Registration No: 201801039812 (1301843 - D)

IDB TECHNOLOGIES BERHAD

(Incorporated in Malaysia)

FINANCIAL REPORT

for the financial year ended 30 June 2023

Registration No: 201801039812 (1301843 - D)

IDB TECHNOLOGIES BERHAD
(Incorporated in Malaysia)

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IDB TECHNOLOGIES BERHAD
(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2023.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activity of the subsidiary is set out in Note 5 to the financial statements.

RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	1,335,040	2,306,190

DIVIDENDS

Dividends paid or declared by the Company since 30 June 2022 are as follows:-

	RM
Ordinary Share	
In respect of the financial year 30 June 2023	
A first interim dividend of 0.1 sen per ordinary share, paid on 30 September 2022	500,000
A second interim dividend of 0.1 sen per ordinary share, paid on 28 April 2023	500,000
	1,000,000

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the issued and paid-up share capital of the Company; and

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

(a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

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

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

DIRECTORS

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

Cheah Kah Beng
Lim Kuei Boon
Lee Lai Hseng
Yew Chee Yang
Tevanaigam Randy Chitty

The names of directors of the Company's subsidiary who served during the financial year until the date of this report are similar to those disclosed above.

DIRECTORS' INTERESTS

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

	< ---------- Number of Ordinary Shares			---------- >
	At 1.7.2022	Bought	Sold	At 30.6.2023
The Company				
Direct Interests				
Cheah Kah Beng	134,450,000	-	-	134,450,000
Lim Kuei Boon	129,500,000	-	-	129,500,000
Yew Chee Yang	112,500,000	-	-	112,500,000

DIRECTORS' INTERESTS (CONT'D)

By virtue of their shareholdings in the Company, Cheah Kah Beng, Lim Kuei Boon and Yew Chee Yang are deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 27(b) to the financial statements.

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

DIRECTORS' REMUNERATION

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

	The Group RM	**The Company** RM
Fees	72,000	72,000
Salaries, bonuses and other benefits	533,358	1,800
Defined contribution benefits	62,640	-
	667,998	73,800

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM23,200.

INDEMNITY AND INSURANCE COST

During the financial year, there was no indemnity given to or professional indemnity insurance effected for directors, officers or auditors of the Company.

SUBSIDIARY

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year were RM42,400 and RM10,600 respectively.

Signed in accordance with a resolution of the directors dated 20 OCT 2023

Cheah Kah Beng

Lim Kuei Boon

IDB TECHNOLOGIES BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Cheah Kah Beng and Lim Kuei Boon, being two of the directors of IDB Technologies Berhad, state that, in the opinion of the directors, the financial statements set out on pages 12 to 68 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2023 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 20 OCT 2023

Cheah Kah Beng **Lim Kuei Boon**

STATUTORY DECLARATION
PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Cheah Kah Beng, being the director primarily responsible for the financial management of IDB Technologies Berhad, do solemnly and sincerely declare that the financial statements set out on pages 12 to 68 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Cheah Kah Beng, NRIC Number: 740921-10-5071
at Kuala Lumpur
in the Federal Territory
on this 20 OCT 2023

Cheah Kah Beng

Before me

PESURUHJAYA SUMPAH
No. W 540
Dr. T. YOKHESWAREM
PhD., MBA.
1-1-2022 – 31-12-2024
MALAYSIA

Unit A11-1 & 2, Megan Avenue 1,
No. 189, Jalan Tun Razak,
50400 Kuala Lumpur.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
Level 16, Tower C, Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Malaysia
Main +6 03 2788 9999
Fax +6 03 2788 9998
www.crowe.my

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IDB TECHNOLOGIES BERHAD

(Incorporated in Malaysia)
Registration No: 201801039812 (1301843 - D)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of IDB Technologies Berhad, which comprise the statements of financial position as at 30 June 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 12 to 68.

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 2023, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and 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.

Crowe

Key Audit Matters

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

We have determined the matters described below to be the key audit matter to be communicated in our report.

Recoverability of trade receivables

Refer to Note 10 to the financial statements

Key Audit Matter	**How our audit addressed the Key Audit Matter**
The trade receivables of the Group amounted to approximately RM1.3 million of which approximately RM0.5 million were past due or have exceeded the credit terms granted by the Group. The directors recognised the allowance of impairment losses on trade receivables based on specific known facts or customers' ability to pay. We focused on this area as determination of whether trade receivables are recoverable involves significant management judgement.	Our procedures are, amongst others:- (a) Obtained an understanding of:- • the Group's control over the trade receivables collection process; • how the Group identifies and assesses the impairment of trade receivables; and • how the Group makes the accounting estimates for impairment. (b) Reviewed the ageing analysis of receivables and tested its reliability. (c) Reviewed subsequent cash collections for major receivables and overdue amounts. (d) Made inquiries of management regarding the action plans to recover overdue amounts. (e) Examined other evidence including customers' correspondences, proposed or existing settlement plans and repayment schedules. (f) Evaluated the reasonableness and tested the adequacy of the impairment losses recognised for identified exposures on trade receivables by assessing the relevant assumptions and historical data from the Group's previous collection experience.

