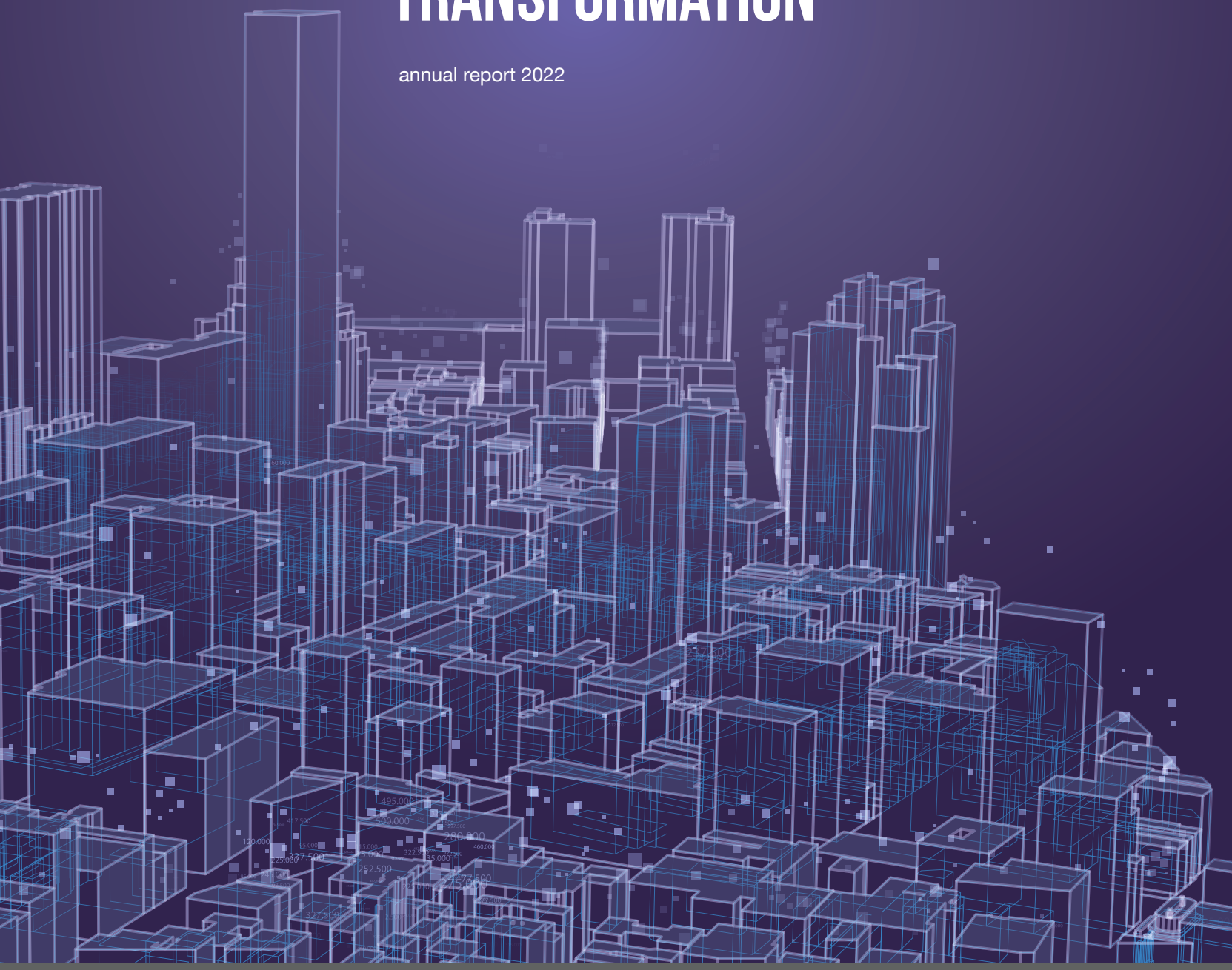


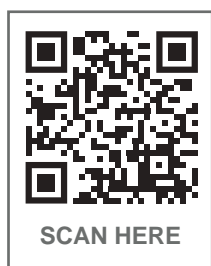
censof

CATALYST OF DIGITAL  
**TRANSFORMATION**

annual report 2022



# WHAT'S INSIDE



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## CATALYST OF DIGITAL TRANSFORMATION

### Rationale:

As digitalisation needs evolve, organisations are compelled to shift the way they strategize and operate. Being one of the market leaders of the digital-driven industry, Censof is fuelling and expediting Malaysia's digital transformation through leveraging innovative proven and emerging technologies, exploring strategic acquisitions, as well as collaborating with homegrown and global companies. Moreover, we are aligning our own activities with the nation's MyDIGITAL initiative. As we go all out to maintain the good momentum we have achieved to date, not only are we reinforcing our position as a catalyst for the nation's digital transformation, we are putting in place the building blocks that will help us deliver and maintain good shareholder value and sustainable growth for the long-term. The future bodes well for Censof.



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## OUR VISION

To be a technology and innovation leader specialising in business and financial management solutions.



## OUR MISSIONS

### PR

**PR**oviding innovative business solutions for our customers

### I

**I**nstilling a positive corporate culture that motivates our people to deliver excellence

### D

**D**elivering sustainable growth and value for stakeholders

### E

**E**mpowering our people to be caring citizens actively contributing to the community



## OUR VALUES

**At Censof, we share three fundamental corporate values. They form the roots of our corporate culture: Caring, Credible and Committed**

### CARING

Our ability to genuinely listen, understand and meet our customers' needs is a key differentiator and a critical success factor for our business.

### CREDIBLE

We accept responsibility for our actions and deliver on our promises.

### COMMITTED

Our success is built on the trust earned from clients. Our commitment to our customers is at the heart of everything we do.

## Censof Holdings Berhad ("Censof" or "the Group") was established in 2008 as a technology investment holding company specialising in financial management software solutions. In 2011, we went on to be listed on the Main Market of Bursa Malaysia Securities Berhad.

Over time, we took the opportunity to expand our portfolio and venture into wealth management solutions and digital technologies. At one juncture, we ventured into professional training of software application specialists to support human capital development in technology certification – but then decided to exit this business in line with waning market demand. We also took the opportunity to acquire a major accounting solution business that caters to the SME business market and this continues to be a key revenue contributor to the Group.

Today, via our subsidiaries, we offer a comprehensive range of technology solutions to the public and private sectors in Malaysia, Singapore, Indonesia and Hong Kong. Our clients encompass government agencies, large corporations, small and medium enterprises ("SMEs") as well as micro-SMEs. Our teams of experts and strategic partners have an unparalleled competitive ability to address industry requirements at both the global and local levels and this continues to hold us in good stead.

Our aim is to create "customers for life" by offering them innovative and competitive solutions that meet the evolving needs of today's businesses. We want to grow with our customers – whether they are start-ups, SMEs or larger organisations – at whatever stage of the business life cycle they may be.

### Helping Fast-Track Digital Adoption

Since Censof was founded, we have invested in and supported thousands of clients. The wealth of experience and expertise we have garnered to date has given us invaluable insights into how best to deliver effective results to our customers. In return, our customers have the assurance that their organisations will always be supported by reliable, proven and robust solutions from the Censof Group.

In the last few years, we have completely modernised our solutions portfolio by connecting and integrating these diverse solutions in new and innovative ways. We have developed financial management solutions which are open and integrated software that will help businesses transform their operations, digitalise their businesses processes and drive innovation through cloud technology adoption. We have built the business data infrastructure, offering the broadest range of financial management solutions through developing software and ensuring it is open and flexible to match the changing needs of the market. Moreover, seeing the significant opportunities in offering cloud computing solutions and leveraging emerging technologies, we have undertaken strategic acquisitions and entered into strategic partnerships to enhance our offering to meet our clients' ever-evolving needs.

### Well Positioned to Maintain the Momentum

Behind every product we deliver, we orchestrate hundreds of logical instruments and functions to compose a systematic masterpiece. Equipped with dynamic teams that are focused on rapidly adopting evolving technologies such as the internet of things ("IoT"), data analytics, artificial intelligence ("AI"), machine learning ("ML"), augmented and virtual reality, and robotic process automation ("RPA"), among others, we are helping to accelerate organisations' digital transformation efforts. With a far wider set of technology and services capabilities, we are today well positioned to offer a unique approach to our clients in a more efficient and effective manner.

# CORPORATE STRUCTURE

AS AT 30 JUNE 2022

## censof

Censof Holdings Berhad

Registration No. 200801026945 (828269-A)

### Legend

- Financial Management Solutions - Government
- Financial Management Solutions - Commercial & SME
- Wealth Management Solutions
- Digital Technology
- Associate

### Financial Management Solutions - Government ("FMS-G")

#### CENTURY SOFTWARE (MALAYSIA) SDN BHD

Financial Management Software Solutions

**100%**

#### CENSOFT SOFTWARE INDIA PTE LTD

Development Hub

**99%**

### Financial Management Solutions - Commercial & SME (FMS-C)

#### NETSENSE BUSINESS SOLUTIONS PTE LTD

Financial Management Solution - Commercial

**51%**

#### NETSENSE BUSINESS SOLUTIONS SDN BHD

Financial Management Solution - Commercial

**51%**

#### ASIAN BUSINESS SOFTWARE SOLUTIONS PTE LTD

Financial Management Solutions - SME

**97%**

#### ASIAN BUSINESS SOFTWARE SOLUTIONS SDN BHD

Financial Management Solutions - SME

**100%**

#### FINANCIO SOFTWARE SDN BHD

Financial Management Solutions - SME

**100%**

### Wealth Management Solutions ("WMS")

#### PT PRAISINGDO TEKNOLOGI

Wealth Management

**60%**

### Digital Technology RPA, IoT, ML, AI

#### CS CLOUD SDN BHD

Cloud Services

**80%**

#### CLOOCUS SDN. BHD.

Microsoft Azure Cloud Service Provider  
(Joint Operation Company)**50%**

#### CENSOFT DIGITAL SDN. BHD.

Digital Solutions For Digital Transformation And ESG Adoption

**100%**

#### IN SUREKU SDN BHD

(formerly known as In Suremy Sdn Bhd)  
Dormant**100%**

#### CENSOFT MAAL SDN BHD

Dormant

**100%**

#### COGNITIVE CONSULTING SDN BHD

Robotic Process Automation

**51%**

#### TENDER PINTAR SDN BHD

eProcurement &amp; eTendering Solutions

**100%**

### Associate

#### T-MELMAX SDN BHD

Payment Aggregation Solutions

**49%**



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Tan Sri Dato' Mohd Ibrahim Bin Mohd Zain**  
Independent Non-Executive Chairman

**Ameer Bin Shaik Mydin**  
Group Managing Director

**Tamil Selvan A/L M. Durairaj**  
Deputy Group Managing Director

**Ang Hsin Hsien**  
Executive Director

**Tuan Haji Ab. Gani Bin Haron**  
Senior Independent  
Non-Executive Director

**Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar**  
Independent Non-Executive Director

**Mahathir Bin Mahzan**  
Independent Non-Executive Director

**Mohd Redzuan Bin Hasan**  
Independent Non-Executive Director

## AUDIT COMMITTEE

**Tuan Haji Ab. Gani Bin Haron**  
Chairman

**Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar**  
Member

**Tan Sri Dato' Mohd Ibrahim Bin Mohd Zain**  
Member

**Mahathir Bin Mahzan**  
Member

## NOMINATING & REMUNERATION COMMITTEE

**Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar**  
Chairman

**Tuan Haji Ab. Gani Bin Haron**  
Member

## RISK MANAGEMENT COMMITTEE

**Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar**  
Chairman

**Tuan Haji Ab. Gani Bin Haron**  
Member

**Ameer Bin Shaik Mydin**  
Member

## REGISTERED OFFICE

E-10-4, Megan Avenue 1  
189, Jalan Tun Razak  
50400 Kuala Lumpur  
W.P. Kuala Lumpur, Malaysia  
Tel : 03 -2181 0516  
Fax : 03 -2181 0516

## COMPANY SECRETARIES

**Chin Wai Yi**  
(SSM PC NO. 202008004409)  
(MAICSA NO: 7069783)

**Florence Toh Sue Mei**  
(SSM PC NO. 202108000143)  
(MAICSA NO.: 7074778)

## AUDITORS

**Crowe Malaysia PLT**  
201906000005  
(LLP0018817-LCA) & AF1018  
Chartered Accountants  
Suite 50-3, Setia Avenue  
No.2, Jalan Setia Prima S U13/S,  
Setia Alam, Seksyen U13,  
40170 Shah Alam, Selangor, Malaysia  
Tel : 03-3343 0730  
Fax : 03-3344 3036

## SHARE REGISTRAR

**Boardroom Share Registrars Sdn. Bhd.**  
[Registration No. 199601006647  
(378993-D)]  
11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Tel : 03-7890 4700  
Fax : 03-7890 4670

## PRINCIPAL BANKERS

Malayan Banking Berhad  
Bank Islam Malaysia  
HSBC Bank Malaysia Berhad

## CORPORATE OFFICE

Unit B-10-06, 6th Floor, Dataran 3 Two,  
Jalan 19/1, 46300 Petaling Jaya,  
Selangor Darul Ehsan, Malaysia  
Tel : 03-7962 7888  
Fax : 03-7962 7800  
Website : <http://www.censof.com>

## STOCK EXCHANGE LISTING

Main Market, Bursa Malaysia  
Securities Berhad  
Stock Code : 5195  
Stock Name : Censof

# QUICK FACTS AND BUSINESS DIVISIONS

## COMPANY BACKGROUND

ESTABLISHED IN  
**2008**

PUBLIC LISTED  
COMPANY

TECH INVESTMENT  
HOLDING COMPANY

## EXPERTISE



FINANCIAL MANAGEMENT  
SOLUTIONS - GOVERNMENT



FINANCIAL MANAGEMENT  
SOLUTIONS - COMMERCIAL &  
SME



WEALTH MANAGEMENT  
SOLUTIONS



DIGITAL  
TECHNOLOGY

## HIGHLIGHTS OF SEGMENTAL REVENUE



Financial Management Solutions -  
Government

**RM79.2**  
million



Financial Management Solutions -  
Commercial

**RM5.1**  
million



Financial Management Solutions -  
SME

**RM18.1**  
million



Wealth Management  
Solutions

**RM6.6**  
million



Digital  
Technology

**RM5.8**  
million



## QUICK FACTS AND BUSINESS DIVISIONS



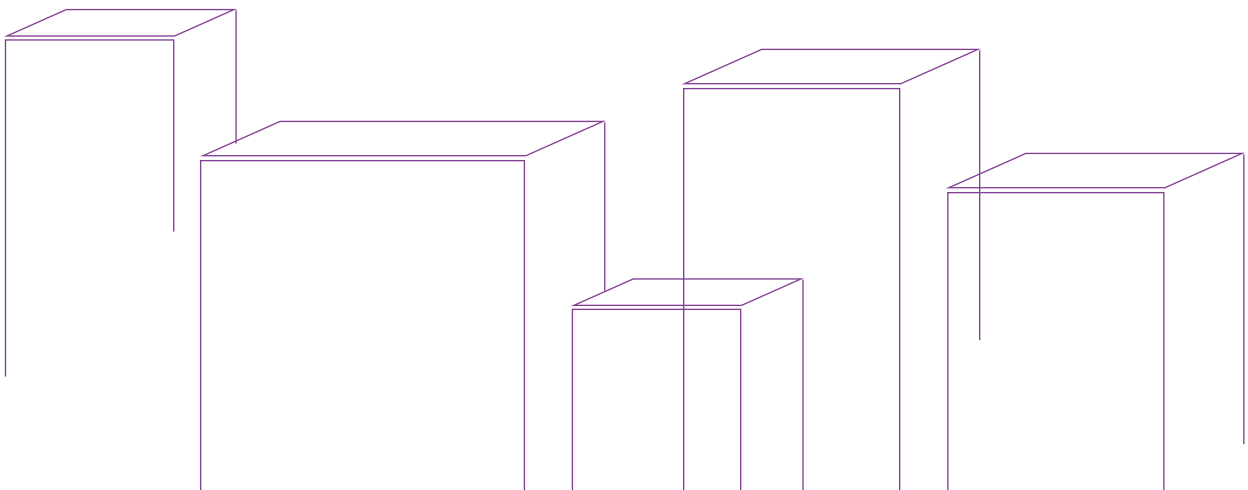
## QUICK FACTS AND BUSINESS DIVISIONS

### BUSINESS DIVISIONS

The Censof Group is a technology group that offers both the public and private sectors an extensive portfolio of software solutions.

Catering to government agencies, large corporations, small and medium enterprises ("SMEs") as well as micro-SMEs, we leverage the expertise of in-house experts and strategic partners to deliver innovative solutions to our large customer base. Given our proven track record, strong industry insights, together with our dedicated teams and strategic partners, Censof has an unequalled competitive ability to address industry requirements and deliver high-quality products at the local and global levels.

Today, as our spread of product and service offerings expands, we have streamlined our activities and formed four core businesses to ensure a more laser-focused approach



## QUICK FACTS AND BUSINESS DIVISIONS

### FINANCIAL MANAGEMENT SOLUTIONS

#### GOVERNMENT DIVISION

Our Financial Management Solutions - Government division houses Century Software (Malaysia) Sdn. Bhd. ("Century Software"), a company which focuses primarily on the provision of government-centric financial management solutions. Century Software is Censof's largest subsidiary and the main contributor to the Group's revenue.

For more than 25 years, Century Software has served as the leading provider of financial management solutions for government that have been developed in compliance with the Standard Accounting System for Government Agencies ("SAGA") criteria. The company has installed and maintained financial management solutions for an extensive portfolio of public sector clients encompassing government agencies at the federal, state and local council levels. To date, over 90 government agencies in Malaysia are using its SAGA-certified products and solutions. With the inclusion of GW Intech Sdn Bhd (which specialises in the ePBT financial management solution for some 50 local authorities) into its fold, Century Software's dominant position on the local government front has been strengthened.

Through Century Software, the Censof Group possesses a variety of integrated solutions to help our clients achieve sustainable growth and realise operational excellence. In addition to financial management solutions, we also provide customisable business solutions pertaining to business performance, business intelligence, data analytics, application development and more. Agencies of all sizes continue to leverage our Government Resource Planning or GRP suite to transform themselves, achieve efficient service delivery, as well as strengthen their participation and governance.

Clients can opt to have our solutions installed on premise to optimise their internal infrastructure, or on-cloud within a secure, modern and reliable delivery framework. Our state-of-the-art financial management and business solutions have proven their worth in helping government agencies manage public funds effectively. Our team and key delivery personnel are all Project Management-certified professionals with qualified accountants forming the majority of our consultants.

#### KEY FOCUS AREA

Financial management solutions	Systems implementation, installation and rollout
Customised business solutions	Systems maintenance and technical support
Government Resource Planning ("GRP") and Enterprise Resource Planning ("ERP") solutions	Information exchange and cloud-based solutions

# QUICK FACTS AND BUSINESS DIVISIONS

## COMMERCIAL & SME DIVISION

The Financial Management Solutions - Commercial & SME division, which is helmed by both Asian Business Software Solutions Pte. Ltd. ("ABSS") and the Netsense Group, focuses on the provision of solutions to the enterprise, SME and micro-SME segments. Financio, the all-in-one cloud-based accounting solution for start-ups and entry-level SMEs, also falls within the division's portfolio.

Today, ABSS is fast evolving into a one-stop business solutions centre for SMEs offering accounting management software, e-commerce solutions, inventory management and payroll management solutions. The company supplies ABSS-branded financial management and accounting software in Asia as well as caters to more than 407,000 SME clients across Malaysia, Singapore, Hong Kong and Indonesia. A market leader amongst SMEs in Singapore and Hong Kong, ABSS has entered into several strategic collaborations which have helped reinforce the Group's market presence in this segment.

