprise a majority of independent directors. The current composition of the Board complies with the requirements set out under the MMLR of BMSB and the MCCG.

Fostering Commitment

The Board requires all members to devote sufficient time and effort to carrying out their responsibilities. Each Director is expected to dedicate the necessary time and attention to effectively discharge their duties, in addition to attending meetings of the Board and Board Committees.

Board meetings and Board Committee meetings are scheduled in advance of the new financial year to facilitate the Directors in planning their meeting schedule for the year.

To enhance the effectiveness of Board meetings, the agenda is structured to take into account the complexity of each proposal, whether for approval, discussion or notation by the Board.

Senior Management is invited to attend Board meetings to provide additional clarity and insights on the agenda items under discussion.

During the FPE2025 under review, the Board met six (6) times to deliberate on the Group's operations, strategies, business plans, quarterly financial results, annual financial statements and other matters requiring the Board's approval. All Directors attended the board meetings held during the financial period, thereby complying with the minimum requirement of 50% attendances as stipulated in the MMLR of BMSB.

The Board is satisfied with the level of time commitment given by the Directors during their tenure towards fulfilling their roles and responsibilities as Directors of the Group.

The details of their number of attendance and number of Board meeting held during the FPE2025 are as follows:

Directors of the Company	Board Meetings	Attendance	%
Dato' Nor Adha bin Yahya	6	6	100
Datuk Mohamad Sabir bin Mohamad Sabri	6	6	100
Chan Kea Yong (appointed in Jan'2025)	6	2	33
Che Khalid bin Embong (appointed in Jul'2024)	6	4	67
Dr. Choo Koon Lip (appointed in Jan'2025)	6	2	33
Dharmendra a/l Magasvaran (appointed from Jul'2024 to Aug'2025)	6	4	67
Mohd Shahrman bin Mohd Sidek (appointed from Jul'2024 to Jul'2025)	6	4	67
Haslinna binti Mohammed (appointed from Aug'2024 to Mar'2025)	6	2	33
Ong Kuan Wah (until Dec'2024)	6	3	50
Hamsiah binti Khalid (Jul'2024)	6	-	-
Dato' Mohd Rizal bin Mohd Jaafar (until Jun'2024)	6	2	33
Dato' Abdul Aziz bin Ishak (until Jun'2024)	6	2	33
Nur Zarina binti Ghazali (until Jun'2024)	6	2	33

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Fostering Commitment

In addition, six (6) special Board meetings were also held during the FPE2025 are as follows:

Directors of the Company	Special Board Meetings	Attendance	%
Dato' Nor Adha bin Yahya	6	6	100
Datuk Mohamad Sabir bin Mohamad Sabri	6	6	100
Chan Kea Yong (appointed in Jan'2025)	6	-	-
Che Khalid bin Embong (appointed in Jul'2024)	6	3	50
Dr. Choo Koon Lip (appointed in Jan'2025)	6	-	-
Dharmendra a/l Magasvaran (appointed from Jul'2024 to Aug'2025)	6	3	50
Mohd Shahriman bin Mohd Sidek (appointed from Jul'2024 to Jul'2025)	6	3	50
Haslinna binti Mohammed (appointed from Aug'2024 to Mar'2025)	6	2	33
Ong Kuan Wah (until Dec'2024)	6	5	83
Hamsiah binti Khalid (Jul'2024)	6	1	17
Dato' Mohd Rizal bin Mohd Jaafar (until Jun'2024)	6	2	33
Dato' Abdul Aziz bin Ishak (until Jun'2024)	6	2	33
Nur Zarina binti Ghazali (until Jun'2024)	6	2	33

Professional Development of Directors

All directors have attended and successfully completed the Mandatory Accreditation Programme accredited by BMSB. In addition, relevant seminars and conferences organised by BMSB, regulatory authorities and professional bodies on areas pertinent to the Directors' roles are regularly communicated to the Board for their participation.

During the FPE2025, the Directors attended training programmes covering a broad range of areas, including as the Companies Act 2016, corporate governance and statutory regulations. In addition, the Directors continuously received briefings and updates on the developments in business environment, new regulatory requirements and other relevant statutory obligation.

Director	Programme Title and Organizer	Date
Dato' Nor Adha bin Yahya	<ul style="list-style-type: none"> International Accountants Conference 2024 – Navigating New Frontiers, Embracing Sustainability - MIA Connecting Financial and Sustainability Reporting: Essentials for Professional Accountants - MIA International Accountants Conference 2025 – Collaborative Leadership for A Sustainable Future - MIA 	<ul style="list-style-type: none"> 11-12 June 2024 9 December 2024 26-27 May 2025
Datuk Mohamad Sabir bin Mohamad Sabri	<ul style="list-style-type: none"> Industrial Sharing Session with e-Money Issuer – BNM Navigating Governance, Risk and Strategic Foresight – ICDM Advocacy Dialogue & Debate : From Leadership to Stewardship - ICDM 	<ul style="list-style-type: none"> 18 November 2024 17 December 2024 14 February 2025
Chan Kea Yong (appointed in Jan'2025)	<ul style="list-style-type: none"> Mandatory Accreditation Programme I (MAP I) 	<ul style="list-style-type: none"> 24-26 March 2025
Che Khalid bin Embong (appointed in Jul'2024)	<ul style="list-style-type: none"> Mandatory Accreditation Programme I (MAP I) Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 	<ul style="list-style-type: none"> 14-15 August 2024 7-8 July 2025
Dr. Choo Koon Lip (appointed in Jan'2025)	<ul style="list-style-type: none"> Mandatory Accreditation Programme I (MAP I) 	<ul style="list-style-type: none"> 24-26 March 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

PRINCIPLE A — BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Professional Development of Directors (Cont'd)

Directors will continue to attend and undergo relevant training programmes to further enhance their skills and knowledge. The Board will, on a continuous basis, evaluate and determine the training needs of the Directors to ensure the effective discharge of their duties.

Employees' Share Option Scheme (ESOS) Committee

The Board has delegated authority to the ESOS Committee to review the rules and regulations relating to the ESOS scheme and to ensure its implementation in accordance with the ESOS by-laws including matters related to eligibility, option offers and allocations, basis of allotment, termination and appeals, if any.

The ESOS Committee reports its deliberations and recommendations to the Board. Minutes of the ESOS meeting are presented at the Board meetings for further discussion and direction. While the ESOS Committee is authorised to deliberate on matters delegated to it, all decisions and recommendations are submitted to the Board for consideration.

Assessment of Suitability and Independence of External Auditors

The Group through the Audit Committee has a transparent relationship with the external auditors. The Audit Committee reviews the Group accounting policies and financial reporting matters, oversees the internal audit function, and ensures that an objective and independent relationship is preserved with the external auditors. Both the internal and external auditors have unrestricted access to the Audit Committee, including direct access to its chairman at any time.

In line with its responsibilities, the Audit Committee undertakes an annual assessment of the external auditors to gauge their performance, suitability and independence. The results of this evaluation serve as the basis for the Committee's recommendation to the Board on whether to re-appoint or discontinue the services of the external auditor.

In August 2025, the Audit Committee had carried out an assessment of the performance and independence of Messrs. Folks DFK & Co., the Company's external auditors, in relation to the services rendered during the financial period under review. Based on the results of this assessment, the Committee recommended their re-appointment to the Board.

The details of the assessment process on suitability and independence of external auditors are set out separately in Audit Committee Report.

The External Auditors Assessment Policy has been established and adopted by the Board since May 2017. The policy is made available at the Company's website www.dp.com.my for reference.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Sound Framework to Manage Risks

The Board is responsible for ensuring that risks and opportunities are identified and addressed in a timely basis.

The Company's risk management framework is anchored on the identification, assessment, monitoring and management of material risks embedded in its business and management systems.

Directors and Principal Officers of the Group are covered under a Directors' and Officers' Liability Insurance, which provides indemnity against any liability incurred in discharging their duties. The indemnity, however, does not extend to instances of negligence, fraud, breach of duty or breach of trust proven against them.

The Statement on Risk Management and Internal Control ("SORMIC"), made pursuant to Paragraph 15.26(b) of the MMLR of BMSB is set out separately in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

[Cont'd]

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

Internal Audit Function

The Board has established an Internal Audit function within the Group, headed by the Head of Corporate Assurance Unit ("CAU") who reports directly to the Audit Committee.

The primary role of the CAU is to provide the assurance to the Board through the Audit Committee, on the adequacy and effectiveness of internal control. The Audit Committee receives quarterly report and feedback from the CAU based on the audit assignments carried out during the year.

Further details of the key elements of the Group's internal controls system are set out separately in the SORMIC and the Audit Committee Report sections of this Annual Report.

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

The Board is committed to transparent disclosure of financial, organisational, governance and related matters to enable our stakeholders to assess the Group's performance effectively. The public can access the latest information regarding the Group on the corporate website including public announcements, financial results, charters and annual reports. As part of the investor relations policy, there are regular engagements between Senior Management, fund managers and the wider investment community, both local and international.

Encourage Shareholder Participation at General Meetings

The Notice of General Meetings together with a copy of the Company's Annual Report is despatched within the prescribed notice period to allow shareholders to review the material or to arrange for participation either in person, through representative or by proxy. The Board encourages shareholders' participation and engagement at the general meeting as it provides a platform to gauge market expectations as well as an avenue for the shareholders to make enquiries on the resolutions being proposed and to seek clarification on the business and performance of the Group.

Poll Voting

Resolutions set out in the Notice of any General Meeting, or in any Notice of Resolution properly moved at a general meeting, are voted on by poll. The poll voting process at the General Meeting will be conducted in accordance with the provisions of the Constitution of the Company.

Effective Communication and Proactive Engagement

The Company recognises the importance of providing shareholders with adequate and timely information. The shareholders are kept informed of the Company developments and performance through announcements and disclosures made to BMSB including the quarterly release of financial results.

The Company is always willing to meet up with institutional investors whenever the need arises, to elaborate or to further clarify the information which has been disclosed to the shareholders. The shareholders can access to the up-to-date information from the Company's website at www.dp.com.my.

Timely and High-Quality Disclosure

The Company recognises the importance of providing shareholders with adequate and a timely information. The shareholders are kept well informed of the Company's developments and performance through announcements and disclosures made to BMSB, including the quarterly release of financial results.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (Cont'd)

Appropriate Corporate Disclosure Policies and Procedures

The Group has established appropriate controls to safeguard the confidentiality of information, requiring Executive Directors and employees to sign a Confidentiality Agreement prior to their appointment. This measure ensures that confidential information is properly managed and not improperly used. The Group upholds strict standards of confidentiality with regards to the undisclosed material information and ensures that the information is disseminated to shareholders and the public in a timely manner. The Board remains mindful that information must be announced without delay.

In addition, the Board has established the Corporate Disclosure Policies and Procedures applicable to all Directors, management and employees of the Group. These policies outline the Group's approach in determining and disseminating material information while maintaining confidentiality. It also provides guidelines to ensure consistent disclosure practices across the Group.

The Corporate Disclosure Policy and Procedures is made available on the Company's website at www.dp.com.my.

Leverage on Information Technology for Effective Dissemination of Information

The Company's website serves as key communication channel, providing comprehensive corporate information of the Group. It includes an Investor Relations section that offers access to relevant information on the Company's shares, financial information, announcements made by the Company to BMSB as well as the latest media coverage on the Group. The Group continues to leverage information technology to ensure the effective and timely dissemination of information to shareholders and the public.

Corporate Governance Priorities

Moving forward, the Group remains committed to upholding high standards of CG to ensure ongoing compliance and continuous application of sound governance policies.

ADDITIONAL COMPLIANCE INFORMATION

1. AUDIT AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable to the Company's external auditors, Messrs Folks DFK & Co and a corporation affiliated to Messrs Folks DFK & Co for the financial period ended 30 June 2025 are as follows:

	Group RM'000	Company RM'000
Audit fees paid or payable to:		
- Messrs Folks DFK & Co	192	75
Non-audit fees paid or payable to:		
- Messrs Folks DFK & Co	8	8
- Corporation affiliated to Messrs Folks DFK & Co	56	10
	64	18

2. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests either still subsisting at the end of the financial year or entered into since the end of the previous financial year.

3. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE OR TRADING NATURE

The Recurrent Related Party Transactions during the financial period ended 30 June 2025 ("FPE2025") are summarised as follows: -

	Group		Company	
	FPE2025 RM'000	FYE2023 RM'000	FPE2025 RM'000	FYE2023 RM'000
Crystal Solaris Sdn Bhd*				
-Project training services	-	37	-	-
Widad Builders Sdn Bhd *				
-Rental of premises	784	588	784	588
-Sale of computer equipment	-	6	-	-
-Maintenance and support services	20	60	-	-
Rai Utility Sdn Bhd*				
-Sale of computer equipment	-	171	-	-
Widad Business Group Sdn Bhd				
-Sale of computer equipment	-	29	-	-

Notes:

- * The related party is a subsidiary of Widad Business Group Sdn Bhd, the ultimate holding company of the Company.
- ** On 24 April 2024, the Company announced the Notice of Person Ceasing to be Substantial Shareholder Pursuant to Section 139 of CA 2016 for Wardah Communications Sdn Bhd, Widad Business Group Sdn Bhd and Tan Sri Muhammad Ikmal Opat bin Abdullah.

ADDITIONAL COMPLIANCE INFORMATION

(Cont'd)

4. UTILISATION OF PROCEEDS FROM PRIVATE PLACEMENT AND ESOS SHARE OPTIONS

The Company has announced the following issuance of the new ordinary shares pursuant to Private Placement during the period of financial period ended 30 June 2025: -

	Share Capital No of Units	Issued Price RM	Share Capital RM
As at 1 January 2024	737,971,317		148,782,214
Issuance of ordinary shares pursuant to Esos share options			
On 3 May 2024	51,000	0.147	7,497
On 6 Jun 2024	500,000	0.147	73,500
On 26 June 2024	10,000	0.147	1,470
On 09 July 2024	1,700,000	0.147	249,900
On 15 July 2024	296,000	0.147	43,512
On 19 July 2024	2,300,000	0.147	338,100
On 26 July 2024	5,870,200	0.147	862,919
On 02 August 2024	1,258,800	0.147	185,044
On 09 August 2024	5,337,000	0.147	784,539
On 16 August 2024	175,000	0.147	25,725
On 23 August 2024	160,000	0.147	23,520
On 30 August 2024	80,000	0.147	11,760
Issuance of ordinary shares pursuant to private placement			
On 15 May 2025	6,668,000	0.12	800,160
On 03 June 2025	42,000,000	0.127	5,334,000
Fair value of Esos options granted			1,372,921
As at 30 June 2025	804,377,317		158,896,781

The Company's issued and paid-up share capital was increased from RM148,782,214 comprising 737,971,317 ordinary shares to RM158,896,781 comprising 804,377,317 ordinary shares through the issuance of 48,668,000 new ordinary shares to independent third parties pursuant to the Private Placement for the listing and quotation of up to 226,700,000 Placement Shares, representing 30% of the total number of issued shares of the Company as approved by Bursa Malaysia Securities Berhad ("Bursa Securities") vide its letter dated 24 February 2025 as announced on the same date and approved by the shareholders of the Company at the Extraordinary General Meeting held on 25 March 2025. In addition, there was a listing and quotation of 17,738,000 new ordinary shares pursuant to the ESOS Share Options exercised by the eligible directors and employees under the Long-Term Incentive Plan. Included in the issued and paid-up share capital of the Company was the corresponding fair value of RM1,372,921 for the total number of 17,738,000 ESOS Share Options exercised which was transferred from share options reserve to share capital.

The private placement raised cash proceeds of RM6,134,060 for the purposes of working capital, repayment of bank borrowings of the Group, funding of investments and projects and to defray expenses for the private placement exercise.

The Company announced that Bursa Securities, vide its letter dated 19 August 2025, had approved Dataprep's application for Extension of Time of 6 months up to 23 February 2026 to complete the implementation of the Proposed Private Placement.

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

ADDITIONAL COMPLIANCE INFORMATION

(Cont'd)

The status of proceeds utilisation as at 30 June 2025 is as follows: -

	Proposed utilisation RM'000	Actual Proceed Raised as at 30 June 2025 RM'000	Actual utilisation at 30 June June 2025 RM'000	Balance unutilised as at 30 June 2025 RM'000	Intended Time Frame
Utilisation of proceeds					
Secured projects	10,000	3,040	3,040	-	Within 24 months
Future projects	5,000	-	-	-	Within 24 months
Working capital requirements	7,453	1,986	1,981	5	Within 24 months
Repayment of bank borrowings	4,000	972	972	-	Within 3 months
Estimated expenses for the Private Share Placement	751	136	136	-	Immediate
Total	27,204	6,134	6,129	5	

The Company received a Court Order dated 7 October 2025 in relation to its application for capital reduction. Subsequently, on 14 October 2025, the Company received a "Notice Confirming Reduction of Share Capital" from Suruhanjaya Syarikat Malaysia. Following the changes, the Company's total issued share capital now stands at RM60,379,441.20.

AUDIT COMMITTEE REPORT

The Audit Committee of Dataprep Holdings Bhd ("the Company") is pleased to present its Audit Committee Report for the financial period ended 30 June 2025 ("FPE2025"), outlining the functions, roles and responsibilities of the Audit Committee's in relation to the Group and the Company, in line with the requirements of the Main Market Listing Requirements ("MLLR") of Bursa Malaysia Securities Berhad ("BMSB") and the principles of the Malaysian Code on Corporate Governance ("MCCG"):

1. COMPOSITION OF AUDIT COMMITTEE

At present, there are three (3) Audit Committee members, all of whom are non-executive directors and independent directors.

The Members of the Audit Committee are as follows:

Chairman	Che Khalid bin Embong (Independent Non-Executive Director)
Members	Dr. Choo Koon Lip (Independent Non-Executive Director)
	Dr. Wan Ahmad Rudirman bin Wan Razak (Independent Non-Executive Director)

The Audit Committee meets the requirement under Paragraph 15.09(1)(c)(i) of the MMLR of BMSB, whereby at least one (1) member of the Committee is a member of the Malaysian Institute of Accountants.

The Secretary to the Audit Committee is Nor Fazieana binti Daud.

2. ATTENDANCE AT AUDIT COMMITTEE MEETINGS

The Audit Committee had met six (6) times during the FPE2025. The attendance (√) records of the respective Audit Committee members and dates of the meetings are as of follows:

Audit Committee Meetings

Name of Member	Feb' 2024	May' 2024	Aug' 2024	Nov' 2024	Feb' 2025	May' 2025	Held	Attended
Che Khalid bin Embong (Chairman appointed in Jul'2024)	-	-	√	√	√	√	6	4
Dr. Choo Koon Lip (appointed in Jul'2025)	-	-	-	-	-	-	6	-
Dr. Wan Ahmad Rudirman bin Wan Razak (appointed in Aug'2025)	-	-	-	-	-	-	6	-
Mohd Shahrman bin Mohd Sidek (appointed from Jul'2024 to Jul'2025)	-	-	√	√	√	√	6	4
Haslinna binti Mohammed (appointed from Aug'2024 to Mar'2025)	-	-	-	√	-	-	6	1
Ong Kuan Wah (ex-Chairman until Jul'2024)	-	√	-	-	-	-	6	1
Dato' Nor Adha bin Yahya (until Jul'2024)	√	√	-	-	-	-	6	2
Dato' Abdul Aziz bin Ishak (until Jun'2024)	√	√	-	-	-	-	6	2
Nur Zarina binti Ghazali (until Jun'2024)	√	√	-	-	-	-	6	2

AUDIT COMMITTEE REPORT

[Cont'd]

2. ATTENDANCE AT AUDIT COMMITTEE MEETINGS (Cont'd)

The Audit Committee meeting had invited the Managing Director ("MD"), representatives of the external auditors, Chief Financial Officer ("CFO"), Head of CAU and relevant members of the Management to facilitate direct communication and provide clarification on internal audit issues, the Group's operations as well as other matters within the Terms of Reference ("TOR") of the Audit Committee. Minutes of each Audit Committee Meeting were recorded and tabled for confirmation at the next following Audit Committee Meeting and subsequently presented to the Board for notation. The minutes of the Audit Committee Meeting were properly maintained by the company secretary.

The Audit Committee may access to any form of independent advice from professionals to perform their duties.

The Audit Committee Chairman reports to the Board on a quarterly basis on all significant matters discussed. The report includes, amongst others, the Audit Committee's recommendations to approve the quarterly management reports and accounts, the quarterly consolidated financial results released to BMSB, the annual financial statement of accounts, key disclosure statements in the Annual Report as well as significant audit issues raised by the external and internal auditors. The Audit Committee also continuously reviews and updates its TOR to reflect the latest internal management procedures and current regulatory requirements.

The TOR is available on the Company's website, www.dp.com.my.

3. ACTIVITIES OF THE AUDIT COMMITTEE

The summary of the activities carried out by the Audit Committee in the discharge of its duties and responsibilities for the FPE2025 is as follows:

(i) Financial Reporting

- a. Reviewed the audited financial statements of the Group and of the Company for inclusion in the Annual Report as well as the statutory auditors' report thereon, prior to the submission to the Board for consideration and approval, and upon being satisfied that, inter alia, they were prepared in accordance with the applicable MFRSs, International Financial Reporting Standards ("IFRSs") and the provision of the Companies Act 2016 in Malaysia;
- b. Reviewed and discussed the Quarterly Management Report and Accounts of the Company and of the Group, as well as the unaudited quarterly financial results and related announcements, prior to recommending the same to the Board for approval and release to Bursa Malaysia;
- c. To uphold the integrity of information, the CFO had attended all Audit Committee Meetings held throughout the financial year and the management had provided assurance to the Audit Committee that appropriate accounting policies had been adopted and applied consistently and matters such as prudent judgement and estimates had been made in accordance with the requirements as stipulated in the relevant accounting standards;
- d. When reviewing the financial reports, the Audit Committee had obtained reasonable assurances that the financial performance and financial position as reflected in the Statement of Accounts had been prepared in accordance with the applicable MFRS in all aspects; and
- e. Reviewed the assurance provided by the MD and CFO on the scope and effectiveness of the internal control systems. The assurance from Senior Management was further supported by independent confirmation from the CAU, based on internal audits conducted in accordance with the Internal Audit Planning Memorandum approved by the Audit Committee.

AUDIT COMMITTEE REPORT

(Cont'd)

3. ACTIVITIES OF THE AUDIT COMMITTEE (Cont'd)

(ii) External Auditors

- a. In May 2025, the Audit Committee had reviewed and discussed the Audit Planning Memorandum of the external auditors for FPE2025. This covers the audit approach, significant events, key areas of audit emphasis, proposed audit fees and non-audit fees and updates of accounting standards as well as other regulatory updates, as appropriate;
- b. In August 2025, the Audit Committee reviewed and discussed the Audit Review Memorandum ("ARM") issued by the external auditors upon completion of the annual audit. The ARM covered significant audit findings, status of audit, professional independence, communication with Audit Committee, summary of unadjusted differences and expected auditor's opinion. The external auditors had expressed an opinion that the Group's financial statements were prepared in compliance with the MFRS and confirmed that the accounting records, other records and registers are properly kept in accordance with the provision of the Companies Act 2016;
- c. The Audit Committee had also assessed and evaluated the performance of the external auditors focusing on the question of professional independence and suitability for its reappointment as external auditors of the Group.