Crowe

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IDB TECHNOLOGIES BERHAD (CONT'D)
(Incorporated in Malaysia)
Registration No: 201801039812 (1301843 - 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 Directors' 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 Directors' Report 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 Directors' Report and, in doing so, consider whether the Directors' Report 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 the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

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

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 IDB TECHNOLOGIES BERHAD (CONT'D)
(Incorporated in Malaysia)
Registration No: 201801039812 (1301843 - D)

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of 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 and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
IDB TECHNOLOGIES BERHAD (CONT'D)
(Incorporated in Malaysia)
Registration No: 201801039812 (1301843 - D)

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

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

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

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

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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Tan Keng Chiew
03709/01/2025 J
Chartered Accountant

Kuala Lumpur

20 OCT 2023

IDB TECHNOLOGIES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2023

		The Group		The Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
ASSETS					
NON-CURRENT ASSETS					
Investment in a subsidiary	5	-	-	4,175,000	4,175,000
Equipment	6	638,200	792,988	-	-
Right-of-use asset	7	-	7,225	-	-
Intangible assets	8	24,257	64,364	-	-
		662,457	864,577	4,175,000	4,175,000
CURRENT ASSETS					
Inventories	9	153,904	71,777	-	-
Trade receivables	10	1,333,667	2,010,882	-	-
Other receivables, deposits and prepayments	11	67,319	56,996	2,500	2,500
Fixed deposits with a licensed bank	12	4,111,688	1,800,000	-	-
Cash and bank balances		461,263	1,993,958	3,556	3,601
		6,127,841	5,933,613	6,056	6,101
TOTAL ASSETS		6,790,298	6,798,190	4,181,056	4,181,101
EQUITY AND LIABILITIES					
EQUITY					
Share capital	13	4,095,100	4,095,100	4,095,100	4,095,100
Merger deficit	14	(674,900)	(674,900)	-	-
Retained profits/(Accumulated losses)		1,469,609	1,134,569	56,404	(1,249,786)
TOTAL EQUITY		4,889,809	4,554,769	4,151,504	2,845,314
NON-CURRENT LIABILITY					
Hire purchase payables	15	378,269	464,559	-	-

STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2023 (CONT'D)

		The Group		The Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
CURRENT LIABILITIES					
Trade payables	16	11,283	-	-	-
Other payables and accruals	17	1,154,926	1,410,284	23,532	20,209
Amount owing to a subsidiary	18	-	-	6,020	1,315,578
Lease liability	19	-	8,245	-	-
Hire purchase payables	15	78,380	75,387	-	-
Current tax liabilities		277,631	284,946	-	-
		1,522,220	1,778,862	29,552	1,335,787
TOTAL LIABILITIES		1,900,489	2,243,421	29,552	1,335,787
TOTAL EQUITY AND LIABILITIES		6,790,298	6,798,190	4,181,056	4,181,101

IDB TECHNOLOGIES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

		The Group		The Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
REVENUE	20	6,606,134	4,250,372	2,500,000	-
COST OF SALES		(2,882,101)	(2,041,765)	-	-
GROSS PROFIT		3,724,033	2,208,607	2,500,000	-
OTHER INCOME		83,578	176,991	-	-
		3,807,611	2,385,598	2,500,000	-
SELLING AND MARKETING EXPENSES		(829,711)	(490,562)	-	-
ADMINISTRATIVE EXPENSES		(904,816)	(718,696)	(193,810)	(189,799)
OTHER EXPENSES		(233,419)	(200,381)	-	-
FINANCE COSTS		(12,086)	(8,461)	-	-
NET REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS	21	23,664	244,393	-	-
PROFIT/(LOSS) BEFORE TAXATION	22	1,851,243	1,211,891	2,306,190	(189,799)
INCOME TAX EXPENSE	23	(516,203)	(394,988)	-	-
PROFIT/(LOSS) AFTER TAXATION/TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE FINANCIAL YEAR		1,335,040	816,903	2,306,190	(189,799)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONT'D)

		The Group		The Company	
		2023	**2022**	**2023**	**2022**
	Note	RM	RM	RM	RM
PROFIT/(LOSS) AFTER TAXATION/TOTAL COMPREHENSIVE INCOME/(EXPENSES) ATTRIBUTABLE TO:-					
Owners of the Company		1,335,040	816,903	2,306,190	(189,799)
EARNINGS PER SHARE (SEN)					
Basic	24	0.27	0.16		
Diluted	24	0.27	0.16		

IDB TECHNOLOGIES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Note	Share Capital RM	Merger Deficit RM	Retained Profits RM	Total Equity RM
The Group					
Balance at 1.7.2021		4,095,100	(674,900)	317,666	3,737,866
Profit after taxation/Total comprehensive income for the financial year		-	-	816,903	816,903
Balance at 30.6.2022/1.7.2022		4,095,100	(674,900)	1,134,569	4,554,769
Profit after taxation/Total comprehensive income for the financial year		-	-	1,335,040	1,335,040
Distribution to owners of the Company:					
- Dividends	25	-	-	(1,000,000)	(1,000,000)
Balance at 30.6.2023		4,095,100	(674,900)	1,469,609	4,889,809