ABSS' cloud accounting software, Financio, is at the forefront of the small business accounting automation market in Malaysia, Singapore, Hong Kong and other countries. Designed for today's agile businesses, the user-friendly, cost-effective Financio automates and simplifies accounting tasks, enabling business owners to focus on growing their businesses. With automation, real-time reports, and mobile apps, owners can manage their business finance and tax matters in an easier and more effective manner. To date, Financio has helped over 4,000 subscribers redefine the way they approach their book keeping and tax tasks.

With almost a decade of experience to its name, Netsense is on a mission to bring leading innovation in cloud-ERP solutions and become a game changer in the mid-market tier, especially for businesses that require a one-stop solutions house for their IT solutions. Through its offices in Singapore and Kuala Lumpur, Netsense offers a wide array of business solutions ranging from the Acumatica cloud-based ERP software, to a multitude of accounting, customer relationship management, human resource, payroll, project management, business intelligence, customised dashboards, mobile apps and ecommerce solutions.

By leveraging Netsense's arsenal of solutions, SMEs are able to quickly automate and increase their productivity to meet rapidly changing customer demands. Serving over 60 commercial clients across 15 industry verticals with partners in over 20 countries, Netsense is well placed to meet the rise in demand for Work-from-Anywhere-friendly solutions like cloud ERP and mobile applications.

## KEY FOCUS AREA

Acumatica cloud ERP: <ul style="list-style-type: none"> <li>• General business edition</li> <li>• Distribution edition</li> <li>• Field services edition</li> <li>• Manufacturing edition</li> <li>• Construction edition</li> <li>• E-commerce solutions</li> <li>• Human resource management system</li> </ul>	Accounting management
	Customer payment gateways
	E-commerce solutions
	Cloud-based micro-SME accounting product (for start-ups and the entry-level SME market)

## QUICK FACTS AND BUSINESS DIVISIONS

### WEALTH MANAGEMENT SOLUTIONS DIVISION

The Group's Wealth Management Solutions division comes under the ambit of our Indonesian subsidiary, PT. Praisindo Teknologi, which offers customised technology solutions to its wealth management clientele. By tapping the company's process automation technology, clients get to manage their business operations more effectively.

The company also has the expertise to develop and implement investment management systems for its clientele. On top of this,

via its Reksa Dana Online ("RDO") Praisindo solution, the company offers an Investor Portal RDO module which can double up as the virtual branch of an asset management company, a bank, or other mutual fund distributor. PT. Praisindo's clients include top-tier financial institutions in Indonesia who leverage its solutions to assist high net worth individuals to increase their net worth through good investment portfolio management practices. PT. Praisindo plans to expand its footprint beyond Indonesian shores and introduce more of its solutions to the Malaysian market.

#### KEY FOCUS AREA

Investment management system

Wealth management system

Reksa Dana Online

Network management, security and monitoring

### DIGITAL TECHNOLOGIES

In line with the Censof Group's vision "to be a technology and innovation leader specialising in business and financial management solutions," we are continuously exploring emerging technologies that will allow us to provide a more comprehensive, cutting-edge range of offerings to our customers. Be it artificial intelligence ("AI"), machine learning ("ML"), augmented and virtual reality, Internet of Things ("IoT"), robotic process automation ("RPA"), or anything else that has the potential to reshape industrial processes and the business landscape, we are open to exploring any innovative technology.

FY2022 saw us establishing the Digital Technologies division to formally house the many emerging technology ventures we have entered into via strategic partnerships or acquisitions. The division today houses nimble, forward-looking companies which are focussed on accelerating digital adoption via cloud-based solutions and emerging technologies. To date, these include, the Group's wholly owned subsidiaries Tender Pintar Sdn Bhd, an e-procurement and e-tendering solutions provider; and Censof

Digital Sdn Bhd, our subsidiary which will undertake all digital initiatives for Censof.

The division also houses the various companies the Group has strategically partnered with or acquired. Among these are CS Cloud Sdn Bhd, a cloud services provider; Cognitive Consulting Sdn Bhd which is spearheading the Group's entry into the RPA segment; T-Melmax Sdn Bhd, a payment aggregation solutions business which offers web-based electronic banking solutions to facilitate retail and wholesale transaction processing; and Cloocus Sdn Bhd, a joint partnership with Cloocus Korea to provide service on a hyperscale cloud management platform in Malaysia based on Microsoft Azure.

Through this division, we aim to work closely with our growing list of partners to transform emerging technologies in sustainable businesses for the long-term. The division will also continue to focus on providing realistic and secure technology solutions for a wide range of uses for our diverse clientele.

#### KEY FOCUS AREA

IoT-embedded tracking devices

Financial transaction processing applications

Process automation

Bulk payment processing

Predictive and insight algorithms

Mobile payments

E-payment gateways

AI visual defect detection

# CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors, I am pleased and privileged to present the Annual Report of Censof Holdings Berhad ("Censof" or "the Group") for the financial year ended 31 March 2022 ("FY2022").

## A COMMENDABLE PERFORMANCE AMIDST A HIGHLY CHALLENGING YEAR

I am delighted to report that amidst a highly challenging year characterised by the impact of the ongoing COVID-19 pandemic that continued to adversely affect people, businesses and economies, Censof proved its mettle by delivering a commendable performance. Despite difficult operating conditions, we continued to leverage our talent pool, augment our cloud-based integrated product and service offering, as well as enter into strategic partnerships and acquisitions to make our businesses more relevant to our markets and our stakeholders.

By adapting to fast-evolving market needs and aligning with the nation's digitalisation transformation agenda, in particular the emphasis on cloud-based financial solutions, our robust suite of financial management and digital technology solutions demonstrated their resilience and growth potential. Not only were we able to maintain our contracts and customers, but we went on to expand our footprint on the public and private sector fronts.

Over the course of FY2022, we also explored investment and partnership opportunities in the digital technology field to further innovate our products and solutions. We also focused our efforts on both pioneering and adopting new technologies; ensured compliance with the latest Malaysian financial reporting standards for our large government customer base as well as the commercial and SME sectors; plus rolled out new businesses that will serve as stepping stones for the Group moving forward.

As a consequence of prudent strategies, our team's resilience and diligence, as well as a laser-focused approach on the year's many opportunities, the Group's revenue increased by 26.0% to RM110.05 million in FY2022 from RM87.36 million in FY2021. The improvement in revenue was mainly attributable to higher contributions from the Group's Financial Management Solutions - Government as well as Financial Management Solutions - Commercial & Small and Medium Enterprises divisions. However, the Group's cumulative profit before taxation ("PBT") dropped by 18% to RM24.27 million in FY2022 from RM29.59 million in FY2021. The reasons for this reduction together with the finer details of Censof's financial performance in FY2022 can be found in the Management Discussion and Analysis ("MD&A") section (page 24) of this Annual Report.

## COMMITTED TO DELIVERING VALUE TO SHAREHOLDERS

As at 31 March 2022, Censof's net assets per share attributable to owners of the company stood at 18.16 sen per share in comparison to net assets per share attributable to owners of the company of 15.84 sen per share as at 31 March 2021. This increase was mainly due to the increase in current assets (trade debtors) which resulted in better overall revenue recognition in FY2022.

Our cash and cash equivalents too remained robust at end FY2022 having risen to RM29.92 million from RM28.63 million previously. As at end FY2022, we continued to maintain a low debt level with borrowings of RM0.50 million in comparison to borrowings of RM0.35 million as at end FY2021. The Group's basic earnings per share as at end FY2022 reduced to 3.35 sen from 5.28 sen as at end FY2021. This reduction was mainly due to the reduction of net profit in FY2022 and the increment of shares unit upon the private placement exercise which took place in March 2021.

Today, the Group continues to maintain a healthy balance sheet and a robust cash position. This will help ensure that we have the resources to sustain our business operations for the long term as well as to fund future capital expenditure, development expenditure and growth initiatives when opportunities arise.

CHAIRMAN'S  
STATEMENTGROUP  
REVENUE

increased by

**26.0%**  
to RM110.05 millionGROUP PROFIT  
BEFORE TAXATION**RM24.26**  
millionNET ASSET PER SHARE  
ATTRIBUTABLE TO  
OWNERS OF COMPANY

improved to

**18.16 sen**  
from 15.84 sen

Censof also remains committed to safeguarding our shareholders' interests and creating sustainable value for them. To reward our shareholders for their patience and continued confidence in the Group, the Board declared an interim single-tier dividend of 0.75 sen per ordinary share in respect of the financial year ended 31 March 2022. This pay-out amounted to approximately RM4.14 million representing a pay-out ratio of 22.4% of net earnings for FY2022. The payment was made on 8 July 2022 to eligible shareholders whose names appeared in the register of depositors as of 17 June 2022.

While the Board remains committed to delivering sustainable value to our shareholders, we have decided not to declare a final dividend in respect of FY2022. Instead, we will continue to

preserve cash flows for business operations during this uncertain economic climate as well as to fund potential merger and acquisition activities to improve the Group's future profitability should such opportunities arise.

## KEY HIGHLIGHTS IN FY2022

Censof has played a key role in helping drive Malaysia's digital economy for some time now and our position in this area continues to strengthen as we play our part as a catalyst for the nation's digital transformation. In FY2022, as the public and private sectors jumped onto the digitalisation bandwagon in an accelerated manner, we continued to capitalise on demand for our solutions and make solid progress on several fronts.

**Tan Sri Dato' Mohd Ibrahim  
Bin Mohd Zain**  
Independent  
Non-Executive Chairman





## CHAIRMAN'S STATEMENT

### Serving as a Catalyst for Public Sector Digital Transformation

As part of our efforts to revitalise the role of government agencies and make them more transparent, proactive, efficient and service-oriented, we have been providing them our Standard Accounting System for Government Agencies ("SAGA") solution. Our SAGA solution (under the ambit of Century Software) continues to serve as the bedrock of our business and is the key revenue and earnings contributor to the Group. For FY2022, FMS-G Segment contributed 71.9% of the Group's revenue and 66.0% of PBT. It also enjoys RM42.90 million in recurring maintenance revenue annually.

With more and more government agencies coming to realise the merits of tapping the Group's cloud-based solutions, we continue to make strong advances in the public sector. This has been especially evident over the course of the ongoing pandemic and is reflected in the many government contracts we are implementing or the new ones we have secured.

Today, we are providing maintenance and support services to Malaysia's Ministry of Finance ("MOF") for the Government's budget management information system, MyResults, via a RM10.12 million contract that will run until December 2022. We are also developing a commercial vehicle licensing system for the Ministry of Transport ("MOT") for a RM17.86 million contract that ends in March 2024.

In December 2021, we secured a RM13.5 million contract from the Accountant General's Department of Malaysia ("AGD") to develop the iPayment solution which will facilitate cashless payments and collections for all government services. The 36-month AGD contract will run until December 2024. While our venture into the peer to peer

lending or crowdfunding arena via MoneySave Holding Sdn. Bhd. ("MoneySave") delivered good returns, we decided to exit this business in our role as a cornerstone investor as we saw more lucrative opportunities in our core public sector business. Our divestment of our 10% equity stake in MoneySave raked in proceeds of approximately RM3.3 million for us. We wish the MoneySave team every success in their future endeavours.

In February 2022, we went on to secure a 45-month contract from SME Corporation Malaysia ("SME Corp") to develop the first phase of an integrated application system for SME rating and accreditation.

Government agencies have also come to realise the benefits of leveraging Century Software's cloud-based Government Resource Planning ("GRP") solution which serves as a vital resource planning tool for the public sector. By according users instantaneous access to consolidated real-time data and reports, our GRP solution is helping enhance the efficiency of public administration activities and the quality of services to citizens. Today, we are collaborating with Microsoft to get this proven and tested integrated GRP solution running on Microsoft Azure. This will do much to redefine the area of resource planning within the Malaysian public sector.

January 2022 saw Century Software inking a memorandum of understanding ("MoU") with Universiti Sains Malaysia ("USM") to promote, develop and establish an internship training programme pertaining to the fields of accounting and information technology. This underscores our effort to work with institutions of higher learning to cultivate and nurture future talent in the digital technology industry in tandem with Malaysia's digitalisation ambitions.

In February 2022, Century Software went on to acquire a 51% equity stake in GW Intech Sdn. Bhd. ("GW Intech") through a share subscription of 100,000 new GW Intech shares for a RM0.5 million consideration. GW Intech is an established technology player which specialises in IT solutions for local authorities, particularly by way of the ePihak Berkuasa Tempatan ("ePBT") financial management solution. Following this acquisition, Censof's dominant position on the local government front will further strengthen from our existing customer base of 90 government agencies.

One of our latest offerings to all government agencies that are SAGA-compliant is BayarNow, a customer portal and payment gateway application service which facilitates electronic billing and payment services. To date, we have 18 sites leveraging BayarNow and this number is rapidly growing. This initiative serves as Censof's contribution to Malaysia's MyDIGITAL initiative, the details of which are spelt out in the MD&A section of this Annual Report.

### Augmenting Our Commercial and SME Spread of Offerings

The Group's Financial Management Solutions - Commercial & SME division, today has under its ambit, the Netsense Group and ABSS which provide solutions to the enterprise, SME and micro-SME segments. In FY2022, the companies within the division undertook several initiatives to strengthen the Group's overall spread of offerings.

## CHAIRMAN'S STATEMENT

ABSS is a market leader providing the full spectrum of financial management solutions across all market segments. In June 2022, Censoft acquired an additional 7.93% stake in ABSS for some SGD1.28 million (equivalent to RM4.09 million), thereby increasing our stake in ABSS to 97.0%. Over the last six years, we have seen exponential growth in ABSS and have reaped a cumulative dividends of some RM20.0 million since we began investing in the company. Demand for ABSS-branded financial management and accounting software including its accounting management software, E-commerce solutions, customer payment gateways, and its all-in-one cloud-based accounting solution, Financio, for start-ups and entry-level SMEs, continues to take off.

Following its release of the next-generation Financio CONNECT mobile application for its Financio premium subscribers in June 2021, ABSS went on to launch its enhanced Financio v3.0 cloud-based platform in September. This latest version, which is a more comprehensive and innovative accounting solution, enables businesses to scale up at ease.

On the micro-SME front, ABSS is making good headway by way of its successful partnerships with RHB Bank in Malaysia, Maybank and DBS Bank in Singapore, as well as DBS Hong Kong to integrate Financio into their suite of financial offerings for SMEs. More recently, ABSS signed a strategic partnership with UOB Singapore to provide business automation services to the latter's banking clients. This partnership builds on the strong relationship both parties have with SMEs in the region.

### Accelerating the Pace of Digital Innovation

To cater to growing market demand and to ensure the sustainable growth of our businesses, we are going all out to accelerate the pace of technological innovation. To this end, we continue to enter into synergistic partnerships with other industry players. This is going a long way in empowering our teams, bolstering our product and service portfolio, extending our geographical footprint, and promoting the Censoft brand.

In September 2021, CS Cloud Sdn. Bhd. ("CS Cloud"), an indirect subsidiary of Censoft, announced its official partnership with Nimbus Cloud Services ("Nimbus Cloud"), a pioneering cloud service provider to fast-track the digital transformation of Malaysia's public sector among others. CS Cloud's partnership with Nimbus Cloud will extend the reach of our customisable products and make them more accessible to clients. We expect this partnership to experience exponential growth especially from the public sector that requires cloud-managed services that comply with Malaysia's data sovereignty laws.

December 2021 saw CS Cloud teaming up with Korea-based Cloocus Co. Ltd. to facilitate the mutual sharing of expertise in the area of cloud services under a new 50:50 joint operation entity named Cloocus Sdn. Bhd. ("Cloocus"). This collaboration is expected to open up businesses and growth opportunities for the digital economy and at the same time serve as a mechanism to boost foreign investors' confidence in Malaysia-based businesses.

In January 2022, Censoft entered into a share purchase agreement to take up a 51% stake in Cognitive Consulting Sdn. Bhd. ("Cognitive Consulting") for approximately RM3.69 million with a profit guarantee scheme. Cognitive Consulting's robotic process automation or RPA technology was a prime draw for us as it now makes it simple for us to build, deploy and manage virtual assistants or software robots that can simulate human action while interacting with digital systems and software. We are now in a position to readily tap RPA to elevate the processes of our public and private sector customers.

In November 2021, Censoft Digital Sdn. Bhd. ("Censoft Digital") secured a contract from EcoRide (owned by Perisind Samudra) to provide a green track and trace platform for electric vehicles ("EVs"). The digital platform and mobile app for EcoRide will enable users to book, pay and earn carbon credits when using EVs to commute.

In view of the many digital technology ventures in hand and those to come, we have set up the Group's new Digital Technology division which today houses the CS Cloud and Censoft Digital businesses. Censoft Digital is today helmed by its Chief Executive Officer ("CEO"), Mr. Vicks Kanagasingam who is tasked with spearheading the future direction of this company given his vast experience on the emerging technologies front. Vicks also brings a wealth of technology experience at the global level to the table and will be invaluable in helping us with our ambition of bridging the digital divide by accelerating digital adoption across communities, enterprises and government. To date, the Digital Technology division has already proven itself in terms of revenue and profit contributions and we are quietly confident that it will continue to progress well.

## CHAIRMAN'S STATEMENT

### UPHOLDING RESPONSIBLE CORPORATE PRACTICES

Recognising that good governance translates into good business and is essential to our long-term success, Censof's Board remains committed to upholding and implementing corporate governance best practices that help create a strong, transparent and sustainable business. At the same time, we are ensuring that effective risk management and internal control measures are rigorously observed across the Group. By upholding good governance, risk management and internal control practices, we are ensuring continued value creation, bolstering stakeholder relationships, and preserving our corporate reputation.

We remain resolute that good governance policies must flow down from the Board in a clear-cut manner and be cascaded across the rest of the organisation effectively if the Group is to reap the best benefit from this. To this end, the Group's business dealings and conduct are guided by our Board Charter, Code of Business Ethics, Anti-Bribery and Anti-Corruption Policy, and Whistle Blowing Policy to name a few. We publish our policies and the terms of reference for our various Board committees on our corporate website.

To ensure the delivery of sustainable, long-term value to our stakeholders, we continue to roll out practices that are helping us to steward our resources efficiently while strengthening our efforts on the responsible management and sustainable development fronts. Having our stakeholders' best interests at heart, we continue to focus our sustainability endeavours on five priority areas, namely Responsible Business, Client Experience, Environment, Employees and Community. The details of our sustainability endeavours to date can be found in the Sustainability Statement within this Annual Report

which provides an overview of the Group's commitment to creating sustainable, ethical and responsible value.

We strongly believe in developing and stewarding the talent of our valued and dedicated workforce as it is key to our progress and to maintaining our competitive edge. In line with this, we continue to implement effective human development programmes that enable both individuals and teams to be equipped and empowered. To strengthen our team's skillsets and add value to the Group, we continue to leverage training tools from both internal and external sources, including the training resources provided by the Human Resources Development Fund or HRDF.

To support the Government's Professional Training and Education for Growing Entrepreneurs ("PROTÉGÉ") Programme, we have to date taken eight management trainees on board to train them and eventually absorb them into our workforce. This entrepreneurial and marketplace training programme, which is a collaboration between the Ministry of Entrepreneur Development and industry experts, aims to cultivate the potential of youth through augmenting their entrepreneurial and professional skills so that they add value to the national economy.

### RECOGNISED FOR OUR COMMITMENT TO EXCELLENCE

As the Censof Group grows from strength to strength, we acknowledge the importance of embedding high standards of excellence throughout our operations and maintaining high-quality products and services. In recognition of our efforts, Censof and the people who represent us were presented with numerous awards and accolades during the year in review.

In December 2021, Dr. Zainul Ariffin Harun, the CEO of Century Software was hailed the "Masterclass CEO of the Year" at the Malaysia Excellence Business Awards 2021 event.

In March 2022, Century Software was named one of the recipients of the 2021 WITSA Global ICT Excellence Awards in the Public / Private Sector category at the PIKOM Unicorn Tech Awards Night 2021. Century Software gained recognition for the development of its MyResults solution for Malaysia's MOF. The World Information Technology and Services Alliance ("WITSA") is the leading voice of the global digital technology industry. Its members from over 80 countries and economies, represent more than 90% of the world's ICT market.