The Board had officially confirmed and endorsed that the external auditors are fully independent and suitable based on the assessment process and evaluation being performed as per the Group's External Auditor Assessment Policy (refer to the Company's website at www.dp.com.my) as follows:

i. Independence

- a. The Audit Committee had reviewed and discussed on the status of independence of the external auditors for the FPE2025. The external auditors had provided written assurance presented in their Audit Planning Memorandum confirming their continuous compliance with the relevant ethical requirements concerning independence with respect to the audit of the group in accordance with the International Federation of Accountants code of ethics for professional accountants and the Malaysian Institute of Accountants ("MIA") By-Laws (on professional ethics, conduct and practice); and
- b. The Audit Committee had reviewed and discussed the summary of non-audit services rendered to the Group as presented in their Audit Review Memorandum. The non-audit services provided by the external auditors for the FPE2025 were in respect of tax compliance services and review of the SORMIC, which amounted to RM64,000.

The nature of the non-audit services rendered were looked into together with the related terms wherein it was concluded that the fees were reasonable and realistic in line with the complexity and magnitude of the services coupled with the types of assignments undertaken which would not impair the independence and objectivity of the external auditors. To this end, the Audit Committee is guided specifically by the By- Laws (on professional, ethics, conduct and practice) of the MIA and International Ethics Standards Board for Accountant ("IESBA") code of ethics.

AUDIT COMMITTEE REPORT

[Cont'd]

3. ACTIVITIES OF THE AUDIT COMMITTEE (Cont'd)

(ii) External Auditors (Cont'd)

ii. Suitability and Performance

- a. In August 2025, the Audit Committee had assessed and evaluated the performance of the external auditors based on the following guidelines:

- Calibre of the external audit firm of international status;
- Quality of audit processes and performance based on International Auditing Standards of Practice;
- Audit team with emphasis on the competency, qualification and experience of engagement partner, concurring partner, audit manager and audit senior which also covered on the matter of familiarity with Dataprep Holdings Bhd's ICT industry and operations;
- Audit scope and planning in line with best practice;
- Fairness and reasonableness of audit fee; and
- Audit communication.

The Audit Committee also had taken the following criteria into consideration in assessing and evaluating on the performance of the external auditors:

- Competencies;
- Conduct of audit;
- Engagement partners involvement;
- Concurring partners involvement; and
- Professional working relationship between the management and the external auditors.

- b. The management had confirmed that the external auditors had provided full cooperation and extended relevant advise, suggestions and clarifications related to the accounting treatments and presentations of the financial and operational transactions to the management, maintained active engagement and communication during the audit processes and the audit fee proposed was competitive and reasonable based on the complexities and size of the audit and time spent on the audit undertakings. The outcome of the performance assessment supports the Audit Committee recommendation to the Board for the reappointment of Messrs. Folks DFK & Co. as the external auditors of the Group for the ensuing year;
- c. The Board at its meeting in August 2025 had approved the Audit Committee recommendations to reappoint Messrs. Folks DFK & Co., subject to the shareholders' approval to be sought at the forthcoming Annual General Meeting;
- d. Reviewed and discussed the opinion issued by the external auditors from their review on SORMIC for the FPE2025 which was effected in accordance with SORMIC - Guidelines for Directors of Listed Issuers;
- e. In August 2025, the Audit Committee had a private meeting with the external auditors without the presence of the MD and management. Generally, there were no significant unfavourable matters raised by the external auditors; and
- f. The Audit Committee shall conduct a review of the external auditors periodically as per the Group's External Auditor Assessment Policy to ensure that it continues to remain relevant and appropriate.

AUDIT COMMITTEE REPORT

(Cont'd)

3. ACTIVITIES OF THE AUDIT COMMITTEE (Cont'd)

(iii) Internal Auditors

- a. Reviewed and approved the Internal Audit Planning Memorandum of the CAU's internal auditors for the working period from January 2024 to June 2025 to ensure adequate scope of work, functions, resources, coverage on the activities of the Group, taking into consideration the assessment of key risk areas;
- b. Reviewed and discussed the internal audit reports issued by the CAU which incorporate the findings, recommendations and corrective actions committed by the management to ensure that all key risks are adequately addressed on timely basis and that effective controls are put in place;
- c. There were 8 internal audit reports being issued by the CAU during the FPE2025 which aligned to the approved Internal Audit Planning Memorandum. All internal audit reports were discussed and matters were resolved with recommendations of corrective measures made to the management;
- d. Reviewed the progress of action plans committed by the management for key findings highlighted in previous internal audit reports until the recommendations thereto had been fully rectified and that the preventive and corrective measures were put in place; and
- e. Reviewed the progress and activities of CAU on a quarterly basis which covered the following aspects:
 - The status of completion of the planned internal audit assignments as per the approved yearly in the Internal Audit Planning Memorandum for FYE2024 and FYE2025;
 - Any request for modification to the approved Internal Audit Planning Memorandum to cater for ad-hoc internal audit assignments requested by the MD and Senior Management or significant changes in the business and corporate development as applicable;
 - Adequacy of resources and competencies in regard to the internal audit management; and
 - Significant matters, issues and challenges faced in the conduct of internal audit work.

(iv) Corporate Governance and Compliance

- a. Reviewed the published Annual Report of the company which encompasses relevant disclosure statements is set out in part (a) of Appendix 9(c) of the MMLR;
- b. Reviewed the recurrent related part transactions of the Group in accordance with the established guidelines and procedures and ensured that the review procedures are implemented as intended;
- c. Reviewed on a quarterly basis to determine the presence of any recurrent related party transactions to ensure full compliance with the relevant MMLR of BMSB and the related internal procedures; and
- d. Discussed and noted the updates on regulatory, statutory and professional body and relevant business news articles published by the mass media.

(v) Risk Management

- a. Reviewed and guided the risk management; and
- b. Risk Facilitators are to deal with risk owners for purposes of gathering significant risks confronting the Group's activities. Such information is submitted to the Senior Management and Board of Directors periodically by highlighting critical risks faced by the Group together with related responses in conformity with MCCG's requirements.

AUDIT COMMITTEE REPORT

[Cont'd]

4. CORPORATE ASSURANCE UNIT

The Head of CAU reports direct to the Audit Committee in accordance with the requirements of the paragraph 15.27 of the MMLR.

The main objective of the corporate assurance function is to assist the Board and management in discharging their responsibilities by providing an independent and reasonable assurance on the adequacy and effectiveness of system of internal control, risk management and corporate governance processes of the Group.

The purpose, authority and responsibility as well as the scope of the corporate assurance functions are articulated in the approved Internal Audit Charter. The key responsibilities of the CAU are as follows:

- (i) Developing an annual risk based audit plan to be submitted to the Audit Committee for approval;
- (ii) Executing the approved internal audit plan using a risk based methodology, as well as any special task or project initiated by the Board, Audit Committee and Senior Management;
- (iii) Issuing periodic internal audit reports with detailed findings, recommendations and corrective actions committed by the management and thereafter tabled to the Audit Committee for review and approval;
- (iv) Reporting on a timely basis to the Audit Committee any suspected fraud with appropriate details; and
- (v) Conducting investigation work as instructed and presenting the result thereof to the Audit Committee.

The corporate assurance activities for the FPE2025 were carried out in accordance with the Internal Audit Planning Memorandum which had been approved by the Audit Committee. The planned audit assignments were identified taking into consideration of all existing and potential risk factors of the Group compiled from the following sources:

- (i) Observation and risks identified from previous internal audit assignments;
- (ii) Observation and risks highlighted by the Audit Committee;
- (iii) Discussion with MD, key management personnel and Heads of Department;
- (iv) Review the Minutes of Meetings, relevant reports and matters deliberated in key meetings held throughout the working period by the Senior Management; and
- (v) Review on the recent strategic business activities.

CAU has performed a high level assessment on the risk factors based on Risk Matrix to identify the auditable areas for the audit. The identified key areas for the FPE2025 which constituted the subject matters of the internal audit work conducted by the CAU were as follows:

- (i) Call Centre ;
- (ii) Purchasing and Trading;
- (iii) IT Service Delivery & Project Management Office;
- (iv) Human Resources and Administration;
- (v) Tender and Sales Management;
- (vi) E-Money d-Purse (compliances with Bank Negara Malaysia's guidelines) ;
- (vii) Payment Terminals Business

The total cost incurred by the CAU in discharging its functions and responsibilities for the past 18 months of FPE2025 was RM229,000.

AUDITED FINANCIAL STATEMENTS

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DIRECTORS' REPORT

DIRECTORS' REPORT

The Directors submit herewith their report together with the audited financial statements of the Group and of the Company for the financial period from 1 January 2024 to 30 June 2025.

CHANGE OF FINANCIAL YEAR END

On 29 October 2024, the Directors had approved the change of the Company's financial year end from 31 December to 30 June. Accordingly, the financial period covered by the current audited financial statements of the Group and of the Company is for the period of eighteen (18) months from 1 January 2024 to 30 June 2025 ("the financial period"). Thereafter, the financial years of the Company shall revert to twelve (12) months, ending on 30 June annually.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services to subsidiaries. The principal activities and other details of the subsidiaries are set out in Note 17(a) to the financial statements. There were no significant changes in the nature of the principal activities during the financial period.

RESULTS

	Group RM'000	Company RM'000
Loss for the financial period	(22,393)	(79,991)
Loss for the financial period attributable to:		
- Owners of the Company	(21,721)	(79,991)
- Non-controlling interests	(672)	-
	(22,393)	(79,991)

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

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

DIVIDEND

No dividend was paid or declared by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the current financial period.

SHARE CAPITAL

During the financial period, the issued and paid-up share capital of the Company was increased from RM148,782,214 comprising 737,971,317 ordinary shares to RM158,896,781 comprising 804,377,317 ordinary shares through the following :

- (i) the issues of 48,668,000 new ordinary shares in aggregate to independent third parties pursuant to Private Placement of shares for a total cash consideration of RM6.134 million; and
- (ii) the issues of 17,738,000 new ordinary shares for a total cash consideration of RM2.608 million pursuant to the exercise of the Company's ESOS Options.

DIRECTORS' REPORT

(Cont'd)

SHARE CAPITAL (CONT'D)

The Private Placement and exercise of ESOS Options have raised cash proceeds of RM8.742 million for the purposes of working capital, repayment of bank borrowings and funding of projects.

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

DATAPREP HOLDINGS BHD'S LONG TERM INCENTIVE PLAN

The Company's Long Term Incentive Plan ("LTIP") of up to 15% of the total number of issued ordinary shares of the Company (excluding treasury shares, if any) for the eligible directors, senior management and employees of the Company and its subsidiaries (excluding subsidiaries which are dormant) was approved by the shareholders of the Company at its Extraordinary General Meeting held on 17 July 2020. The LTIP comprises the Employee Share Option Scheme ("ESOS") and the Share Grant Scheme ("SGS") with the SGS further comprising the Retention Share Plan ("RSP") and the Performance Share Plan ("PSP"). The LTIP is administered by a LTIP Committee appointed by the Directors, in accordance with the By-Laws of the LTIP ("By-Laws") as approved by the shareholders. The LTIP is effective from 21 July 2020 for a duration of 10 years and shall expire on 20 July 2030 unless terminated earlier by the Company.

The ESOS is to enable the Company to award and grant options over unissued ordinary shares ("ESOS Options") to eligible directors and employees ("Eligible Persons") under the LTIP for them to subscribe new ordinary shares in the Company over the duration of the LTIP at the exercise price fixed for the ESOS Options at the time of award.

The SGS is intended for the Company to award such number of ordinary shares of the Company at no cash consideration to Eligible Persons whereby such person shall also hold a position of senior management or any such rank as may be designated by the LTIP Committee. The award of the shares under the RSP is intended to recognise, incentivise and retain the Eligible Persons whereas the PSP is intended to incentivise and motivate the Eligible Persons to contribute to the growth of their respective business segments based on specified performance targets as determined by the LTIP Committee.

The Company may not award any shares and options under the LTIP to any director, major shareholder and chief executive of the Company or the holding company of the Company and persons connected with them without obtaining prior approval of shareholders of the Company. In this respect, the shareholders of the Company have also approved the award of the ESOS Options and/or shares under the SGS to the existing Directors of the Company from time to time over the tenure of the LTIP at the Extraordinary General Meeting held on 17 July 2020.

The Company has implemented ESOS through the offer of 36,675,000 ESOS Options with an exercise price of RM0.17 per share to Eligible Persons on 28 September 2020 as announced by the Company on that date. Upon the closing date of offer and for acceptance, the Company granted 27,280,000 ESOS Options (Tranche 1) to the Eligible Persons on 28 October 2020. These ESOS Options have no further vesting conditions and vested immediately with the Eligible Persons on the grant date.

On 10 January 2024, the Company announced an offer of 45,040,000 ESOS Options with an exercise price of RM0.147 per share to the Eligible Persons. Upon the closing date of offer and for acceptance, the Company granted 43,760,000 ESOS Options (Tranche 2) to the Eligible Persons on 5 April 2024. These ESOS Options have no further vesting conditions and vested immediately with the Eligible Persons on the grant date.

DIRECTORS' REPORT

[Cont'd]

DATAPREP HOLDINGS BHD'S LONG TERM INCENTIVE PLAN (CONT'D)

The movements of the ESOS Options under LTIP during the financial period are as follows :-

Grant Date	Exercise Price	At 1.1.2024	Number of ESOS Options			At 30.06.2025
			Granted	Exercised	Lapsed	
<u>Tranche 1</u>						
28.10.2020	RM0.170	3,560,000	-	-	(1,355,000)	2,205,000
<u>Tranche 2</u>						
05.04.2024	RM0.147		43,760,000	(17,738,000)	(18,678,000)	7,344,000

The salient features and terms of the ESOS under LTIP are as follows:

- (a) The number of ESOS Options awarded shall be the equivalent of not less than one hundred (100) ordinary shares or not more than the maximum number of ordinary shares allowable for such Eligible Person under the LTIP and shall be in multiples of one hundred (100) ordinary shares. Each ESOS option is exercisable into one (1) new ordinary share, issued and fully paid-up. An ESOS award, regardless of the number of ESOS Options, shall be accepted by an Eligible Person with payment of RM1.00.
- (b) Not more than 10% of the total number of ordinary shares, including under options by way of ESOS, available under the LTIP shall be allocated to any Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds 20% or more of the total number of issued ordinary shares (excluding treasury shares) of the Company. In addition, the number of ordinary shares allocated, in aggregate, to the eligible directors and senior management of the Group shall not exceed 80% of the total ordinary shares available under the LTIP.
- (c) The maximum number of ESOS Options to be offered under ESOS shall not in aggregate exceed 15% of the total number of issued ordinary shares (excluding treasury shares) of the Company at any point in time during the duration of the LTIP.
- (d) The Eligible Persons shall be at least 18 years old and not an undischarged bankrupt nor subject to any bankruptcy proceedings, and (1) employed on a full time basis under an employment contract; (2) on the payroll of any company within the Group and has not served a notice to resign nor received a notice of termination; (3) employment as an employee has been confirmed; and (4) such employee falls within any other eligibility criteria as may be determined by the LTIP Committee at its discretion from time to time.
- (e) ESOS Options granted shall vest with the Eligible Persons on the vesting date when any stipulated vesting conditions for the award of the ESOS Options have been satisfied. The ESOS Options are exercisable at their exercise price at any time from the vesting date during the duration of the LTIP ("Option Period") either in whole or part of multiple of 100 ordinary shares by issuing a notice of exercise with the necessary payments to the Company in the form and manner as prescribed by the LTIP Committee from time to time. Any ESOS Option which remains unexercised at the expiry of the Option Period shall be automatically terminated and lapsed without any claim against the Company.
- (f) The ESOS Option exercise price shall be the weighted average market price of the Company for the five (5) market days immediately preceding the date of award of the ESOS Options, less a discount of not more than 10% from the weighted average market price or such other percentage of discount as may be permitted by Bursa Securities and/or any other relevant authorities from time to time.

DIRECTORS' REPORT

(Cont'd)

DATAPREP HOLDINGS BHD'S LONG TERM INCENTIVE PLAN (CONT'D)

- (g) The new ordinary shares to be allotted and issued upon the exercise of ESOS Options will rank pari passu in all respects with the existing ordinary shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to shareholders of the Company, the entitlement date of which precedes the date of allotment of the new shares.
- (h) The new shares to be allotted and issued to a grantee pursuant to the exercise of ESOS Options will not be subject to any retention period or restriction on transfer. Notwithstanding, a grantee who is a non-executive director must not sell, transfer or assign his shares obtained through the exercise of his ESOS Options offered to them pursuant to the LTIP within one (1) year from the date of offer of the ESOS Options in accordance with the listing requirements of Bursa Securities.

DIRECTORS

The names of the Directors of the Company in office during the financial period and during the period from the end of the financial period to the date of this report are:

Dato' Nor Adha Bin Yahya
 Datuk Mohamad Sabir Bin Mohamad Sabri
 Che Khalid Bin Embong (*Appointed on 11 July 2024*)
 Dr. Wan Ahmad Rudirman Bin Wan Razak (*Appointed on 1 August 2025*)
 Datuk Syahril Yusri Bin Abdul Aziz (*Appointed on 1 August 2025*)
 Chan Kea Yong @ Chan Kea Hee (*Appointed on 24 January 2025*)
 Dr Choo Koon Lip (*Appointed on 24 January 2025*)
 Dharmendra A/L Magasvaran (*Appointed on 11 July 2024 and resigned on 1 August 2025*)
 Mohd Shahrman Bin Mohd Sidek (*Appointed on 11 July 2024 and resigned on 4 July 2025*)
 Haslina Binti Muhammad (*Appointed on 29 August 2024 and resigned on 6 March 2025*)
 Hamsiah Binti Khalid (*Appointed on 11 July 2024 and resigned on 29 July 2024*)
 Ong Kuan Wah (*Retired on 2 December 2024*)
 Dato' Mohd Rizal Bin Mohd Jaafar (*Retired on 27 June 2024*)
 Datuk Abdul Aziz Bin Ishak (*Retired on 27 June 2024*)
 Nur Zarina Binti Ghazali (*Retired on 27 June 2024*)

In accordance with Clause 116 of the Company's constitution, Che Khalid Bin Embong, Chan Kea Yong @ Chan Kea Hee, Dr Choo Koon Lip, Dr Wan Ahmad Rudirman bin Wan Razak and Datuk Syahril Yusri bin Abdul Aziz retire from the Board at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

In accordance with Clause 131 of the Company's constitution, Dato' Nor Adha bin Yahya and Datuk Mohamad Sabir bin Mohamad Sabri retire by rotation from the Board at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

Other than the abovenamed Directors, the names of other Directors of subsidiaries who served during the financial period and during the period from the end of the financial period to the date of this report are as follows:-

Hasrul Bin Hasan
 Zulfadhli Lubis MA
 Hero Ekonomosa Arya
 Tan Sri Muhammad Ikmal Opat Bin Abdullah (*Resigned on 14 August 2024*)
 Ilham Widad Bin Muhammad Ikmal Opat (*Resigned on 14 August 2024*)
 Nur Irdina Wardah Binti Muhammad Ikmal Opat (*Resigned on 14 August 2024*)
 Isyraf Widad Bin Muhammad Ikmal Opat (*Resigned on 14 August 2024*)
 Masharuddin Bin Harun (*Resigned on 14 August 2024*)
 Jasli Bin Muhaiyat (*Resigned on 14 August 2024*)

DIRECTORS' BENEFITS

Neither at the end of the financial period, nor at any time during that period, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate other than any benefits that may accrue to the Directors arising from the ESOS Options granted to them under the Company's LTIP.

DIRECTORS' REPORT

[Cont'd]

DIRECTORS' BENEFITS (CONT'D)

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than as disclosed in the *Directors' Remuneration* below) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest other than by virtue of transactions entered into the ordinary course of business and as disclosed in Note 35 to the financial statements.

DIRECTORS' REMUNERATION

The remuneration received or receivable by the Directors of the Company in consideration for services to the Company and its subsidiaries during the financial period are as follows: -

	Company RM	Subsidiaries RM	Total RM
Non-Executive Directors			
Fees	94,500	52,500	147,000
Allowances	26,250	-	26,250
Share-based payments - ESOS options	232,200	-	232,200
Executive Director			
Salaries and other emoluments	1,235,916	431,882	1,667,798
Share-based payments - ESOS options	387,000	290,250	677,250
Benefits-in-kind	30,779	-	30,779
	<u>2,006,645</u>	<u>774,632</u>	<u>2,781,277</u>

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Directors and officers of the Group and of the Company are covered under a Directors' and Officers' Liability insurance up to an aggregate limit of RM1,000,000 against any liability, if incurred by the Directors and officers in the discharge of their duties for the Company and its subsidiaries.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, particulars of interests of Directors of the Company who held office at the end of the financial period in shares and options over shares in the Company during the financial period were as follows :

Names of Directors	Number of Ordinary Shares			At 30.06.2025
	At 1.1.2024	Acquired	Disposed	
Datuk Mohamad Sabir Bin Mohamad Sabri				
- Direct interest	515,200	5,000,000	(5,500,000)	15,200
Dato' Nor Adha Bin Yahya				
- Direct interest	2,204,000	3,000,000	-	5,204,000
- Indirect interest ^	200,000	-	-	200,000

^ Indirect interest by virtue of interest held by spouse

DIRECTORS' REPORT

(Cont'd)

DIRECTORS' INTERESTS (CONT'D)

According to the Register of Directors' Shareholdings, particulars of interests of Directors of the Company who held office at the end of the financial period in shares and options over shares in the Company during the financial period were as follows :

Names of Directors	Number of ESOS Options			At 30.06.2025
	At 1.1.2024	Granted	Exercised	
Datuk Mohamad Sabir Bin Mohamad Sabri	2,000,000	-	-	2,000,000
Dato' Nor Adha Bin Yahya	-	-	-	-

Except as disclosed above, the other Directors in office at the end of the financial period do not have any interest in shares and options over shares in the Company and its related corporations during the financial period.

AUDITORS' REMUNERATION

The remuneration paid or payable to the auditors of the Group and of the Company in respect of statutory audit and non-audit services for the financial period are RM238,000 and RM83,000 respectively.

No indemnity was given to nor was there any insurance effected for the auditors during the financial period.

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render :
- (i) the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) 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.

DIRECTORS' REPORT

[Cont'd]

OTHER STATUTORY INFORMATION (CONT'D)

(e) As 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 period which secures the liabilities of any other person; or
- (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial period.