IDB TECHNOLOGIES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONT'D)

	Note	Share Capital RM	(Accumulated Losses)/ Retained Profit RM	Total Equity RM
The Company				
Balance at 1.7.2021		4,095,100	(1,059,987)	3,035,113
Loss after taxation/Total comprehensive expenses for the financial year		-	(189,799)	(189,799)
Balance at 30.6.2022/1.7.2022		4,095,100	(1,249,786)	2,845,314
Profit after taxation/Total comprehensive income for the financial year		-	2,306,190	2,306,190
Distribution to owners of the Company:				
- Dividends	25	-	(1,000,000)	(1,000,000)
Balance at 30.6.2023		4,095,100	56,404	4,151,504

IDB TECHNOLOGIES BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Note	The Group 2023 RM	The Group 2022 RM	The Company 2023 RM	The Company 2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before taxation		1,851,243	1,211,891	2,306,190	(189,799)
Adjustments for:-					
Amortisation of intangible assets		40,107	36,951	-	-
Depreciation of equipment		186,087	119,637	-	-
Depreciation of right-of-use asset		7,225	43,347	-	-
Interest expenses		12,086	8,461	-	-
Gain on disposal of equipment		-	(72,999)	-	-
Interest income		(82,829)	(35,627)	-	-
Net reversal of impairment losses on financial assets		(23,664)	(244,393)	-	-
Operating profit/(loss) before working capital changes		1,990,255	1,067,268	2,306,190	(189,799)
Increase in inventories		(82,127)	(10,092)	-	-
Decrease in trade and other receivables		690,556	189,314	-	1,710
(Decrease)/Increase in trade and other payables		(244,075)	450,450	3,323	(21,617)
Decrease in amount owing to directors		-	(37,061)	-	(36,541)
(Decrease)/Increase in amount owing to a subsidiary		-	-	(1,309,558)	246,261
CASH FROM OPERATIONS		2,354,609	1,659,879	999,955	14
Income tax paid		(523,518)	(186,122)	-	-
NET CASH FROM OPERATING ACTIVITIES		1,831,091	1,473,757	999,955	14
CASH FLOWS FOR INVESTING ACTIVITIES					
Interest received		82,829	35,627	-	-
Purchase of equipment	26(a)	(31,299)	(123,970)	-	-
Proceeds from disposal of equipment		-	73,000	-	-
Addition of intangible assets		-	(7,800)	-	-
Addition of fixed deposits with tenure more than 3 months		(1,911,688)	-	-	-
NET CASH FOR INVESTING ACTIVITIES		(1,860,158)	(23,143)	-	-

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023 (CONT'D)

		The Group		The Company	
		2023	2022	2023	2022
	Note	RM	RM	RM	RM
CASH FLOWS FOR FINANCING ACTIVITIES					
Dividend paid	25	(1,000,000)	-	(1,000,000)	-
Interest paid	26(b)	(12,086)	(8,461)	-	-
Repayment of hire purchase obligations	26(b)	(83,297)	(43,054)	-	-
Repayment of lease liability	26(b)	(8,245)	(47,638)	-	-
NET CASH FOR FINANCING ACTIVITIES		(1,103,628)	(99,153)	(1,000,000)	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(1,132,695)	1,351,461	(45)	14
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		2,593,958	1,242,497	3,601	3,587
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	26(d)	1,461,263	2,593,958	3,556	3,601

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office	: Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan.
Principàl place of business	: C5-3, Radius Business Park, Jalan Teknokrat 2/1, Cyber 4, 63000 Cyberjaya, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 20 October 2023.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activity of the subsidiary is set out in Note 5 to the financial statements.

3. BASIS OF PREPARATION

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

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

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

Amendments to MFRS 3: Reference to the Conceptual Framework

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

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

Annual Improvements to MFRS Standards 2018 – 2020

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

3. BASIS OF PREPARATION (CONT'D)

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

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules	1 January 2023
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

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

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

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

(a) Depreciation of Equipment

The estimates for the residual values, useful lives and related depreciation charges for the equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of equipment as at the reporting date is disclosed in Note 6 to the financial statements.

(b) Amortisation of Intangible Assets

The estimates for the residual values, useful lives and related amortisation charges for the intangible assets are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its intangible assets will be insignificant. As a result, residual values are not being taken into consideration for the computation of the amortisation amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future amortisation charges could be revised. The carrying amount of intangible assets as at the reporting date is disclosed in Note 8 to the financial statements.

(c) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 10 to the financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(d) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amount of the Group's current tax liabilities as at the reporting date is RM277,631 (2021 - RM284,946).

Critical Judgements Made in Applying Accounting Policies

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

Lease Terms

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

4.2 BASIS OF CONSOLIDATION

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

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

(a) Business Combinations

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

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

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

(b) Merger Accounting for Common Control Business Combinations

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party or parties, both before and after the business combination, and that control is not transitory.