### MOVING FORWARD, REMAINING RELEVANT

As the digitalisation needs of private and public sector players evolve and they are compelled to shift the way they strategize and operate, Censof will continue to play a key part in their growth. To help them strengthen and enhance their operations as well as serve their target audiences effectively, we will focus our efforts on providing them innovative products and services. As one of the market leaders of the digital-driven industry, Censof remains committed to fuelling and expediting Malaysia's digital transformation through leveraging innovative proven and emerging technologies, exploring strategic acquisitions, as well as collaborating with homegrown and global companies. We will also explore other means to accelerate the pace of innovation and enlarge our spread of offerings to a larger client base.

To align with the nation's MyDIGITAL initiative (that focuses on the digitalisation of the public sector, SMEs and the micro-SMEs) and the 12th Malaysia Plan, Censof's focus over the immediate to mid-term will revolve largely around participation in

## CHAIRMAN'S STATEMENT

MyDIGITAL activities (the finer details of which are spelt out in the MD&A section of this Annual Report).

To ensure the Group maintains its competitive edge and its relevance to the markets we operate in, we will continue to implement prudently thought-out growth strategies. To this end, our key priorities moving forward will be to populate our ecosystem, consolidate the building blocks to strengthen our product standing and cash flow, keep a keen eye on widening margins, as well as sustain long-term growth.

As the Censof Group moves forward into FY2023, we do so from a position of strength with a project basis orderbook of RM43.84 million and a recurring maintenance revenue of approximately RM46.15 million. These will accord us solid revenue streams over the next financial years. In view of this, the Board is cautiously optimistic that we will continue to deliver a steadfast performance in FY2023.

### ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I wish to convey our deepest appreciation to all those who have stood by Censof and resiliently supported us throughout both challenging and profitable times.

I would like to express my sincere gratitude to all our shareholders for their steadfast support and confidence in the Censof Group. I would also like to convey my heartfelt appreciation to our clients, business partners, bankers, business associates and strategic partners for placing their unswerving confidence and trust in us.

A special note of thanks to the Ministry of Finance and the many other government agencies for their continuous support of

Censof and the domestic ICT industry. With the kind backing of the Malaysian Government, the prospects for Malaysia's flourishing digital economy look bright. The Censof Group for one is honoured to play a key role in the many growth opportunities afforded to players like ourselves.

In FY2022, Century Software celebrated its 25<sup>th</sup> anniversary by showing its appreciation to five loyal customers who have been with the company since its inception. I wish to convey my utmost gratitude to SIRIM Berhad, the Selangor State Development Corporation or Perbadanan Kemajuan Negeri Selangor, the Farmers' Organisation Authority or Lembaga Pertubuhan Peladang, MARA Polytech College or Kolej Poly-Tech MARA, and the Malaysian Agricultural Research and Development Institute ("MARDI") for their unwavering loyalty to the Group. A big "thank you" from the bottom of our hearts for standing with us all these years.

We acknowledge the worthy efforts and contribution of our diligent and dedicated employees who stood with us through yet another challenging season and enabled us to achieve a successful performance. My heartfelt thanks to my colleagues on the Board and Management for their wise counsel and leadership that have enabled us to successfully navigate and overcome the year's difficulties.

Over the course of a highly challenging year made worse by the hardships brought on by the pandemic, it is with great sadness that I report the loss of two of our esteemed Human Resource staff members, namely En. Ismadi Bin Norahman and Ms. Shobana Appukutty, who succumbed to the COVID-19 virus. We are also deeply saddened by the demise of our fellow Director, Mr. Boey Tak Kong who passed away in October 2021. As we

mourn the loss of three dear members of the Censof Family, we extend our heartfelt condolences to their grieving families.

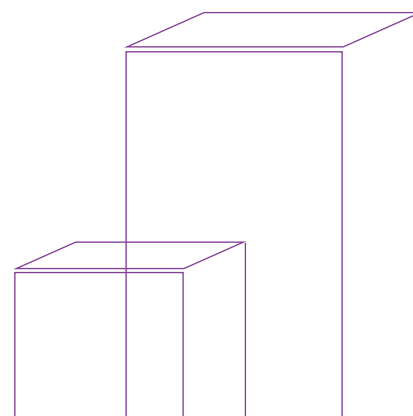
At this time, please join me in extending a warm welcome to our two new Independent Non-Executive Directors, namely En. Mahathir Bin Mahzan and En. Mohd Redzuan Bin Hasan who joined us on 1 March and 1 June 2022 respectively. They both bring a wealth of experience to the table in their respective areas of expertise and we look forward to their astute insights and contributions.

Moving forward, Censof will set its sights on achieving greater heights of success while adding sustainable value to our stakeholders. As one of Malaysia's prime movers in financial management solutions, we will focus our efforts on strengthening our business fundamentals as we strategically build upon the good momentum we have gained to date. As the world continues to embrace digitalisation, we will play our part in providing innovative solutions and quality services that will further accelerate the growth of the digital economy.

I call upon all our stakeholders to lend us their kind support as we work towards achieving a steadfast performance in the new financial year. Thank you and stay safe everyone.

**Tan Sri Dato' Mohd Ibrahim  
Bin Mohd Zain**

Independent Non-Executive Chairman  
26 July 2022



# MANAGEMENT DISCUSSION AND ANALYSIS

Dear Valued Shareholders,

I am pleased to report that despite an already challenging market environment made worse by resurgences of the COVID-19 virus, Censof turned in a commendable performance for the financial year ended 31 March 2022 ("FY2022"). Our success is owing to the many opportunities that we were able to capitalise on as the public and private sector rushed onboard the digitalisation bandwagon in a bid to remain relevant to their target audiences. As the new market realities set in, Censof was quick to adapt to the needs of the segments that we serve and align with Malaysia's digitalisation transformation agenda.

The year also saw us strengthening and streamlining our core businesses while delivering on our existing contracts and securing new ones. To maintain our competitive edge and leverage on the surge for all-things-digital, we continued to collaborate with our strategic partners, both existing and new ones, to develop, deploy and strengthen our portfolio of innovative technological offerings. Strategic acquisitions also featured strongly in our gameplan. These, among other measures, did much to reinforce our position as a key player in the markets that we operate in, boosted our reputation as a reliable and credible partner, and led to the year's good results.

It is my pleasure to present the finer details of Censof's businesses and growth strategies, our financial and operational performance for FY2022, as well as our prospects and strategic direction moving forward.

## A HIGHLY CHALLENGING OPERATING ENVIRONMENT

Like many other businesses, Censof faced highly challenging operating conditions in the year under review. In 2021, Malaysia underwent another two Movement Control Orders ("MCOs") as the number of positive COVID-19 cases and deaths spiked up. MCO 2.0 (imposed around mid-January) and MCO 3.0 (imposed in May) both had an adverse effect on the domestic economy even as many economic sectors, except for essential ones, were brought to a grinding halt. We are deeply grateful that the ICT services sector which is classified as an essential services sector was able to continue operating over that time.

Around mid-June 2021, as part of its efforts to nurse an ailing Malaysian economy back to health, the Malaysian Government unveiled a four-phase National Recovery Plan ("NRP"). In mid-August, as Phase 1 of the NRP was rolled out, restrictions were relaxed for those who had been fully vaccinated while more business sectors were allowed to resume operations. As the majority of economic sectors began reopening by Q3 2021, the Malaysian economy began to recover although in a moderate manner, growing to 3.1% in 2021 in comparison to a contraction of 5.6% in 2020. This turnaround was largely owing to the successful rollout of the Government's National Immunisation Programme.

Even as Censof was able to operate over the course of the pandemic, our teams worked diligently to ensure our clients were able to continue operating digitally or to fast-track the digitalisation of their operations. As we focused on ensuring that our clients remained relevant to their stakeholders and were able to operate efficiently, demand for our solutions – much of which is cloud-based – flourished.

## THE GROUP'S BUSINESSES

The Censof Group is a technology group that specialises in an extensive portfolio of financial management software solutions for the public and private sectors. Catering to government agencies, large corporations as well as SMEs and micro-SMEs, we tap the expertise of in-house experts and strategic partners to deliver innovative solutions to our large customer base. Today, the Group has a geographical footprint in 12 countries



## MANAGEMENT DISCUSSION AND ANALYSIS

while our workforce is made up of more than 358 dedicated and talented individuals. With our proven track record, industry insights, coupled with our dedicated teams and strategic partners, Censof has an unequalled competitive ability to address industry requirements and deliver high-quality products at the local and global levels.

In FY2022, we streamlined our business to ensure a more laser-focused approach. Today we have four main business divisions:

- Our Financial Management Solutions - Government division houses our largest subsidiary, Century Software (Malaysia) Sdn. Bhd., which continues to be a major contributor via its provision of government-centric financial management solutions.
- Our Financial Management Solutions - Commercial & SME division, which is helmed by both Asian Business Software Solutions Pte. Ltd. ("ABSS") and the Netsense Group, focuses on providing solutions to the enterprise, SME and micro-SME segments. Our all-in-one cloud-based accounting solution for start-ups and entry-level SMEs, Financio, also falls within this division's portfolio.
- Meanwhile, the Group's Wealth Management Solutions division comes under the ambit of our Indonesian subsidiary, PT. Praisindo Teknologi ("PT. Praisindo").
- In January 2022, we established the Digital Technologies division to formally house the many emerging technology ventures we have entered into via strategic partnerships or acquisitions.

For more details of the Group's key businesses, please refer to the "Quick Facts & Business Divisions" section on pages 6 to 11 and the "Performance by Business Divisions" sub-section within this Management Discussion and Analysis.

**Ameer Bin Shaik Mydin**  
Group Managing Director

### OUR STRATEGIES FOR GROWTH

The Censof Group's commitment to delivering sustainable long-term value to our stakeholders is underscored by our short- to mid-term and long-term strategies for growth. These guide the Group and our subsidiaries as we move forward on our journey to success. These strategies also serve to direct our value creation efforts as we continue to grow in our role as a technology and innovation leader specialising in business and financial management solutions.

#### Short- to Mid-term Strategies

As many of the markets that we operate in come to the endemic phase of the pandemic, we continue to align our business activities with the existing conditions in these markets. This is seeing us focus our efforts on the development of new products and services that will help us to capitalise on the uptrend in demand for digital solutions. At the same time, we are looking to contribute to the economies that we operate in by offering our products and services as well as support to government agencies, enterprises, SMEs and micro-SMEs who are looking to accelerate their digitalisation efforts.



## MANAGEMENT DISCUSSION AND ANALYSIS

To meet the ever-evolving and wide-ranging needs of our various clients, we are continuously exploring ways in which we might enhance our products and services as well as fast-track the delivery of new ones. To this end, we continue to engage in strategic collaborations and acquisition opportunities that will further support our aim of developing a broader and more holistic range of products and services attuned to market needs. By introducing new technologies into our products, we are bolstering our marketplace reputation as a provider of cutting-edge, long-term technology solutions.

Our strategies for the near-term include the migration of more and more of our solutions onto the cloud and priming our products to reach specific market segments. We are also tapping into regional demand for remote workforces – something that is currently on the uptrend. For instance, by leveraging the Netsense Group's Acumatica cloud-based Enterprise Resource Planning ("ERP") software, larger SMEs and government agencies are today working remotely without sacrificing their efficiency and productivity. At the same time, some 90 government agencies are tapping Century Software's Standard Accounting System for Government Agencies ("SAGA") which helps streamline operations and statutory reporting across government agencies. By leveraging SAGA products and solutions, agencies are able to uphold operational excellence, good governance and timely reporting effectively.

Our cloud-based Government Resource Planning ("GRP") solution too has become an integral resource planning tool for the public sector. This integrated financial and business management system accords users good governance, resource management, financial compliance and internal control capabilities. It also gives users access to real-time data and reports from virtually any interface. All in all, the GRP solution aims to increase the efficiency of public administration activities and the quality of services provided to citizens while ensuring accountability. To date, many of the federal statutory bodies who have integrated our GRP solution into their operations have been recognised for their efficient and transparent audit reports. Censof will continue to play an integral part in the transformation of Malaysia's public sector by revitalising the role of government agencies and making them more transparent, proactive, efficient and service-oriented.

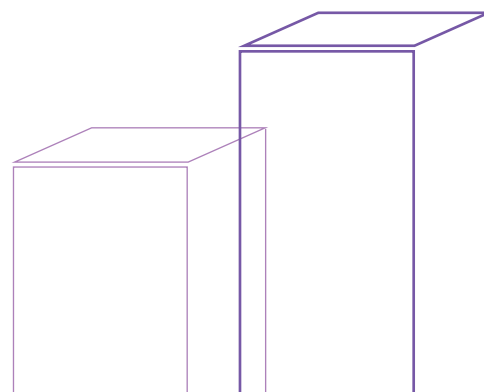
In 2020, to encourage more organisations to migrate onto cloud computing platforms, we established CS Cloud Sdn Bhd ("CS Cloud"). This company is not only effectively meeting the growing demand for remote working but is also enabling companies to manage their businesses more efficiently with effective real-time management tools embedded within private

or hybrid cloud deployments. Today, CS Cloud together with Cloocus Sdn Bhd, Censof Digital Sdn Bhd, Cognitive Consulting Sdn Bhd and Tender Pintar, have come under the umbrella of the Group's new Digital Technologies division that is tasked with accelerating digital adoption via cloud-based and emerging technologies. These companies continue to strengthen Censof's range of cloud solution offerings through strategic partnerships and acquisitions.

The abovementioned strategies reflect some of the areas of opportunity that the Group is focusing on currently. In alignment with Malaysia's ambitions to fast-track its digital capabilities, Censof's focus for the short- to mid-term will revolve largely around our participation in the MyDIGITAL initiative. Launched in February 2021, the MyDIGITAL initiative is a comprehensive approach designed by the Malaysian Government to anchor the nation's digital economy by 2030. It aims to transform Malaysia into a digitally-driven, high income nation and a regional digital economy leader.

MyDIGITAL is set to empower Malaysians nationwide and improve the people's lives in every aspect. It encompasses ideas and plans to increase digital literacy, create high-income jobs, enhance banking and finances, as well as provide better digital access to education and medical services in rural towns. It comprises several action plans which adopt a holistic national approach and which complement the existing national development policies and initiatives, including the 12th Malaysia Plan, the Shared Prosperity Vision 2030, and the 2030 Agenda for Sustainable Development.

MyDIGITAL sets out the consolidated initiatives and targeted outcomes as it pertains to the rakyat, business and the government, across three phases of implementation between 2021 and 2030. All these benefits will be delivered through 6 strategic thrusts, 22 strategies, 48 national initiatives and 28 sectoral initiatives via the Malaysia Digital Economy Blueprint. To make the most of the blueprint, Censof has unveiled its own roadmap which pinpoints the relevant projects related to each thrust that we will be focusing on and the specific companies within the Group that will be involved in these projects.



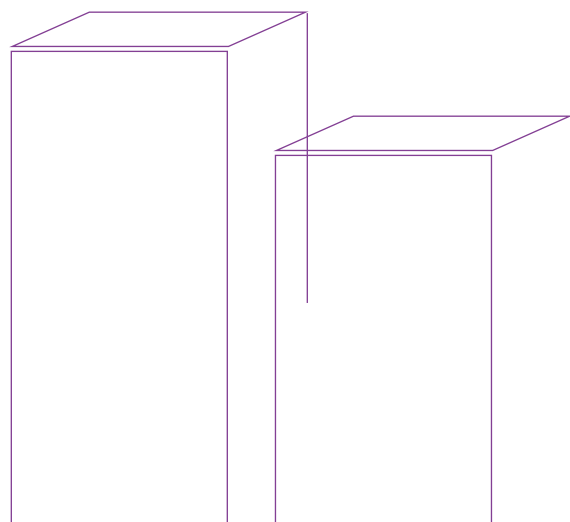


## MANAGEMENT DISCUSSION AND ANALYSIS

### How Censof Intends to Leverage the Malaysia Digital Economy Blueprint

National Thrusts (T)	Relevant Related Projects	Participating Censof Companies
T1: Drive digital transformation in the public sector	<ul style="list-style-type: none"> <li>- Move government agencies onto cloud solutions offered by CS Cloud, Century Software, etc.</li> <li>- Encourage more companies to adopt Smart e-PBT payment options (partner/buy IOT companies).</li> </ul>	CS Cloud, Century Software, Tender Pintar
T2: Boost economic competitiveness through digitalisation	<ul style="list-style-type: none"> <li>- Create super-app accessibility via smartphones.</li> <li>- Provide accounting tools for co-ops (co-ops are listed as the third highest revenue generators in the country).</li> </ul>	Censof Digital
T3: Build enabling digital infrastructure	<ul style="list-style-type: none"> <li>- Encourage more organisations to adopt PEPPOL.</li> <li>- Build super portals.</li> </ul>	ABSS, Century Software, Netsense
T4: Build agile and competent digital talent	<ul style="list-style-type: none"> <li>- Drive awareness on the need to automate and digitalise across all functions with a structured plan to upskill all team members.</li> </ul>	All
T5: Create an inclusive digital society	<ul style="list-style-type: none"> <li>- CSR</li> </ul>	All
T6: Build a trusted, secure and ethical digital environment	<ul style="list-style-type: none"> <li>- Encourage more SMEs to uptake digital accounting (Financio).</li> </ul>	ABSS

We are excited about the prospects of supporting the Government's digital transformation agenda particularly by way of our cloud-based financial solutions and applications. We will unravel the finer details of our MyDIGITAL-related plans as we go along.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Long-term Strategies

Censof's long-term plan is to continue growing the Group's footprint via synergistic partnerships. This supports our objective of establishing Censof as a household name within the industry and bolstering our overall portfolio. To this end, we will look into developing and maintaining a network of channel partners on both the local and international fronts. Channel partnerships will not only accord us valuable sales and marketing opportunities, these will also open up avenues for new revenue streams and serve as platforms for collaborative growth. To ensure that the Censof branding and all our products are well represented, our channel partners will undergo focused training.

Moving forward, we plan to tap cloud computing technologies, mobile transactions and digital payments on the commercial front in greater measure. These solutions continue to gain traction as remote workforces and the use of digital platforms become commonplace today. In line with this, we are looking to support SMEs through the development of a cloud-based information management system that caters specifically to SMEs. Accompanied by a monthly subscription, this system will help to smoothen out the Work-from-Home ("WFH") experience for smaller companies even as this phenomenon is on the uptrend. Our Digital Technologies division is tasked with spearheading the initiatives in this area in a more focussed manner.

We also intend to continue exploring more collaborative opportunities to help drive Malaysia's digital transformation and support the growth of the technology industry. These mutually-beneficial collaborations will not only serve to establish Censof as a holistic digital solutions provider, but will also encourage the healthy development of the industry and market ecosystem. This strategy is rooted in Censof's mission to empower our people to be caring citizens who actively contribute to the industry and communities. By leveraging these collaborations, we aim to strengthen our market presence and extend our product portfolio.

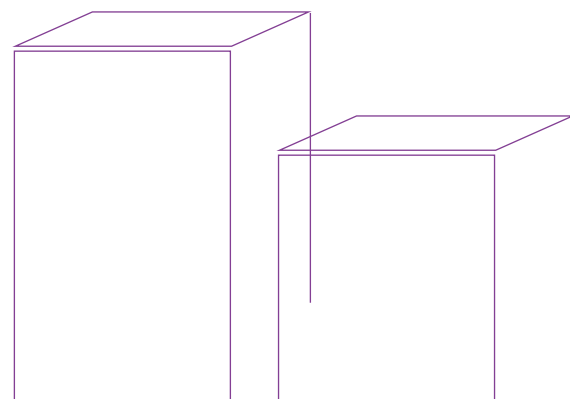
Our partnership with Microsoft under the latter's "Bersama Malaysia" initiative underscores our aim to drive the nation's digital transformation in key segments within the private and public sectors. The collaboration will see Censof's GRP solution combined with Microsoft Azure and other data technologies to meet the needs of both the private and public sector in a holistic and versatile manner. In support of the technology community as well as to grow our reputation as a responsible

and relevant corporate citizen, we will also continue to support industry-driven initiatives through participation in industry web-conferences, webinars, hybrid or physical events.