(f) In the opinion of the Directors :

- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial period in which this report is made.

AUDITORS

The auditors, Messrs Folks DFK & Co., have expressed their willingness to continue in office.

Signed in accordance with a resolution of the Board of Directors,

Dato' Nor Adha Bin Yahya

Director

Datuk Mohamad Sabir Bin Mohamad Sabri

Director

Date : 31 October 2025

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2025

	Note	Group		Company	
		01.01.2024	01.01.2023	01.01.2024	01.01.2023
		to 30.06.2025 RM'000	to 31.12.2023 RM'000	to 30.06.2025 RM'000	to 31.12.2023 RM'000
Revenue	4	28,625	31,333	11,504	7,202
Cost of sales		(27,081)	(27,660)	-	-
Gross profit		1,544	3,673	11,504	7,202
Other income	5	9,956	351	420	333
Selling and distribution costs		(1,189)	(661)	-	-
Administrative expenses		(14,701)	(9,317)	(9,592)	(4,376)
Other expenses	6	(17,762)	(17,798)	(82,214)	(4,544)
Operating loss		(22,152)	(23,752)	(79,882)	(1,385)
Finance costs	7	(1,118)	(488)	(109)	(35)
Loss before taxation	8	(23,270)	(24,240)	(79,991)	(1,420)
Taxation	11	877	268	-	-
Loss for the financial period/year		(22,393)	(23,972)	(79,991)	(1,420)
Other comprehensive (loss)/income					
<i>Item that may be reclassified subsequently to profit or loss</i>					
Foreign currency translation gain/(loss)		120	(53)	-	-
Total comprehensive loss for the financial period/year		(22,273)	(24,025)	(79,991)	(1,420)
Loss for the financial period/year attributable to:					
Owners of the Company		(21,721)	(23,407)	(79,991)	(1,420)
Non-controlling interests		(672)	(565)	-	-
		(22,393)	(23,972)	(79,991)	(1,420)
Total comprehensive loss for the financial period/year attributable to:					
Owners of the Company		(21,601)	(23,460)	(79,991)	(1,420)
Non-controlling interests		(672)	(565)	-	-
		(22,273)	(24,025)	(79,991)	(1,420)
Loss per share attributable to owners of the Company (sen):					
Basic	12	(2.89)	(3.29)		
Diluted	12	(2.89)	(3.29)		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

		Group		Company	
	Note	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	12,693	16,801	138	241
Investment property	14	-	552	-	-
Intangible assets other than goodwill	15	15,391	2,664	24	10
Goodwill	16	-	1,168	-	-
Investment in subsidiaries	17	-	-	22,215	26,464
Right-of-use assets	18	1,696	1,122	-	324
Other investment	19	1,938	-	-	-
Long term receivables	20	12,511	-	-	-
Amounts due from subsidiaries	25	-	-	22,402	22,402
		<u>44,229</u>	<u>22,307</u>	<u>44,779</u>	<u>49,441</u>
Current assets					
Inventories	21	1,880	5,472	-	-
Trade receivables	22	3,626	7,155	-	-
Other receivables	23	13,005	22,738	232	183
Contract assets	24	8	9,035	-	-
Amounts due from subsidiaries	25	-	-	20,087	81,498
Amounts due from related companies	26	-	566	-	-
Tax recoverable		244	264	73	36
Deposits, cash and bank balances	27	8,951	11,078	30	106
		<u>27,714</u>	<u>56,308</u>	<u>20,422</u>	<u>81,823</u>
TOTAL ASSETS		<u>71,943</u>	<u>78,615</u>	<u>65,201</u>	<u>131,264</u>
EQUITY AND LIABILITIES					
Equity attributable to Owners of the Company					
Share capital	28	158,897	148,782	158,897	148,782
Merger deficit		(13,509)	(13,509)	-	-
Foreign exchange reserve		125	5	-	-
Share options reserve	29	700	216	700	216
Accumulated losses		(103,797)	(83,607)	(97,559)	(19,099)
		<u>42,416</u>	<u>51,887</u>	<u>62,038</u>	<u>129,899</u>
Non-controlling interests		<u>(354)</u>	<u>1,269</u>	<u>-</u>	<u>-</u>
Total equity		<u>42,062</u>	<u>53,156</u>	<u>62,038</u>	<u>129,899</u>
Non-current liabilities					
Long term borrowings	30	-	652	-	-
Lease liabilities	31	997	445	-	-
Deferred tax liabilities	32	-	917	-	-
		<u>997</u>	<u>2,014</u>	<u>-</u>	<u>-</u>

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

(Cont'd)

	Note	Group		Company	
		30.06.2025	31.12.2023	30.06.2025	31.12.2023
		RM'000	RM'000	RM'000	RM'000
Current liabilities					
Trade payables	33	2,621	1,480	-	-
Other payables	34	22,124	2,164	3,163	498
Contract liabilities	24	1,461	13,945	-	-
Amount due to related company	26	-	530	-	530
Short term borrowings	30	1,966	4,575	-	-
Lease liabilities	31	712	751	-	337
		<u>28,884</u>	<u>23,445</u>	<u>3,163</u>	<u>1,365</u>
Total liabilities		<u>29,881</u>	<u>25,459</u>	<u>3,163</u>	<u>1,365</u>
TOTAL EQUITY AND LIABILITIES		<u>71,943</u>	<u>78,615</u>	<u>65,201</u>	<u>131,264</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2025

<----- Attributable to the Owners of the Company ----->

	<-----Non-Distributable----->						>	
Group	Share capital RM'000 <Note 28>	Merger deficit RM'000	Foreign exchange reserve RM'000	Share options reserve RM'000 <Note 29>	Accumulated losses RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2024	148,782	(13,509)	5	216	(33,607)	51,887	1,269	53,156
Loss for the financial period	-	-	-	-	(21,721)	(21,721)	(672)	(22,393)
Other comprehensive loss	-	-	-	-	-	-	-	-
- Foreign currency translation loss of foreign operations	-	-	120	-	-	120	-	120
Total comprehensive loss for financial period	-	-	120	-	(21,721)	(21,601)	(672)	(22,273)
Transactions with owners :								
Issuance of new shares through :								
- private placement	6,134	-	-	-	-	6,134	-	6,134
- exercise of ESOS Options	2,608	-	-	-	-	2,608	-	2,608
ESOS Options granted	-	-	-	3,388	-	3,388	-	3,388
Attributable of ESOS								
Options reserve exercised	1,373	-	-	(1,373)	-	-	-	-
Fair value of ESOS Options lapsed	-	-	-	(1,531)	1,531	-	-	-
Disposal of interests in a subsidiary	-	-	-	-	-	-	(951)	(951)
Total Transactions with owners	10,115	-	-	484	1,531	12,130	(951)	11,179
At 30 June 2025	158,897	(13,509)	125	700	(103,797)	42,416	(354)	42,062

FOR THE PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2025 (Cont'd)

<-----Attributable to the Owners of the Company----->								
Group	<-----Non-Distributable----->					Total equity RM'000	Non- controlling interests RM'000	Total RM'000
	Share capital RM'000	Merger deficit RM'000	Foreign exchange reserve RM'000	Share options reserve RM'000	Accumulated losses RM'000			
	<Note 28>			<Note 29>				
At 1 January 2023	138,537	(13,509)	58	216	(60,200)	65,102	1,834	66,936
Loss for the financial year	-	-	-	-	(23,407)	(23,407)	(565)	(23,972)
Other comprehensive loss								
- Foreign currency translation loss of foreign operations	-	-	(53)	-	-	(53)	-	(53)
Total comprehensive loss for the financial year	-	-	(53)	-	(23,407)	(23,460)	(565)	(24,025)
Transactions with owners :								
Issuance of new shares through private placement	10,245	-	-	-	-	10,245	-	10,245
At 31 December 2023	148,782	(13,509)	5	216	(83,607)	51,887	1,269	53,156

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2025 (Cont'd)

<----- Attributable to the Owners of the Company ----->

Company	Note	Non-Distributable		Accumulated losses RM'000	Total equity RM'000
		Share capital RM'000 <Note 28>	Share options reserve RM'000 <Note 29>		
At 1 January 2024		148,782	216	(19,099)	129,899
Loss for the financial period representing total comprehensive loss for the financial period		-	-	(79,991)	(79,991)
Total comprehensive loss for the financial period		148,782	216	(99,090)	49,908
Transactions with owners:					
Issuance of new shares through :					
- private placement		6,134	-	-	6,134
- exercise of ESOS Options		2,608		-	2,608
ESOS Options granted		-	3,388	-	3,388
Attributable of ESOS					
Options reserve exercised		1,373	(1,373)	-	-
Fair value of ESOS Options lapsed		-	(1,531)	1,531	-
Total transactions with owners:		10,115	484	1,531	12,130
At 30 June 2025		158,897	700	(97,559)	62,038
At 1 January 2023		138,537	216	(17,679)	121,074
Loss for the financial year representing total comprehensive loss for the year		-	-	(1,420)	(1,420)
Transactions with owners:					
Issuance of new shares through private placement		10,245	-	-	10,245
At 31 December 2023		148,782	216	(19,099)	129,899

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

FOR THE PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2025

	Group		Company	
	01.01.2024	01.01.2023	01.01.2024	01.01.2023
	to	to	to	to
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Cash Flows from Operating Activities				
Loss before taxation	(23,270)	(24,240)	(79,991)	(1,420)
Adjustments for:				
Depreciation of property, plant and equipment	3,355	2,660	116	389
Amortisation of intangible assets	643	2,990	10	8
Depreciation of investment property	7	12	-	-
Depreciation of right-of-use assets	1,430	1,206	324	546
Net allowance for impairment losses for :-				
- trade receivables	64	3,046	-	-
- other receivables	1,430	2,760	-	-
Gain on disposal of subsidiary	(1,780)	-	-	-
Allowance for impairment losses on investment in subsidiary	-	-	10,000	-
Allowance for impairment losses on amounts due from subsidiaries	-	-	69,776	2,284
Net allowance for obsolete inventories	3,244	779	-	-
Prepayments written off	1,215	113	-	-
Impairment on property, plant and equipment	507	-	-	-
Gain on disposal of property, plant and equipment	(18)	(57)	(18)	(55)
Inventories written off	271	123	-	-
Property, plant and equipment written off	-	2	-	-
Share-based payment - ESOS options	3,388	-	3,388	-
Interest expense	861	456	109	35
Interest income	(141)	(189)	-	-
Operating (loss)/profit before working capital changes	(8,794)	(10,339)	3,714	1,787
Decrease in inventories	77	1,020	-	-
(Increase)/Decrease in receivables	(1,565)	(4,823)	(50)	52
(Increase)/Decrease in contract assets	9,026	(1,961)	-	-
Increase/(Decrease) in payables	18,581	(1,392)	5,203	368
(Decrease)/Increase in contract liabilities	(12,484)	9,074	-	-
Decrease/(Increase) in amounts due from related companies	563	(179)	-	-
Increase in amount due to a related company	4,895	507	70	507
Increase in amounts due from subsidiaries	-	-	(8,895)	(14,144)
Cash used in operations	10,299	(8,093)	42	(11,430)
Tax paid	(124)	(102)	(37)	(35)
Tax refunded	-	400	-	69
Interest received	141	189	-	-
Interest paid	(861)	(456)	(109)	(35)
Net cash used in operating activities	9,455	(8,062)	(104)	(11,431)

STATEMENTS OF CASH FLOWS

FOR THE PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2025

(Cont'd)

	Group		Company	
	01.01.2024	01.01.2023	01.01.2024	01.01.2023
	to	to	to	to
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Cash Flows from Investing Activities				
Acquisition of property, plant and equipment	(47)	(101)	(13)	(87)
Additions to intangible assets	(13,370)	-	(24)	-
Proceeds from disposal of property, plant and equipment	18	57	18	55
Subscription of additional shares in a subsidiary	-	-	(5,750)	-
Net cash inflow/(outflow) from disposal of subsidiary	644	-	-	(646)
Net cash used in investing activities	(12,755)	(44)	(5,769)	(678)
Cash Flows from Financing Activities				
Net proceeds from issuance of new shares in the Company	6,134	10,245	6,134	10,245
Withdrawal of fixed deposits pledged	2,761	1,864	-	2,008
Net (repayment)/drawdown of borrowings	(1,268)	(3,980)	-	-
Payment of lease liabilities	(1,799)	(1,223)	(337)	(553)
Payment of hire purchase liabilities	-	(11)	-	(11)
Net cash from financing activities	5,828	6,895	5,797	11,689
Net increase/(decrease) in cash and cash equivalents	2,528	(1,211)	(76)	(420)
Effect of exchange rate fluctuations	120	(53)	-	-
Cash and cash equivalents at beginning of year	1,290	2,554	106	526
Cash and cash equivalents at end of period [Note 36(b)]	3,938	1,290	30	106

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

Dataprep Holdings Bhd ("the Company") is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). The address of the registered office of the Company is as follows :

Suite 5.02, Level 5, Wisma Academy
4A, Jalan 19/1,
46300 Petaling Jaya,
Selangor Darul Ehsan

The principal activities of the Company are investment holding and provision of management services to subsidiaries. The principal activities of the subsidiaries are set out in Note 17(a).

On 29 October 2024, the Directors had approved the change of the Company's financial year end from 31 December to 30 June. Accordingly, the financial period covered by these financial statements of the Group and of the Company is for the period of eighteen (18) months from 1 January 2024 to 30 June 2025 ("the financial period"). Thereafter, the financial years of the Company shall revert to twelve (12) months, ending on 30 June annually.

The financial statements of the Group and of the Company were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 31 October 2025.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of Preparation

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

The financial statements of the Group and of the Company are prepared under the historical cost convention unless otherwise indicated in the summary of material accounting policy information.

The accounting policies applied by the Group and by the Company are consistent with those applied in the previous financial year other than the application of the amendments to MFRSs as disclosed in Note 2.2 below.

The financial statements are presented in Malaysian Ringgit (RM) and all values are rounded to the nearest thousand (RM'000) unless otherwise indicated.

Going Concern

For the 18 months ended 30 June 2025, the Group and the Company incurred a net loss of RM22.393 million (31.12.2023 : RM23.972 million) and RM79.991 million (31.12.2023 : RM1.420 million), respectively. As at 30 June 2025, the Group and the Company recorded accumulated losses of RM103.797 million (31.12.2023 : RM83.607 million) and RM97.559 million (31.12.2023 : RM19.099 million), respectively.

The Group's and the Company's continuing losses may affect their ability to continue as a going concern and to meet their financial obligations as and when they fall due. To mitigate this risk, the management has undertaken several measures including the following :

- (a) A private placement of up to 226,700,000 new ordinary shares in the Company to raise funds for the purposes of working capital, repayment of bank borrowings and funding of projects.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.1 Basis of Preparation (Cont'd)

The Group's and the Company's continuing losses may affect their ability to continue as a going concern and to meet their financial obligations as and when they fall due. To mitigate this risk, the management has undertaken several measures including the following : (Cont'd)

- (b) A reduction and cancellation of the Company's issued and paid-up share capital of up to RM100 million which is lost or unrepresented by available assets pursuant to Section 116 of the Malaysian Companies Act 2016 which is intended to address the Company's accumulated losses and to rationalise its current financial position.
- (c) Disposals of non-core assets in order to focus on the Group's main business segment and to actively seek new projects in order to enhance revenue streams.

Based on the cash flow forecast which incorporates the measures above, the Directors concluded that there is no material uncertainty on the Group's and the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the Group's and the Company's financial statements on a going concern basis.

2.2 Application of Amendments to MFRSs

During the financial period, the Group has adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") which are effective for accounting period of the Group beginning on or after 1 January 2024 :-

Amendments to MFRS 16 - Lease Liability in a Sale and Leaseback
 Amendments to MFRS 101 - Classification of Liabilities as Current or Non-current and Non-current
 Liabilities with Covenants
 Amendments to MFRS 107 and MFRS 7 - Supplier Finance Arrangements

The initial application of the amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company for the current and prior financial periods.

2.3 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective

The Group has not early adopted the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective :

Effective for annual periods beginning on or after 1 January 2025

Amendments to MFRS 121 - Lack of Exchangeability

Effective for annual periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7 :

- Amendments to the Classification and Measurement of Financial Instruments
 - Contracts Referencing Nature-dependent Electricity
- Annual Improvements to MFRS Accounting Standards - Volume 11 :
- Amendments to MFRS 1 *First-time Adoption of Malaysia Financial Reporting Standards*
 - Amendments to MFRS 7 *Financial Instruments : Disclosures*
 - Amendments to MFRS 9 *Financial Instruments*
 - Amendments to MFRS 10 *Consolidated Financial Statements*
 - Amendments to MFRS 107 *Statement of Cash Flows*

Effective for annual periods beginning on or after 1 January 2027

MFRS 18 *Presentation and Disclosure in Financial Statements*

MFRS 19 *Subsidiaries without Public Accountability : Disclosures*

Effective for annual periods beginning on or after a date to be determined by MASB

Amendments to MFRS 10 and MFRS 128 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 New MFRSs and Amendments to MFRSs That Are In Issue But Not Yet Effective (Cont'd)

The Group will apply the above new MFRSs and amendments to MFRSs that are applicable when they become effective and their adoption is not expected to have any material impact on the Group's and on the Company's financial statements in the period of initial application, other than as disclosed below.

MFRS 18 *Presentation and Disclosure in Financial Statements*

The new MFRS 18 will replace MFRS 101 *Presentation of Financial Statements* while retaining many of the requirements in MFRS 101 with limited changes. The key changes introduced by MFRS 18 are as follows :-

- (a) Classification of income and expenses into three new defined categories namely operating, investing and financing.
- (b) Two new required subtotals namely operating profit and profit before financing and income taxes.
- (c) Disclosures of management-defined performance measures ("MPMs") in a single note, including :
 - a statement that the MPMs reflect management's view; and
 - an explanation of why the MPMs are reported and how they are calculated.
- (d) Enhanced requirements for aggregation and disaggregation of information in the financial statements.

The new standard is to be applied retrospectively and it will affect the presentation and disclosure of information but it will not impact the recognition and measurement of items in the financial statements of an entity.

2.4 Basis of Consolidation and Business Combinations

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the financial year end. The financial statements of the subsidiaries 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 transaction and events in similar circumstances.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Acquisitions of subsidiaries are accounted for using the acquisition method of accounting except for subsidiaries arising from common control transfers. The consideration transferred for the acquisition of a subsidiary is measured at fair value and is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, equity interests issued and contingent consideration given. Acquisition-related costs are recognised as an expense in the periods in which the costs are incurred.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Basis of Consolidation and Business Combinations (Cont'd)

In a business combination achieved in stages, any previously held equity interest is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in profit or loss.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, except for non-current assets or disposal group that are classified as held for sale which shall be recognised at fair value less costs to sell.

Goodwill is measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest and the acquisition-date fair value of any previously held equity interest over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed. The excess of the Group's interest in the net amounts of the identifiable assets, liabilities and contingent liabilities over the aggregate of the consideration transferred, the amount of any non-controlling interest and the acquisition-date fair value of any previously held equity interest is recognised immediately in profit or loss.

Subsidiaries arising from common control combinations are consolidated using the principles of merger accounting. The common control combinations are business combinations in which all the combining entities have common ultimate controlling parties prior to and immediately after such combinations. Under the principles of merger accounting, the assets and liabilities of the combining entities are consolidated using the existing book values from the controlling parties' perspective and the results of each of the combining entity are presented as if the combination had been effected throughout the current and previous comparative periods presented. On consolidation, the cost of investment is matched against the nominal value of ordinary shares acquired and any resulting credit difference (merger reserve) is classified under equity as a non-distributable reserve and any resulting debit difference (merger deficit) is adjusted against suitable consolidated reserves or presented as a debit against equity.

Non-controlling interest represents that portion of profit or loss and net assets of a subsidiary not attributable, directly or indirectly, to the Group. For each business combination, non-controlling interest is measured either at its fair value at the acquisition date or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets. Non-controlling interest in the net assets of consolidated subsidiaries comprised the amount of non-controlling interest at the date of original combination and its share of changes in equity since the date of combination.

In preparing consolidated financial statements, intra-group balances and transactions and any resulting unrealised profits and losses are eliminated on consolidation. The consolidated financial statements reflect external transactions and balances only. When necessary, adjustments are made to the financial statements of subsidiaries to ensure conformity with the Group's accounting policies. The total comprehensive income of a subsidiary is attributed to the Group and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

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 carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received by the Group is recognised directly in equity and attributed to owners of the Company. If the Group loses control of a subsidiary, the assets (including any goodwill) and liabilities of the subsidiary and non-controlling interests will be derecognised at their carrying amounts at the date when control is lost. Any investment retained in the former subsidiary is recognised at its fair value at the date when control is lost. The resulting difference between the amounts derecognised and the aggregate of the fair value of consideration received and investment retained is recognised as gain or loss in profit or loss attributable to the Group.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group :

- has power over the entity;
- is exposed, or has rights, to variable returns from its involvement with the entity; and
- has the ability to affect those returns through its power over the entity.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls listed above.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.6 Intangible Assets

(a) Goodwill

Goodwill acquired in a business combination is determined as described in Note 2.4 and is initially measured at cost. Following the initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(b) Computer Software

Computer software includes software purchased from third parties and costs of internally developed software.

Costs associated with developing software mainly comprise direct costs which include staff costs of the software development team and an appropriate portion of relevant overheads incurred in the development of computer software packages for resale. Computer software development cost is amortised when the asset is available for use over the period the asset is expected to generate economic benefits. Costs incurred in the development of software which are not or have ceased to be commercially viable are written off.

Computer software acquired separately is measured on initial recognition at cost. Following initial recognition, the computer software is carried at cost less any accumulated amortisation and any accumulated impairment losses. The computer software is amortised on a straight-line basis over its estimated economic useful life and assessed for impairment whenever there is an indication that the carrying amount of the computer software may be impaired. The annual amortisation rate is 20%.

The estimated useful life and amortisation method are reviewed at the end of each reporting period with the effect of any changes in estimates being accounted for on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

[Cont'd]

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.6 Intangible Assets (Cont'd)

(c) Research and Development Expenditure

Research expenditure on internal projects is recognised as an expense when it is incurred.

Development expenditure on internal projects that can be measured reliably is recognised as an intangible asset where it can be demonstrated that it is technically feasible and there is intention, and technical, financial and other resources are available, to complete and to use or sell the intangible asset or its output and probable future economic benefits will be generated from the sale or use thereof. Development expenditure that does not meet any of the criteria for recognition as an asset is recognised as an expense when it is incurred.

Development expenditure recognised as an asset is carried at cost less accumulated amortisation and any accumulated impairment losses.

Development expenditure is amortised, when the asset is available for use, using the straight-line method over the period the asset is expected to generate economic benefits.