Subsidiaries acquired which have met the criteria for pooling of interest are accounted for using merger accounting principles. Under the merger method of accounting, the results of the subsidiaries are presented as if the merger had been effected throughout the current financial year.

The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. No amount is recognised in respect of goodwill and excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets and liabilities and contingent liabilities over cost at the time of the common control business combination to the extent of the continuation of the controlling party or parties' interests.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.2 BASIS OF CONSOLIDATION (CONT'D)

(b) Merger Accounting for Common Control Business Combinations (Cont'd)

When the merger method is used, the cost of investment in the Company's books is recorded at the nominal value of shares issued. The difference between the carrying value of the investment and the nominal value of the shares of the subsidiaries is treated as a merger deficit or merger reserve as applicable. The results of the subsidiaries being merged are included for the full financial year.

(c) Non-controlling Interests

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

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

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

(e) Loss of Control

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

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest in the former subsidiary; and

(ii) the previous carrying amount of the assets, and liabilities of the former subsidiary and any non-controlling interests.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 FUNCTIONAL AND FOREIGN CURRENCIES

(a) Functional and Presentation Currency

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

The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(b) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

4.4 FINANCIAL INSTRUMENTS

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

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

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets

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

Debt Instruments

(i) Amortised Cost

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

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

(ii) Fair Value through Other Comprehensive Income

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

(iii) Fair Value through Profit or Loss

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Assets (Cont'd)

Equity Instruments

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

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

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

(b) Financial Liabilities

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

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

(ii) Other Financial Liabilities

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity Instruments

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

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

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

(d) Derecognition

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

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

4.5 INVESTMENTS IN SUBSIDIARIES

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 EQUIPMENT

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

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

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

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

Computer and IT equipment	20%
Motor vehicles	20%
Furniture and fittings	15%
Office equipment	20%
Renovation	10%

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

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

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset, being the difference between the net disposal proceeds and the carrying amount, is recognised in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 RESEARCH AND DEVELOPMENT EXPENDITURE

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

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

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

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

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

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

4.8 LEASES

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.8 LEASES (CONT'D)

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

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

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

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

4.9 INVENTORIES

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

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

4.10 CASH AND CASH EQUIVALENTS

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 IMPAIRMENT

(a) Impairment of Financial Assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost and trade receivables.

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

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 IMPAIRMENT (CONT'D)

(b) Impairment of Non-financial Assets

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

An impairment loss is recognised in profit or loss.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

4.12 EMPLOYEE BENEFITS

(a) Short-term Benefits

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(b) Defined Contribution Plans

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.13 INCOME TAXES

(a) Current Tax

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

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

(b) Deferred Tax

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

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

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.14 OPERATING SEGMENTS

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

4.15 EARNINGS PER ORDINARY SHARE

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

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

4.16 FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. In estimating the fair value of an asset or a liability, the Group take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.16 FAIR VALUE MEASUREMENTS (CONT'D)

The fair value for measurement and disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions (MFRS 16) and measurement that have some similarities to fair value but not are fair value, such as net realisable value (MFRS 102) or value in use (MFRS 136).

4.17 DEFERRED INCOME

Deferred income represents cash received/receivable from customers for services not yet rendered at the end of the reporting period.

4.18 REVENUE FROM CONTRACTS WITH CUSTOMERS

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

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

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

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.18 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)

(a) Sale of Hardware

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

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

(b) Rendering of Software Solutions and Other Services

Revenue from providing software solutions and other services are recognised over time in the period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

(c) Rendering of Training Services

Revenue from training is recognised at a point in time in which the services have been rendered to a customer. Following the rendered of training services, the Group has a present right to payment for the services rendered and the customer has obtained the remaining benefits from the services.

4.19 REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

(a) Dividend Income

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

(b) Interest Income

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

5. INVESTMENT IN A SUBSIDIARY

	The Company	
	2023	**2022**
	RM	RM
Unquoted shares, at cost	4,175,000	4,175,000

The details of the subsidiary are as follows:-

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activity
		2023	2022	
		%	%	
Integrated Design & Build Sdn. Bhd. ("IDB")	Malaysia	100	100	Provision of property management system solutions including proprietary software, hardware, training services, other services and solutions.

6. EQUIPMENT

	At 1.7.2022 RM	Addition RM	Depreciation Charges RM	At 30.6.2023 RM
The Group				
2023				
Carrying Amount				
Computer and IT equipment	37,877	31,299	(16,903)	52,273
Motor vehicles	609,910	-	(137,069)	472,841
Furniture and fittings	21,917	-	(6,740)	15,177
Office equipment	28,764	-	(10,656)	18,108
Renovation	94,520	-	(14,719)	79,801
	792,988	31,299	(186,087)	638,200

6. EQUIPMENT (CONT'D)

	At 1.7.2021 RM	Additions RM	Disposal RM	Depreciation Charges RM	At 30.6.2022 RM
The Group					
2022					
Carrying Amount					
Computer and IT equipment	28,432	20,897	-	(11,452)	37,877
Motor vehicles	1	685,344	(1)	(75,434)	609,910
Furniture and fittings	28,400	257	-	(6,740)	21,917
Office equipment	39,585	472	-	(11,293)	28,764
Renovation	109,238	-	-	(14,718)	94,520
	205,656	706,970	(1)	(119,637)	792,988