Censof's presence in the international arena continues to gain traction via our participation in the Malaysian Digital Economy Corporation's ("MDEC") Global Acceleration and Innovation Network ("GAIN") programme. This initiative by the Government to launch homegrown companies onto the global stage via partnerships with foreign companies, also accords members access to MDEC's global network, funding facilitation and a mentorship programme. We continue to explore the prospect of extending our footprint to countries within the region as well. To this end, the subsidiaries under the ambit of our various divisions will continue to strengthen their relationships with their existing overseas partners.

Even as we grow our businesses, we remain committed to continuously building the Censof brand. An important aspect of our brand-building strategy is to maintain clear channels of communication with our stakeholders which include our shareholders, workforce, regulatory officials, members of the Media and the communities in which we operate. Via consistent engagement as well as consistent and transparent reporting, we aim to uphold our stakeholders' confidence in us while reinforcing our standing as a trustworthy corporate citizen. Our engagement measures to date include a reinvigorated corporate website, bi-monthly press releases to our Media partners, as well as online conferences with our partners and clients.

Our ultimate aim is to reinforce our clients' confidence and trust in the Censof brand, services and solutions. Having positioned Censof as a reinvigorated, tried and true technology group, we continue to focus our efforts on building goodwill and bolstering the confidence of our existing customers while exploring new opportunities in the wider market. We also remain committed to fast-tracking the rollout of all projects we have been entrusted with and delivering these projects ahead of time so that our clients keep coming back to us and stay on as "customers for life".



# MANAGEMENT DISCUSSION AND ANALYSIS

## GROUP FINANCIAL PERFORMANCE

### Overview

Segmental Revenue and Profit/(Loss) Before Tax		
	FY2022 RM'000	FY2021 RM'000
<b>Revenue</b>		
Financial Management Solutions - Government	79,150	60,324
Financial Management Solutions - Commercial	23,237	21,790
Wealth Management Solutions	6,598	5,246
Digital Technology	5,821	-
Payment Aggregation Solutions*	-	189
Training Solutions	-	60
Corporate	1,047	4,029
Elimination	(5,806)	(4,277)
	<b>110,047</b>	87,361
<b>Profit/(Loss) Before Tax</b>		
Financial Management Solutions - Government	16,008	11,171
Financial Management Solutions - Commercial	9,453	7,411
Wealth Management Solutions	444	263
Digital Technology	1,785	-
Payment Aggregation Solutions*	-	657
Training Solutions	-	(177)
Corporate	(1,671)	18,660
Shares of Results in Associate	28	-
Elimination	(1,781)	(8,396)
	<b>24,266</b>	29,589

\* The equity interest in the Group's payment aggregation solutions company was diluted to 49% and the company was recognised as an associate in FY2022.

## MANAGEMENT DISCUSSION AND ANALYSIS

In FY2022, the Censof Group's revenue rose by 26.0% to 110.05 million in FY2022 from RM87.36 million in the preceding year. The higher revenue contributions came mainly from improvements in the Group's Financial Management Solutions - Government as well as Financial Management Solutions - Commercial & SME divisions.

Our Financial Management Solutions - Government segment, under the ambit of Century Software, garnered revenue amounting to RM79.15 million, marking a 31.2% increase from FY2021's revenue of RM60.32 million. The increase was supported by the continuation of existing contracts with the Malaysian Government, fast-tracked project deliverables, and contributions from new contracts. Our Financial Management Solutions - Commercial & SME division, helmed by ABSS and Netsense, registered steady demand for their enterprise, SME and micro-SME segment solutions. This led to a healthy 6.7% growth in the division's total revenue to RM23.24 from RM21.79 million on the back of revenue contributions from the ABSS and Netsense businesses.

The Group's revenue also improved by way of contributions from the Wealth Management Solutions division which saw a 25.7% rise in revenue to RM6.60 million from RM5.25 million previously. Meanwhile, the newly established Digital Technologies generated revenue of RM5.82 million following the acquisition of a robotic process automation ("RPA") business under Cognitive Consulting Sdn. Bhd. in January 2022. The revenue from the Digital Technologies division was solely derived from cloud computing, electronic tendering and RPA services.

In FY2022, the Group's profit before tax ("PBT") and profit after tax and minority interests ("PATAMI") were relatively lower year-on-year at RM24.27 million and RM18.49 million respectively. This lower profitability was due to the absence of one-off contributing factors where the recognition of non-recurring items in the preceding year boosted FY2021's PBT and PATAMI. Excluding the non-recurring items, FY2022's earnings of RM23.31 million was more than 100% higher than FY2021's operating profit of RM11.32 million. Similarly, PATAMI surged over 100% from RM8.34 million FY2021 to RM17.54 million in FY2022 after excluding the non-recurring items of fair value adjustment and gain on disposal of other investments for both financial years.

All our existing divisions saw their respective PBTs rise in the financial year: the Financial Management Solutions - Government registered a 43.3% rise in PBT to RM16.01 million; the Financial Management Solutions - Commercial & SME division turned in a 27.6% rise in PBT to RM9.45 million; and the Wealth Management Solutions division saw its PBT jump by 68.8% to RM0.44 million. We are especially pleased with the maiden performance of the Digital Technologies division which registered a PBT of RM1.79 million in FY2022.

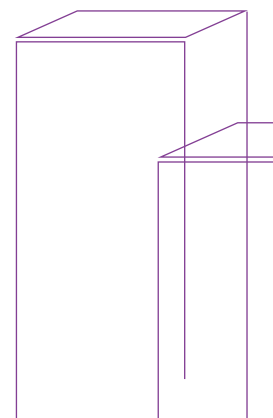
The Group also recorded a reduction in basic earnings per share ("EPS") to 3.35 sen as at end FY2022, in comparison to basic EPS of 5.28 sen per share as at end FY2021. This was owing to the reduction of net profit in FY2022 and the increment of shares unit upon the private placement exercise which took place in March 2021.

### Group Funding Position

As at end FY2022, the Censof Group had borrowings amounting to RM0.5 million in comparison to borrowings of RM0.35 million as at end FY2021. Correspondingly, the Group's gearing ratio was negligible (at 0.005 times in comparison to 0.004 times) as at end FY2022. The Group's cash and cash equivalents too remained robust as at end FY2022, having risen to RM29.92 million from RM28.63 million previously.

**FY2022  
REVENUE**  
Financial Management  
Solutions - Government  
increased by  
**31.2%**  
to **RM79.15 million**

**FY2022  
CASH AND CASH  
EQUIVALENTS**  
**RM29.92**  
million



## MANAGEMENT DISCUSSION AND ANALYSIS

### PERFORMANCE BY BUSINESS DIVISIONS

#### FINANCIAL MANAGEMENT SOLUTIONS - GOVERNMENT DIVISION

##### Overview

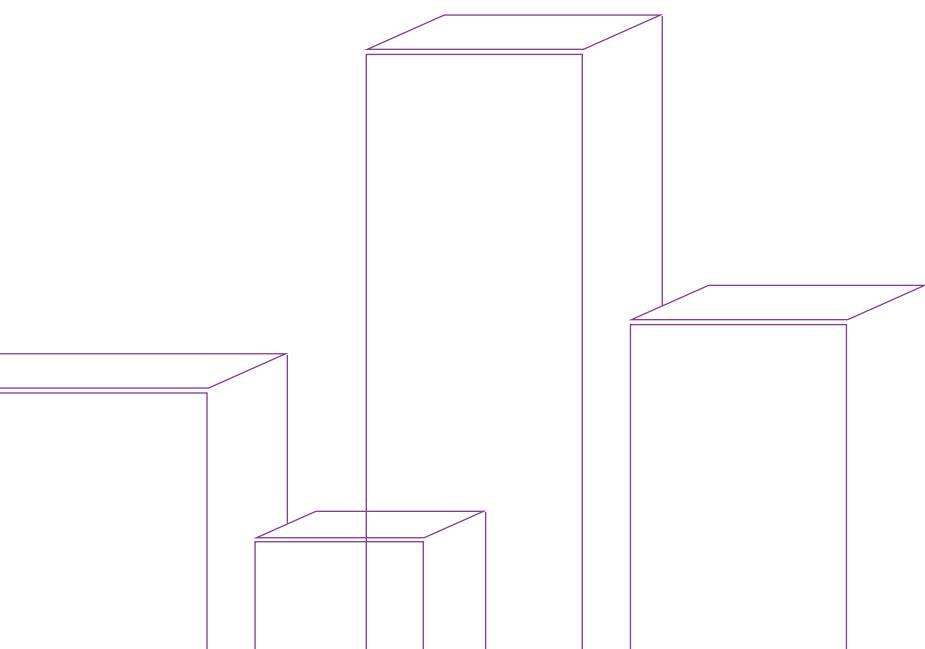
Our Financial Management Solutions - Government division which is helmed by Century Software, provides an array of financial management solutions to government agencies at the federal, state and local council levels. By leveraging our suite of comprehensive and customisable solutions, clients are able to strengthen their operations in an efficient and sustainable manner.

Censof has faithfully served government agencies for more than 25 years now and we continue to strengthen our role as the leading provider of financial management solutions to the public sector particularly through our provision of specialised high-quality products that have been developed in compliance with the Standard Accounting System for Government Agencies or our SAGA solution. SAGA's ability to standardise transactional data and results in a seamless manner, as well as ensure proper accounting and completeness of all financial transactions across government agencies, makes it a sustainable solution that is extensible, flexible and adaptable to reforms, as well as suitable for a wide range of public sector-related financial requirements. To date, this solution serves more than 90 government agencies. With a team of more than 40 accountants and 160 employees to call upon in our back office, this mainstay segment of our business continues to give us a competitive advantage.

On the Government Resource Planning front, we continue to leverage our GRP suite to help agencies of all sizes to transform themselves, achieve efficient service delivery, as well as strengthen their participation and governance. Our comprehensive GRP web-based resource planning solution has helped accelerate the transformation of various government agencies by ensuring all their related operational elements such as the finance, human resource, asset and e-procurement management functions work together in the most effective manner for enhanced efficiency and service delivery.

As part of our efforts to continually enhance our overall offerings, we released upgrades for our GRP solution in FY2021 and FY2022 respectively. These upgrades are going a long way in helping the Malaysian Government propel closer towards its digital transformation ambitions. We continue to build upon the good momentum we have garnered in this area and add maintenance service contracts to our GRP related offerings. With the Government's growing openness towards embracing cloud-based solutions, we are hopeful that more government agencies will come on board as our customers. Aside from this, we continue our collaboration with Microsoft to get our GRP solution up and running on Microsoft Azure.

Our state-of-the-art business solutions are not solely limited to financial management, but also encompass business performance, business intelligence, data analytics, application development and other solutions. These solutions can be installed on-premise to optimise a client's internal infrastructure, or on-cloud within a secure, modern and reliable delivery framework. Our services are supported by a team of high calibre consultants comprising Project Management certified professionals – the majority of whom are qualified accountants.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Key Highlights

For the financial year in review, we continued to implement various government contracts as well as secure new ones. This included a RM10.12 million contract for Malaysia's Ministry of Finance ("MOF") for maintenance and support services for MyResults, the Government's budget management information system. The 24-month extension contract for the MOF, which underscores their continued confidence in Censof, will run until December 2022. Also in the works is the development of a commercial vehicle licensing system for the Ministry of Transport ("MOT") under a 36-month contract worth RM17.86 million that will run until 31 March 2024. We are grateful to the MOT for placing their trust in us and look forward to working with them to implement a successful project.

Another contract that is underway is the RM13.5 million contract for the Accountant General's Department of Malaysia ("AGD") to develop the iPayment solution which will facilitate cashless payments and collections for all government services. The 36-month contract commenced in December 2021 and will run until December 2024. iPayment is expected to be rolled out to all government agencies by 2022 and we are making good headway thus far. The fact that iPayment will eventually be the sole system by which every citizen will use to conduct government-related transactions, augurs well for us.

In February 2022, we commenced a RM7.3 million contract from SME Corporation Malaysia ("SME Corp") to develop the first phase of an integrated application system for SME rating and accreditation. The 45-month SME Corp contract commenced in February 2022 and will end in November 2025. This project entails the creation of a comprehensive integrated system with a centralised database that incorporates the latest security features and technologies such as blockchain and artificial intelligence ("AI"). Linked to SME Corp's internal system, the Companies Commission of Malaysia and payment gateway providers, it will help SME Corp reduce its reliance on manpower by churning out accurate digitalised SME ratings and scores in an efficient and timely manner to determine the competitiveness and capabilities of SMEs. This project will also reinforce Censof's position as a key player in the SME space that we are heavily involved in.

Censof continues to make strong strides forward in the public sector on several other fronts. Back in June 2021, Century Software announced its official partnership with Hospital Pengajar Universiti Putra Malaysia ("HPUPM") to implement the cloud-based TenderWizard system aimed at enhancing the efficiency, effectiveness and transparency of tendering and procurement processes. Upon the cost-effective TenderWizard solution with its user-friendly features and integrated payment gateway proving itself within the public healthcare segment, we have been leveraging it to facilitate digital adoption across other segments of the public sector. Today, our TenderWizard customer base includes organisations such as the Federal Land Development Authority ("FELDA"), the Inland Revenue Board of Malaysia ("LHDNM"), Dewan Bahasa dan Pustaka ("DBP"), Suruhanjaya Koperasi Malaysia ("SKM"), and Lembaga Kemajuan Ikan Malaysia ("LKIM"), among others.

Meanwhile, Tender Pintar is also playing its part in the Government's digital transformation agenda by taking the lead in migrating all manual tendering processes to electronic tendering processes.

In August 2021, Century Software and Jitterbit, an application programming interface ("API") transformation company, strengthened their partnership with the pledge to continue advancing their joint technology to enable Malaysian government agencies and businesses to accelerate their digital transformation journey. Leveraging Jitterbit's easy-to-use API integration platform, government agencies are now able to gain real time access to data and make informed decisions in a faster and more effective manner. Jitterbit's flexible pricing model is also able to address the pricing challenges that government agencies typically face.

In October 2021, Century Software organised the CSM Virtual Global User Conference 2021 - The Normal Norm for SAGA users. The event, which focused on the merits of digital transformation, seamless personalisation, best-in-class functionality, and innovation with a robust ecosystem, drew good response from participants. Moving forward, we will continue to expand on SAGA and prudently look for acquisition opportunities related to financial-related technology that will make good value propositions.

## MANAGEMENT DISCUSSION AND ANALYSIS

January 2022 saw Century Software signing a three-year memorandum of understanding ("MoU") with Universiti Sains Malaysia ("USM") to foster university-industry collaboration in the fields of accounting and information technology. Aside from a focus on nurturing interns from USM, Century Software will provide financial management solutions, including its GRP solution, to facilitate seamless accounting processes at the university. Both parties will also explore other training and academic linkages as well as cooperation opportunities. By helping cultivate an agile and competent digitally-skilled workforce, we are playing our part in developing the country's human capital and propelling Malaysia forward closer towards achieving its digital economy ambitions.

As of July 2022, Century Software has a controlling equity stake in GW Intech Sdn. Bhd. ("GW Intech") which specialises in IT solutions for local authorities, particularly the ePihak Berkuasa Tempatan ("ePBT") financial management solution. To date, GW Intech's ePBT 2.0 system has been deployed among more than 50 local authorities, mainly in the states of Perak, Negeri Sembilan, Kelantan, Kedah and Pahang. Censof too has played its part in assisting some seven local authorities including Dewan Bandaraya Kuala Lumpur with their ePBT system development. With GW Intech now within our fold, Censof's dominant position on the local government front has been strengthened.

In line with our initial efforts to contribute to Malaysia's MyDIGITAL initiative, we have rolled out the BayarNow solution through our partnership with KiplePay. This customer portal and payment gateway solution for all government agencies that are SAGA-compliant accords users a readily-accessible electronic billing and payment services gateway with multiple payment options. Directly integrated to the Century Financial System, all transactions via BayarNow will be auto-generated and auto-posted on a real-time basis. To date, 18 sites are tapping BayarNow and this number is steadily rising.

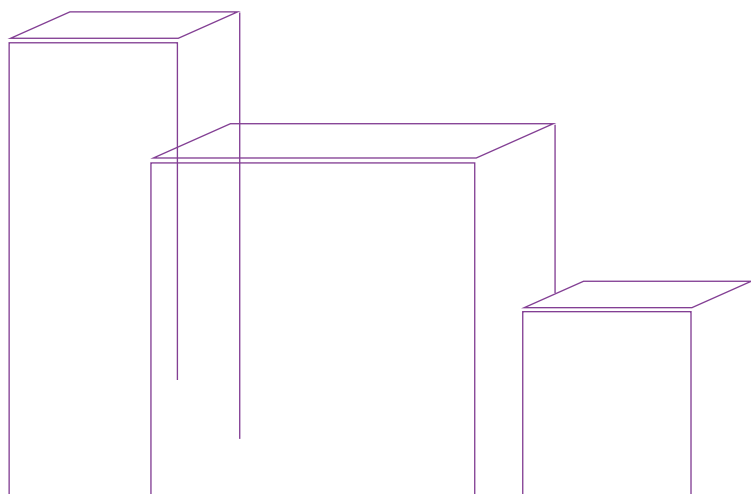
### Moving Forward

As we venture forth, we will continue to serve the public sector by delivering high-quality solutions and services while augmenting our spread of offerings. To sustain business growth in this segment, we will work diligently to ensure our ongoing projects are implemented successfully. We will then also explore opportunities to secure maintenance and support contracts from those same clients. We will also focus our efforts on acquiring new clients who are interested in adopting our proven SAGA and GRP solutions. At the same time, we will explore how best to enhance our ePBT solution for municipal or local government bodies while extending this customer base. With Censof being one of the only companies that is Chief Government Security Office or CGSO-certified (meaning we have attained high-level security clearance), we hold an industry advantage and intend to capitalise on this.

Given that the majority of our public sector clients have migrated to the cloud, this opens up more opportunities for us to tap into recurring income. With the rollout of the Malaysia Digital Economy Blueprint, Censof is committed to ensuring that all government agencies are able to meet their digitalisation mandate. To enhance our cloud services offering and add value to the public sector, we are open to exploring options to tie-up with new strategic partners as per our partnership with Microsoft.

As the move towards embracing on-cloud solutions picks up pace, we have taken the opportunity to ramp up our team's skills in this specific technical area with a view to providing innovative solutions and services that will help bolster Malaysia's digital transformation economy as well as create a new breed of cloud-based entrepreneurs and homegrown companies.

In line with our efforts to expand our regional footprint, we have strengthened our talent pool in India and are exploring potential new opportunities to serve the public and private sectors in that nation. To date, we have established a development centre in Coimbatore in Tamilnadu under Censof Software India Pty. Ltd. The centre boasts 20 staff who are focused on the development of various products for Century Software. By leveraging this pool of talent, we are able to enjoy reduced development costs, tap into India's large pool of software development resources as well as experts who have a solid understanding of the latest technology solutions. Today, with our Indian subsidiary supporting us on the product development fronts, this has enabled us to increase the speed of our product go-to market strategy.





## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL MANAGEMENT SOLUTIONS - COMMERCIAL & SME DIVISION

#### Overview

In line with Censoft's ambition to be a one-stop business solutions centre for SMEs, our Financial Management Solutions - Commercial & SME division, helmed by ABSS and the Netsense Group, offers customers a broad range of effective solutions in the areas of accounting management, e-commerce, inventory management, payroll management and Enterprise Resource Planning or ERP solutions, among others. The division also has innovative offerings in the area of customer relationship management, human resources, project management, and business intelligence, while it also offers customised dashboards and mobile apps.