(d) Service Concession Arrangements - Telecommunication Infrastructure

The Group recognises a service concession arrangement as an intangible asset when it has a right to charge for the use of the concession infrastructure. On initial recognition, the intangible asset received as consideration for providing services in relation to the construction of telecommunication infrastructure in a service concession arrangement is measured with reference to the fair value of services provided. Subsequent to initial recognition, the intangible asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

2.7 Property, Plant and Equipment, and Depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the profit or loss during the financial period in which they are incurred.

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

Depreciation on capital work-in-progress commences when the asset is ready for its intended use. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write-off the cost of each asset to its residual value over the estimated useful life, at the following annual rates :

Computer equipment	14% - 40%
Furniture, fittings, office and Electronic Data Capture ("EDC") equipment	10% - 20%
Motor vehicles	20%
Renovation	10% - 20%
Telecommunication network towers	4%
Medical laboratory equipment	10%

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 Property, Plant and Equipment, and Depreciation (Cont'd)

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference, if any, between the net disposal proceeds, and the net carrying amount is recognised in profit or loss.

2.8 Investment Properties

Investment properties are land and/or buildings which are owned or held under a freehold or leasehold interest either for rental yields or for capital appreciation or for both, and not occupied by the Group. The investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. Investment properties are reviewed for impairment in accordance with the Group's accounting policy for impairment of non-financial assets as disclosed under Note 2.11.

The Group's investment property which comprises a stratified leasehold interest is depreciated on a straight-line basis to write-off the cost of the property over its estimated useful life of 50 years.

An investment property is derecognised when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit or loss in the period of the retirement or disposal.

Transfers are made to or from investment properties only when there is a change in use.

2.9 Contract Assets and Contract Liabilities

A contract asset is the Group's right to consideration for goods or services transferred to a customer when the right is subject to conditions other than passage of time. Contract assets are reviewed for impairment on the same basis as financial assets in accordance with the Group's accounting policy on impairment of financial assets as disclosed in Note 2.13.

A contract liability is the Group's obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers for the consideration due under the contracts with the customers.

2.10 Contract Costs

Contract costs are recognised as an asset when the following criteria are met :

- (a) In relation to incremental costs of obtaining a contract, the Group recognises the costs as an asset if the Group expects to recover those costs.
- (b) In relation to costs to fulfil a contract, the Group recognises the contract costs as an asset if (i) they relate directly to a contract or to an anticipated contract that the Group can specifically identify; (ii) when the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and (iii) the costs are expected to be recovered.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.10 Contract Costs (Cont'd)

These assets are initially measured at cost and are subsequently amortised on a systematic basis that is consistent with the transfer to the customers of the goods or services to which the assets relate. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the asset exceeds the remaining amount of consideration expected to be received less the remaining costs expected to be incurred. A reversal of impairment loss is recognised in profit or loss when the impairment conditions no longer exist or have improved. The increased carrying amount does not exceed the amount that would have been determined (net of amortisation) if no impairment loss had been recognised previously.

2.11 Impairment of Non-financial Assets

The carrying amounts of non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the Group makes an estimate of the asset's recoverable amount.

For goodwill, intangible assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each reporting date or more frequently when indicators of impairment are identified.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell 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. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down 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 loss on goodwill is not reversed in a subsequent period. An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial Assets

The Group recognises all financial assets in its statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instruments.

All regular way purchases or sales of financial assets are recognised and derecognised using trade date accounting. A regular way purchase or sale is a purchase or sale of a financial asset that requires delivery of asset within the time frame established generally by regulation or convention in the marketplace concerned. Trade date accounting refers to :

- the recognition of an asset to be received and the liability to pay for it on the trade date i.e. the date the Group commits itself to purchase or sell an asset; and
- derecognition of an asset that is sold, the recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Classification

The Group classifies its financial assets into the following measurement categories depending on the business models used for managing the financial assets and the contractual cash flow characteristics of the financial assets :

- (a) at amortised cost;
- (b) fair value through other comprehensive income; and
- (c) fair value through profit or loss.

Financial assets are reclassified when and only when the Group changes its business model for managing the financial assets and the reclassification of all affected financial assets is applied prospectively from the reclassification date i.e. on the first day of the first reporting period following the change in business model.

The Group's financial assets as at end of reporting period comprised financial assets held at amortised cost and at fair value through other comprehensive income.

Measurement

At initial recognition, trade receivables without a significant financing component are measured at their transaction price when they are originated.

Other financial assets are initially measured at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets at fair value through profit or loss are expensed to profit or loss when incurred.

Amortised cost

A financial asset that is a debt instrument is measured at amortised cost if both of the following conditions are met and it is not designated as at fair value through profit or loss at initial recognition :

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial Assets (Cont'd)

Amortised cost (Cont'd)

These financial assets are measured at amortised cost using the effective interest method less any impairment losses. Interest income, gains or losses on derecognition, foreign exchange gains or losses and impairment are recognised in profit or loss. Impairment losses are presented as a separate line item in the statement of comprehensive income.

Fair value through other comprehensive income ("FVOCI")

A financial asset is measured at FVOCI if both of the following conditions are met and it is not designated as at FVTPL at initial recognition :-

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Changes in fair value of these financial assets are recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gains or losses previously recognised in other comprehensive income is reclassified from equity to profit or loss. Interest income calculated using the effective interest method, foreign exchange gains or losses and impairment gains or losses are recognised in profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset when, and only when, the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset without retaining control or transfers substantially all the risks and rewards of ownership of the financial asset to another party.

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

2.13 Impairment of Financial Assets

The Group recognises loss allowance for expected credit losses ("ECLs") on the following items, where applicable :

- financial assets measured at amortised cost
- debt instruments measured at fair value through other comprehensive income ("FVOCI")
- contract assets
- financial guarantee contracts

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months i.e. a 12-month ECL. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default i.e. a lifetime ECL. In making the assessment of whether there has been a significant increase in credit risk, a comparison is made between the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition of the asset, taking into consideration of reasonable and supportable information including forward-looking information that are available without undue cost and effort.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.13 Impairment of Financial Assets (Cont'd)

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flow in its entirety or a portion thereof.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of debt instruments measured at FVOCI is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value after making due allowance for any obsolescence and/or slow moving items.

Cost is determined using the weighted average basis and comprises the purchase price plus the incidental cost of bringing the inventories to their intended location and condition. Costs incurred on projects expected to be completed within one year are reflected as work in progress.

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

2.15 Cash and Cash Equivalents

For the purposes of statements of cash flows prepared using the indirect method, cash and cash equivalents include cash on hand and at bank and deposits at call net of outstanding bank overdrafts.

2.16 Financial Liabilities

The Group recognises all financial liabilities in its statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instruments.

Classification and measurement

Financial liabilities are initially measured at fair value minus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial liabilities at fair value through profit or loss are expensed to profit or loss when incurred.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or financial liabilities measured at amortised cost. The Group's financial liabilities as at end of the reporting period are classified as measured at amortised cost.

Amortised cost

All financial liabilities, other than those categorised as FVTPL are subsequently measured at amortised cost using the effective interest method.

A gain or loss on financial liabilities at amortised cost is recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.16 Financial Liabilities Cont'd)

Derecognition of financial liabilities

A financial liability is derecognised when, and only when, the obligation specified in the contract is extinguished. When an existing financial liability is exchanged with the same lender on substantially different terms or the terms of an existing liability are substantially modified, they are accounted for as an extinguishment of the original financial liability and a new financial liability is recognised. The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.17 Offsetting Financial Instruments

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

2.18 Borrowing Costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

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

2.19 Share Capital

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.20 Provisions

Provisions are recognised when the Group has 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.

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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases

(a) The Group as a lessee

The Group assesses whether a contract is, or contains a lease at the inception of the contract. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where applicable, the Group applies, by class of underlying asset, the practical expedient of not separating non-lease components from lease components and instead accounts for them as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the commencement date for all leases except for short-term leases with lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments in respect of short-term leases and leases of low value assets as an expense on a straight-line basis over the term of the leases.

At the lease commencement date, the right-of-use asset is initially measured at cost which comprises the initial amount of the corresponding lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs incurred and an estimate of costs to be incurred to dismantle and remove the underlying asset or to restore the site on which it is located or to restore the underlying asset to the condition required by the terms of the lease.

Right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment loss. The right-of-use asset is depreciated on a 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 lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset shall be depreciated from the commencement date to the end of the useful life of the underlying asset. The right-of-use asset is also assessed for impairment in accordance with the Group's accounting policy for impairment of non-financial assets and adjusted for any remeasurement of corresponding lease liability.

The lease term is determined as the non-cancellable period plus periods covered by an extension or termination option when the lease is reasonably certain to be extended or not to be terminated after considering all facts and circumstances that create an economic incentive for the Group to exercise an extension option or not to exercise a termination option.

Lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, at the incremental borrowing rate of the Group entity.

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

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

Variable lease payments that are linked to future performance or usage of the underlying asset are excluded from the measurement of the lease liability and these payments are recognised in profit or loss in the period in which the event or condition that triggers the payments occurs.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Leases (Cont'd)

(a) The Group as a lessee (Cont'd)

Lease liability is subsequently measured at amortised cost through increasing its carrying amount to reflect accretion of interest on the lease liability using the effective interest method and reducing the carrying amount by the lease payments made.

The carrying amount of the lease liability is remeasured to reflect changes to lease payments arising from a change in the lease term, a change in linked index or rate, a change in the estimated amount payable under a residual value guarantee, a change in the assessment of an option to purchase the underlying asset or a lease modification that is not accounted for as a separate lease. The amount of remeasurement is adjusted to the carrying amount of the associated right-of-use asset or recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) The Group as a lessor

When the Group enters into a leasing arrangement as a lessor, it determines at the lease inception whether the lease is a finance lease or an operating lease. If the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the underlying asset to the lessee, the lease is classified as a finance lease. If not, the lease is an operating lease.

If the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease. If the head lease is a short term lease not recognised, the sublease shall be classified as an operating lease.

The Group recognises an asset held under a finance lease as a receivable at an amount equal to the net investment in the lease. The net investment in the lease is measured as the sum of the present value of the lease payments receivable from the lessee using the interest rate implicit in the lease. If the interest rate implicit in a sublease is not readily determined, the discount rate used for the head lease is applied to measurement of the net investment in the sublease. The attributable finance lease income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease. The net investment in the lease is subject to impairment in accordance with the Group's accounting policy for impairment of financial assets as disclosed in Note 2.13.

The Group recognises lease payments from an operating lease as income on a straight-line basis over the lease term. The income is included as part of other income.

When a lease contract contains lease and non-lease components, the Group applies MFRS 15 to allocate the consideration in the contract to each component.

2.22 Income Tax

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.22 Income Tax (Cont'd)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except :

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except :

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 all or part of the deferred tax asset 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 assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively 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 and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

[Cont'd]

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.23 Employee Benefits

(a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as expenses in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as expenses in profit or loss as incurred.

(c) Equity-settled share-based compensation

The Company operates an Employee Share Option Scheme ("ESOS") under its Long Term Incentive Plan, which granted share options to eligible directors and employees of the Group to acquire ordinary shares in the Company as their compensation for services rendered to the Group.

At the grant date, the fair value of share options granted to the directors and employees is recognised as an employee benefits expense with a corresponding increase to share options reserve in equity when the share options vested immediately. When there are vesting conditions to be fulfilled before the share options become vested, such employee benefits expense and the corresponding increase in equity is recognised over the vesting period in which the directors and employees become unconditionally entitled to the share options, with the amount recognised as an expense adjusted over the period to reflect the actual number of share options that are expected to vest. Service and non-market performance conditions attached to the transactions are not taken into account in determining the fair value of the share options.

In the Company's separate financial statements, the grant of the share options to directors and employees of its subsidiaries is not recognised as an expense. Instead, the fair value of the share options measured at the grant date is accounted for as additional equity contribution to subsidiaries resulting in an increase to the investment in subsidiaries with a corresponding increase to share options reserve in equity.

When share options are exercised for issuance of new shares, the attributable portion of share options reserve is transferred to share capital. Upon expiry of the ESOS, the remaining share options reserve attributable to unexercised share options, which shall lapse, is transferred to retained profits.

2.24 Foreign Currencies

(a) 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 the entity operates ("the functional currency"). The consolidated financial statements are presented in Malaysian Ringgit (RM), which is also the Company's functional currency.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.24 Foreign Currencies (Cont'd)

(b) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's separate financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised directly in other comprehensive income.

(c) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (RM) of the consolidated financial statements are translated into RM as follows :

- Assets and liabilities presented are translated at the closing rate prevailing at reporting date;
- Income and expenses are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

2.25 Revenue from Contracts with Customers

The Group recognises revenue from a contract with customer when it satisfies a performance obligation by transferring control of a promised good or service to the customer. Performance obligations may be satisfied over time or at a point in time. Revenue is measured based on the consideration specified in the contract which the Group expects to be entitled in exchange for transferring the good or service, excluding the amounts collected on behalf of third parties.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.25 Revenue from Contracts with Customers (Cont'd)

The Group recognises revenue from the following business activities :

(a) Sales of computer systems, equipment and software and multimedia components

Revenue from sales of computer systems, equipment and software and multimedia components including set-up installation is recognised by the Group over time by reference to the stage of completion of the contract work based on performance to-date. The stage of completion is determined by reference to the proportion that contract costs incurred to date bear to the estimated total contract costs. Progress billings are rendered based on the terms of the contracts and payment terms are generally on 30 to 45 days upon delivery of invoice.

Foreseeable losses on a contract are recognised in accordance with the provisions for onerous contracts under MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets*. In this respect, the unavoidable costs to be incurred by the Group in meeting its obligations under the contract which exceed the economic benefits expected to be received from the contract shall be a present obligation recognised as a provision.

Revenue from ad-hoc sales of computer equipment and parts in the course of maintenance services is recognised at a point in time when control of the asset is transferred to the customer upon delivery of the products and acceptance by the customer. Invoice is rendered to the customer upon delivery of products and credit term granted is at 30 to 60 days.

(b) Rendering of Information Communication Technology ("ICT") related services

Revenue from provision of maintenance, technology and software services, consultancy and system integration services and provision of application and content is recognised over time when the required services are rendered and accepted by the customers. The amount of revenue recognised is based on that the Group has the right to invoice the customers under the contracts, which correspond directly with the value of services transferred to the customers for the Company's performance to-date. Invoice is rendered periodically based on the timelines specified in the contracts. Credit term granted is generally at 30 to 60 days.

(c) Provision of payment solution and services

Revenue from provision of payment solution and services through renting of Electronic Data Capture ("EDC") equipment is recognised over time equally over the period of the contracts. The rental income is generally invoiced upfront for the whole contract term. Credit term granted is 30 days.

In respect of e-wallet payment solution and services, revenue is recognised over time based on transactions recorded. Billing is rendered on monthly basis with credit term of 30 days.

In respect of the Company, management fees from its subsidiaries are recognised as revenue upon rendering of services for which the Company has the right to specified consideration.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.26 Revenue from Other Sources and Other Income

(a) Leasing of telecommunication network towers

Lease rental income from leasing of telecommunication network towers is recognised as disclosed under Note 2.21(b).

(b) Interest income

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

(c) Dividend income

Dividends from subsidiaries are recognised when the right to receive payment is established.

2.27 Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs.

Financial guarantee contracts are recognised initially as a liability at fair value, net of transaction costs. Subsequent to initial recognition, financial guarantee contracts are measured at the higher of (i) the amount determined in accordance with the expected credit loss model; and (ii) the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of MFRS 15 Revenue from Contracts with Customers.

2.28 Earnings Per Share

Basic earnings per share is calculated by dividing the profit or loss for the financial year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year, net of any treasury shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, net of any treasury shares held, for the effects of all dilutive potential ordinary shares.

2.29 Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to transactions with other components of the Group. Operating segment results are reviewed by chief operating decision maker i.e. the Group Managing Director who makes decision about resources to be allocated to the segments and to assess their performance and for which discrete financial information is available.

2.30 Fair Value Measurements

Fair value of an asset or a liability, except for share-based payment and leasing transactions, is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 non-financial assets, 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.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.30 Fair Value Measurements (Cont'd)

When measuring fair value, the Group maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Fair value measurements are 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;
- Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 : Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with the Malaysian Financial Reporting Standards and International Financial Reporting Standards requires management to exercise their judgement in the process of applying the Group's accounting policies and which may have significant effects on the amounts recognised in the financial statements. It also requires the use of 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 results reported for the reporting period and that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Although these judgements and estimates are based on the management's best knowledge of current events and actions, actual results may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Significant judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2, the management is of the opinion that any instances of application of judgement, apart from those involving estimations which are dealt with in Note 3(b), are not expected to have a significant effect on the amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Impairment assessment for non-financial assets other than goodwill

The Group assesses impairment of property, plant and equipment, investment properties and investments in subsidiaries when the events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable. This requires an estimation of the recovery amount for individual asset or the cash generating units ("CGU") to which the assets are allocated. Estimating the recoverable amount requires management to make an estimate of the fair value of the asset or the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The impairment losses on property, plant and equipment and cost of investment in subsidiaries are as disclosed in Note 13 and Note 17 respectively.

(ii) Deferred tax assets

Deferred tax assets are recognised for unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The total carrying value of recognised tax losses and capital allowances of the Group is RM6,000 (31.12.2023 : RM1,918,000). The total unrecognised tax losses and capital allowances of the Group and of the Company are RM153,181,000 and RM1,489,000 (31.12.2023 : RM150,703,000 and RM2,432,000) respectively.

(iii) Impairment losses of receivables

The Group made impairment loss allowances for receivables and advances to subsidiaries based on assumptions about risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on past history of credit loss experience, existing market conditions as well as forward looking estimates at the end of reporting period.

Where expectations differ from the original estimates, such difference will impact the carrying value of the receivables. The carrying amounts of long term receivables, trade receivables and balances due from subsidiaries and their cumulative allowances for impairment losses are disclosed in Notes 20, 22 and 25 respectively.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(iv) Revenue recognition

The Group recognises revenue from contracts with customers which are performed over time based on the stage of completion of the services rendered at the reporting date. Significant judgement based on past experiences of similar type of services is required in this revenue recognition method as it involves estimation of costs allocation to budgets and recoverability of contract costs incurred from customers.

(v) Valuation of inventories

An appropriate amount of write-down or write-off for slow moving or obsolete inventories is recognised in the profit or loss when their estimated net realisable values are lower than their respective carrying amounts. In making such estimates, the management consider factors such as the economic conditions relevant to the industry and expected selling prices for the inventories.

4. REVENUE

	Group		Company	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Revenue from contracts with customers :				
ICT related products and services	28,345	30,926	-	-
Payment solutions and services	220	318	-	-
Management services	-	-	11,504	7,202
	<u>28,565</u>	<u>31,244</u>	<u>11,504</u>	<u>7,202</u>
Revenue from other sources :				
Telecommunication network tower leasing income	60	89	-	-
	<u>28,625</u>	<u>31,333</u>	<u>11,504</u>	<u>7,202</u>
Timing of recognition of revenue from contracts with customers :				
At a point in time	845	984	11,504	7,202
Over time	27,780	30,349	-	-
	<u>28,625</u>	<u>31,333</u>	<u>11,504</u>	<u>7,202</u>

For the purpose of segment revenue under segment information in Note 41, revenue from leasing of telecommunication network towers is included as part of revenue from ICT related products and services business segment.

The Group applies the practical expedient of not providing an estimate of the aggregate amount of revenue attributable to unsatisfied performance obligations as at the end of the reporting period on the basis that the performance obligations are part of contracts that have an expected duration of less than a year or that the revenue recognised corresponds directly with the value to the customers of the Group's performance completed to-date and for which the Group has the right to invoice.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

5. OTHER INCOME

The following amounts have been included in other income :

	Group		Company	
	01.01.2024	01.01.2023	01.01.2024	01.01.2023
	to	to	to	to
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Sales of software applications	7,829	-	-	-
Interest income:				
- deposits with licensed commercial banks	141	189	-	-
Gain on disposal of property, plant and equipment	18	57	18	39
Gain on disposal of a subsidiary [Note 17]	1,780	-	-	-
Gain on foreign exchange	42	-	-	-
Rental income	144	18	392	294
Reversal of impairment loss on trade receivables	2	-	-	-
Others	-	87	10	-
	9,956	351	420	333

6. OTHER EXPENSES

The following amounts have been included in other expenses :

	Group		Company	
	01.01.2024	01.01.2023	01.01.2024	01.01.2023
	to	to	to	to
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	3,355	2,660	116	389
Depreciation of investment property	7	12	-	-
Amortisation of intangible assets	643	2,990	10	8
Depreciation of right-of-use assets	1,430	1,206	324	546
Allowance for impairment losses on investment in subsidiary	-	-	10,000	-
Allowance for impairment losses on amounts due from subsidiaries	-	-	69,776	2,284
Rental of premises				
- short-term leases	386	297	-	-
Rental of equipment				
- leases of low-value assets	36	31	13	13
Allowance for obsolete inventories	3,244	779	-	-
Allowance for impairment losses on trade receivables	64	3,046	-	-
Allowance for impairment loss on other receivable	1,430	2,760	-	-
Prepayment written off	1,215	113	-	-
Impairment on property, plant and equipment	507	-	-	-
Corporate exercise expenses	336	305	336	305

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

7. FINANCE COSTS

	Group		Company	
	01.01.2024	01.01.2023	01.01.2024	01.01.2023
	to	to	to	to
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Interest expense :				
- overdrafts and banker acceptances	344	265	-	-
- term loans	385	86	104	-
- lease liabilities	132	105	5	35
	861	456	109	35
Finance charges on trade facilities	257	32	-	-
	1,118	488	109	35

8. LOSS BEFORE TAXATION

In addition to the disclosures in Notes 4, 5, 6 and 7, the following amounts have been charged/(credited) in arriving at the loss before taxation :

	Group		Company	
	01.01.2024	01.01.2023	01.01.2024	01.01.2023
	to	to	to	to
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Employee benefits expense (Note 9)	26,013	17,509	11,451	4,376
Auditors' remuneration:				
- Statutory audit				
- Folks DFK & Co.	192	163	75	58
- Other audit firms	46	44	-	-
- Non-audit services				
- Folks DFK & Co.	8	8	8	8
Net realised foreign exchange loss	-	5	-	-
Non-executive directors' remuneration (Note 10)	405	280	353	226
Inventories written off	271	123	-	-
Property, plant and equipment written off	-	2	-	-
Gain on disposal of property, plant and equipment	18	57	18	55
Gain on disposal of subsidiary	1,780	-	-	-
Internet and network expenses	80	61	23	23

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

9. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	01.01.2024	01.01.2023	01.01.2024	01.01.2023
	to	to	to	to
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and allowances	17,899	14,866	5,413	3,724
Social security contributions	254	219	48	36
Contributions to a defined contribution plan	2,047	1,725	595	427
Share-based payments - ESOS options	3,387	-	3,387	-
Other staff related expenses	2,426	699	2,008	189
	<u>26,013</u>	<u>17,509</u>	<u>11,451</u>	<u>4,376</u>

Included in employee benefits expense are Executive Directors' remuneration (excluding benefits-in-kind) amounting to RM2,345,000 (31.12.2023: RM1,147,000) and RM1,913,000 (31.12.2023 : RM637,000) in respect of the Group and the Company respectively as further disclosed in Note 10.