The Group	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
2023			
Computer and IT equipment	98,514	(46,241)	52,273
Motor vehicles	685,344	(212,503)	472,841
Furniture and fittings	55,104	(39,927)	15,177
Office equipment	74,610	(56,502)	18,108
Renovation	147,185	(67,384)	79,801
	1,060,757	(422,557)	638,200
2022			
Computer and IT equipment	67,215	(29,338)	37,877
Motor vehicles	685,344	(75,434)	609,910
Furniture and fittings	55,104	(33,187)	21,917
Office equipment	74,610	(45,846)	28,764
Renovation	147,185	(52,665)	94,520
	1,029,458	(236,470)	792,988

Included in the equipment of the Group were motor vehicles with a total carrying amount of RM472,841 (2022 - RM609,910) held under hire purchase agreements. These assets had been pledged as security for the hire purchase payables of the Group as disclosed in Note 15 to the financial statements.

7. RIGHT-OF-USE ASSET

The Group	At 1.7.2022 RM	Depreciation Charge RM	At 30.6.2023 RM
2023			
Carrying Amount			
Office	7,225	(7,225)	-

	At 1.7.2021 RM	Depreciation Charge RM	At 30.6.2022 RM
2022			
Carrying Amount			
Office	50,572	(43,347)	7,225

In the previous financial year, the Group had leased an office that runs for 1 year, with an option to renew the lease after that date.

8. INTANGIBLE ASSETS

	The Group 2023 RM	2022 RM
Cost:-		
At 1 July 2022/2021	112,520	104,720
Additions during the financial year	-	7,800
At 30 June	112,520	112,520
Accumulated amortisation:-		
At 1 July 2022/2021	(48,156)	(11,205)
Amortisation for the financial year	(40,107)	(36,951)
At 30 June	(88,263)	(48,156)
	24,257	64,364

8. INTANGIBLE ASSETS (CONT'D)

In the previous financial year, included in additions were:-

	The Group	
	2023	**2022**
	RM	RM
Outright purchase capitalised	-	7,800

Development costs capitalised comprises externally generated expenditure on software development projects where it is reasonably anticipated that the costs will be recovered through future commercial activity. The amortisation charges are recognised in profit or loss under "Other Expenses" line item.

9. INVENTORIES

	The Group	
	2023	**2022**
	RM	RM
Hardware	153,904	71,777
Recognised in profit or loss:-		
Inventories recognised as cost of sales	523,340	286,686

10. TRADE RECEIVABLES

	The Group	
	2023	**2022**
	RM	RM
Trade receivables	1,723,232	2,131,268
Unbilled receivables	213,628	506,471
Allowance for impairment losses	(603,193)	(626,857)
	1,333,667	2,010,882
Allowance for impairment losses:-		
At 1 July 2022/2021	(626,857)	(871,250)
Addition during the financial year	(399,741)	(311,004)
Reversal during the financial year	423,405	555,397
At 30 June	(603,193)	(626,857)

10. TRADE RECEIVABLES (CONT'D)

(a) The Group's normal trade credit term is 90 (2022 - 90) days. Other credit terms are assessed and approved on a case-by-case basis.

(b) Unbilled receivables represent services rendered but not yet billed.

(c) Included in trade receivables is an amount of RM180,542 (2022 - RM160,327) due from related parties.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Other receivables	11,018	3,323	-	-
Deposits	12,116	12,116	-	-
Prepayments	44,185	41,557	2,500	2,500
	67,319	56,996	2,500	2,500

12. FIXED DEPOSITS WITH A LICENSED BANK

The fixed deposits with a licensed bank of the Group at the end of the reporting period bore effective interest rates ranging from 2.65% to 3.98% (2022 - 1.80% to 1.90%) per annum. The fixed deposits have maturity periods range from 60 to 180 (2022 - 60 to 180) days.

13. SHARE CAPITAL

	The Group/The Company			
	2023	2022	2023	2022
	Number Of Shares		RM	RM
Issued and Fully Paid-Up				
Ordinary shares				
At 1 July 2022/2021/30 June	500,000,000	500,000,000	4,095,100	4,095,100

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

14. MERGER DEFICIT

The merger deficit arose from the difference between the carrying value of the investment and the nominal value of the shares of the subsidiary upon consolidation under the merger accounting principles.

15. HIRE PURCHASE PAYABLES

	The Group	
	2023	**2022**
	RM	RM
Current liabilities	78,380	75,387
Non-current liability	378,269	464,559
	456,649	539,946

(a) The hire purchase payables of the Group are secured by motor vehicles as disclosed in Note 6 to the financial statements.

(b) The hire purchase payables of the Group at the end of the reporting period bore effective interest rates ranging from 3.88% to 3.92% (2022 - 3.88% to 3.92%) per annum. The interest rates are fixed at the inception of the hire purchase agreement.