Our subsidiary, ABSS, owns and deploys the ABSS-branded financial management and accounting software in Asia as well as caters to some 407,000 SME customers across Malaysia, Singapore, Hong Kong, and more recently Indonesia. ABSS is a market leader among SMEs in Singapore and Hong Kong boasting some 54% and 39% respectively of the SME market share in these two nations.

ABSS' cloud-based product, the Financio accounting solution, continues to make good headway among SMEs and micro-SMES in the region. Featuring English, Chinese, Bahasa Malaysia (and soon Bahasa Indonesia) versions, Financio's user-friendly platform simplifies the book-keeping process with a wide range of accounting functions that are fully compliant with the latest local accounting standards. The Financio solution is particularly popular among SMEs due to its low monthly subscription fee which also makes it more accessible to a wider range of users. Since its launch, Financio has grown to secure more than 4,000 premium subscribers within Southeast Asia and Hong Kong. With more businesses embracing digitalisation, this number is set to grow exponentially.

The Commercial & SME division also has within its portfolio Netsense's proven suite of solutions including the Acumatica ERP solution which is enabling it to cater to mid-market tier companies. Censoft's acquisition of a 51% equity stake in the Netsense Group back in early 2020 not only cemented our position in the cloud ERP business segment, it expanded our strategic footprint in the Commercial & SME segment, and strengthened our overall product portfolio. This game-changing exercise brought Singapore's fastest growing ERP software provider into our fold as well as gave us talented teams working out of Singapore and Kuala Lumpur that today serve reputable

regional clients in more than 15 industry verticals. The company today boasts over 60 commercial clients in Malaysia and Singapore within its customer portfolio. It also has partners in over 20 countries and has delivered over 500 solutions to date.

Even as the Netsense team have gained recognition as "the mid-tier ERP experts", opportunities are expected to grow further with the rise in demand for Work-from-Anywhere or WFA-friendly solutions like cloud ERP and mobile applications. Netsense is well placed to meet their needs through its ever-evolving suite of ERP solutions and services, including its Acumatica ERP solution which is ranked highest in usability and is seen as the leader among ERP solutions. Cost-efficient and customisable in scale, this integrated cloud and mobile technology-based ERP system accords SMEs an attractive arsenal of efficient and accessible tools that are essential in these challenging economic times. Netsense also has the Entuition and Exactly solutions within its solutions stable.

#### Key Highlights

For the year under review, the division undertook several initiatives to strengthen the Group's overall spread of offerings on the Commercial and SME fronts.

September 2021 saw the launch of the Financio v3.0 cloud-based platform. With its significant facelift, intuitive navigation and a plethora of features tailored to meet various accounting needs across businesses of varying sizes, the latest version of Financio is a more comprehensive and more innovative accounting solution. Not only does it support multi-user, multi-lingual and multi-currency needs, with its wide range of integrated applications like bank reconciliation, payroll management, e-commerce and payment gateways, businesses can scale up at ease with Financio whenever they are ready.

In June 2022, the Group increased its 89.07% stake in ABSS to 97.0%. We continue to see exponential growth in ABSS and have reaped a cumulative dividends of some RM20.0 million since we began investing in the company in 2015. Today, demand for ABSS-branded financial management and accounting software including its accounting management software, E-commerce solutions, customer payment gateways, and its all-in-one cloud-based accounting solution, Financio, continues to escalate. Today over 75% of ABSS's revenue comes from business support renewals or annual maintenance fees which provide it recurring income of some RM15.0 million annually. These numbers continue to grow as SMEs embrace digitalisation in greater measure.

## MANAGEMENT DISCUSSION AND ANALYSIS

On the micro-SME front, we continue to make solid advances by way of our successful partnerships with several banks to integrate Financio into their suite of financial offerings for their SME clientele. Following tie-ups with RHB Bank in Malaysia, Maybank and DBS Bank in Singapore, as well as DBS Hong Kong, we have entered into a strategic partnership with UOB Singapore. This partnership calls for ABSS to provide business automation services to UOB Singapore's banking clients via the SG Start Digital programme and to ensure businesses have the tools and banking support to manage their business more efficiently. To drive this initiative, both parties will leverage on the strong relationships they have with SMEs in the region.

### Moving Forward

In the wake of the disruption caused by the pandemic, businesses have realised the need to embrace digital solutions in a greater manner to ensure the safety of their people and the efficiency of their operations. The surge in demand for such solutions has helped reinforce the Group's role as an essential solutions provider with real solutions that deal with real issues. Given that the majority of the commercial enterprises in the ASEAN region comprise SMEs, the division has the opportunity to penetrate this untapped SME segment. In view of this, we are confident that the businesses within the ambit of the division will continue to maintain their good growth momentum as they leverage the many opportunities before them.

As SMEs within the regional markets strive to adapt to the new market realities, ABSS is well positioned to achieve growth with its slew of solutions, especially its ABSS-branded and Financio offerings. ABSS will continue to evolve its offerings for SMEs and micro-SMEs particularly in markets such as Malaysia, Singapore, Hong Kong and Indonesia. Our existing partnerships with established foreign strategic players such as IRAS, PayPal, Stripe, StoreHub and Lazada as well as the host of other strategic tie-ups we have entered into will give us an added competitive advantage when operating in current and new geographies. This will also help us refine and enhance our suite of offerings.

We are confident that Netsense too will continue to be a significant contributor to the division's business' earnings as SMEs leverage Acumatica in greater measure to achieve their digital transformation and productivity improvement goals. We anticipate that demand for solutions that enable remote working will lead to heightened demand for Netsense's cloud ERP and mobile applications. Netsense will also continue to work alongside governments to ensure the growth of SMEs

while maintaining its position as a mid-tier ERP expert. In Singapore for instance, SMEs have had support in the form of the Productivity Solutions Grant and Start Digital grants from the Government that have helped them to upgrade their software solutions.

We believe that the micro-SME segment will remain one of the biggest markets for us in the coming years and will ramp up our efforts to capture a bigger slice of this market. As more small and micro-SMEs enter the market, we will augment the capabilities and extend the reach of our cloud-based Financio solution which continues to net a good share of the market locally and abroad. We are confident that Financio v3.0 and subsequent versions will spur SMEs to migrate to the cloud.

## WEALTH MANAGEMENT SOLUTIONS DIVISION

### Overview

The Group's Wealth Management Solutions Division business, helmed by PT. Praisindo in Indonesia, offers customised technology solutions for the wealth management industry. PT. Praisindo's primary aim is to offer its clients a choice of business solutions by combining people, processes, information and technology so as to strengthen business processes and activities. By tapping the company's process automation technology, clients get to manage their business operations more effectively. PT. Praisindo's clients include top-tier financial institutions in Indonesia who leverage its solutions to assist their high net worth individuals to increase their net worth through good investment portfolio management practices. To date, PT. Praisindo serves 13 conventional banks and one syariah bank.

The company also has the expertise to develop and implement investment management systems for its clientele. The Praisindo IMS solution covers all aspects of a client's investment activities from the front office (including marketing activities), to the back office (including accounting). PT. Praisindo's IMS client base is currently made up of 28 operating fund managers/asset management companies, 16 operating insurance companies and pension funds, as well as 2 operating custodian banks.

Via its Reksa Dana Online or RDO Praisindo solution, the company offers an Investor Portal RDO module which can double up as the virtual branch of an asset management company, a bank, or other mutual fund distributor. PT. Praisindo currently serves three non-bank mutual funds distributors.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Key Highlights

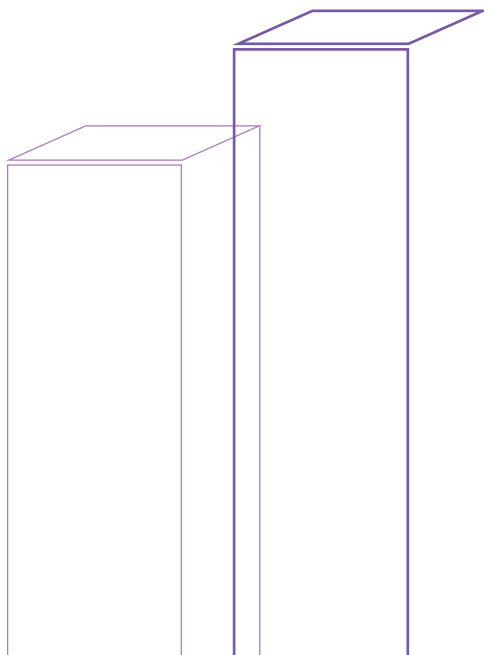
For the financial year in review, PT. Praisindo secured multiple new contracts with banks such as PT. Bank Syariah Indonesia, PT. Bank CIMB Niaga and PT. Bank Permata. The company also went on to secure several projects from PT. Allianz Global Investors Asset Management.

Over the course of FY2022, PT. Praisindo went on to implement a wealth management system project for PT. Treveloka Indonesia and an integration project relating to the Traveloka Super App. It also delivered on an investment management system project for PT. Perta Life Insurance. These contract wins aptly demonstrate PT. Praisindo's continued focus on deepening its presence in its existing core markets, breaking into new markets, and expanding its scope of services. This is all the more noteworthy given this was done amidst market challenges posed by the pandemic.

### Moving Forward

PT. Praisindo will continue to set its sights on entrenching itself in Indonesia's banking sector by expanding both its client portfolio and the provision of services to its fast-expanding client base. The success of its endeavours in FY2022 reflect that it is already making solid advances in this area.

Moving forward, PT. Praisindo plans to expand its footprint by introducing more of its solutions to the Malaysian market. Its recent win of a tender from Amanah Saham Nasional Berhad to provide an online mutual fund trading system via the RDO shows that it is making concrete progress in the right direction.



### DIGITAL TECHNOLOGY DIVISION

#### Overview

Innovative new technologies have always served as catalysts to herald in new eras of development and enlightenment for mankind. With the ongoing COVID-19 pandemic having disrupted entire markets and ecosystems, digitalisation has become the determining point between a market's ability to survive or thrive. The advent of innovative technologies such as artificial intelligence ("AI"), augmented and virtual reality, as well as the Internet of Things ("IoT") and RPA, among others, are enabling individuals and organisations to veer away from the workings of traditional systems and processes to establish their own set of rules.

As part of Censof's vision "to be a technology and innovation leader specialising in business and financial management solutions," the Group is continuously exploring emerging technologies that will allow us to provide a more comprehensive portfolio to our customers.

The formal establishment of a Digital Technology Division which houses nimble, forward-looking companies such as CS Cloud and Censof Digital, underscores our intention to be a key player in this market segment and to accelerate digital adoption via cloud-based and emerging technologies. Both these companies continue to strengthen Censof's range of cloud solution offerings through strategic partnerships and acquisitions.

On top of this, through collaboration with our international partners in the United States of America, Romania and India, we are transforming emerging technologies such as RPA, AI, and IoT into sustainable businesses. These innovations are augmenting our overall portfolio of technological solutions and enabling us to offer practical and secure technological solutions that cater specifically to the government, banking and manufacturing segments.

#### Key Highlights

To accelerate the pace of technological innovation within the Group, we continue to enter into synergistic partnerships with other industry players. This is certainly doing much to invigorate our teams, strengthen our product and service portfolio, expand our geographical footprint, and promote our brand.

## MANAGEMENT DISCUSSION AND ANALYSIS

One of our ventures to date include an integrated payments and fintech solutions joint venture with Green Packet Berhad to transform our payment processing technology associate, T-Melmax Sdn. Bhd. ("T-Melmax"), into a digitally-driven, real-time, multi-layer reporting preferred payment gateway service provider. The combined strength of Censof and Green Packet will ensure the delivery of digitalised strategies, products, and services via T-Melmax to our large base of government agencies and SME clients in Malaysia, Singapore and Hong Kong.

September 2021 saw CS Cloud announce its official partnership with Nimbus Cloud Services ("Nimbus Cloud"), a pioneering cloud service provider to fast-track the digital transformation of Malaysia's public sector among others. Under the partnership, four new customisable, flexible and scalable cloud products – namely Hijra Cloud, Kryo Cloud, Kami Cloud and Askar Cloud – will be offered. These cloud products which prioritise security and reliability are highly resilient with multi-layered security and an "always-up" environment. Via this partnership, we intend to expand the reach of our customisable products and make them more accessible to the market. We anticipate that this partnership will deliver exponential growth especially from the public sector that requires cloud-managed services that comply with Malaysia's data sovereignty laws.

In December 2021, CS Cloud collaborated with Korea-based Cloocus Co. Ltd. to facilitate the mutual sharing of expertise in the area of cloud services. Under a new 50:50 joint operation entity named Cloocus Sdn. Bhd. ("Cloocus"), both parties will work together to provide service on a hyperscale cloud management platform in Malaysia based on Microsoft Azure. An initial sum of USD2 million has been injected into Cloocus Sdn. Bhd.. This collaboration is expected to open up businesses and growth opportunities for the digital economy and at the same time serve as a mechanism to boost foreign investors' confidence in Malaysia-based businesses.

In January 2022, we entered into a share purchase agreement with Cognitive Consulting Sdn. Bhd. ("Cognitive Consulting") to take up a controlling stake in the company. We are excited about leveraging Cognitive Consulting's robotic process automation or RPA technology to elevate the processes of our public and private sector customers. In May 2022, we went on launch our Recon as a Service ("RAAS") or Reconciliation Robot solution which leverages RPA technology to automate the front and back-end reconciliation processes for government agencies. By mimicking human behaviour, the RAAS solution will serve as a digital workforce that operates in a faster and

more accurate manner. Even as the human workforce is freed up from tedious, repetitive tasks, it can now focus on more strategic and analytical-related tasks. With RAAS expected to improve the quality and efficiency of tasks, we are on track to meet the Government's target of digitising public services.

November 2021 saw Censof Digital winning a RM0.9 million contract from EcoRide to develop a digital platform and mobile app for EcoRide which will enable users to book, pay and earn carbon credits when using electric vehicles. The contract is for a 12-month period.

### Moving Forward

Moving forward, the Censof Group will continue to leverage disruptive and emerging technologies to enhance and add value to our wide range of innovative solutions. Some of our current areas of focus include IOT embedded tracking devices, AI, process automation, predictive and insight algorithms. We will also continue to make the most of RPA technologies to automate and elevate our customers' processes. Such enhancements will make it more attractive for our clients to transition onto our cloud-based products and solutions.

We also look forward to our tie-ups with our existing strategic partners and will explore further synergies in terms of other emerging technologies within the Group to deliver innovative solutions that support the digitalisation of business. We will also explore opportunities to undertake M&As and strategic alliances to expand our footprint as well as complement our current efforts on the public and private sector fronts. Through collaboration with our international partners in United States of America, Romania and India, we will continue to focus our efforts on transforming emerging technologies such as RPA, AI, ML and IoT into sustainable businesses.

Another area that we are focusing on is how to embed Environmental, Social and Governance or ESG elements into our solutions in a greater manner. While we already have the 'E' component factored into our offerings by way of the energy savings-focus that our solutions deliver, the division will look into how we can expand the scope of this. The Digital Technologies division has already proven itself in terms of revenue and profit contributions and we are quietly confident that it will continue to deliver a steadfast performance in the coming financial year. Our efforts in this segment also reflect our commitment to ensuring the sustainability of our business by diversifying our income streams.

## MANAGEMENT DISCUSSION AND ANALYSIS

### RISKS AND MITIGATION STRATEGIES

As the Censof Group moves forward amidst a highly competitive landscape and an uncertain operating climate, we face exposure to anticipated or known risks that may impact our business activities. The following table highlights the principal risks that may have a material effect on our operations, performance, financial condition and liquidity, as well as spells out the measures we have adopted to mitigate these risks.

KEY AREA	RISK FACTORS	MITIGATION MEASURES
<b>External Risk</b>	The outlook and prospects for the Information and Communications Technology ("ICT") industry and the Censof Group continues to be challenging given the intense market competition. This is especially true in relation to tenders for government contracts.	To reduce the impact of escalating competition within Malaysia's public sector, we are bolstering efforts to grow our private sector revenue contributions.
<b>Strategic Risk</b>	With the ICT industry evolving at a rapid pace, market players are seeking to maintain their competitive edge and remain relevant to the market by keeping abreast of the latest industry trends and developments as well as investing in continuous innovation.	To remain relevant to our markets, we continue to capitalise on existing strategic partnerships and alliances, as well as explore new opportunities to create value. We also continue to leverage our existing business pillars and products as well as roll out product line extensions to increase the lifetime value of our customers.
<b>Strategic Risk</b>	Given the continuous political changes, several government-related projects are currently under review, have been put on hold, or have been postponed altogether. Century Software's dependence on projects in the Financial Management Solutions – Government sector in particular, continues to be impacted by the administrative changes.	We are working on augmenting our relationship with the current administration by showcasing our good track record, credibility and capabilities. We are also demonstrating how our solutions can make administrative efforts more efficient while possibly creating new revenue streams. At the same time, we are exploring new markets and new avenues of opportunity to grow our revenue streams, including among GLCs and the private sector.
<b>Operational Risk</b>	We face the risk of loss from operations due to inadequate, inefficient or ineffective internal processes, systems, policies, employee errors and events beyond our control. At the same time, the cost of doing business is on the rise. All these may lead to an unanticipated escalation of costs.	To mitigate the risk of such losses, we are streamlining the processes and systems across our business segments. This is helping us to augment cost efficiencies and ensure operational effectiveness. The continuous training solutions provided under the Human Resource Development Fund has equipped our teams with the necessary skills that will help strengthen the Group for the long term.
<b>Operational Risk</b>	Akin to other businesses, Censof has to contend with the risk of fraudulent activities from both external and internal sources.	To counter such a risk, we are focusing our efforts on fortifying the design and ongoing effectiveness of our corporate governance, risk management and internal control measures. We have also implemented several physical security measures throughout the Group as well as a Code of Business Ethics and whistleblowing arrangements to mitigate such risks. The Group has also published several policies and terms of reference that are accessible on our corporate website. These include Censof's Anti-Bribery and Anti-Corruption Policy; the terms of reference for the Audit Committee, Risk Management Committee, as well as Nominating and Remuneration Committee; the Board Charter; and our Whistle Blowing Policy.



## MANAGEMENT DISCUSSION AND ANALYSIS

### OUTLOOK AND PROSPECTS

In line with the *Global Economic Prospects* report published by the World Bank in June 2022, the global economy continues to undergo a series of destabilising shocks. This was apparent in the first half of 2022 as global growth slowed significantly due to COVID-19 resurgences at the turn of the year, drawn-out supply disruptions, reduced macroeconomic support, and significant negative overflows from the Ukraine conflict. The war in Ukraine, which has triggered the largest commodity price shock in 50 years, has intensified the increasingly difficult policy trade-offs between supporting growth and managing price pressures. It continues to adversely impact global financial conditions and heighten financial market volatility, as well as is leading to higher borrowing costs, particularly in emerging markets and developing economies.

All these elements have intensified the slowdown in global growth, with the World Bank forecasting that global economic activity will decelerate to 2.9% in 2022 from 5.7% previously. For 2023, global growth is projected to rise up marginally to 3% as several headwinds including high commodity prices and ongoing monetary tightening are expected to persist. The global outlook is subject to various downside risks, such as escalating geopolitical tensions, mounting stagflationary headwinds (a result of slow economic growth and joblessness coinciding with rising inflation), higher financial instability, ongoing supply strains, and fading food insecurity.

On a more positive note, the World Bank's *Malaysia Economic Monitor* (June 2022) publication has highlighted that Malaysia's economy is on the upward track to recovery from the pandemic following the successful rollout of the National Immunisation Programme and the complete withdrawal of movement restrictions. The domestic economy is predicted to expand 5.5% in 2022, driven mainly by a strong rebound in consumption. Malaysia's labour market is on the uptrend, with unemployment decreasing from 4.3% in Q4 2021 to 4.1% in Q1 2022. To strengthen recovery, a key priority for Malaysia will be to address the economic impact of COVID-19 by gradually rebuilding fiscal buffers through increased revenue collection and greater spending efficiency. Despite the growth surge, external headwinds and global uncertainties still present a challenge and intensify the country's downside risks.