10. DIRECTORS' REMUNERATION

	Group		Company	
	01.01.2024	01.01.2023	01.01.2024	01.01.2023
	to	to	to	to
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Directors of the Company				
Executive Directors' remuneration:				
- Salaries and allowances	1,104	568	1,104	568
- Contributions to a defined contribution plan	132	69	132	69
- Share-based payments - ESOS options	387	-	387	-
	<u>1,623</u>	<u>637</u>	<u>1,623</u>	<u>637</u>
Non-Executive Directors' remuneration :				
- Fees	147	235	95	181
- Allowances	26	45	26	45
- Share-based payments - ESOS options	232	-	232	-
	<u>405</u>	<u>280</u>	<u>353</u>	<u>226</u>
Directors of Subsidiaries				
Executive Directors' remuneration :				
- Salaries and allowances	391	459	-	-
- Contributions to a defined contribution plan	41	51	-	-
- Share-based payments - ESOS options	290	-	-	-
	<u>722</u>	<u>510</u>	<u>-</u>	<u>-</u>
Executive Directors' remuneration (Note 9)	2,345	1,147	1,623	637
Non-Executive Directors' remuneration (Note 8)	405	280	353	226
Total Directors' remuneration	<u>2,750</u>	<u>1,427</u>	<u>1,976</u>	<u>863</u>
Benefits-in-kind	31	34	31	34
Total Directors' remuneration including benefits-in-kind	<u>2,781</u>	<u>1,461</u>	<u>2,007</u>	<u>897</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

11. TAXATION

	Group		Company	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Current income tax :				
Malaysian/foreign income tax	-	-	-	-
(Over)/Under provision in prior year	-	-	-	-
Deferred taxation (Note 32) :				
Origination and reversal of temporary differences	(917)	(160)	-	-
Over provision in prior year	-	(108)	-	-
	(917)	(268)	-	-
Capital gain tax	40	-	-	-
Tax income recognised in profit or loss	(877)	(268)	-	-

(a) Malaysian income tax is calculated at the statutory tax rate of 24% (31.12.2023 : 24%) of the estimated assessable profit for the year.

Taxation for other countries is calculated at the rates prevailing in the respective countries.

Reconciliations of the tax income applicable to loss before taxation at the statutory income tax rate to tax income at the effective income tax rate of the Group and of the Company are as follows :

	Group		Company	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Loss before taxation	(23,270)	(24,240)	(79,991)	(1,420)
Taxation at Malaysian statutory tax rate of 24% (2023 : 24%)	(5,585)	(5,818)	(19,198)	(341)
Expenses not deductible for tax purposes	2,194	1,837	19,340	734
Utilisation of deferred tax assets not recognised in prior year	(142)	(346)	(142)	(393)
Deferred tax assets not recognised in respect of current year's tax losses, unabsorbed capital allowances and other deductible temporary differences	3,791	4,175	-	-
Income not subject to tax	(258)	(5)	-	-
Tax rate difference in foreign jurisdiction	-	(3)	-	-
Overprovision of deferred taxation in prior year	-	(108)	-	-
Reversal of deferred tax liabilities on disposal of subsidiary	(917)	-	-	-
Capital gain tax	40	-	-	-
Income tax income	(877)	(268)	-	-

NOTES TO THE FINANCIAL STATEMENTS

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11. TAXATION (CONT'D)

- (b) Subject to agreement with the relevant tax authorities, the Group and the Company have the following estimated unutilised tax losses and unabsorbed capital allowances which can be used to set-off against future taxable income :

	Group		Company	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Unutilised tax losses	151,086	146,428	1,489	2,432
Unabsorbed capital allowances	2,095	4,180	-	-
	<u>153,181</u>	<u>150,608</u>	<u>1,489</u>	<u>2,432</u>

Pursuant to the Finance Act 2021, any unutilised tax losses in Malaysia for the year of assessment 2019 onwards shall be available for utilisation for a maximum period of ten consecutive years of assessment immediately following that year of assessment and any excess at the end of the tenth year shall be disregarded. Consequently, the unutilised tax losses in Malaysia of the Group and of the Company at the end of the reporting period shall expire in the year of assessment as tabulated below :

	Group		Company	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Year of Assessment				
2028	73,842	74,784	1,489	2,432
2029	9,914	9,914	-	-
2030	17,403	17,829	-	-
2031	9,057	11,573	-	-
2032	12,756	16,897	-	-
2033	12,450	15,431	-	-
2025	15,664	-	-	-
Total unutilised tax losses	<u>151,086</u>	<u>146,428</u>	<u>1,489</u>	<u>2,432</u>

12. LOSS PER SHARE

Basic

Basic loss per share is calculated by dividing the loss for the financial period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial period.

	Group	
	01.01.2024 to 30.06.2025	01.01.2023 to 31.12.2023
Loss attributable to owners of the Company (RM'000)	(21,721)	(23,407)
Weighted average number of ordinary shares in issue ('000)	750,648	712,194
Basic loss per share for the financial year (sen)	<u>(2.89)</u>	<u>(3.29)</u>

The impact on the loss per share for the financial period ended 30 June 2025 and for the financial year ended 31 December 2023, should the share options be exercised is anti-dilutive and therefore the diluted loss per share equals the basic loss per share.

NOTES TO THE FINANCIAL STATEMENTS

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13. PROPERTY, PLANT AND EQUIPMENT

Group	Computer equipment RM'000	Furniture, fittings, office and EDC equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Telecom- munication network towers RM'000	Medical Laboratory Equipment RM'000	Total RM'000
30 June 2025							
Cost							
At 1 January 2024	4,796	4,359	201	1,164	243	19,870	30,633
Additions	47	-	-	-	-	-	47
Disposals	(412)	-	-	-	-	-	(412)
Derecognised on disposal of subsidiary	(92)	(48)	(93)	(53)	(243)	-	(529)
At 30 June 2025	4,339	4,311	108	1,111	-	19,870	29,739
Accumulated Depreciation							
At 1 January 2024	4,359	4,223	135	1,123	18	3,974	13,832
Charge for the financial period (Note 6)	254	71	9	33	7	2,981	3,355
Disposals	(412)	-	-	-	-	-	(412)
Derecognised on disposal of subsidiary	(78)	(43)	(37)	(53)	(25)	-	(236)
At 30 June 2025	4,123	4,251	107	1,103	-	6,955	16,539
Impairment							
At 1 January 2024	-	-	-	-	-	-	-
Charge for the financial period (Note 6)	-	-	-	-	-	507	507
At 30 June 2025	-	-	-	-	-	507	507
Carrying Amount							
At 30 June 2025	216	60	1	8	-	12,408	12,693

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13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Computer equipment RM'000	Furniture, fittings, office and EDC equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Telecom- munication network towers RM'000	Medical Laboratory Equipment RM'000	Total RM'000
31 December 2023							
Cost							
At 1 January 2023	4,775	4,310	478	1,148	243	19,870	30,824
Additions	36	49	-	16	-	-	101
Disposals	(4)	-	(277)	-	-	-	(281)
Write-off	(11)	-	-	-	-	-	(11)
At 31 December 2023	4,796	4,359	201	1,164	243	19,870	30,633
Accumulated Depreciation							
At 1 January 2023	4,156	3,980	393	942	4	1,987	11,462
Charge for the year (Note 6)	216	243	19	181	14	1,987	2,660
Disposals	(4)	-	(277)	-	-	-	(281)
Write-off	(9)	-	-	-	-	-	(9)
At 31 December 2023	4,359	4,223	135	1,123	18	3,974	13,832
Carrying Amount							
At 31 December 2023	437	136	66	41	225	15,896	16,801

NOTES TO THE FINANCIAL STATEMENTS

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13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Computer equipment RM'000	Furniture, fittings, office and EDC equipment RM'000	Motor vehicles RM'000	Renovation RM'000	Total RM'000
30 June 2025					
Cost					
At 1 January 2024	785	1,160	-	858	2,803
Additions	13	-	-	-	13
Disposal	-	-	-	-	-
At 30 June 2025	798	1,160	-	858	2,816
Accumulated Depreciation					
At 1 January 2024	662	1,085	-	815	2,562
Charge for the year (Note 6)	39	45	-	32	116
Disposal	-	-	-	-	-
At 30 June 2025	701	1,130	-	847	2,678
Carrying Amount					
At 30 June 2025	97	30	-	11	138
31 December 2023					
Cost					
At 1 January 2023	757	1,117	277	842	2,993
Additions	28	43	-	16	87
Disposal	-	-	(277)	-	(277)
At 31 December 2023	785	1,160	-	858	2,803
Accumulated Depreciation					
At 1 January 2023	637	889	277	647	2,450
Charge for the year (Note 6)	25	196	-	168	389
Disposal	-	-	(277)	-	(277)
At 31 December 2023	662	1,085	-	815	2,562
Carrying Amount					
At 31 December 2023	123	75	-	43	241

- (a) Included in property, plant and equipment of the Group and of the Company are the costs of fully depreciated assets, which are still in use amounting to approximately RM8,655,000 and RM1,883,000 (2023: RM6,130,000 and RM744,000) respectively.

NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (b) The telecommunication network towers in relation to a past subsidiary's operation as a licensed network facilities provider were situated on leased land as disclosed in Note 18. The use of the towers were licensed to telecommunication operators under operating leases for up to 15 years including extension option period. The lease income recognised in profit or loss is included under revenue of the Group as disclosed in Note 4.

These assets were derecognised during the financial period upon disposal of the subsidiary.

- (c) Impairment loss on property, plant and equipment

The Group acquired 100 units of medical laboratory equipments in January 2022 with the intention of using them in a business activity which involve the screening for communicable diseases. As at to date, the intended business activity has not commenced yet and accordingly management had estimated the recoverable amount of the assets concerned.

The recoverable amount of the assets, based on fair value less cost to sell amounted to RM12,409,000 and the shortfall between this amount and the assets' initial carrying amount has been recognised as an impairment loss in the profit or loss and under the ICT related products and services operating segment. The fair value less cost to sell was based on an independent valuation using comparable transaction analysis methodology by comparing against other recent comparable transactions undertaken by buyers and sellers that had entered into acquisitions/disposals of similar equipments. Based on inputs used in the valuation, the fair value measurement is categorised as a Level 3 fair value.

NOTES TO THE FINANCIAL STATEMENTS

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14. INVESTMENT PROPERTY

	Group	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Cost		
At beginning of financial period/year	572	572
Derecognised on disposal of subsidiary	(572)	-
At end of financial period/year	-	572
Accumulated Depreciation		
At beginning of financial period/year	20	8
Charge for the financial period/year (Note 6)	7	12
Derecognised on disposal of subsidiary	(27)	-
At beginning of financial period/year	-	20
Carrying Amount		
At end of financial period/year	-	552

The asset was derecognised during the financial period upon the disposal of the subsidiary.

- (a) The investment property of the Group attributable to a past subsidiary which comprised a stratified leasehold condominium unit had generated a total income of RM18,000 in the previous financial year. Direct operating expenses in respect of the investment property are as follows :

	Group	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Direct operating expenses	-	2

- (b) The estimated fair value of investment property was determined as follows: -

	Group	
	30.06.2025 RM'000	31.12.2023 RM'000
Level 2 fair value	-	638

The fair value of the investment property at the end of the previous financial year was based on an assessment performed internally by reference to the comparable market value of similar properties. The fair value is determined in accordance with Level 2 of the fair value measurement hierarchy. In the assessment of the fair value, the sales prices of comparable properties in the locality were adjusted for factors which affect value such as the size of the properties. The most significant input to this valuation approach is price per square foot. There was no transfer between levels in the fair value measurement hierarchy in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

15. INTANGIBLE ASSETS OTHER THAN GOODWILL

30 June 2025

Cost

At beginning of financial period
Addition
Derecognised on disposal
of subsidiary
At end of financial period

	Group				Company Computer Software RM'000
	Customer Contracts RM'000	Computer software RM'000	Development Expenditure RM'000	Telecommunication Infrastructure RM'000	Total RM'000
	6,082	3,178	2,914	-	12,174
	-	24	-	13,346	13,370
	(6,082)	-	-	-	(6,082)
	-	3,202	2,914	13,346	19,462
					1,205

Accumulated Amortisation

At beginning of financial period
Charge for the year (Note 6)
Derecognised on disposal
of subsidiary
At end of financial period

	5,931	3,097	482	-	9,510
	151	79	413	-	643
	(6,082)	-	-	-	(6,082)
	-	3,176	895	-	4,071
					1,181

Carrying Amount

At 30 June 2025

	-	26	2,019	13,346	15,391
					24

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

15. INTANGIBLE ASSETS OTHER THAN GOODWILL (CONT'D)

31 December 2023

Cost

At 1 January/31 December

Accumulated Amortisation

At 1 January 2023

Charge for the year (Note 6)

At 31 December 2023

Carrying Amount

At 31 December 2023

	Group			Company
	Customer Contracts RM'000	Computer software RM'000	Development Expenditure RM'000	Computer Software RM'000
			Total RM'000	
	6,082	3,178	2,914	1,181
	3,506	2,807	207	1,163
	2,425	290	275	8
	5,931	3,097	482	1,171
	151	81	2,432	10

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

15. INTANGIBLE ASSETS OTHER THAN GOODWILL (CONT'D)

(a) Development expenditure

Development expenditure of the Group represents direct cost incurred for the development of various mobile applications at various stages. An e-wallet application which has been put into commercial use is amortised at the annual rate of 20%.

(b) Telecommunication Infrastructure

The construction of the telecommunication infrastructure is undertaken by a subsidiary, PT Jaringan Pintar Bersama in relation to a service concession arrangement and which is still in progress as at end of reporting period. The cost will be amortised over the remaining period of the concession when the asset is ready for its intended use.

16. GOODWILL

	Group	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Cost		
At beginning of financial period	1,168	1,168
Less: Derecognised on disposal of subsidiary - Ridaa Associates Sdn Bhd	(1,168)	-
At end of financial period	<u>-</u>	<u>1,168</u>

17. INVESTMENT IN SUBSIDIARIES

	Company	
	30.06.2025 RM'000	31.12.2023 RM'000
Unquoted shares, at cost	105,452	99,624
Equity contributions arising from ESOS	11	88
	<u>105,463</u>	<u>99,712</u>
Less: Accumulated for impairment losses		
At 1 January	(73,248)	(73,248)
Addition	(10,000)	-
At 30 June / 31 December	<u>(83,248)</u>	<u>(73,248)</u>
	<u>22,215</u>	<u>26,464</u>

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

17. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Composition of the Group

Details of the subsidiaries which are held directly by the Company, unless otherwise stated, are as follows:

Name	Country of incorporation and operations	Company's effective interest		Principal Activities
		30.06.2025 %	31.12.2023 %	
Dataprep (Malaysia) Sdn Berhad	Malaysia	100	100	Provision of ICT outsourcing and managed services.
Solsis (M) Sdn Bhd	Malaysia	100	100	Provision of computer hardware, network services, applications and contact centre.
Solsisnet Sdn Bhd	Malaysia	100	100	Provision of networking equipment, services and training.
Dataprep Payment Solutions Sdn Bhd	Malaysia	100	100	Provision of information technology, services and secured payment solutions.
Instant Office Sdn Bhd	Malaysia	100	100	Dormant.
88 Daiman Sdn Bhd	Malaysia	100	100	Dormant.
Tamadun Interaktif Sdn Bhd	Malaysia	100	100	Dormant.
Dataprep (HK) Limited #	Hong Kong SAR, People's Republic of China	100	100	Investment holdings.
Dataprep (Beijing) Limited # [held through Dataprep (HK) Limited]	People's Republic of China	100	100	Dormant.
Dataprep International (Labuan) Ltd #	Malaysia	100	100	Investment holdings.
PT Dataprep Teknologi Indonesia # [held through Dataprep International (Labuan) Ltd]	Republic of Indonesia	65	65	Sales and marketing of ICT products, software and services.
DP Kyoto Tech Middle East Limited # [held through Dataprep International (Labuan) Ltd]	United Arab Emirates	51	51	Provision of education technologies, infrastructure, network and support services (presently dormant).

NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

17. INVESTMENT IN SUBSIDIARIES (CONT'D)

(a) Composition of the Group (Cont'd)

Details of the subsidiaries which are held directly by the Company, unless otherwise stated, are as follows (cont'd):

Name	Country of incorporation and operations	Company's effective interest		Principal Activities
		2025 %	2023 %	
Ridaa Associates Sdn Bhd <i>[held through Solsisnet Sdn Bhd]</i>	Malaysia	25	51	Supply and installation of multimedia goods, hardware and other multimedia components including provision of related maintenance support services, and provision of telecommunication network facilities
Dataprep Asia Sdn Bhd <i>[held through Dataprep (Malaysia) Sdn Berhad]</i>	Malaysia	100	100	Provision of services relating to healthcare information technology solution and general trading
PT Jaringan Pintar Bersama # <i>[held through PT Dataprep Teknologi Indonesia]</i>	Republic of Indonesia	39	-	Development and maintenance of telecommunication infrastructure under a service concession agreement

Not audited by Folks DFK & Co.

(b) Disposal of subsidiary, Ridaa (M) Sdn Bhd ("RIDAA") by the Company's wholly owned subsidiary, Solsisnet Sdn Bhd ("SNET") in the current financial period

On 15 August 2024, the wholly-owned subsidiary of the Company, Solsisnet Sdn Bhd ("Solsisnet") disposed 260,000 ordinary shares in Ridaa Associates Sdn Bhd ("RIDAA") representing 26% of the total issued and paid-up share capital of RIDAA for a total cash consideration of RM2,000,000. The disposal consideration was settled fully by a waiver of intercompany debts owed to RIDAA within the Group. Solsisnet's remaining equity interest in RIDAA was reduced from 51% to 25%.

The residual interests has been classified as an investment in unquoted shares as the Group does not have any significant influence over RIDAA.

NOTES TO THE FINANCIAL STATEMENTS

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17. INVESTMENT IN SUBSIDIARIES (CONT'D)

- (b) Disposal of subsidiary, Ridaa (M) Sdn Bhd ("RIDAA") by the Company's wholly owned subsidiary, Solsisnet Sdn Bhd ("SNET") in the current financial period (Cont'd)

The effect of the disposal of RIDAA on the financial position of the group and of the Company as at the date of disposal was as follows:-

	Group RM'000
Property, plant and equipment	293
Investment property	545
Intangible assets	10
Right of use assets	623
Contract assets	2,033
Trade and other receivables	396
Tax recoverable	120
Amount due from holding company	2,070
Amount due from related companies	5,356
Cash and bank balances	1,356
Trade and other payables	(4,536)
Short term borrowings	(2,089)
Contract liabilities	(3,573)
Lease liabilities	(662)
Amount due to related companies	(2)
Net assets	1,940
Add: Goodwill	1,168
Less: Non-controlling interest	(951)
	2,157
Less: Disposal consideration	(2,000)
Less: Fair value on remaining shares	(1,937)
Gain on disposal of subsidiary	(1,780)
	Group RM'000
Gross proceeds from disposal	2,000
Less: Cash and bank balances disposed	(1,356)
Net cash inflow from disposal	644

- (c) Acquisition of subsidiary, PT Jaringan Pintar Bersama ("PTJPB") by the Company's subsidiary, PT Dataprep Teknologi Indonesia ("PTDTI")

PT Jaringan Pintar Bersama is a subsidiary of PT Dataprep Teknologi Indonesia, incorporated in Republic of Indonesia on 29 January 2024.

On 6 February 2024, PT Jaringan Pintar Bersama ("PTJPB") had entered into an Operation Cooperation Agreement ("Agreement") with PT Bandung Infra Investama for the development and maintenance of passive telecommunication infrastructure in the City of Bandung, Republic of Indonesia, based on a public-private partnership on the build-operate-transfer ("BOT") model, together with two other consortium members for a concession period of 30 years commencing from the date of the Agreement.

PT Bandung Infra Investama, an entity owned by "Badan Milik Daerah Kota Bandung" is incorporated under "Peraturan Daerah Kota Bandung Nomor 9 Tahun 2016 Tentang Pendirian Perusahaan Perseroan Daerah Bandung Infra Investama in Republic of Indonesia.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

17. INVESTMENT IN SUBSIDIARIES (CONT'D)

(d) Subscription of additional shares in Dataprep Payment Solutions Sdn Bhd

During the financial period, the Company has subscribed for the new ordinary shares issued by Dataprep Payment Solutions Sdn Bhd, a wholly owned subsidiary for total consideration of RM5,827,000 and the Company equity interests in Dataprep Payment Solutions Sdn Bhd remain unchanged.

(e) Information on a subsidiary that has material non-controlling interests

Information on the subsidiary of the Group that has material non-controlling interests are as follows :-

Name of subsidiary	Proportion of ownership and voting rights held by non-controlling interests		(Loss)/Profit allocated to non-controlling interests 01.01.2024 to 31.12.2023		Accumulated non-controlling interests 30.06.2025 to 31.12.2023	
	30.06.2025	01.01.2023	01.01.2024	31.12.2023	30.06.2025	31.12.2023
	%	%	RM'000	RM'000	RM'000	RM'000
PT Jaringan Pintar Bersama ("PTJPB") *	61	N/A	(435)	-	(435)	-
Ridaa Associates Sdn Bhd **	N/A	49	(177)	(516)	-	(1,128)

* The equity interest of 60% in PTJPB is held through a 65% owned subsidiary, PT Dataprep Teknologi Indonesia

** Ridaa Associates Sdn Bhd is no longer a subsidiary upon disposal of 26% equity interest by the Group during the financial period.