16. TRADE PAYABLES

The normal trade credit terms granted to the Group ranging from 30 to 60 (2022 - Nil) days.

17. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	RM	RM	RM	RM
Other payables:				
- Third parties	140,140	102,666	12,932	9,609
- Sales and service tax payable	95,869	149,308	-	-
	236,009	251,974	12,932	9,609
Accruals	331,701	321,386	10,600	10,600
Deferred income	551,952	832,860	-	-
Deposits received	35,264	4,064	-	-
	1,154,926	1,410,284	23,532	20,209

(a) Deferred income represents an appropriate portion of the consideration received for which the services are expected to be performed within the next twelve months from the end of the reporting period.

(b) Deposits received represents advances from customers. The advances from customers are unsecured and interest-free. The amount owing will be offset against future sales to customers.

18. AMOUNT OWING TO A SUBSIDIARY

The amount owing is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

19. LEASE LIABILITY

	The Group	
	2023	**2022**
	RM	RM
At 1 July 2022/2021	8,245	55,883
Interest expense recognised in profit or loss (Note 22)	68	2,239
Repayment of principal	(8,245)	(47,638)
Repayment of interest expense	(68)	(2,239)
At 30 June	-	8,245
Analysed by:-		
Current liabilities	-	8,245

20. REVENUE

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	RM	RM	RM	RM
Revenue from Contracts with Customers				
Revenue recognised at a point in time				
Sale of hardware	834,001	366,688	-	-
Training services	821,979	410,916	-	-
Revenue recognised over time				
Sale of software	4,580,513	3,205,760	-	-
Other services	369,641	267,008	-	-
	6,606,134	4,250,372	-	-
Revenue from Other Source				
Dividend income	-	-	2,500,000	-
	6,606,134	4,250,372	2,500,000	-

20. REVENUE (CONT'D)

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	RM	RM	RM	RM
Represented by geographical market:-				
Malaysia	6,184,516	4,070,371	2,500,000	-
Singapore	115,362	134,173	-	-
Cambodia	272,038	45,828	-	-
Indonesia	34,218	-	-	-
	6,606,134	4,250,372	2,500,000	-

21. NET REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group	
	2023	**2022**
	RM	RM
Impairment losses on trade receivables	(399,741)	(311,004)
Reversal of impairment losses on trade receivables	423,405	555,397
	23,664	244,393

22. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	RM	RM	RM	RM
Profit/(Loss) before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration	42,400	40,000	10,600	10,000
Amortisation of intangible assets	40,107	36,951	-	-
Depreciation:				
- equipment	186,087	119,637	-	-
- right-of-use asset	7,225	43,347	-	-
Directors' remuneration (Note 27(c))	667,998	514,246	73,800	73,800
Interest expenses:				
- hire purchase payables	12,018	6,222	-	-
- lease liability	68	2,239	-	-
Professional fee	91,523	78,395	80,322	74,176
Short-term lease expenses	44,325	-	-	-
Staff costs:				
- salaries, bonuses and other benefits	2,218,820	1,698,503	-	-
- defined contribution benefits	255,075	189,106	-	-
Transport charges	123,050	40,117	-	-
Realised (gain)/loss on foreign exchange	(256)	446	-	-
Gain on disposal of equipment	-	(72,999)	-	-
Government subsidy	-	(67,800)	-	-
Interest income	(82,829)	(35,627)	-	-

23. INCOME TAX EXPENSE

	The Group		The Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Current tax:				
- current financial year	524,000	379,000	-	-
- (over)/underprovision in the previous financial year	(7,797)	15,988	-	-
	516,203	394,988	-	-

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	The Group		The Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Profit/(Loss) before taxation	1,851,243	1,211,891	2,306,190	(189,799)
Tax at the statutory tax rate of 24% (2022 - 24%)	444,298	290,854	553,486	(45,552)
Tax effects of:-				
Non-deductible expenses	170,147	170,612	46,514	45,552
Non-taxable income	-	(87,416)	(600,000)	-
Deferred tax assets not recognised during the financial year	-	4,950	-	-
Utilisation of deferred tax assets previously not recognised	(90,445)	-	-	-
(Over)/Underprovision of current tax in the previous financial year	(7,797)	15,988	-	-
	516,203	394,988	-	-

23. INCOME TAX EXPENSE (CONT'D)

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	The Group	
	2023	**2022**
	RM	RM
Temporary differences on equipment	48,458	3,608
Deferred income	195,280	616,983
	243,738	620,591

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2022 - 24%) of the estimated assessable profit for the financial year.