Meanwhile, the central bank, Bank Negara Malaysia ("BNM") is upholding its previous positive domestic growth forecasts in the range of 5.3% to 6.3% as per its *Economic and Monetary Review 2021 (March 2022)*. BNM expects the Malaysian economy to gain momentum in 2022, underpinned by continued expansion in external demand, full upliftment of COVID-19 containment measures, reopening of international borders and further improvements in labour market conditions, amongst other factors.

Nonetheless, there remain several downside risks to domestic growth. These risks include possible spillovers from the war in Ukraine, new outbreaks of COVID-19 in China and ensuing lockdowns as well as a further escalation of the property sector crisis, the delayed rollout of domestic public infrastructure projects, a domestic resurgence of the COVID-19 virus, further labour shortages, supply chain disruptions, higher inflation, increased vulnerability among affected Malaysian households and businesses, fairly high levels of household and corporate debt, heightened fiscal risks, and the risk of an uneven recovery across states in Malaysia. Coupled with ongoing political uncertainty, these elements are causing much anxiety among the people and aggravating an already uncertain market environment.

Despite this testing backdrop, essential service providers like Censof continue to make the most of the opportunities that come our way. The digital economy, which has been growing by leaps and bounds, is expected to make up 22.6% Malaysia's GDP and create 500,000 jobs by the year 2025. To achieve this, some RM21 billion will be invested through the National Digital Network or JENDELA over the next five years; RM1.65 billion will be invested by telecommunications companies to strengthen connectivity to the international submarine cable network until 2023; RM15 billion will be invested to roll out 5G nationwide over a period of 10 years; and between RM12 billion and RM15 billion will be invested by cloud service providers over the next five years.

Despite a testing backdrop, essential service providers like Censof continue to make the most of the opportunities that come our way - especially that related to the digital economy

## MANAGEMENT DISCUSSION AND ANALYSIS

Given the Government's focus as well as backing in ensuring all the elements of the MyDIGITAL initiative come into play, things look bright for players in the domestic ICT industry. However, while renewed government support for all-things-digital and accelerated digital adoption have done much to stimulate the market for ICT players like Censof, there is also an underlying concern as to how the talk of a global recession, political uncertainty, rising costs and a slew of other risks may affect our customers and the overall domestic economy. Given the uncertain environment, it is difficult to establish how things will eventually play out as we move forward. Nevertheless, we will continue to push through with our best efforts to satisfy consumers needs as well as add value and strength to Malaysia's digital economy.

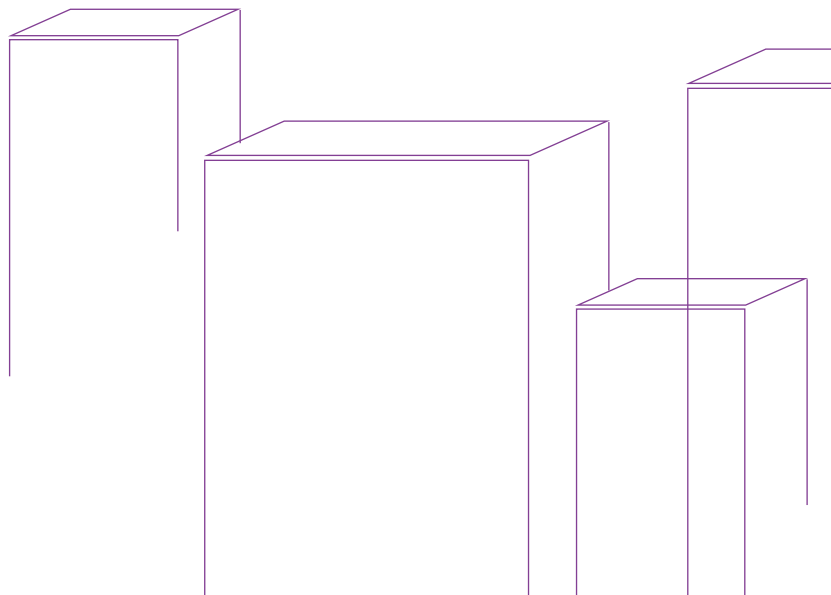
Going forward into FY2023 and beyond, the Censof Group will focus on the following core strategies for growth:

- **Grow our core businesses:** This calls for us to expand our customer base and enlarge our maintenance services contract base; extend our portfolio to cover government-linked companies and other sections within the SME segment; as well as improve our current products while customising solutions for specific market segments.
- **Explore viable acquisitions, tie-ups and/or mergers with new disruptive technologies:** This will see us exploring new technologies and the untapped potential of technologies such as RPA, IoT, ML and AI.
- **Become the first mover to utilise technology to redefine the traditionally-run insurance technology segment.**
- **Increase our presence regionally in a more tangible manner.**
- **Leverage on the Government's digitalisation transformation ambitions in the following areas:** Cloud computing technologies, RPA and ML, mobile transactions, digital payments.
- **Leverage changes in the Government's reporting compliance framework and MyDIGITAL initiative.**

Having taken the opportunity to streamline the Group's businesses and finetune the strategies aimed at strengthening our resources and profitability, we are confident that Censof will remain relevant to its stakeholders for the long term. As we move forward, we will keep a tight rein on measures to further reduce operational costs as well as improve product augmentation. We intend to reduce our project delivery cycles and our support issues to improve profitability and product quality in our businesses. We believe that by leveraging automation in a heightened manner, this will reduce room for human error in production and enable us to achieve our targets while delivering higher quality products and services.

To improve staff proficiency and capacity, as well as ensure continuous growth within our team in order to sustain and enhance all that Censof is today, we will continue to make investments in staff training plus undertake leadership development training for our Senior Management team. Our measures to cultivate a sustainable pool of talent will continue to extend to providing internship opportunities via university-industry collaboration and establishing centres of excellence akin to what we are doing in India.

As the Censof Group presses in and presses on to secure more opportunities, we believe that our solid client portfolio, strong track record and proven wealth of expertise in delivering projects on time and within budget, will continue to stand us in good stead. As we set our sights on elevating the customer experience and journey, as well as helping our clients achieve their objectives in a tangible manner, we are quietly confident about the Group's prospects going forward. All in all, we remain cautiously optimistic that we will continue to deliver a resilient performance in the new financial year.





## MANAGEMENT DISCUSSION AND ANALYSIS

### IN APPRECIATION

In closing, I wish to convey my sincere gratitude to our investors, clients, business partners, bankers, government agencies, and regulatory bodies for their staunch support as well as steadfast belief in Censof. I am also deeply grateful to the Ministry of Finance for their kind support and faith in the local technology industry.

My utmost gratitude to every loyal and hardworking employee throughout the Censof Group for their worthy efforts and resilient dedication to helping us deliver such fruitful results. My deep appreciation also goes to my colleagues on the Management team and Board for their bold leadership and perceptive insights which helped us overcome the year's challenging operating environment.

Moving forward, Censof will do its best to remain flexible and relevant to the market. We remain cautiously optimistic that as the market adopts digitalisation and our solutions in an accelerated manner, we will continue to deliver steadfast growth. On our part, we will ensure a resolute focus on providing innovative solutions and quality services that will create sustainable value for our stakeholders as well as bolster our customers' performance. I call upon all our stakeholders to lend us their untiring support as we set our sights on overcoming any challenges and capitalising on any opportunities that FY2023 may bring.

My sincere thanks to all for your continued support of Censof. Stay safe everyone.

**Ameer Bin Shaik Mydin**  
Group Managing Director  
26 July 2022

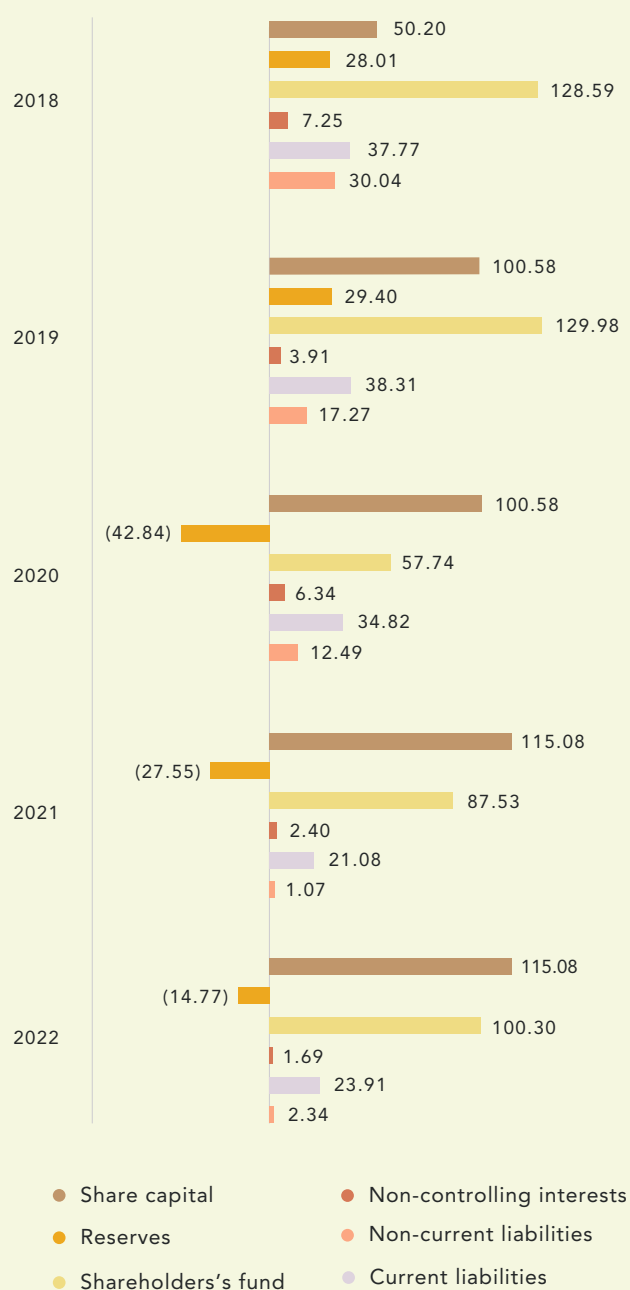
On our part, we will ensure a resolute focus on providing innovative solutions and quality services that will create sustainable value for our stakeholders as well as bolster our customers' performance

# 5-YEAR FINANCIAL HIGHLIGHTS

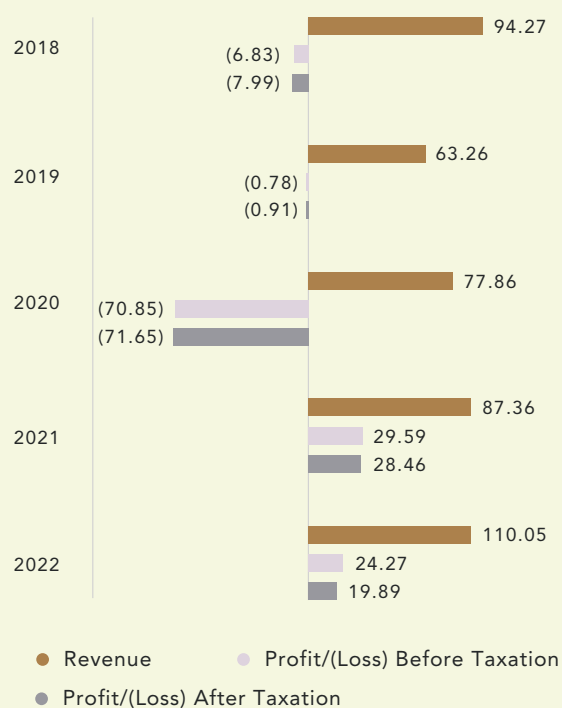
FINANCIAL YEAR ENDED 31 MARCH	2022	2021	2020	2019	2018
<b>PROFIT AND LOSS (RM'MILLION)</b>					
Revenue	<b>110.05</b>	87.36	77.86	63.26	94.27
Profit/(Loss) Before Taxation	<b>24.27</b>	29.59	(70.85)	(0.78)	(6.83)
Profit/(Loss) After Taxation	<b>19.89</b>	28.46	(71.65)	(0.91)	(7.99)
<b>FINANCIAL POSITION (RM'MILLION)</b>					
Share Capital	<b>115.08</b>	115.08	100.58	100.58	50.20
Share Premium	-	-	-	-	50.38
Reserves	<b>(14.77)</b>	(27.55)	(42.84)	29.40	28.01
Shareholders' Fund	<b>100.30</b>	87.53	57.74	129.98	128.59
Non-Controlling Interests	<b>1.69</b>	2.40	6.34	3.91	7.25
Current Liabilities	<b>23.91</b>	21.08	34.82	38.31	37.77
Non-Current Liabilities	<b>2.34</b>	1.07	12.49	17.27	30.04
Plant and Equipment	<b>0.83</b>	0.60	1.87	2.16	1.62
Other Investments	<b>3.39</b>	3.39	3.30	0.10	0.10
Current Assets	<b>82.37</b>	68.26	61.61	43.17	59.80
<b>RATIO</b>					
Net Assets Per Share (Sen)	<b>18.46</b>	16.28	12.77	26.68	27.07
Net Earnings/(Loss) Per Share (Sen)	<b>3.35</b>	5.28	(14.43)	0.14	(1.82)
Dividend Amount Per Share (Sen)	<b>0.75</b>	0.75	-	-	-

## 5-YEAR FINANCIAL HIGHLIGHTS

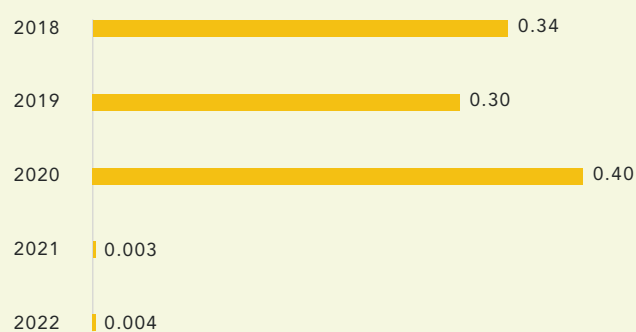
### Financial Position (RM'Million)



### Profit And Loss Performance (RM'Million)



### Gearing Ratio (Times)



# ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2022

Issued Share Capital : 552,281,576  
 Class of Shares : Ordinary Shares  
 Voting Rights : One Vote Per Ordinary Share  
 No. of Shareholders : 7,921

## DISTRIBUTION OF SHAREHOLDINGS AS AT 30 JUNE 2022

Category	No. of Shareholders	No. of Shares	% of Shareholding
Less than 100	42	730	0.00
100 - 1,000	647	365,780	0.07
1,001 - 10,000	3,796	24,370,657	4.42
10,001 - 100,000	3,059	103,075,791	18.66
100,001 to less than 5% of issued shares	371	151,462,414	27.42
5% and above of issued shares	3	233,360,604	42.25
Directors' Shareholdings	3	39,645,600	7.18
<b>Total</b>	<b>7,921</b>	<b>552,281,576</b>	<b>100.00</b>

## LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2022

No.	Names	No. of Shares	Direct	No. of Shares	Indirect
			%		%
1	SAAS Global Sdn Bhd	175,937,954	31.86	-	-
2	Ameer Bin Shaik Mydin	1,420,500	0.26	175,937,954	31.86 <sup>(a)</sup>
3	Tamil Selvan A/L M. Durairaj	-	-	175,937,954	31.86 <sup>(a)</sup>
4	Ang Hsin Hsien	2,191,000	0.40	175,937,954	31.86 <sup>(a)</sup>
5	Tan Chean Suan	78,769,750	14.26	-	-
6	Tan Sri Dato' Mohd Ibrahim Bin Mohd Zain	36,034,100	6.53	-	-

(a) Deemed interested by virtue of Section 8(4)(c) of the Companies Act 2016 via his/her interest in SAAS Global Sdn Bhd.

## DIRECTORS' INTERESTS IN SHARES AS 30 JUNE 2022

No.	Names	No. of Shares	Direct	No. of Shares	Indirect
			%		%
1	Tan Sri Dato' Mohd Ibrahim Bin Mohd Zain	36,034,100	6.53	-	-
2	Ameer Bin Shaik Mydin	1,420,500	0.26	175,937,954	31.86 <sup>(a)</sup>
3	Tamil Selvan A/L M. Durairaj	-	-	175,937,954	31.86 <sup>(a)</sup>
4	Ang Hsin Hsien	2,191,000	0.40	175,937,954	31.86 <sup>(a)</sup>
5	Tuan Haji Ab. Gani Bin Haron	-	-	-	-
6	Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar	-	-	-	-
7	Mohd Redzuan Bin Hasan	-	-	-	-
8	Mahathir Bin Mahzan	-	-	-	-

(a) Deemed interested by virtue of Section 8(4)(c) of the Companies Act 2016 via his/her interest in SAAS Global Sdn Bhd.

# ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2022

## 30 LARGEST SHAREHOLDERS AS AT 30 JUNE 2022

NO.	SHAREHOLDERS	NO. OF SHARES	%
1	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SAAS GLOBAL SDN BHD	113,437,954	20.54
2	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHEAN SUAN	74,922,650	13.57
3	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SAAS GLOBAL SDN BHD (51401202116A)	45,000,000	8.15
4	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MOHD IBRAHIM BIN MOHD ZAIN	30,200,000	5.47
5	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SAAS GLOBAL SDN BHD (THIRD PARTY)	17,500,000	3.17
6	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ERWIN SELVARAJAH A/L PETER SELVARAJAH	8,150,000	1.48
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG WAH PENG	5,058,600	0.92
8	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MOHD IBRAHIM BIN MOHD ZAIN (MM0804)	4,800,000	0.87
9	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR SU DO KEEN KANG (PB)	4,114,200	0.74
10	HSBC NOMINEES (ASING) SDN BHD QUINTET LUXEMBOURG FOR SAMARANG UCITS - SAMARANG ASIAN PROSPERITY	4,000,000	0.72
11	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHEAN SUAN	3,285,000	0.59
12	EXPEDIENT EQUITY VENTURES SDN BHD	3,039,512	0.55
13	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE KOK PING	3,032,800	0.55
14	LIM KOOI FUI	2,600,000	0.47
15	MERCSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SLOW WONG YEN @ SLOW KWANG HWA	2,500,000	0.45
16	WONG AH YONG	2,300,000	0.42
17	ANG HSIN HSIEN	2,191,000	0.40
18	BOEY TAK KONG	1,930,000	0.35
19	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	1,656,000	0.30
20	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR AMEER BIN SHAIK MYDIN	1,420,500	0.26
21	OON SOO SEE	1,300,000	0.24
22	PKNK ENTREPRENEUR DEVELOPMENT SDN BHD	1,213,114	0.22
23	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG WENG KONG	1,116,600	0.20
24	MINHAT BIN MION	1,100,000	0.20
25	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MOHD IBRAHIM BIN MOHD ZAIN	1,034,100	0.19
26	KUANG KIM SOON	1,000,000	0.18
27	RHB NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ROBERT WING-YEE SNASHALL	963,400	0.17
28	LEE KOK KENG	900,000	0.16
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SURINDER SINGH A/L SHINGARA SINGH	888,000	0.16
30	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SARAVANAN A/L RAMAN (E-SRB)	824,000	0.15
<b>TOTAL</b>		<b>341,477,430</b>	<b>61.84</b>

# SUSTAINABILITY STATEMENT

## UPHOLDING THE AGENDA OF SUSTAINABILITY

Since the onset of the COVID-19 pandemic, public and private sector organisations have recognised the need to leap onboard the digitalisation bandwagon in an accelerated manner or risk becoming irrelevant to their stakeholders. With almost every sector having to alter the way they interact or transact, organisations have been forced to adopt new technologies overnight to survive. Many workers who have had a taste of Work-from-Home arrangements during the pandemic, are today opting for a hybrid work model thereby challenging leadership. In view of the new norm, forward-looking companies are putting digital solutions to good use to accord their workforce more flexible work arrangements whilst ensuring employee connectivity, safety and productivity are maintained. The rollout of digital infrastructure across all industries too is reshaping the way we work and is facilitating collaboration across sectors and geographies like never before. On another level, digitalisation is being leveraged to reduce negative environmental impact while addressing larger societal challenges including poverty and climate change. Digital innovation is undoubtedly here to stay and there are ample opportunities for those who are able to readily tap into this effectively.