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(Cont'd)

17. INVESTMENT IN SUBSIDIARIES (CONT'D)

(d) Information on a subsidiary that has material non-controlling interests (Cont'd)

Summarised financial information of the subsidiary before inter-company elimination :-

	PT Jaringan Pintar Bersama		Ridaa Associates Sdn Bhd	
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Assets/(Liabilities)				
Non-current assets	13,371	-	1,471	1,299
Current assets	5,851	-	11,331	18,010
Non-current liabilities	(5,889)	-	(706)	(1,407)
Current liabilities	(7,916)	-	(10,159)	(15,715)
Net assets	5,417	-	1,937	2,187
Results For Year				
Revenue	-	-	7,280	10,527
Loss for the year/Total comprehensive loss	(713)	-	(249)	841
Cash Flows For Year				
Cash flows (used in)/from operating activities	(6,513)	-	-	(766)
Cash flows used in investing activities	(33)	-	-	(33)
Cash flows used in financing activities	6,790	-	-	(49)
Net decrease in cash and cash equivalents	244	-	-	(848)

NOTES TO THE FINANCIAL STATEMENTS

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18. RIGHT-OF-USE ASSETS

Group	Land	Vacant	Computer	Total
Financial period ended 30 June 2025	RM'000	Premises RM'000	Equipments RM'000	RM'000
Cost				
At 1 January 2024	451	2,959	-	3,410
Addition	215	2,096	316	2,627
Derecognition on :				
- disposal of subsidiary	(666)	(1,848)	-	(2,514)
- expiry of lease	-	(1,111)	-	(1,111)
At 30 June 2025	-	2,096	316	2,412
Accumulated Depreciation				
At 1 January 2024	30	2,258	-	2,288
Charge for the year (Note 6)	13	1,298	119	1,430
Derecognition on :				
- disposal of subsidiary	(43)	(1,848)	-	(1,891)
- expiry of lease	-	(1,111)	-	(1,111)
At 30 June 2025	-	597	119	716
Carrying Amount				
At 30 June 2025	-	1,499	197	1,696

	Vacant Land RM'000	Office Premises RM'000	Total RM'000
Financial year ended 31 December 2023			
Cost			
At 1 January 2023	451	3,042	3,493
Derecognition	-	(83)	(83)
At 31 December 2023	451	2,959	3,410
Accumulated Depreciation			
At 1 January 2023	15	1,150	1,165
Charge for the year (Note 6)	15	1,191	1,206
Derecognition	-	(83)	(83)
At 31 December 2023	30	2,258	2,288
Carrying Amount			
At 31 December	421	701	1,122

	Office Premises	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Company		
Cost		
At 1 January	1,111	1,111
Derecognition	(1,111)	-
At 30 June / 31 December	-	1,111
Accumulated Depreciation		
At 1 January	787	241
Charge for the financial year/period (Note 6)	324	546
Derecognition	(1,111)	-
At 30 June / 31 December	-	787
Carrying Amount		
At 30 June / 31 December	-	324

NOTES TO THE FINANCIAL STATEMENTS

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18. RIGHT-OF-USE ASSETS (CONT'D)

- (a) The Group and the Company lease office premises with tenancy terms of two years for their operations.
- (b) Previously, a subsidiary of the Group had leased vacant land for the erection of monopoles for use as telecommunication network towers which were licensed to telecommunication operators as disclosed in Note 13(b). These leases were derecognised during the financial period upon the disposal of the subsidiary.

Obligations for the lease payments in respect of the leases of office premises and vacant land are recognised as lease liabilities as disclosed in Note 31.

- (c) The Company subleases a portion of the office premises to a subsidiary under an operating lease. During the financial period, the tenancy agreement expired and the sublease agreement was terminated. There is no further sublease obligation subsequent to the financial period.

The lease income recognised in profit or loss is included in other income of the Company as disclosed in Note 5.

Maturity analysis of the undiscounted lease payments receivable is as follows :

	Company	
	30.06.2025	31.12.2023
	RM'000	RM'000
Within one year	172	294
Between one to two years	-	-
	<u>172</u>	<u>294</u>

19. OTHER INVESTMENT

	Group	
	30.06.2025	31.12.2023
	RM'000	RM'000
Investment in unquoted shares at fair value through other comprehensive income ("FVOCI")	1,938	-

This represents the Group's residual interests of 25% in RIDAA which is classified as an investment in unquoted shares of the Group does not any have significant influence over the investee.

The Group has irrevocably elected to classify the investment in unquoted shares at FVOCI at initial recognition. The Group considers this classification to be more relevant as it reflects the Group's intention to hold it as a long-term strategic investment and it is not held for trading purpose.

Determination of fair value

The fair value of the unquoted shares has been determined by the management with reference to an independent valuer using the Relative Valuation Analysis ("RVA"), which involves the use of enterprise value of earnings before interest, tax, depreciation and amortisation. RVA seeks to compare an entity implied trading multiple to trading companies to determine the firm's financial worth.

	Fair value measurement using			
	Level 1	Level 2	Level 3	Total
Group	RM'000	RM'000	RM'000	RM'000
Unquoted equity investment at fair value through other comprehensive income	-	-	1,938	1,938

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20. LONG TERM RECEIVABLES

	Group	
	30.06.2025	31.12.2023
	RM'000	RM'000
Other receivables [Note 20(a)]	7,612	-
Sales of software applications [Note 20(b)]	4,899	-
	<u>12,511</u>	<u>-</u>

- (a) Other receivable represents the net carrying amount of a balance due from a former corporate shareholder of a subsidiary cum project partner in relation to a contract of services planned by the subsidiary which had been aborted in prior financial years. The other receivables amount comprised prepayments for test equipment and supplies attributable to the aborted planned contract of services.

The net carrying amount of the other receivable is as stated below :

	Group	
	30.06.2025	31.12.2023
	RM'000	RM'000
Gross amount	15,010	15,010
Less: Allowance for impairment loss		
At 1 January	(5,520)	(2,760)
Addition (Note 6)	(1,430)	(2,760)
At 30 June / 31 December	<u>(6,950)</u>	<u>(5,520)</u>
	8,060	9,490
Less: Amount receivable within 12 months - Note 23		
(classified under Current Assets)	(448)	(9,490)
Amount receivable after 12 months	<u>7,612</u>	<u>-</u>

The amount due is unsecured and interest free. During the financial period, the repayment terms have been revised to three annual instalments instead of repayment on demand as agreed previously.

- (b) Sales of software applications

The amount represents the present value of consideration receivable from the sales of the Group's internally developed software applications, namely Enterprise e-Wallet Solution and Enterprise Community Management Solution. The consideration is receivable over a period of three (3) years and is measured using the amortised cost method at an effective interest rate of 7.5% per annum.

	Group	
	30.06.2025	31.12.2023
	RM'000	RM'000
Amount receivable	7,829	-
Less: Amount receivable within 12 months - Note 23		
(classified under Current Assets)	(2,930)	-
Amount receivable after 12 months	<u>4,899</u>	<u>-</u>

- (c) The Group's long-term receivables are denominated in the following currencies :

	Group	
	30.06.2025	31.12.2023
	RM'000	RM'000
United States Dollar	4,899	-
Malaysian Ringgit	7,612	-
	<u>12,511</u>	<u>-</u>

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21. INVENTORIES

	Group	
	30.06.2025	31.12.2023
	RM'000	RM'000
At cost		
Computer equipment, spares and supplies	214	546
Healthcare supplies	6,136	6,152
	<u>6,350</u>	<u>6,698</u>
Allowance for obsolete inventories		
At 1 January	(1,226)	(447)
Addition (Note 6)	(3,244)	(779)
At 30 June / 31 December	<u>(4,470)</u>	<u>(1,226)</u>
	<u>1,880</u>	<u>5,472</u>

The cost of inventories recognised as an expense during the financial period for the Group amounted to approximately RM10,797,744 (31.12.2023 : RM11,819,446).

22. TRADE RECEIVABLES

	Group	
	30.06.2025	31.12.2023
	RM'000	RM'000
Trade receivables	9,836	13,303
Less: Allowance for impairment losses	(6,210)	(6,148)
	<u>3,626</u>	<u>7,155</u>

Trade receivables are non-interest bearing and are generally on 30 days to 90 days (31.12.2023 : 30 days to 90 days) terms.

Credit risk exposure

Information about the exposure to credit risk and allowance for expected credit losses ("ECLs") in respect of trade receivables are as tabulated below:-

	Gross carrying amount	Loss allowance	Net carrying amount
	RM'000	RM'000	RM'000
Group			
As at 30 June 2025			
Current	908	-	908
1 to 30 days past due	558	-	558
31 to 60 days past due	36	-	36
61 to 90 days past due	666	-	666
91 to 180 days past due	166	-	166
	<u>2,334</u>	<u>-</u>	<u>2,334</u>
<u>Credit impaired</u>			
More than 180 days past due	7,502	6,210	1,292
	<u>9,836</u>	<u>6,210</u>	<u>3,626</u>
As at 31 December 2023			
Current	2,258	-	2,258
1 to 30 days past due	696	-	696
31 to 60 days past due	1,635	-	1,635
61 to 90 days past due	2,044	-	2,044
91 to 180 days past due	425	-	425
	<u>7,058</u>	<u>-</u>	<u>7,058</u>
<u>Credit impaired</u>			
More than 180 days past due	6,245	6,148	97
	<u>13,303</u>	<u>6,148</u>	<u>7,155</u>

Further information on credit risk exposure together with the recognition and measurement of allowance for ECLs are disclosed in Note 39(d).

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22. TRADE RECEIVABLES (CONT'D)

Allowance for impairment losses

Movements in allowance for impairment losses on trade receivables are as follows :

	Group	
	30.06.2025 RM'000	31.12.2023 RM'000
At 1 January	6,148	3,102
Addition (Note 6)	64	3,046
Write-back (Note 8)	(2)	-
At 30 June / 31 December	6,210	6,148

The Group's trade receivables are denominated in Ringgit Malaysia.

23. OTHER RECEIVABLES

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
Sundry receivables [Note 23(a)]	2,180	310	55	6
Other receivables :				
- Other receivables [Note 20(a)]	448	9,490	-	-
- Sales of software applications [Note 20(b)]	2,930	-	-	-
Prepayments [Note 23(b)]	6,950	12,002	53	53
Deposits	449	922	124	124
Advances to employees	48	14	-	-
	13,005	22,738	232	183

(a) Included in sundry receivables are amount due from former related companies amounting to RM621,526 (31.12.2023 : RM Nil). The balances are unsecured, interest free and repayable on demand.

(b) Prepayments comprised the following :-

	Group		Group	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
Advance for revenue sharing	2,166	-	-	-
Guarantee sums paid	408	-	-	-
Other prepayments	4,376	12,002	53	53
	6,950	12,002	53	53

The advance for revenue sharing and guarantee sums were paid by PTJPB to PT Bandung Infra Investama in accordance with the terms and conditions of Operational Cooperation Agreement as disclosed in Note 17 and will be utilised to offset against future obligations.

(b) The Group's and the Company's other receivables are denominated in the following currencies :

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
United States Dollar	3,322	-	-	-
Indonesian Rupiah	2,166	-	-	-
Malaysian Ringgit	7,517	22,738	232	183
	13,005	22,738	232	183

NOTES TO THE FINANCIAL STATEMENTS

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(Cont'd)

24. CONTRACT ASSETS / CONTRACT LIABILITIES

	Group	
	30.06.2025 RM'000	31.12.2023 RM'000
Contract assets	8	9,035
Contract liabilities	1,461	13,945

Contract assets relate to the Group's rights to consideration for services rendered which have been recognised as revenue from contracts customers but not yet billed at the reporting date pending verification and agreement by the customers.

Contract liabilities relate to the progress billing to customers, for which the related obligations for services have not been performed at the reporting date.

Revenue recognised for the current year from amount included in contract liabilities at the beginning of the year amounted to RM10,228,000 (31.12.2023: RM4,688,000).

25. AMOUNTS DUE FROM SUBSIDIARIES

	Company	
	30.06.2025 RM'000	31.12.2023 RM'000
Amounts due from subsidiaries	158,780	150,415
Less: Allowance for impairment losses		
At January	(46,515)	(44,231)
Addition (Note 6)	(69,776)	(2,284)
At 30 June / 31 December	(116,291)	(46,515)
	42,489	103,900

Presented as follows:

Non-current assets	22,402	22,402
Current assets	20,087	81,498
	42,489	103,900

The amounts due from subsidiaries are unsecured, interest free and are repayable on demand. The classification of the net amount into current and non-current portions is based on their expected timing of settlement.

26. AMOUNTS DUE FROM/(TO) RELATED COMPANIES

In previous financial year, related companies refer to fellow subsidiaries which share the same ultimate holding company with the Company. The immediate and ultimate holding companies of the Company in the previous financial year are disclosed in Note 35.

The amounts due from/(to) related companies represent trade and related balances which are unsecured, interest free and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

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27. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
Deposits with licensed banks	3,047	5,829	-	-
Cash and bank balances	5,904	5,249	30	106
	<u>8,951</u>	<u>11,078</u>	<u>30</u>	<u>106</u>

Deposits of the Group and of the Company are pledged as security for banking facilities granted to the Group and are not available for general use.

The interest rates of deposits as at the end of the financial period ranged from 2.50% to 3.10% (31.12.2023 : 2.50% to 3.10%) per annum.

The deposits as at the end of the financial period have maturity periods ranging between 30 and 365 days (31.12.2023 : 30 and 365 days).

The Group's and Company's deposits, cash and bank balances are denominated in the following currencies :

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
Indonesian Rupiah	30	-	-	-
United States Dollar	2	-	-	-
Chinese Yuan	22	-	-	-
Malaysian Ringgit	8,897	11,078	30	106
	<u>8,951</u>	<u>11,078</u>	<u>30</u>	<u>106</u>

28. SHARE CAPITAL

	Group and Company			
	Number of Ordinary Shares		Amount	
	01.01.2024 to 30.06.2025 '000	01.01.2023 to 31.12.2023 '000	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Issued and fully paid:				
At beginning of financial period/year	737,971	674,670	148,782	138,537
Issuance of new shares during the financial period/year				
- Private Placement	48,668	63,301	6,134	10,245
- Exercise of ESOS options	17,738	-	2,608	-
Transfer from share options reserve upon exercise of ESOS options	-	-	1,373	-
At end of financial period/year	<u>804,377</u>	<u>737,971</u>	<u>158,897</u>	<u>148,782</u>

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28. SHARE CAPITAL (CONT'D)

The issued and paid-up share capital of the Company was increased from RM148,782,214 comprising 737,971,317 ordinary shares to RM158,896,781 comprising 804,377,317 ordinary shares during the current financial period arising from the issuance of 48,668,000 new ordinary shares to independent third parties pursuant to the Private Placement of shares and 17,738,000 new ordinary shares pursuant to the exercise of ESOS Options as tabulated below. All the new shares issued ranked pari passu in all respects with the existing issued ordinary shares of the Company.

(a) The Private Placement of Shares

Financial period ended 30 June 2025

Tranches	Date listed and quoted on Bursa Securities	Number of Placement Shares	Issue Price Per Share RM	Share Capital RM
First	15 May 2025	6,668,000	0.1200	800,160
Second	03 June 2025	42,000,000	0.1270	5,334,000
		<u>48,668,000</u>		<u>6,134,160</u>

Financial year ended 31 December 2023

Tranches	Date listed and quoted on Bursa Securities	Number of Placement Shares	Issue Price Per Share RM	Share Capital RM
First	28 March 2023	15,375,100	0.1626	2,499,991
Second	13 June 2023	8,034,700	0.1629	1,308,853
Third	19 June 2023	22,213,000	0.1582	3,514,097
Fourth	21 June 2023	17,678,100	0.1653	2,922,190
		<u>63,300,900</u>		<u>10,245,131</u>

(b) ESOS Options Exercised

Tranches	Date listed and quoted on Bursa Securities	Number of Placement Shares	Issue Price Per Share RM	Share Capital RM
First	03 May 2024	51,000	0.1470	7,497
Second	06 June 2024	500,000	0.1470	73,500
Third	26 June 2024	10,000	0.1470	1,470
Fourth	09 July 2024	1,700,000	0.1470	249,900
Fifth	15 July 2024	296,000	0.1470	43,512
Sixth	19 July 2024	2,300,000	0.1470	338,100
Seven	26 July 2024	5,870,200	0.1470	862,919
Eight	02 August 2024	1,258,800	0.1470	185,044
Nine	09 August 2024	5,337,000	0.1470	784,539
Ten	16 August 2024	175,000	0.1470	25,725
Eleven	23 August 2024	160,000	0.1470	23,520
Twelve	30 August 2024	80,000	0.1470	11,760
		<u>17,738,000</u>		<u>2,607,486</u>

There were no ESOS Options exercised during the financial year ended 31 December 2023.

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29. SHARE OPTIONS RESERVE

	Group and Company	
	01.01.2024	01.01.2023
	to	to
	30.06.2025	31.12.2023
	RM'000	RM'000
At beginning of financial period/year	216	216
Arising from ESOS Options granted during the financial period/year	3,388	-
Transfer to share capital upon exercise of ESOS Options	(1,373)	-
Reversal of reserve from ESOS Options lapsed	(1,531)	-
At end of financial period/year	<u>700</u>	<u>216</u>

The share options reserve represents the equity-settled share options granted to eligible directors and employees ("Eligible Persons") under the Employee Share Option Scheme ("ESOS") which is a component of the Company's Long Term Incentive Plan ("LTIP"). The reserve is made up of the cumulative value of services received from the Eligible Persons for the issuance of the share options. The reserve shall be reduced by the exercise or lapse of the share options over the option period and any reserve relating to unexercised share options at the end of the option period will be transferred to revenue reserve.

The LTIP consisting of the ESOS and a Share Grant Scheme ("SGS") which in turn comprises the Retention Share Plan ("RSP") and Performance Share Plan ("PSP"), was approved by the shareholders of the Company on 17 July 2020.

The LTIP is administered by a LTIP Committee appointed by the Directors, in accordance with the By-Laws of the LTIP ("By-Laws") as approved by the shareholders on 17 July 2020. The LTIP is effective from 21 July 2020 for a duration of 10 years and shall expire on 20 July 2030 unless terminated earlier by the Company.

The SGS is intended for the Company to award such number of ordinary shares of the Company at no cash consideration to Eligible Persons whereby such person shall also hold a position of senior management or any such rank as may be designated by the LTIP Committee. The award of the shares under the RSP is intended to recognise, incentivise and retain the Eligible Persons whereas the PSP is intended to incentivise and motivate the Eligible Persons to contribute to the growth of their respective business segments based on specified performance targets as determined by the LTIP Committee. No award of shares has been made under the SGS since the establishment of the LTIP.

The Company has implemented only the ESOS which granted options over unissued ordinary shares ("ESOS Options") to Eligible Persons under the LTIP for them to subscribe new ordinary shares in the Company over the duration of the LTIP at the exercise price fixed for the ESOS Options at the time of award.

The salient features and terms of the ESOS under LTIP are as follows:

- (a) The number of ESOS Options awarded shall be the equivalent of not less than one hundred (100) ordinary shares or not more than the maximum number of ordinary shares allowable for such Eligible Person under the LTIP and shall be in multiples of one hundred (100) ordinary shares. Each ESOS option is exercisable into one (1) new ordinary share, issued and fully paid-up. An ESOS award, regardless of the number of ESOS Options, shall be accepted by an Eligible Person with payment of RM1.00.
- (b) Not more than 10% of the total number of ordinary shares, including under options by way of ESOS, available under the LTIP shall be allocated to any Eligible Person who, either singly or collectively through persons connected with the Eligible Person, holds 20% or more of the total number of issued ordinary shares (excluding treasury shares) of the Company. In addition, the number of ordinary shares allocated, in aggregate, to the eligible directors and senior management of the Group shall not exceed 80% of the total ordinary shares available under the LTIP.
- (c) The maximum number of ESOS Options to be offered under ESOS shall not in aggregate exceed 15% of the total number of issued ordinary shares (excluding treasury shares) of the Company at any point in time during the duration of the LTIP;

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[Cont'd]

29. SHARE OPTIONS RESERVE (CONT'D)

The salient features and terms of the ESOS under LTIP are as follows : (Cont'd)

- (d) The Eligible Persons shall be at least 18 years old and not an undischarged bankrupt nor subject to any bankruptcy proceedings, and (1) employed on a full time basis under an employment contract; (2) on the payroll of any company within the Group and has not served a notice to resign nor received a notice of termination; (3) employment as an employee has been confirmed; and (4) such employee falls within any other eligibility criteria as may be determined by the LTIP Committee at its discretion from time to time.
- (e) ESOS Options granted shall vest with the Eligible Persons on the vesting date when any stipulated vesting conditions for the award of the ESOS Options have been satisfied. The ESOS Options are exercisable at their exercise price at any time from the vesting date during the duration of the LTIP ("Option Period") either in whole or part of multiple of 100 ordinary shares by issuing a notice of exercise with the necessary payments to the Company in the form and manner as prescribed by the LTIP Committee from time to time. Any ESOS Option which remains unexercised at the expiry of the Option Period shall be automatically terminated and lapsed without any claim against the Company.
- (f) The ESOS Option exercise price shall be the weighted average market price of the Company for the five (5) market days immediately preceding the date of award of the ESOS Options, less a discount of not more than 10% from the weighted average market price or such other percentage of discount as may be permitted by Bursa Securities and/or any other relevant authorities from time to time.
- (g) The new ordinary shares to be allotted and issued upon the exercise of ESOS Options will rank pari passu in all respects with the existing ordinary shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or other distributions which may be declared, made or paid to shareholders of the Company, the entitlement date of which precedes the date of allotment of the new shares.
- (h) The new shares to be allotted and issued to a grantee pursuant to the exercise of ESOS Options will not be subject to any retention period or restriction on transfer. Notwithstanding, a grantee who is a non-executive director must not sell, transfer or assign his shares obtained through the exercise of his ESOS Options offered to them pursuant to the LTIP within one (1) year from the date of offer of the ESOS Options in accordance with the listing requirements of Bursa Securities.

The movements of the ESOS Options under LTIP during the financial period are as follows :-

Grant Date	Exercise Price	Number of ESOS Options (TRANCHE 1)				At 30.06.2025
		At 1.1.2024	Granted	Exercised	Lapsed	
28.10.2020	RM0.170	3,560,000	-	-	(1,355,000)	2,205,000

Grant Date	Exercise Price	Number of ESOS Options (TRANCHE 2)				At 30.06.2025
		At 1.1.2024	Granted	Exercised	Lapsed	
05.04.2024	RM0.147	-	43,760,000	(17,738,000)	(18,678,000)	7,344,000

The ESOS Options have no further vesting conditions and vested immediately on the grant date. The outstanding ESOS Options at the end of the reporting period are exercisable on that date and have remaining contractual life of 5.05 (31.12.2023 : 6.55) years expiring on 20 July 2030.

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29. SHARE OPTIONS RESERVE (CONT'D)

Fair value of the ESOS Options was measured by the Group using the Trinomial Option Pricing model, taking into account the terms and conditions upon which the options were granted. The fair value of ESOS Options measured at the grant date and the assumptions used are as follows:

	Tranche 2 Granted on 05.04.2024	Tranche 1 Granted on 28.10.2020
Fair value of ESOS Options	RM0.077500	RM0.060564
Share price of Company	RM0.160	RM0.195
Exercise price of ESOS Options	RM0.147	RM0.170
Expected volatility of the share price	46.25%	10.00%
Expected life of the ESOS Options	2382 days	3522 days
Expected dividend yield	-	-
Annual risk-free interest rate	3.30%	2.20%

The expected volatility is a historical volatility calculated using daily closing market prices. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome. No other features of the options granted were incorporated in the measurement of the fair value.