24. EARNINGS PER SHARE

	The Group	
	2023	**2022**
Profit after taxation attributable to owners of the Company (RM)	1,335,040	816,903
Weighted average number of ordinary shares in issue	500,000,000	500,000,000
Basic earnings per share (sen)	0.27	0.16
Diluted earnings per share (sen)	0.27	0.16

The Group has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

25. DIVIDENDS

	The Group/The Company 2023 RM	2022 RM
Ordinary Shares		
First interim dividend of 0.1 sen (2022 - Nil) per ordinary share in respect of the current financial year	500,000	-
Second interim dividend of 0.1 sen (2022 - Nil) per ordinary share in respect of the current financial year	500,000	-
	1,000,000	-

26. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of equipment is as follows:-

	The Group 2023 RM	2022 RM
Equipment		
Cost of equipment purchased (Note 6)	31,299	706,970
Less: Acquired through hire purchase arrangements	-	(583,000)
	31,299	123,970

26. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Lease Liability RM	Hire Purchase Payables RM	Total RM
2023			
At 1 July 2022	8,245	539,946	548,191
Changes in Financing Cash Flows			
Repayment of principal	(8,245)	(83,297)	(91,542)
Repayment of interests	(68)	(12,018)	(12,086)
	(8,313)	(95,315)	(103,628)
Non-cash Changes			
Interest expenses recognised in profit or loss (Note 22)	68	12,018	12,086
At 30 June 2023	-	456,649	456,649
2022			
At 1 July 2021	55,883	-	55,883
Changes in Financing Cash Flows			
Repayment of principal	(47,638)	(43,054)	(90,692)
Repayment of interests	(2,239)	(6,222)	(8,461)
	(49,877)	(49,276)	(99,153)
Non-cash Changes			
Purchase of new equipment	-	583,000	583,000
Interest expenses recognised in profit or loss (Note 22)	2,239	6,222	8,461
	2,239	589,222	591,461
At 30 June 2022	8,245	539,946	548,191

26. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflows for leases as a lessee are as follows:-

	The Group	
	2023	**2022**
	RM	RM
Payment of short-term leases	44,325	-
Interest paid on lease liability	68	2,239
Payment of lease liability	8,245	47,638
	52,638	49,877

(d) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	RM	RM	RM	RM
Fixed deposits with a licensed bank	4,111,688	1,800,000	-	-
Cash and bank balances	461,263	1,993,958	3,556	3,601
	4,572,951	3,793,958	3,556	3,601
Less: Fixed deposits with tenure more than 3 months	(3,111,688)	(1,200,000)	-	-
Cash and cash equivalents	1,461,263	2,593,958	3,556	3,601

27. RELATED PARTY DISCLOSURES

(a) Identities of Related Parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, subsidiary and key management personnel.

27. RELATED PARTY DISCLOSURES (CONT'D)

(b) Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial information, the Group and the Company also carried out the following transactions with the related parties during the financial year:-

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	RM	RM	RM	RM
Dividend from a subsidiary	-	-	2,500,000	-
Payments on behalf by a subsidiary	-	-	1,190,442	246,261
Sales to related parties	252,072	225,373	-	-

The outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

(c) Key Management Personnel Compensation

The key management personnel of the Group and of the Company are the executive directors.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2023	**2022**	**2023**	**2022**
	RM	RM	RM	RM
Directors				
Fees	72,000	72,000	72,000	72,000
Salaries, bonuses and other benefits	533,358	395,446	1,800	1,800
Defined contribution benefits	62,640	46,800	-	-
Total directors' remuneration (Note 22)	667,998	514,246	73,800	73,800

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM23,200 (2021 - RM14,500).

28. OPERATING SEGMENTS

Segment analysis has not been prepared as the Group's business is focused only in the development and trading of software and this forms the focus of the Group's internal reporting systems.

The chief operating decision maker reviews the business performance of the Group as a whole and management monitors the operating results of its business for the purposes of making decisions on resources allocation and performance assessment.

28.1 BUSINESS SEGMENT AND GEOGRAPHICAL INFORMATION

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments are not presented.

28.2 MAJOR CUSTOMERS

There is no single customer that contributed 10% or more to the Group's revenue.

29. FINANCIAL INSTRUMENTS

The Group's activities are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

29.1 FINANCIAL RISK MANAGEMENT POLICIES

The Group's policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD") and Indonesian Rupiah ("IDR"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

Foreign Currency Exposure

The Group	USD RM	IDR RM
2023		
Financial Asset		
Trade receivables	4,439	5,716
Currency exposure	4,439	5,716

	USD RM
2022	
Financial Asset	
Trade receivables	4,480
Currency exposure	4,480

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk (Cont'd)

(i) Foreign Currency Risk (Cont'd)

Foreign Currency Risk Sensitivity Analysis

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the respective functional currencies of the entities within the Group does not have material impact on the profit/(loss) after taxation and other comprehensive income/(expenses) of the Group and hence, no sensitivity analysis is presented.

(ii) Interest Rate Risk

The Group's fixed deposits with a licensed bank is carried at amortised cost. Therefore, they are not subject to interest rate risk as defined in MFRS 7 since neither carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group does not have any interest-bearing borrowings and hence, is not exposed to interest rate risk.

(iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances and fixed deposits with a licensed bank), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amount owing by 1 (2022 - Nil) customer which constituted approximately 13% (2022 - Nil) of its trade receivables at the end of the reporting period.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

(iii) Assessment of Impairment Losses

At each reporting date, the Group assesses whether any of the financial assets at amortised cost are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:
- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 1 year past due.