Here at Censof Holdings Berhad ("Censof" or "the Group"), we continue to leverage our scale and skills, agility and cost efficiency, strong client relationships as well as technology-driven innovation, to apply the power of digital transformation to help reshape society for the better. The Group continues to uphold the agenda of sustainability as a core priority and practical means by which to demonstrate strong and meaningful corporate citizenship. Censof is resolutely exploring new socially-responsible business practices that will enable us to accomplish even more in the areas of environmental sustainability, ethical governance, community development, client and partner collaboration, while upholding an inclusive workplace culture.

Acknowledging the importance of pursuing an agenda that upholds good Economic, Environmental and Social ("EES") practices, Censof's Board is committed to investing in a long-term strategic plan that promotes the sustainable growth of the Group's businesses and which will create sustainable, shared value for our stakeholders while securing our future.

## OUR APPROACH TO SUSTAINABILITY / SCOPE OF OUR REPORTING FRAMEWORK

This Sustainability Statement ("Statement") provides an overview of the sustainability performance of Censof and its subsidiaries for the financial year ended 31 March 2022 ("FY2022"). This Statement was prepared in line with Bursa Malaysia Securities Berhad's Sustainability Reporting Guidelines. Unless otherwise stated, the information presented in this Statement only covers the business activities of the Group within Malaysia at the Censof Group's Headquarters.

By embedding sustainability deeply within our culture and value system, we aim to enhance the local economy in which we operate as well as contribute to the economic growth and wellbeing of communities. We also aspire to protect our environment while effectively engaging our internal and external stakeholders.

Censof's sustainability approach revolves around the following five areas of focus: Responsible Business, Client Experience, Environment, Employees and Community. These focus areas help us to streamline and provide consistency to our sustainability activities.



## SUSTAINABILITY STATEMENT

### Responsible Business

Censof aims to operate in an exemplary manner that sets a high standard of integrity within the tech industry and the global marketplace. We look to achieve this by upholding the highest standards in ethics, environmental sustainability, accountable supplier relationships and productive community involvement.

### Client Experience

From creating new business models to addressing global issues related to climate change or healthcare access, our innovative offerings in digital technologies have equipped enterprises across all industries to realise a better future.

### Environment

The Group's observation of eco-friendly practices improves energy efficiency and reduces carbon emissions in data centres and offices, decreases electronic waste and other waste, as well as helps conserve natural resources across our global operations.

### Employees

Censof's people-centric efforts prioritise both the personal and professional growth of our employees. As such, we implement programmes that not only hone the digital skills of our workforce, but also reward the efforts of individuals who have exhibited growth. We also celebrate diversity by inculcating a culture of inclusion within the workplace.

### Community

Our vision of championing sustainable development and socio-economic justice has seen the Group collaborate with community stakeholders to positively impact the communities in which we operate. Our initiatives include the provision of educational opportunities and support for underprivileged children, victims of natural disasters, and other vulnerable groups.

### OUR SUSTAINABILITY GOVERNANCE STRUCTURE

Censof's sustainability agenda is supported by a robust governance structure. This structure is complemented by our implementation of committed leadership, a clear direction, and a strong strategic influence. In establishing an efficient sustainability governance system, we ensure the effectiveness of our sustainability strategy across the width and breadth of our operations. In doing so, we also strengthen our goal-setting and reporting processes, enhance our relationships with external stakeholders, as well as ensure overall accountability for the business.

Our sustainability framework is carried out via a top-down approach which sees diverse responsibilities delegated to various teams at different levels within our organisation. This is reflected in the following table:

#### Board of Directors

- Oversees sustainability performance.
- Ensures the business strategy considers and embodies sustainability elements.
- Approves sustainability strategy and budget.

#### Management Team

- Develops sustainability strategy that is relevant and scalable apt for the Tech sector. The execution of strategy needs to be monitored, measured and updated if required in the form of recommendation revisions to the Board of Directors.
- Oversees implementation of the sustainability strategy.
- Evaluates overall sustainability risks and opportunities.
- Oversees departments / functions in ensuring the robustness of the system of sustainability management.
- Approves sustainability targets and disclosures.
- Responsible for the implementation of sustainable business policies and practices.
- Monitors and acts on related risks and reports on ongoing developments and progress.

## SUSTAINABILITY STATEMENT

### Sustainability Team

- Sets sustainability strategy, goals, key performance indicator ("KPI") goals and targets.
- Ensures processes and controls are in place within the respective departments / functions to facilitate adherence to sustainability policies.
- Assists and supports Operating Divisions to meet goals.
- Conducts sustainability awareness and engagement activities.
- Reports on the performance of processes and controls.
- Reports on management targets and monthly sustainability reporting.
- Monitors, aligns and facilitates compliance with sustainability policies.

### Operations Team

- Develops an organisational culture that embraces sustainability and inclusiveness.
- Undertakes day-to-day management of creating awareness of sustainability risks and challenges.
- Adopts changes and ensures revisions to sustainability policies and practises for relevancy.
- Ensures compliance while recording all sustainability source data and related information.
- Develops plans and timelines for disclosure and a sound communication campaign to ensure new developments are observed and complied with at all levels.

In March 2022, the Group officially appointed Ms. Malini Vijaya Rajah as the new Group Chief People Officer ("CPO"). She replaces late Encik Ismadi Norahman who served as the CPO till August 2021. Between August 2021 and March 2022, Malini was instrumental in supporting and guiding the Group's human resource strategy and execution in her capacity as HR Consulting Advisor. The CPO is tasked with spearheading Censof's people agenda, namely the HR transformation, high performance culture and HR business partnering activities. HR transformation, which includes HR digitalisation and talent management, is an absolutely critical aspect of the Group HR and culture strategy which needs to be aligned with the Group's sustainability agenda.

### MATERIALITY ASSESSMENT

This Sustainability Statement has been developed in alignment with the results of a materiality assessment exercise which we undertook with the assistance of our internal stakeholders. The formal materiality process guided us in evaluating our EES and governance issues to help us identify the sustainability issues which are material to the Group. The assessment also enabled us to evaluate the state of our business, establish our aspirations, create goals, assign resources and set a roadmap in place to achieve these goals. The following table highlights the identification and assessment process:

#### 01

### IDENTIFICATION

Trimmed down topics to identify real issues impacting the Group.

#### 02

### PRIORITISATION

Arranged material topics according to their importance to the Group and its stakeholders.

#### 03

### EVALUATION

Managers assessed the prioritised matters and submitted them to the top management.

#### 04

### VALIDATION

Top management reviewed the submission before giving the final approval for the assessed materiality issues.

## SUSTAINABILITY STATEMENT

### OUR SUSTAINABILITY ASPIRATIONS AND FOCUS

As a responsible corporate entity, Censof remains committed to inculcating EES principles and guidelines as well as a sound corporate culture and ethical practices into our agenda for long-term success. Taking into account the issues that are significant to the Group and our stakeholders, we also aim to leverage transformation strategies to drive our growth in a sustainable manner. The following table entails the various materiality objectives that we have committed to implement and report on:

Area	Aspirations / Focus
<b>Products and Services</b>	<ul style="list-style-type: none"> <li>• Maintain a viable and supportive supply chain.</li> <li>• Adhere to best practices in corporate governance practices.</li> <li>• Adopt effective project implementation and delivery standards.</li> <li>• Enhance technical skills and talent management capabilities.</li> <li>• Comply with stringent cost management practices to protect performance margins.</li> <li>• Expand opportunities, innovation and value through digital transformation.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>• Reduce energy use and greenhouse gas emissions throughout operations.</li> <li>• Improve recycling and reuse initiatives.</li> <li>• Safeguard water consumption usage.</li> <li>• Ensure material and resource efficiency.</li> <li>• Ensure travel and transportation efficiency.</li> </ul>
<b>Social Capital</b>	<ul style="list-style-type: none"> <li>• Strengthen community engagement efforts.</li> <li>• Grow shareholder engagement initiatives.</li> <li>• Enhance data security and privacy.</li> <li>• Position Censof as a thought leader.</li> </ul>
<b>Human Capital</b>	<ul style="list-style-type: none"> <li>• Increase training opportunities.</li> <li>• Elevate the customer experience.</li> <li>• Strengthen employee engagement.</li> <li>• Bolster digital skills development.</li> <li>• Uphold inclusion and diversity.</li> </ul>
<b>Leadership and Governance</b>	<ul style="list-style-type: none"> <li>• Implement a responsible supply chain.</li> <li>• Uphold supplier diversity.</li> <li>• Ensure business continuity.</li> <li>• Strengthen management of intellectual property.</li> <li>• Embed strong business ethics.</li> <li>• Ensure robust transparency and accounting practices.</li> </ul>

For FY2022, we opted to maintain the same sustainability materiality assessment as per the previous financial year. This decision followed our review of the materiality assessment process in which we concluded that a renewal was unnecessary due to the lack of any significant changes in the business operating environment, pandemic notwithstanding. The Group aims to conduct a reassessment of our business conditions every year to assess the necessity of renewing or modifying the materiality assessment process.

## SUSTAINABILITY STATEMENT

### STAKEHOLDER ENGAGEMENT CHANNELS AND PRIORITIES

The Group is committed to developing and maintaining strong relationships with our many stakeholders. This initiative stems from our understanding that proactive stakeholder engagement is an integral aspect of our sustainability strategy. By responding to our stakeholders' different expectations and meeting their evolving needs, we are strengthening the Group's business continuity prospects. This is especially crucial as we continue to expand the Group's businesses in rapidly changing and highly-competitive markets.

Who to Engage	Engagement Aspects	Engagement Process
<b>Customers</b>	<ul style="list-style-type: none"> <li>New solution offerings</li> <li>Software security</li> <li>Hardware quality</li> <li>Downtime incidents</li> </ul>	<ul style="list-style-type: none"> <li>Discussion on our innovation edge.</li> <li>Rollout of awareness training sessions.</li> <li>Review of equipment maintenance.</li> <li>Devise measures to reduce downtime.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Consistent achievement of Key Result Areas ("KRAs")</li> <li>Upskilling to remain relevant</li> <li>Bench building for continuous talent growth</li> <li>Developing a sense of ownership in a conducive work environment</li> </ul>	<ul style="list-style-type: none"> <li>Review HR policies to stay relevant.</li> <li>Execute Performance Enhancement Plan (PEP) ensure one-to-one feedback sessions with all employees.</li> <li>Conduct effective TNA to ensure Censof teams upskill and build capability.</li> <li>Develop people management skills which includes one to one and coaching.</li> </ul>
<b>Government &amp; Regulatory Bodies</b>	<ul style="list-style-type: none"> <li>Licensing compliance</li> <li>Industry standards</li> <li>Listing requirements</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to all licensing requirements.</li> <li>Comply with MSC status criteria.</li> <li>Adhere to Bursa Malaysia Securities Berhad's Main Market Listing Requirements.</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Performance standards</li> <li>Effective pricing</li> <li>High quality applications</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to contract implementation terms.</li> <li>Ensure competitive and transparent pricing.</li> <li>Implement product benchmarking process.</li> </ul>
<b>Shareholders &amp; Investors</b>	<ul style="list-style-type: none"> <li>Corporate information updates</li> </ul>	<ul style="list-style-type: none"> <li>Timely and detailed updates on the Company's website.</li> <li>Hold Annual General Meeting.</li> </ul>

### SUSTAINABILITY ACTION PLANS

As the Group caters to a growing number of diverse sectors, we have streamlined our operating activities to ensure that our businesses remain relevant to the areas we compete in. This helps us to establish the sustainable growth of our businesses collectively. The following tables provide an overview of Censof's sustainability endeavours on the EES fronts as well as the related goals or commitments, action plans, measurements and the status of our efforts moving forward.

## SUSTAINABILITY STATEMENT

### Economic

Sustainability Focus	Activity focus		
<b>ECONOMIC</b>	<ul style="list-style-type: none"> <li>Maintain a viable and supportive supply chain.</li> <li>Adhere to best corporate governance practices and policies.</li> <li>Adopt effective project implementation and delivery standards.</li> <li>Enhance technical skills and talent management capabilities.</li> <li>Comply with stringent cost management practices to protect performance margins.</li> </ul>		
Goals & Commitments	Action Plans	Measurement/ Indicators	Status
<u>High performance culture (HPC) and shared values.</u> Drive high-performance outcomes by promoting ownership and a team culture.	Ensure that KRAs are regularly monitored and measured.	People Management skills i.e., coaching and one-to-one sessions.	Implemented.
<u>New product offering</u> Maintain competitive edge by keeping abreast of technology trends and rolling out solutions that are suitable and relevant to changing market needs.	Develop innovative business solutions to meet customers' requirements. Focus on cloud-based products and move into the digitalisation era using Robotic Process Automation, Internet of Things, Artificial Intelligence, and Machine Learning.	Establish an R&D department to create new products and introduce new technologies to customers.	Implemented and ongoing.  The Product Development Department at Century Software continues to hire new talent to develop new products and register patents.
<u>Client-centric services</u> Aim to achieve excellent customer service and satisfaction levels by emphasising high delivery standards.	Online client feedback and customer satisfaction survey.	Develop an online platform to collect feedback from customers about product performance.	Surveys/ reports on customer satisfaction are carried out on a quarterly basis, while ways to improve and address customer feedback thoroughly continue to be implemented.  Century Software has established the "Request for Support" online platform for customers to lodge their complaints and feedback. Century Software has also established a policy to resolve problems within a specific period of time.
<u>Value for shareholders</u> Aim to declare healthy dividend payout in yearly basis.	Strengthen the capital management strategies and maintain strong cashflows for yearly dividend payout.	Dividend payout ratio.	The Company declared an interim dividend of 7.5 sen per ordinary share in respect of the financial year ended 31 March 2022 with total dividends of approximately RM4.14 million representing a pay-out ratio of 22.4% of FY2022's net earnings.

## SUSTAINABILITY STATEMENT

### Upholding Customer Satisfaction and ISO Standards

As part of the Group's aim to ensure that we continue to deliver excellence in our services and products, Censof conducts an annual Customer Satisfaction Survey ("CSS"). The CSS helps us to collect customer feedback which enables us to evaluate and strategize our steps moving forward accordingly. In doing so, we aim to improve our customer utility rates, advocacy as we all as profitability.

In this same vein, the Group also stringently abides by world class standards to ensure that our companies, services and products remain top-tier. In June 2021, Censof Holdings Berhad and Century Software received ISO 9001:2015 certification for our Accounting Package Software. Valid for three years, the certificate will expire in April 2024. Additionally, Century Software's ISO 27001: 2013 standard certification for its Information Security Management System will continue until the next scheduled surveillance in October 2022.

### Advancing Malaysia's Digital Transformation

Through our products and services, we are contributing to the economies we operate in by offering support to government agencies, corporations, SMEs and micro-SMEs as they begin to embrace digitalisation in greater measure.

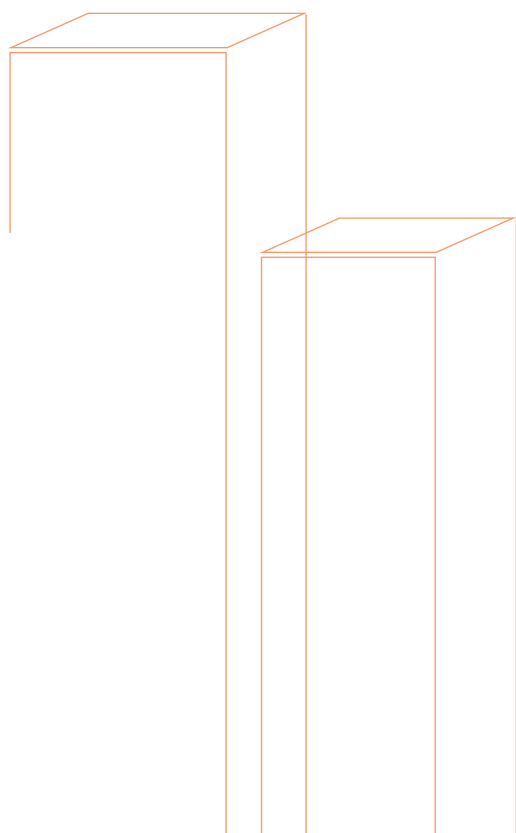
### Proactively Supporting Malaysia's MyDIGITAL Aspirations

In alignment with Malaysia's ambitions to fast-track its digital capabilities, the Group's focus for the short- to mid-term will revolve largely around our participation in the national MyDIGITAL initiative which aims to transform Malaysia into a digitally-driven, high income nation and a regional digital economy leader by 2030. The Malaysia Digital Economy Blueprint spells out the consolidated initiatives and targeted outcomes of myDIGITAL as it pertains to the rakyat, businesses and the Government. To make the most of the blueprint, Censof has unveiled its own roadmap which pinpoints the relevant projects related to each thrust that we will be focusing on and the specific companies within the Group that will be involved in these projects. The finer details of the MyDIGITAL initiative and Censof's own plans can be found in the Management Discussion and Analysis section of this Annual Report.

We are also impacting the nation through our partnership with Microsoft under its "Bersama Malaysia" initiative to advance the digital transformation of key segments within Malaysia's private and public sectors. This collaboration sees Censof's proven Government Resource Planning ("GRP") solution combined with Microsoft Azure and other data technologies to meet the evolving needs of both the private and public sector as per the Malaysia Digital Economy Blueprint. This combination of solutions is doing much to strengthen the Malaysian Government's ability to maximise its resources. It will also widely influence how other industries operate their businesses in the future.

### Environmental

With regard to the environment and our long-term goal of reducing our carbon footprint, Censof is committed to stewarding our resources well and minimising wastage in our operations. We are also leveraging the use of environmental-friendly materials and enhancing our recycling efforts by adopting the following initiatives:





## SUSTAINABILITY STATEMENT

### Sustainability Focus

#### ENVIRONMENTAL

### Activity focus

- Expand scope of energy saving opportunities.
- Improve recycle and reuse initiatives.

Goals & Commitments	Action Plans	Measurement/ Indicators	Status
<p><u>Align customers' sustainability needs to our procurement processes</u></p> <p>Reduce our environmental footprint by using materials that meet environmental and social sustainability standards.</p>	<p>Strengthen supplier awareness of environmental and social sustainability choices.</p>	<p>To conduct background checks on new suppliers, and periodic supplier evaluation checks to ensure they have a good corporate social responsibility ("CSR") track record. These processes are to be guided by KPIs that should be part of their standard operating procedures ("SOPs").</p> <p>To send reading materials on social and environmental news to all suppliers.</p>	<p>We continue to reduce our paper usage by minimising printing, using both sides of an A4 sheet and recycling used paper. We are also reducing wastage during tender submissions and are collecting used paper for recycling.</p> <p>These activities are ongoing.</p>
<p><u>Grow the Green Energy Consumption Business</u></p> <p>Introduce the new business by focusing on the green energy consumption business under Censof Digital Sdn. Bhd.</p>	<p>Contribute to our efforts to reduce carbon emissions by encouraging consumers to use electric vehicles ("EVs") to commute.</p> <p>Implement "Dompert Hijau" to create awareness of carbon footprint. This initiative will see consumers earn redeemable Carbon Credit Points when they utilise green transportation services such as electric buses or electric bikes.</p> <p>Reduce traffic with effective route management for parking and charging – this reduces carbon emissions.</p>	<p>Carbon Credit Points – 1 point per trip/ride (per km).</p> <p>Target 30,000 trips/rides within 6 months after launch.</p>	<p>First pioneer project awarded to Censof Digital Sdn Bhd by Perisind Samudra in October 2021 – to implement a digital platform for EV management with "Dompert Hijau".</p> <p>Censof approved a working capital investment of RM600,000 for the green energy consumption business by using digitalisation tools.</p> <p>The launch of the project (Phase 1) is planned for last quarter of year 2022 – the key dependency is charging stations (currently being addressed by third-parties such as TNB-chargeEV and Petronas-Gentari).</p>

## SUSTAINABILITY STATEMENT

Goals & Commitments	Action Plans	Measurement/ Indicators	Status
<u>Encourage online payments and reduce usage of paper</u> Encourage the migration of more offline processes online to enable a paperless green environment/ transaction workflow.	Reduce payments by cheque by undertaking online transactions and recycling office stationery whenever possible.	Promote online signing of contracts.  Promote document storage on the cloud.	The Group and its subsidiaries are in the process of migrating all their banking processes online. To date, costing sheets are approved via e-signature, while most of the Finance department's document are stored in a cloud server. On top of this, Board papers are uploaded in cloud-based board paper solutions, Convene to reduce paper usage.