30. BORROWINGS

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
Non-current				
Secured:				
Term loans	-	652	-	-
Current				
Secured:				
Banker's acceptances	-	281	-	-
Term loans	-	335	-	-
Bank overdrafts	1,966	3,959	-	-
	1,966	4,575	-	-
Total borrowings	1,966	5,227	-	-

The banker's acceptances, bank overdrafts and term loans attributable to subsidiaries are secured by way of legal charges over the fixed deposits of the Company and of the subsidiaries together with corporate guarantees by the Company and joint and several guarantees of certain directors of a subsidiary.

Banker's acceptances are subject to interest rates ranging from 4.55% to 6.08% (31.12.2023 : 4.18% to 5.17%) per annum. Interest on bank overdrafts are payable at rates ranging from 7.60% to 7.65% (31.12.2023 : 7.60% to 7.65%) per annum. Term loans are subject to interest at rates varying between 3.50% and 7.81% (31.12.2023 : 3.50% to 7.81%) per annum.

The maturities of the total borrowings are as follows:

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
On demand or within one year	1,966	4,575	-	-
More than 1 year and less than 2 years	-	336	-	-
More than 2 years and less than 5 years	-	316	-	-
	1,966	5,227	-	-

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31. LEASE LIABILITIES

	Group		Company	
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Current	712	751	-	337
Non-current	997	445	-	-
	<u>1,709</u>	<u>1,196</u>	<u>-</u>	<u>337</u>
Balance attributable to a related company	-	337	-	337

Lease liabilities are in respect of the future lease payments for the tenancies of the office premises and vacant land which are recognised as right-of-use assets in Note 18.

Maturity analysis of the undiscounted lease payments is as follows: -

	Group		Company	
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Not later than 1 year	942	789	-	343
Later than 1 year and not later than 2 years	1,062	36	-	-
Later than 2 years and not later than 5 years	-	108	-	-
Later than 5 years	-	684	-	-
Total outstanding lease payments	<u>2,004</u>	<u>1,617</u>	<u>-</u>	<u>343</u>
Total cash outflow for leases for the financial period/year	<u>1,569</u>	<u>1,253</u>	<u>13</u>	<u>356</u>

32. DEFERRED TAX ASSETS/(LIABILITIES)

	Group		Company	
	01.01.2024	01.01.2023	01.01.2024	01.01.2023
	to	to	to	to
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
At beginning of financial period/year	(917)	(1,185)	-	-
Recognised in profit or loss	917	268	-	-
At end of financial period/year	<u>-</u>	<u>(917)</u>	<u>-</u>	<u>-</u>

Presented after appropriate offsetting as follows :

	Group		Company	
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Deferred tax assets	335	2,650	-	50
Deferred tax liabilities	<u>(335)</u>	<u>(3,567)</u>	<u>-</u>	<u>(50)</u>
	<u>-</u>	<u>(917)</u>	<u>-</u>	<u>-</u>

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(Cont'd)

32. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The components and movements of the deferred tax liabilities and assets during the financial period prior to the offsetting are as follows:

Group

Deferred Tax Assets :

	Unutilised Tax Losses RM'000	Unabsorbed Capital Allowances RM'000	Other Deductible Temporary Differences RM'000	Total RM'000
At 1 January 2024	841	1,077	732	2,650
Recognised in profit or loss	(841)	(1,071)	(403)	(2,315)
At 30 June 2025	-	6	329	335
At 1 January 2023	648	1,211	1,136	2,995
Recognised in profit or loss	193	(134)	(404)	(345)
At 31 December 2023	841	1,077	732	2,650

Deferred Tax Liabilities :

	Accelerated Capital Allowances RM'000	Other Taxable Temporary Differences RM'000	Total RM'000
At 1 January 2024	1,514	2,053	3,567
Recognised in profit or loss	(1,502)	(1,730)	(3,232)
At 30 June 2025	12	323	335
At 1 January 2023	1,711	2,469	4,180
Recognised in profit or loss	(197)	(416)	(613)
At 31 December 2023	1,514	2,053	3,567

Company

Deferred Tax Assets :

	Unutilised Tax Losses RM'000	Other Deductible Temporary Differences RM'000	Total RM'000
At 1 January 2024	-	50	50
Recognised in profit or loss	314	(50)	264
At 30 June 2025	314	-	314
At 1 January 2023	-	209	209
Recognised in profit or loss	-	(159)	(159)
At 31 December 2023	-	50	50

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32. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

The components and movements of the deferred tax liabilities and assets during the financial period prior to the offsetting are as follows :

Company (Cont'd)

Deferred Tax Liabilities :

	Accelerated Capital Allowances RM'000	Other Taxable Temporary Differences RM'000	Total RM'000
At 1 January 2024	-	50	50
Recognised in profit or loss	314	(50)	264
At 30 June 2025	314	-	314
At 1 January 2023	1	208	209
Recognised in profit or loss	(1)	(158)	(159)
At 31 December 2023	-	50	50

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
Other deductible temporary differences	3,886	130	-	-
Unutilised tax losses	151,086	143,021	1,489	2,432
Unabsorbed capital allowances	3,677	4,128	-	-
	158,649	147,279	1,489	2,432

Deferred tax assets have not been recognised in respect of these items as it is not probable that there will be sufficient future profits for offset against them in the near term.

33. TRADE PAYABLES

	Group	
	30.06.2025 RM'000	31.12.2023 RM'000
Trade payables	2,621	1,480

The credit terms of the Group's trade payables range from 30 days to 90 days (31.12.2023 : 30 days to 90 days).

The trade payables are denominated in the following currencies :

	Group	
	30.06.2025 RM'000	31.12.2023 RM'000
Indonesian Rupiah	1,238	-
United State Dollar	52	-
Malaysian Ringgit	1,331	1,480
	2,621	1,480

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34. OTHER PAYABLES

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
Accrued professional fees	302	262	92	72
Accrued staff costs	273	210	9	-
Deposits from customers	95	96	-	-
Sundry payables [Note 34(a)]	20,811	636	2,695	200
Amount due to a director [Note 34(b)]	20	-	20	-
Other accruals	470	797	347	226
Sales and Services Tax payable	153	163	-	-
	<u>22,124</u>	<u>2,164</u>	<u>3,163</u>	<u>498</u>

(a) Sundry payables comprised the following :

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
Contractor and consultants [Note 34(a)(i)]	5,929	-	-	-
Amount due to related parties [Note 34(a)(ii)]	4,205	-	-	-
Amount due to former subsidiary [Note 34(a)(iii)]	5,422	-	-	-
Amount due to former immediate holding company [Note 34(a)(iii)]	1,309	-	70	-
Others	3,946	636	2,625	200
	<u>20,811</u>	<u>636</u>	<u>2,695</u>	<u>200</u>

(i) This balance comprised is amounts payable to contractors and consultants for the Telecommunication Infrastructure project in Republic of Indonesia as disclosed in Notes 15(b).

(ii) Related parties consist of corporation which corporation which has common director and non-controlling interests in a subsidiary.

	Group	
	30.06.2025 RM'000	31.12.2023 RM'000
Amount due to a corporation which has common directors with a subsidiary	1,845	-
Amount due to non-controlling interests in a subsidiary	2,360	-
	<u>4,205</u>	<u>-</u>

The amount due to related parties is unsecured, interest-free and is repayable on demand.

(iii) The amount due to a former subsidiary and immediate holding company are unsecured, interest-free and are repayable on demand.

(b) The amount owing to a director is unsecured, interest-free and is repayable on demand.

(c) The Group's and Company's other payables are denominated in the following currencies :

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
Indonesian Rupiah	12,270	-	-	-
Chinese Yuan	18	-	-	-
Hong Kong Dollar	33	-	-	-
Malaysian Ringgit	9,803	2,164	3,163	498
	<u>22,124</u>	<u>2,164</u>	<u>3,163</u>	<u>498</u>

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35. RELATED PARTY DISCLOSURES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party or when both parties are under the common control of another party.

Previously, the Directors had regarded Wardah Communication Sdn Bhd ("Wardah") and Widad Business Group Sdn Bhd ("Widad") as the immediate and ultimate holding company respectively, both companies incorporated in Malaysia. These relationships are deemed to have ceased during the financial period due to the non-reappointment of representatives from Wardah and Widad to the Board of Directors of the Company at the annual general meeting held on 27 June 2024.

The parties, other than subsidiaries, related to the Group and to the Company are as follows :-

Related parties	Relationship
PT Asia Pelangi Remiten	Common director with PT Jaringan Pintar Bersama
PT Bintang Trans Khatulistiwa and PT Raka Mitra Bersama	Non-controlling interests in PT Jaringan Pintar Bersama

Other than those already disclosed in these financial statements, the transactions carried out with related parties during the financial period and balances at end of financial period were as follows :

(a) Transactions and year-end outstanding balances with subsidiaries

(i) Transactions

	Company	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Management services charged to the subsidiaries (Note 4)	11,504	7,202
Rental charged to a subsidiary	172	294

(ii) Year end outstanding balances

	Company	
	30.06.2025 RM'000	31.12.2023 RM'000
Amounts due from subsidiaries	158,780	150,415
Less: Allowance for impairment losses	(116,291)	(46,515)
	42,489	103,900

The terms and conditions of the above mentioned balances are disclosed in Note 25.

Allowance for impairment losses recognised as an expense in the current financial period amounted to RM69,776,000 (2023 : RM2,284,000).

	Group	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Sale of computer equipment to related companies	-	206
Project training services provided to a related company	-	37
Maintenance and support services provided to a related company	20	60
Rental of premises charged by a related company	784	588

Future rentals for the remaining lease of the premises payable to a related company are recognised as lease liabilities as disclosed in Note 31.

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35. RELATED PARTY DISCLOSURES

(a) Transactions and year-end outstanding balances with subsidiaries (Cont'd)

(ii) Year end outstanding balances

	Group		Company	
	30.06.2025	31.12.2023	30.06.2025	31.12.2023
	RM'000	RM'000	RM'000	RM'000
Amounts due from related companies	-	566	-	-
Amount due to a related company	-	530	-	530

The terms and conditions of the abovementioned balances are disclosed in Note 26.

(b) Transactions and year end outstanding balance with other related parties

(i) Transactions

	Group	
	01.01.2024	01.01.2023
	to	to
	30.06.2025	31.12.2023
	RM'000	RM'000
Advances from non-controlling interests in a subsidiary	2,360	-

(ii) Outstanding balances with related parties

	Group	
	01.01.2024	01.01.2023
	to	to
	30.06.2025	31.12.2023
	RM'000	RM'000
Amount due to a corporation which has common director with a subsidiary	1,845	-
Amount due to non-controlling interests	2,360	-
	4,205	-

Details of the indebtedness are disclosed in Note 34(a)(ii).

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(Cont'd)

35. RELATED PARTY DISCLOSURES

(c) Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel are the Directors of the Company and the executive directors of subsidiaries and their remuneration for the financial period are as follows :-

	Group		Company	
	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000	01.01.2024 to 30.06.2025 RM'000	01.01.2023 to 31.12.2023 RM'000
Short term employee benefits	2,618	1,825	2,228	1,366
Post-employment benefits				
- Defined contribution plan	308	215	267	164
Benefits-in-kind	51	62	43	48
	<u>2,977</u>	<u>2,102</u>	<u>2,538</u>	<u>1,578</u>
Non-executive directors				
- Short term benefits	170	280	118	226
	<u>3,147</u>	<u>2,382</u>	<u>2,656</u>	<u>1,804</u>
Outstanding amount payable included in other payables	<u>454</u>	<u>280</u>	<u>347</u>	<u>226</u>

NOTES TO THE FINANCIAL STATEMENTS

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36. NOTES TO STATEMENTS OF CASH FLOWS

(a) Liabilities arising from financing activities

Changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes, during the financial year are analysed in the reconciliation below:-

Group	Term loans RM'000	Banker Acceptances RM'000	Hire Purchase Financing RM'000	Lease Liabilities RM'000	Total RM'000
At 1 January 2024	987	281	-	1,196	2,464
Non-cash changes :-					
Addition	-	-	-	2,312	2,312
Cash changes :-					
Net (repayment)/drawdown of borrowings	(987)	(281)	-	-	(1,268)
Payment of lease liabilities	-	-	-	(1,799)	(1,799)
Net changes in cash flows	(987)	(281)	-	(1,799)	(3,067)
At 30 June 2025	-	-	-	1,709	1,709

Group	Term loans RM'000	Banker Acceptances RM'000	Hire Purchase Financing RM'000	Lease Liabilities RM'000	Total RM'000
At 1 January 2023	1,303	3,947	11	2,419	7,680
Non-cash changes :-					
Addition	-	-	-	-	-
Cash changes :-					
Net (repayment)/drawdown of borrowings	(316)	(3,664)	-	-	(3,980)
Payment of lease liabilities	-	-	-	(1,223)	(1,223)
Payment of hire purchase financing	-	-	(11)	-	(11)
Net changes in cash flows	(316)	(3,664)	(11)	(1,223)	(5,214)
At 31 December 2023	987	283	-	1,196	2,466

NOTES TO THE FINANCIAL STATEMENTS

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36. NOTES TO STATEMENTS OF CASH FLOWS (CONT'D)

(a) Liabilities arising from financing activities (Cont'd)

Changes in the Group's and the Company's liabilities arising from financing activities, including both cash and non-cash changes, during the financial year are analysed in the reconciliation below (Cont'd):-

Company	Hire Purchase Financing RM'000	Lease Liabilities RM'000	Total RM'000
At 1 January 2024	-	337	337
Non-cash changes :-			
Addition	-	-	-
Cash changes :-			
Payment of lease liabilities	-	(337)	(337)
Payment of hire purchase financing	-	-	-
Net changes in cash flows	-	(337)	(337)
At 30 June 2025	-	-	-
At 1 January 2023	11	890	901
Non-cash changes :-			
Addition	-	-	-
Cash changes :-			
Payment of lease liabilities	-	(553)	(553)
Payment of hire purchase financing	(11)	-	(11)
Net changes in cash flows	(11)	(553)	(564)
At 31 December 2023	-	337	337

(b) Cash and cash equivalents at end of year

	Group		Company	
	30.06.2025 RM'000	31.12.2023 RM'000	30.06.2025 RM'000	31.12.2023 RM'000
Deposits with licensed commercial banks (Note 27)	3,047	5,829	-	-
Cash and bank balances (Note 27)	5,904	5,249	30	106
	8,951	11,078	30	106
Short term borrowings - Overdrafts (Note 30)	(1,966)	(3,959)	-	-
	6,985	7,119	30	106
Less : Deposits pledged (Note 27)	(3,047)	(5,829)	-	-
	3,938	1,290	30	106

37. CONTINGENT LIABILITIES

(a) Bank guarantees

	Group	
	30.06.2025 RM'000	31.12.2023 RM'000
Bank guarantees issued by financial institutions for performance guarantees of a subsidiary (secured)	5,554	1,802

The bank guarantees are secured by pledge of fixed deposits of the Group and Company and corporate guarantees by the Company.

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37. CONTINGENT LIABILITIES (CONT'D)

(b) Pending Litigation

On 29 August 2024, a claimant had initiated a legal suit against RIDAA and WIDAD vide the Shah Alam High Court for the recovery of RM26,960,055, being the sums due from the sales and purchase of software licenses and hardware between the claimant and RIDAA. On 30 October 2024, RIDAA has included amongst others, the Company and Solsis (M) Sdn Bhd ("Solsis"), a wholly-owned subsidiary of Dataprep, as well as two other parties as third parties in this legal suit as RIDAA claimed that all the said parties should be liable for the sum claimed by the claimant.

On 16 December 2024, Dataprep and Solsis filed a striking-out application against the third party proceedings which was dismissed by Court on 10 September 2025. The first court is hearing expected to be held by end of year 2025. The Directors are of the opinion that the Company and Solsis are not liable to the payment of the sum claimed.

38. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

Financial assets of the Group include investment in unquoted shares, deposits, cash and bank balances, amounts due from related companies and trade and other receivables.

Financial liabilities of the Group include trade and other payables, amount due to a related company and borrowings.

Financial assets of the Company also include amounts due from subsidiaries.

A. Categories of Financial Instruments

Financial assets as per statements of financial position

	Group			Company	
	Carrying amount	Financial assets at amortised cost	Fair value through other comprehensive income	Carrying amount	Financial assets at amortised cost
	RM'000	RM'000	RM'000	RM'000	RM'000
30.06.2025					
Other investment	1,938	-	1,938	-	-
Trade receivables	3,626	3,626	-	-	-
Other receivables	18,566	18,566	-	179	179
Deposits, cash and bank balances	8,951	8,951	-	30	30
Amounts due from subsidiaries	-	-	-	42,489	42,489
	<u>33,081</u>	<u>31,143</u>	<u>1,938</u>	<u>42,698</u>	<u>42,698</u>
31.12.2023					
Trade receivables	7,155	7,155	-	-	-
Other receivables	10,736	10,736	-	130	130
Deposits, cash and bank balances	11,078	11,078	-	106	106
Amounts due from subsidiaries	-	-	-	103,900	103,900
Amounts due from related companies	566	566	-	-	-
	<u>29,535</u>	<u>29,535</u>	<u>-</u>	<u>104,136</u>	<u>104,136</u>

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38. FINANCIAL INSTRUMENTS (CONT'D)

A. Categories of Financial Instruments (Cont'd)

Financial liabilities as per statements of financial position

	Group		Company	
	Carrying amount	Financial liabilities at amortised cost	Carrying amount	Financial liabilities at amortised cost
	RM'000	RM'000	RM'000	RM'000
30.06.2025				
Trade payables	2,621	2,621	-	-
Other payables	22,124	22,124	3,163	498
Borrowings	1,966	1,966	-	-
	<u>26,711</u>	<u>26,711</u>	<u>3,163</u>	<u>498</u>
31.12.2023				
Trade payables	1,480	1,480	-	-
Other payables	2,164	2,164	498	498
Amount due to a related company	530	530	530	530
Borrowings	5,227	5,227	-	-
	<u>9,401</u>	<u>9,401</u>	<u>1,028</u>	<u>1,028</u>

B. Fair Value of Financial Instruments

Financial instruments that are not carried at fair value and whose carrying amounts are reflective of

The carrying amounts of deposits, cash and bank balances, receivables and payables and short term bank overdrafts and banker acceptances approximate their fair values due to the relatively short term nature of these financial instruments. The fair values of term loans approximate their carrying amounts.

The carrying amounts of long term receivables and balances with subsidiaries and related companies approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing the financial risks to which the Group is exposed and to minimise or avoid the incidence of loss that may result from its exposure to such risks and to enhance returns where appropriate. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is, and has been throughout the current year and previous year, the Group's policy that no trading in derivative financial instruments shall be undertaken.

(a) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Group has interest rate risk in respect of deposits with licensed commercial banks, hire purchase payable, banker acceptances, bank overdrafts and term loans.

The Group's deposits with licensed commercial banks, term loans and hire purchase payable are based on fixed rates. The Group's banker acceptances facility is based on floating rate but such rate is fixed for each drawdown. The Group's bank overdrafts are based on floating rate.

Market interest rates movements are monitored with a view to ensuring that the most competitive rates are secured and where appropriate borrowing arrangements and interest bearing deposits are restructured or reduced.

Sensitivity analysis for interest rate risk

As the Group's deposits with licensed commercial banks, hire purchase payable, banker acceptances and term loans as at the end of the reporting period are based on fixed rates, a change in interest rates at the end of the reporting period would not affect profit or loss or equity.

The Group's profit or loss and equity will be affected by a change in market interest rate as at the end of the reporting period due to its floating rate bank overdrafts. An increase of 50 basis points in the market interest rate at the end of the reporting period would have decreased the profit or loss and equity by **RM9,000 (2023 : RM26,000)**. A decrease of the same basis points would have the equal but opposite effect on the profit or loss and equity. This sensitivity analysis assumes that all other risk variables as at the end of the reporting period remain constant.

(b) Foreign currency risk

The Group is exposed to transactional currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The currency giving rise to this risk is primarily United States Dollar (USD). Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

There is no unhedged financial assets and financial liabilities of the companies within the Group that are not denominated in their functional currencies as at the end of the reporting period.

(c) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities at a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Liquidity risk (Cont'd)

Maturity analysis

The maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments are as follows :-

Group

	Maturity Profile			Effective interest rate %
	Less than 1 year RM'000	More than 1 year and less than 5 years RM'000	Later than 5 years RM'000	
30.06.2025				
Financial liabilities				
Trade payables	2,621	-	-	-
Other payables	22,124	-	-	-
Bank overdrafts	1,966	-	-	7.60%-7.65%
	<u>26,711</u>	<u>-</u>	<u>-</u>	

31.12.2023

Financial liabilities

Trade payables	1,480	-	-	-
Other payables	2,164	-	-	-
Amount due to a related company	530	-	-	-
Term loans	335	652	-	3.50%-7.81%
Banker's acceptances	281	-	-	4.55%-6.08%
Bank overdrafts	3,959	-	-	7.60%-7.65%
	<u>8,749</u>	<u>652</u>	<u>-</u>	

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(Cont'd)

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

The maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments are as follows (Cont'd) :-

Company

	Maturity Profile			Effective interest rate %
	Less than 1 year RM'000	More than 1 year and less than 5 years RM'000	Later than 5 years RM'000	
30.06.2025				
Financial liabilities				
Other payables	3,163	-	-	-
	<u>3,163</u>	<u>-</u>	<u>-</u>	
Financial guarantee contracts	<u>5,554</u>	<u>-</u>	<u>-</u>	
31.12.2023				
Financial liabilities				
Other payables	498	-	-	-
Amount due to a related company	530	-	-	-
	<u>1,028</u>	<u>-</u>	<u>-</u>	
Financial guarantee contracts	<u>8,300</u>	<u>-</u>	<u>-</u>	

Financial guarantee contracts (corporate guarantees) of the Company represents the maximum amount of guarantees that could be called in respect of facilities utilised at the end of reporting period as disclosed in Note 37(d).

(d) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade receivables, other receivables and bank guarantees granted by the banks as at reporting date.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis to reduce the Group's exposure to bad debts. The Group does not offer credit terms without the approval of either the Chief Corporate Officer or the Managing Director.

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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Credit risk (Cont'd)

The maximum exposure to credit risk is represented by the carrying amount of financial assets in the statements of financial position of the Group and of the Company at the reporting date.

The Group determines concentration of credit risk by monitoring customer industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's gross trade receivables at the reporting date is as follows:

	30.06.2025 RM'000	30.12.2023 RM'000
By industry sectors:		
Government agencies and linked corporations	-	1,080
Private corporations	9,836	12,223
	<u>9,836</u>	<u>13,303</u>

For non-trade receivables, the Group has significant credit risk arising from its exposure to long term receivables as disclosed in Note 20.

The Group assesses changes in its exposure to customers' credit risk based primarily on past due information for customers' balances, their past payment trend and historical defaults experience, if any, together with other relevant credit risk related information affecting the financial standing of the customers which are available to management. The Group also considers macroeconomic information in respect of current market development and industry outlook that may affect its credit risk exposure.