<u>Trade Receivables</u>

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 12 (2022 - 12) months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts. The Group has identified the unemployment rate, Gross Domestic Product (GDP) and inflation rate as the key macroeconomic factor of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Allowance for Impairment Losses

	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Amount RM
The Group				
2023				
Current (not past due)	858,157	-	-	858,157
Past due:				
- less than 3 months	299,386	-	(824)	298,562
- more than 3 months	263,403	-	(86,455)	176,948
Credit impaired	515,914	(515,914)	-	-
	1,936,860	(515,914)	(87,279)	1,333,667

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables (Cont'd)

Allowance for Impairment Losses (Cont'd)

The Group	Gross Amount RM	Individual Impairment RM	Collective Impairment RM	Carrying Amount RM
2022				
Current (not past due)	1,089,275	-	(3,834)	1,085,441
Past due:				
- less than 3 months	472,302	-	(23,036)	449,266
- more than 3 months	733,922	-	(257,747)	476,175
Credit impaired	342,240	(342,240)	-	-
	2,637,739	(342,240)	(284,617)	2,010,882

The movements in the loss allowances in respect of trade receivables are disclosed in Note 10 to the financial statements.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

Allowance for Impairment Losses

No expected credit loss is recognised on other receivables as it is negligible.

Fixed Deposits with a Licensed Bank, Cash and Bank Balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and adequate working capital to meet its obligations as and when they fall due.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
2023					
Non-derivative Financial Liabilities					
Trade payables	11,283	11,283	11,283	-	-
Other payables and accruals	471,841	471,841	471,841	-	-
Hire purchase payables	456,649	522,518	95,301	381,206	46,011
	939,773	1,005,642	578,425	381,206	46,011

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period (Cont'd):-

The Group	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
2022					
Non-derivative Financial Liabilities					
Other payables and accruals	424,052	424,052	424,052	-	-
Lease liability	8,245	8,313	8,313	-	-
Hire purchase payables	539,946	617,834	95,301	381,206	141,327
	972,243	1,050,199	527,666	381,206	141,327

29. FINANCIAL INSTRUMENTS (CONT'D)

29.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

The Company	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
2023			
Non-derivative Financial Liabilities			
Other payables and accruals	23,532	23,532	23,532
Amount owing to a subsidiary	6,020	6,020	6,020
	29,552	29,552	29,552
2022			
Non-derivative Financial Liabilities			
Other payables and accruals	20,209	20,209	20,209
Amount owing to a subsidiary	1,315,578	1,315,578	1,315,578
	1,335,787	1,335,787	1,335,787

29. FINANCIAL INSTRUMENTS (CONT'D)

29.2 CAPITAL RISK MANAGEMENT

The Group defines capital as the total equity and debt of the Group. The objective of the Group's capital management is to maintain an optimal capital structure and ensuring availability of funds in order to support its businesses and related shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group monitors and maintains a prudent level of total debt to total equity ratio to optimise shareholders value and to ensure compliance with debt covenants and regulatory, if any.

There was no change in the Group's approach to capital management during the financial year.

29.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		**The Company**	
	2023	**2022**	**2023**	**2022**
	RM	RM	RM	RM
Financial Asset				
Amortised Cost				
Trade receivables	1,333,667	2,010,882	-	-
Other receivables	11,018	3,323	-	-
Fixed deposits with a licensed bank	4,111,688	1,800,000	-	-
Cash and bank balances	461,263	1,993,958	3,556	3,601
	5,917,636	5,808,163	3,556	3,601
Financial Liability				
Amortised Cost				
Trade payables	11,283	-	-	-
Other payables and accruals	471,841	424,052	23,532	20,209
Amount owing to a subsidiary	-	-	6,020	1,315,578
Hire purchase payables	456,649	539,946	-	-
	939,773	963,998	29,552	1,335,787

29. FINANCIAL INSTRUMENTS (CONT'D)

29.4 GAINS OR (LOSSES) ARISING FROM FINANCIAL INSTRUMENTS

	2023 RM	2022 RM
Financial Asset		
Amortised Cost		
Net gains recognised in profit or loss	106,749	279,574
Financial Liability		
Amortised Cost		
Net losses recognised in profit or loss	(12,018)	(6,222)

29.5 FAIR VALUE INFORMATION

The fair values of the financial asset and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

29. FINANCIAL INSTRUMENTS (CONT'D)

29.5 FAIR VALUE INFORMATION (CONT'D)

As the Group does not have any financial instruments carried at fair value, the following table sets out only the fair value profile of financial instruments that are not carried at fair value of level 2 at the end of the reporting period:-

The Group	Fair Value of Financial Instrument Not Carried at Fair Value RM	Total Fair Value RM	Carrying Amount RM
2023			
Financial Liability			
Hire purchase payables	456,649	456,649	456,649
2022			
Financial Liability			
Hire purchase payables	539,946	539,946	539,946

Fair Value of Financial Instruments Not Carried at Fair Value

The fair value of the Group's hire purchase payables that carry fixed interest rates is determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments ranging from 3.88% to 3.92% (2022 - 3.88% to 3.92%) at the end of the reporting period.