The Group measures its exposure to credit risk by way of an allowance for expected credit losses ("ECLs"). ECLs take into consideration the probability of a default in payment of trade receivables before they become credit impaired. The Group uses the simplified approach, i.e. lifetime ECLs in determining the allowance for ECLs on trade receivables which have been grouped based on their shared credit risk characteristics. In this respect, the ECLs are computed by way of an allowance matrix using past due information with loss rates determined based on past credit loss experience. For any trade receivables which are determined as credit impaired at the reporting date, ECLs are assessed and measured on an individual basis. Trade receivables are determined as credit impaired when they have defaulted on their payments and are considered to have financial difficulties in repaying their debts.

The Group make periodical review of the performance of the long term receivables and monitors their repayment of debts closely to ensure that the terms of repayments are adhered in order to mitigate credit risk.

Information on the exposure to credit risk and impairment of long receivables and trade receivables are disclosed in Note 20 and Note 22 respectively.

Cash and cash equivalents are placed with major financial institutions which have low credit risk. The Group views that any expected credit losses arising on these financial assets are insignificant.

The Company provides advances to its subsidiaries for their business operations and monitors the financial position of the subsidiaries in managing its exposure to their credit risks. Appropriate loss allowance has been made for outstanding balances due from subsidiaries as disclosed in Note 25 using the general approach under MFRS 9 based on management's assessment of changes in credit risk at the reporting date.

The Company's exposure to credit risk arising from financial guarantees (corporate guarantees) given to financial institutions for banking facilities and to suppliers for credit terms granted to certain subsidiaries is limited to the amount utilised by the subsidiaries at any point of time which amounted to RM8,300,000 (2023 : RM8,300,000) at the end of the reporting period. As at the reporting date, there is no indication that these subsidiaries would not be able to fulfil their obligations for the amount of facilities utilised. Accordingly, the Company expects no credit loss arising from these financial guarantees.

None of the Group's financial assets are secured by collateral or other credit enhancement.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

40. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maintain an optimal capital structure in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in accordance to changes in economic condition. To maintain or adjust its capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using debt to equity ratio, which is total debt divided by total equity. The Group includes within total debt, borrowings, trade and other payables. Capital includes equity attributable to the owners of the Company.

The debt to equity ratio as at the end of the reporting period is as follows:

	Group	
	30.06.2025	31.12.2023
Total debts (RM'000)	28,420	10,597
Equity attributable to the owners of the Company, representing total capital (RM'000)	42,416	51,887
Debts to equity ratio	67%	20%

41. SEGMENT INFORMATION

The Group's operating segments are its business segments as the Group's risk and rates of return are affected predominantly by differences in the products and services produced. Information by geographical location is not presented as the Group's operations are located primarily in Malaysia.

The operating businesses are organised and managed separately according to the nature of the products and services provided with each segment representing a strategic business unit that offers different services and serves different markets.

The Group is providing the following services:

- (i) ICT related products and services
- (ii) Payment solutions and services

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

41. SEGMENT INFORMATION (CONT'D)

Business Segments

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment.

30 June 2025

	ICT related products and services RM'000	Payment solutions and services RM'000	Elimination RM'000	Group RM'000
Revenue				
External sales	28,405	220	-	28,625
Intersegment sales	211	-	(211)	-
Total revenue	28,616	220	(211)	28,625

RESULTS

Segment (loss)/profit	(25,781)	2,161	11,504	(12,116)
Interest income				141
Gain on disposal of subsidiary				1,780
Unallocated expenses				(12,214)
Loss from operations				(22,409)
Interest expense				(861)
Loss before tax				(23,270)
Taxation				877
Loss after tax				(22,393)

OTHER INFORMATION

Segment assets	66,751	5,182	-	71,933
Unallocated assets				10
Total assets				71,943
Segment liabilities	29,401	468	-	29,869
Unallocated liabilities				12
Total liabilities				29,881
Capital expenditure	13,432	-	-	13,432
Depreciation and amortisation:				
- property, plant and equipment and intangible assets	3,528	446	-	3,974
- investment property	7	-	-	7
- right-of-use assets	1,429	-	-	1,429
Net allowance for/(write-back of) impairment losses on receivables	1,494	-	-	1,494
Net allowance for/(write-back) of obsolete inventories	3,244	-	-	3,244
Inventories written off	271	-	-	271

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

41. SEGMENT INFORMATION (CONT'D)

31 December 2023

	ICT related products and services RM'000	Payment solutions and services RM'000	Elimination RM'000	Group RM'000
Revenue				
External sales	31,015	318	-	31,333
Intersegment sales	149	-	(149)	-
Total revenue	31,164	318	(149)	31,333

RESULTS

Segment (loss)/profit	(22,820)	(1,483)	7,202	(17,101)
Interest income				189
Unallocated expenses				(6,872)
Loss from operations				(23,784)
Interest expense				(456)
Loss before tax				(24,240)
Taxation				268
Loss after tax				(23,972)

OTHER INFORMATION

Segment assets	77,320	1,285	-	78,605
Unallocated assets				10
Total assets				78,615
Segment liabilities	25,168	284	-	25,452
Unallocated liabilities				7
Total liabilities				25,459
Capital expenditure	97	4	-	101
Depreciation and amortisation:				
- property, plant and equipment and intangible assets	5,274	376	-	5,650
- investment property	12	-	-	12
- right-of-use assets	1,206	-	-	1,206
Net allowance for/(write-back of) impairment losses on receivables	5,811	(5)	-	5,806
Write-back of allowance for obsolete inventories	779	-	-	779
Inventories written off	123	-	-	123
Property, plant and equipment written off	2	-	-	2

Segment assets consist of primarily property, plant and equipment, investment property, intangible assets including goodwill, inventories, receivables and operating cash. Segment liabilities comprise operating liabilities.

Capital expenditure comprise additions to property, plant and equipment (Note 13), investment property (Note 14) and intangible assets other than goodwill (Note 15) including those resulting from acquisitions.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

(Cont'd)

41. SEGMENT INFORMATION (CONT'D)

Information on Major Customers

Revenue within ICT related products and services segment from transactions with major customers who individually accounted for 10 percent or more of the Group's revenue are summarised below :-

	Group	
	01.01.2024	01.01.2023
	to	to
	30.06.2025	31.12.2023
	RM'000	RM'000
Customer A	7,254	8,873
Customer B	6,577	5,853
Customer C	2,928	-

42. SIGNIFICANT EVENT / SUBSEQUENT EVENT TO END OF FINANCIAL YEAR

- a) Pursuant to an ordinary resolution on 25 March 2025, the shareholders of the Company have approved a Private Placement of up to 226,700,000 new ordinary shares in the Company to third party investors which have yet to be identified. Bursa Securities have approved an extended time until 23 February 2026 for the Company to complete its implementation of the Private Placement.

The details of new ordinary shares issued from the Private Placement during the financial period are disclosed in Note 28. Subsequent to the financial period, the Company has issued another 31,800,000 new ordinary shares for a total cash consideration amounting to RM3,012,000.

- (b) Pursuant to a special resolution on 25 March 2025, the shareholders of the Company have approved a Capital Reduction which entails the reduction and cancellation of the Company's issued share capital of up to RM100.0 million which is lost or unrepresented by available assets pursuant to section 116 of the Companies Act 2016. The corresponding credits arising from the Capital Reduction will be utilised to eliminate the Company's accumulated losses and the excess, if any, will be credited to the Company's capital reserve. The effective date of the Capital Reduction is 13 October 2025 after all requirements with respect to reduction in share capital, including confirmation from the High Court in Malaya, have been complied with.

- (c) On 14 August 2025, a subsidiary company, PT Dataprep Teknologi Indonesia ("Seller") has entered into a Conditional Shares Sale and Purchase Agreement ("SPA") with Nusa Megajaya Sdn Bhd ("Purchaser") for a disposal of its entire 60% equity interests representing 14,100 ordinary shares in PT Jaringan Pintar Bersama ("PT JPB") for a total cash consideration of Rp. 24,200,000,000 (equivalent to RM6,292,000).

Both the Seller and Purchaser have completed all conditions precedent as stipulated in the conditional SPA and the disposal was considered to have been completed upon the execution of the relevant share transfer documentation on 29 September 2025.

43. COMPARATIVE FIGURES

The comparative figures in these financial statements have been made up for the period which commenced from 1 January 2023 and ended on 31 December 2023.

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, **Dato' Nor Adha Bin Yahya** and **Datuk Mohamad Sabir Bin Mohamad Sabri**, being two of the Directors of **Dataprep Holdings Bhd**, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 8 to 85 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions 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 30 June 2025 and of their financial performance and cash flows for the period ended on that date.

Signed in accordance with a resolution of the Board of Directors,

Dato' Nor Adha Bin Yahya
Director

Datuk Mohamad Sabir Bin Mohamad Sabri
Director

Date : 31 October 2025

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **Ewe Tuan Aik**, the Officer primarily responsible for the financial management of **Dataprep Holdings Bhd**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 8 to 85 are, in my opinion 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.

Subscribed and solemnly declared by
the abovenamed, **Ewe Tuan Aik** at
Kuala Lumpur in the Federal Territory
on 31 October 2025

Ewe Tuan Aik
(MIA 46447)

Before me,

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPREP HOLDINGS BHD. (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DATAPREP HOLDINGS BHD, which comprise the statements of financial position as at 30 June 2025 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 period from 1 January 2024 to 30 June 2025 ("the financial period"), and notes to the financial statements, including material accounting policy information, as set out on pages 77 to 154.

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 30 June 2025, and of their financial performance and their cash flows for the financial period in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and 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.

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 period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPREP HOLDINGS BHD. (Incorporated in Malaysia)
(Cont'd)

Key Audit Matters (Cont'd)

Key audit matters	How our audit addressed the key audit matters
<p>1. Going concern assessment</p> <p>The Group and the Company incurred a net loss of RM22.393 million and RM79.991 million respectively for the financial period and, as of 30 June 2025, the Group and the Company recorded accumulated losses of RM103.797 million and RM97.559 million, respectively.</p> <p>In assessing the Group's and the Company's ability to continue as a going concern, the management has prepared a cash flow forecast that incorporates the expected outcomes from the mitigation measures as disclosed in Note 2. The expected outcomes are highly subjective as they are dependent upon the successful implementations of those measures and achievability of estimated revenue and operating costs. Accordingly, we considered going concern assessment as an area requiring audit focus.</p>	<p>The audit procedures performed included the following :</p> <ul style="list-style-type: none"> Discussions with the Directors to obtain an understanding of their business plans and the cash flow forecast; Evaluated the reasonableness of the management's forecast including the assumptions used against historical results and business plans; Evaluated the availability of financial support from financial institutions and the Group's compliance with its debt covenants; and Evaluated the adequacy of disclosures about events or conditions that may cast a significant doubt about the Group's and the Company's ability to continue as a going concern.
<p>2. Expected credit loss ("ECL")</p> <p>The Group has significant trade and other receivables as at 30 June 2025 for which allowances for expected credit losses were evaluated by the management and recognised in the profit or loss.</p> <p>For other disclosures, refer to the following notes to the financial statements :</p> <ul style="list-style-type: none"> Note 2.13 - Accounting policy for measurement of loss allowances for ECLs Note 3(b)(iii) - Key sources of estimation uncertainty on measurement of loss allowances for ECLs on trade receivables Note 39(d) - Disclosures about credit risk management in respect of trade and other receivables <p>The measurement of ECL involved the use of significant judgement and estimates such as the expected future collections and future economic conditions.</p>	<p>The audit procedures performed included the following :</p> <p>Discussed with management to understand the procedures and internal controls over the assessment and monitoring of receivables and contract assets;</p> <p>We assessed the appropriateness of historical loss experience used and the reasonableness of forward-looking adjustments included in the calculation of ECL; and</p> <p>With respect to ECL which are assessed individually and credit-impaired receivables, we selected a sample of such receivables to assess management's assumptions on the expected future cash flows and the reasonableness of impairment loss recognised.</p>

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPREP HOLDINGS BHD. (Incorporated in Malaysia)
(Cont'd)

Key Audit Matters (Cont'd)

Key audit matters	How our audit addressed the key audit matters
<p>3. Assessment of impairment on the carrying value of the Company's investment in subsidiaries and amounts due from subsidiaries</p> <p>Refer to Notes 2.11, 2.13, 3(b)(i), 3(b)(iii), 17 and 25 to the financial statements.</p> <p>The Company assesses the recoverable amount of the investment in a subsidiary based on the higher of its value in use ("VIU") and fair value less cost to sell when there are indications that the carrying value of the subsidiary may have been impaired. The Company has determined that the recoverable amount is based on VIU which involves estimation of future cash flows from the subsidiary. This estimation is inherently uncertain and requires management's significant judgement on both the future cash flows and discount rate applicable.</p> <p>The Company's assessment of the recoverability of amounts due from subsidiaries also involves management's significant judgement and estimates on the expected future operating cash flows of the subsidiaries taking into considerations of current and expected future financial conditions.</p> <p>The extent of significant judgement required from management and the significance of the amount of investment in and advances to subsidiaries resulted in the above matters being identified as key audit matters for the Company.</p>	<p>The audit procedures performed included the following:</p> <ul style="list-style-type: none"> • Compared the cash flow projections of subsidiaries estimated by management to their performance for recent periods and assessed the reasonableness of key assumptions used in the preparation of the projections; • Assessed the reasonableness of the discount rates which reflects the specific risk relating to the investments in subsidiaries and amounts due from subsidiaries; • Performed a sensitivity analysis on a reasonable possible change to the key assumptions used to determine the recoverable amounts of the investment in and indebtedness from subsidiaries; and • Assessed the business plans and strategies for the respective subsidiaries which may impact the availability and timing of future cash flows from operations to meet repayment obligations of amounts due to the Company through discussion with the management.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPREP HOLDINGS BHD. (Incorporated in Malaysia)
(Cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPREP HOLDINGS BHD. (Incorporated in Malaysia)
(Cont'd)

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

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 skepticism throughout the audit. We also :-

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF DATAPREP HOLDINGS BHD. (Incorporated in Malaysia)
(Cont'd)

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

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 17(a) 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 content of this report.

FOLKS DFK & CO.
FIRM NO. : AF 0502
CHARTERED ACCOUNTANTS

LEONG KOK TONG
NO : 02973/11/2025 J
CHARTERED ACCOUNTANT

Kuala Lumpur
Date : 31 October 2025

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2025

Total Number of Issued Shares	:	836,177,317
Class of Shares	:	Ordinary Shares
No. of Shareholders	:	14,366

Voting rights: One vote for one ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	% of shareholders	No. of Shares	% of Issued
Less than 100	480	3.34	7,185	0.00
100 - 1,000	2,640	18.38	1,588,157	0.19
1,001 - 10,000	5,448	37.92	29,043,502	3.47
10,001 - 100,000	4,746	33.04	176,255,049	21.08
100,001 to less than 5% of issued shares	1,049	7.30	526,759,424	63.00
5% and above of issued shares	1	0.01	102,524,000	12.26
Total	14,366	100.00	836,177,317	100.00

DIRECTORS' SHAREHOLDINGS

No.	Name of Directors	No. of Shares		No. of Shares	
		Direct Interest	%	Indirect Interest	%
1	Dato' Nor Adha bin Yahya	5,204,000	0.62	200,000	0.02
2	Datuk Mohamad Sabir bin Mohamad Sabri	15,200	0.002	-	-

SUBSTANTIAL SHAREHOLDER

No.	Name of Substantial Shareholder	No. of Shares	%
1	Datuk Wira Shamshuri bin Abdul Majid	102,524,000	12.26

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2025

(Cont'd)

THIRTY (30) LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	SHAMSHURI BIN ABDUL MAJID	51,458,200	6.15
2	TASEC NOMINEES (TEMPATAN) SDN BHD	40,000,000	4.78
	TA FIRST CREDIT SDN BHD FOR ALLY SALES SDN BHD		
3	SHAMSHURI BIN ABDUL MAJID	32,336,200	3.87
4	TA NOMINEES (TEMPATAN) SDN BHD	18,729,600	2.24
	PLEDGED SECURITIES ACCOUNT FOR SHAMSHURI BIN ABDUL MAJID		
5	SITI MUNAJAT BINTI MD GHAZALI	17,050,000	2.04
6	MUHAMMAD AFFAN BIN DAUD	14,000,000	1.67
7	ZAKARIAH BIN JAINUDIN	11,110,000	1.33
8	KENANGA NOMINEES (TEMPATAN) SDN BHD	10,000,000	1.20
	SENTOSA JAYA CAPITAL SDN BHD FOR PINTARISMA SDN BHD		
9	NOR BAKSHAH BINTI ABU BAKAR	8,505,200	1.02
10	KENANGA NOMINEES (TEMPATAN) SDN BHD	8,500,000	1.02
	RAKUTEN TRADE SDN BHD FOR RAJESH A/L JAIKISHAN		
11	TEE KIAN HENG	7,000,000	0.84
12	TEO LIAN TENG	6,400,000	0.77
13	PM NOMINEES (TEMPATAN) SDN BHD	5,204,000	0.62
	PLEDGED SECURITIES ACCOUNT FOR NOR ADHA BIN YAHYA (A)		
14	MARTIN PAU KIN LOONG	4,000,000	0.48
15	LAU KOK SENG	3,888,000	0.47
16	TA NOMINEES (TEMPATAN) SDN BHD	3,500,000	0.42
	PLEDGED SECURITIES ACCOUNT FOR ANITHA BINTI MOHAMED HANIFFA		
17	MUHD ALAMIN BIN RAMLI	3,389,600	0.41
18	TAN KIM LIN	3,343,000	0.40
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD	3,300,000	0.40
	HASRUL FARID BIN HASNAN		
20	CIMSEC NOMINEES (TEMPATAN) SDN BHD	3,200,000	0.38
	CIMB FOR TAN YEW HOCK (PB)		
21	HLB NOMINEES (TEMPATAN) SDN BHD	3,000,000	0.36
	PLEDGED SECURITIES ACCOUNT FOR KOON POH TAT		
22	LEONG WYE KEONG	3,000,000	0.36
23	ZAIDI BIN OMAR	3,000,000	0.36
24	YAP KOK HONG	2,738,000	0.33
25	CARTABAN NOMINEES (ASING) SDN BHD	2,674,200	0.32
	EXEMPT AN FOR BARCLAYS CAPITAL SECURITIES LTD (SBL/PB)		
26	NORZAIDI BIN NONG SHAH	2,500,000	0.30
27	LIM YUAN YUAN	2,423,200	0.29
28	LIM ANN KOK	2,300,000	0.28
29	PANG KONG HONG	2,200,000	0.26
30	MOHD FIRDAUS AFIFI BIN MOHD NOR	2,045,300	0.25
Total		280,794,500	33.58



FORM OF PROXY

(Before completing this form please refer to the notes below)

Dataprep Holdings Bhd

Registration No. 198901005754 (183059-H)
(Incorporated in Malaysia)

No. of shares held

CDS Account No.

I/We * _____ NRIC/Passport/Registration No.* _____
[Full name in block]

of _____
[Address]

with email address _____ mobile phone no. _____

being a member/members* of **Dataprep Holdings Bhd** ("the Company") hereby appoint(s):-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

and / or*

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

or failing him/her, the Chairman of the Meeting as *my/our proxy/proxies to attend, speak and vote for *me/us and on my/our behalf at the 36th Annual General Meeting of the Company to be held at Bukit Kiara Equestrian and Country Resort, Jalan Bukit Kiara off Jalan Damansara, 60000 Kuala Lumpur on Monday, 1 December 2025 at 10.00 a.m. or any adjournment thereof.

Please indicate with an "x" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the proxy will vote or abstain from voting at his/her discretion.

ORDINARY RESOLUTIONS		FIRST PROXY		SECOND PROXY	
		FOR	AGAINST	FOR	AGAINST
1.	To approve the aggregate directors' fees and benefits payable to directors of the Company not exceeding the amount of RM400,000 from 27 June 2024 to 30 November 2025.				
2.	To approve the payment of Directors' fees and benefits payable to the Non-Executive Directors of the Company, up to an amount not exceeding RM400,000.00, for the period from 1 December 2025 until the date of the next Annual General Meeting of the Company.				
3.	To re-elect the director, Che Khalid bin Embong who retires pursuant to Clause 116 of the Company's Constitution				
4.	To re-elect the director, Chan Kea Yong @ Chan Kea Hee who retires pursuant to Clause 116 of the Company's Constitution				
5.	To re-elect the director, Dr Choo Koon Lip who retires pursuant to Clause 116 of the Company's Constitution				
6.	To re-elect the director, Dr Wan Ahmad Rudirman bin Wan Razak who retires pursuant to Clause 116 of the Company's Constitution				
7.	To re-elect the director, Datuk Syahril Yusri bin Abdul Aziz who retires pursuant to Clause 116 of the Company's Constitution				
8.	To re-elect the director, Dato' Nor Adha bin Yahya who retires by rotation pursuant to Clause 131 of the Company's Constitution				
9.	To re-elect the director, Datuk Mohamad Sabir bin Mohamad Sabri who retires by rotation pursuant to Clause 131 of the Company's Constitution				
10.	To re-appoint the retiring auditors, Messrs. Folks DFK & Co				
11.	Authority to Allot and Issue Shares				

* delete whichever is not applicable.

Dated this _____ 2025

Signature of Member(s) / Common Seal

NOTES

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy/proxies to attend and vote for him but his attendance shall automatically revoke the proxy's authority. A proxy may but need not be a member of the Company but must be of full age of eighteen (18) years and above. There shall be no restriction as to the qualification of the proxy.
- A member is entitled to appoint more than one (1) proxy to attend, speak and vote instead of the member at the meeting. A proxy may but need not be a member of the Company.
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings(s) represented by each proxy. A members can also appoint Chairman of the Meeting as a proxy.

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4. Where a member of the Company is an authorized nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
5. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
6. To be valid, the instrument appointing a proxy may be made in hard copy form or by electronic means in the following manner and must be received by the Poll Administrator not less than forty-eight (48) hours before the time for holding the Meeting:-
 - (i) In hard copy form:
In the case of an appointment made in hard copy form, the proxy form must be deposited at the office of the Poll Administrator, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, at the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.
 - (ii) Via Online:
In the case of an appointment made via an online lodgment facility, please log in to the Poll Administrator's website at <https://srm.vistra.com> and follow the steps outlined in the Administrative Notes in the Annual Report for registering on the Share Registry and IPO (MY) portal and submitting your proxy form electronically.
7. Should the member has appointed proxy but decide to participate himself instead, the member has to revoke the appointed proxy and reach the Poll Administrator not less than forty-eight (48) hours before the AGM.
8. For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Clause 88 of the Company's Constitution, a Record of Depositors as at 20 November 2025 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend this meeting.
9. Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements, all resolutions set out in the Notice of 36th AGM will be put to vote on a poll.

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AFFIX
STAMP

The Poll Administrator

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A, Vertical Business Suite,
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59200 Kuala Lumpur, Wilayah Persekutuan

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DATAPREP HOLDINGS BHD.

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