### Social

To ensure the Group's long-term sustainability, the effective development of our employees is essential. We desire our employees to be healthy and happy at work in order to efficiently support our customers' needs. As a good corporate citizen, the Group also annually contributes towards the communities with whom employees are involved with.

Sustainability Focus	Activity focus
<b>SOCIAL</b>	<ul style="list-style-type: none"> <li>• Increase staff training opportunities.</li> <li>• Strengthen community engagement efforts.</li> <li>• Empower customer experience.</li> <li>• Grow shareholder engagement initiatives.</li> </ul>

Goals & Commitments	Action Plans	Measurement/ Indicators	Status
<u>Health and safety awareness</u> Increase awareness amongst people managers and teams. Ensure managers are supported and educated on staff physical and mental wellness at work. Staff with mental wellness issue needs to be cared for as well.  Workplaces which neglect health and safety issues may risk prosecution, staff turnover while it definitely lowers productivity, increases costs and reduces profitability.	Improve channels of communication and encourage sharing so teams feel secure and supported by their superiors, peers and company, especially during the pandemic.  This initiative will increase the engagement levels of our teams and enhance their employee experience with Censof.	Staff turnover measures and productivity via the PEP.  Encourage a health screening programme i.e., once every two years for those aged below 50 and yearly health screening for those aged 50 and above.	The Malaysian Government's declaration that the nation's is entering the endemic phase has seen the removal of many social restrictions on physical gatherings. In light of this, the Censof Group is reviewing how best to introduce staff one-on-one engagements via counselling and to reconvene physical employee engagement activities while ensuring the health and safety of our employees remain topmost priorities.  Health screening activities are ongoing.

## SUSTAINABILITY STATEMENT

Goals & Commitments	Action Plans	Measurement/ Indicators	Status
<p><u>Employee engagement</u> Develop a clear definition of employee engagement with Censof Group.</p> <p>Maintain open and transparent communication channels with all staff outside the work arena.</p> <p>Engage with staff to build bonds and assurance that they are part of Censof Family.</p>	<p>Staff stay committed and motivated with direct communication opportunities with Senior Management to keep them inspired and readily provide feedback (utilise split-level sessions).</p>	<p>On April 2022 CSM conducted its maiden hybrid, townhall event. Prior to this, during the height of the pandemic, we conducted virtual Group-level townhall meetings to ensure the safety of our employees. Moving forward, we will continue to assess the current health situation when planning consecutive townhalls.</p> <p>Censof companies within the Group leverage on different communication channels to interact with their staff. These mediums include virtual townhall meetings, team building exercises and monthly e-newsletters.</p>	<p>These activities are continuously improved in line with the current health situation and the needs of our teams.</p>
<p><u>Equal employment opportunities while maintaining workforce diversity</u> We need to ensure we are a diverse and inclusive team aligned with company objectives and a clear line of sight.</p>	<p>Workplace diversity to support our employer branding to attract top graduates to join our Tech dream team. This is in line with our belief that attracting top Gen Z and Gen Y candidates will be beneficial for growing our customer base.</p>	<p>Create awareness on Diversity and Inclusion ("D&amp;I") initiatives among all management teams so they are able to cascade similar messages down to their direct reports.</p> <p>Set clear objectives and targets on talent acquisitions and development to ensure we do not focus on any specific teams.</p>	<p>We continue to prioritise the hiring of diverse talent through candidate sourcing and screening.</p>
<p><u>Community services</u> Encourage staff participation in CSR activities.</p>	<p>Create awareness for staff on contributing towards the needs of society.</p>	<p>Promote communal works.</p> <p>Focus on welfare activities within internal community.</p>	<p>Censof continued to reach out to communities through its visits to homes for the elderly and orphans.</p> <p>During FY2022, we also focused our resources on helping the Group's internal community through welfare activities such as flood donations, COVID-19 aid and providing 100% insurance compensation to the family of affected staff members.</p>

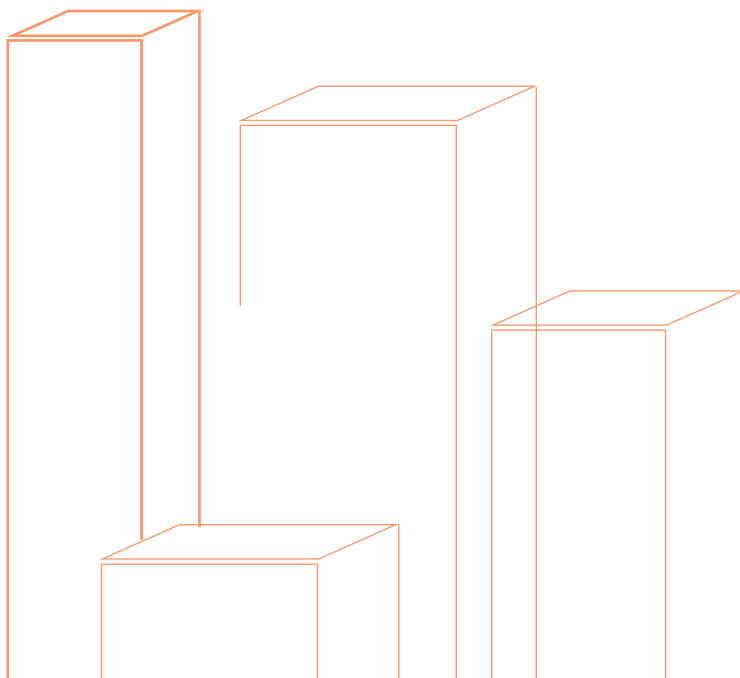
## SUSTAINABILITY STATEMENT

### Continuing to Ensure a COVID-19 Free Workplace

The Group highly prioritises the health, safety and wellbeing of our employees, customers and surrounding communities. During the COVID-19 crisis, our commitment to this cause was illustrated through our implementation of our Business Continuity Plan and the elevation of our health and safety measures. Over the course of the pandemic, we stringently abided by the regulations issued by the governments of the countries in which we operate and adjusted our health and safety SOPs accordingly. In line with national mandates, all employees across the Group have been vaccinated under their respective national immunisation programmes.

To ensure that we continue to curb the spread of the virus, we encourage our employees to remain vigilant by testing for COVID-19 regularly and keeping note of close contacts, etc. As such, Century Software requires all employees to conduct a weekly COVID-19 self-tests using Rapid Test Kits ("RTK"). The company reimburses any costs incurred by its employees in complying with this requirement.

Although the Government has declared that all employees may return to the office, Censof employees that are considered high-risk are exempt from working at the office. These include those 60 years and above, or who are pregnant, or have health issues. Flexible working arrangements are also being made available to staff members who have any special family needs, be it childcare or the care of a dependent. Employees are encouraged to discuss their home issues and challenges with their respective superiors and Human Resource Teams so as to plan a way forward.



### Workplace Diversity for Malaysian Operations

Workforce Statistics	FY 2019/20	FY 2020/21	FY 2021/22
<b>Total Number of Employees</b>			
Male	194	206	227
Female	131	123	131
<b>Employees by Age Group</b>			
<30	113	108	173
30 - 40	123	134	109
41 - 50	64	56	58
>50	25	31	18
<b>Employees by Ethnicity</b>			
Bumiputera	222	230	168
Non-Bumiputera	83	69	80
Foreigners	20	30	10
<i>Censof Companies Outside Malaysia</i>			
Resident	-	-	97
Non Resident/Foreigners	-	-	3
<b>% of Female Composition</b>			
Total Employees	131	123	131
Board of Directors	0.76%	0.76%	12.5%
Senior Management	5.34%	5.34%	7.14%
Middle Management	9.17%	9.17%	26.32%
Executive/ Supervisory	83.21%	83.21%	42.11%
Non-Executive	1.52%	1.52%	15.38%
<b>New Hires</b>			
Total Number of New Hires	69	54	120
Male	45	32	68
Female	24	22	52
<b>Staff Turnover Rate (%)</b>			
	24.31%	11.24%	27.09%

## SUSTAINABILITY STATEMENT

### A Continued Focus on Developing Our Talent Pool

The Group recognises that the specific skillsets and competencies of our workforce play a major role in ensuring our sustainable growth for the long-term. As such, we remain focused on equipping our employees and strengthening their skillsets, particularly in the area of technical or functional, business and leadership competencies through various learning and development programmes. These programmes, which comprise various learning methodologies from the Human Resources Development Corporation Fund or HRDC, aim to equip both teams and individuals. The Group also encourages all employees to incorporate the "5 Cs" approach in their work ethic. By encouraging our employees to be Committed, Credible, Caring, Creative and to Collaborate, we aim to nurture a workforce that consistently achieves their KRAs.

Our Performance Enhancement Plan or PEP is our performance management tool which measures our employees' progress in relation to the KRAs set at the start of our financial year. The KRAs revolve around team and personal performances as well as an evaluation of the 5 Cs. As we embark on establishing the Group's Talent Management Framework in FY2023, critical management tools such as the talent review and succession planning exercises will be integral for the identification and development of a pool of highly-talented individuals for the short, medium and long-term. These tools will also help us to establish the appropriate rewards strategy.

By encouraging our employees to be Committed, Credible, Caring, Creative and to Collaborate, we aim to nurture a workforce that consistently achieves their KRAs.

### Developing a Sustainable Industry Talent Pool

Our drive to develop and nurture talent within the digital technology sector extends beyond the boundaries of the Group as we also aim to contribute to the sustainability of the industry and ultimately the local economy. To this end, Censof is partnering with the Ministry of Entrepreneur Development in the Government's Professional Training and Education for Growing Entrepreneurs or PROTÉGÉ programme. Under this programme, the Group has committed to training 8 management trainees with the aim of hiring them later on. By strengthening the entrepreneurial and professional skills of young and talented individuals, we hope to develop them into strong contributors to the nation's future.

In line with the Group's commitment to building an industry talent, Century Software inked a three-year Memorandum of Understanding ("MoU") with Universiti Sains Malaysia ("USM") to foster university-industry collaboration in the fields of accounting and information technology. We are hopeful that this collaborative effort will generate other training and academic linkages as well as cooperation opportunities. The collaboration also calls for Century Software to provide financial management solutions, including its GRP solution, to USM. The Group is currently in the midst of exploring further collaborations with other universities. These partnerships aim to provide students with working experience while building the industry talent pool. Our efforts are also aligned with the Government's MyDIGITAL ambitions.

## SUSTAINABILITY STATEMENT

### Strengthening Residential Neighbourhoods via the MyJiran App

Our commitment to serving the community has seen the Group introduce digitalisation at a grassroots level through various initiatives. One of these is our MyJiran mobile application which served to keep communities connected during the pandemic. Internally developed, the cloud-based resident association management portal was made available to resident associations for free as part of our CSR outreach programme. Although a variety of group communication platforms already exist in the market, MyJiran's comprehensive solution helps streamline group communications and enables resident associations to build communities in a more efficient manner.

Censof's CSR initiatives also see the Group and our subsidiaries rendering aid to the local community in a variety of ways. During the month of Ramadhan, Century Software supported a local orphanage by providing them with basic necessities. In Indonesia, PT. Praisindo continues to roll out several community initiatives under its own CSR programme.

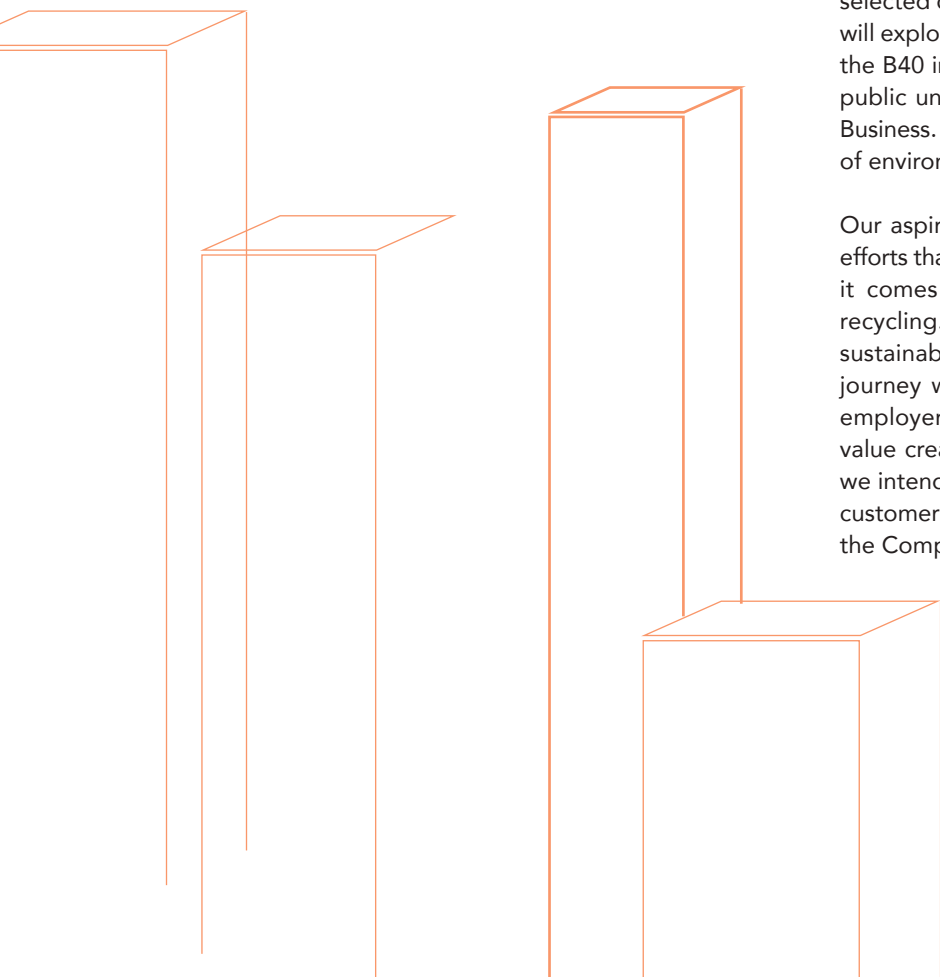
### MOVING FORWARD / BUILDING A SUSTAINABLE FUTURE

As we go about our daily tasks of managing and operating the Group's business, we are leveraging the agenda of sustainability to better serve our customers, care for the environment, secure profits, and drive long-term prosperity. We view sustainability as an essential component of our business as it ensures the safety, efficiency and management of our responsibilities in a manner that protects our employees, partners, communities, shareholders and the environment, today and for the future.

Censof considers sustainability as an endless journey of improvement and is committed to upholding the sustainable growth of its businesses without compromising the needs of stakeholders. As such, we will continue to embed sustainability into our operations and business strategies by honing our internal processes and strengthening our ability to create sustainable value for our business, our stakeholders, and society as a whole.

Moving forward, the Group will set its sights on CSR initiatives that will see us giving back and elevating the well-being of selected communities. For instance, on the education front, we will explore opportunities to sponsor high-school students from the B40 income group so that they can further their studies in public universities in the areas of Accounting, Technology or Business. We also intend to explore activities related to the area of environmental preservation with NGOs.

Our aspiration is to adopt a pragmatic approach in everyday efforts that will lend to Censof's overall sustainability focus when it comes to areas such as environmental preservation and recycling. Censof aspires to be a leader in corporate sustainability and we remain committed to continuing the journey we have begun in our capacity as business partner, employer, community member, environmental steward and value creator. By thinking and acting in a sustainable manner, we intend to deliver excellent financial management products, customer service and strong financial results as well as position the Company for a bright, sustainable future.





# HIGHLIGHTS OF THE YEAR

01

## PROJECTS AWARDED FROM BANK/INSURANCE SECTOR TO PT. PRAISINDO

Jakarta

April 2021 - March 2022

PT Praisindo Teknologi

### Overview

PT Praisindo secured multiple new contracts with the following banks and agencies for financial year 2022 ("FY2022"). These contract wins demonstrate PT Praisindo's continued efforts to deepen its presence in existing core markets and break into new markets by capitalising on business expansion opportunities.

#### PT Traveloka Indonesia

- Project Wealth Management System (Mutual Fund)
- Integration to E-Channel

#### PT Perta Life Insurance

Investment Management System (SIAP) Project

#### PT Bank Victoria International, Tbk

SBN Online Project

#### PT Batavia Prosperindo Aset Manajemen

Investment Management System (SIAR) Project

#### PT Bank Syariah Indonesia, Tbk

- Reksadana Mobile Project
- Enhancement WMS Phase II Project

#### PT. Bank CIMB Niaga, Tbk

- Automate AML Solution System to WMS Project
- Auto Process Batch File Data Bancassurance for CSRP from Insurance Company & CSI on WMS Project
- WM Onboarding on OctoSmart Project
- Enhancement for Dashboard, Alert Notifications Project
- Bancassurance on WMS Project

#### PT Bank Permata Tbk

Deal Bonds Project

#### PT Allianz Global Investors Asset Management

- CR Pembuatan Menu Rekonsiliasi Posisi Portfolio Bloomberg dan IMS Project
- Change Request New Report Project
- Offshore Project

## HIGHLIGHTS OF THE YEAR



02

### YAYASAN AL - ABQO ZIDAYAH

Jakarta

4th May 2021

PT Praisindo Teknologi

#### Overview

PT Praisindo's monthly CSR programme reflects its objective of lending a helping hand to orphanages by providing food aid for the less fortunate.

03

### CENSOF PARTNERS WITH MICROSOFT TO ACCELERATE DIGITAL TRANSFORMATION OF THE PUBLIC SECTOR IN MALAYSIA

Kuala Lumpur

20th May 2021

Censof Holdings Berhad

#### Overview

Under this collaboration, Censof will be working together with Microsoft to deliver its Government Resource Planning ("GRP") system, which will run on Microsoft Azure, to meet the evolving needs of the public sector.

04

### CENTURY SOFTWARE EMPOWERS TRANSFORMATION OF HOSPITAL PENGAJAR UNIVERSITI PUTRA MALAYSIA (HPUPNM) TENDERING SYSTEM EASING PROCUREMENT DURING PANDEMIC

Petaling Jaya

29th June 2021

Century Software (Malaysia) Sdn Bhd

#### Overview

In this partnership between Century Software and Hospital Pengajar Universiti Putra Malaysia ("HPUPM"), the cloud-based TenderWizard system is being leveraged to significantly increase the efficiency of HPUPM's tendering and procurement processes. This collaboration reflects Censof's effort to drive digital transformation in the public sector.



HIGHLIGHTS  
OF THE YEAR

05

**FINANCIO CONNECT MOBILE APP  
RELEASED GLOBALLY**

Petaling Jaya

29th June 2021

Asian Business Software Solutions Pte Ltd

**Overview**

Dubbed as a next-generation mobile app, Asian Business Software Solutions Pte Ltd or ABSS's Financio CONNECT facilitates and provides convenient business accounting transactions where subscribers will be able to instantly access their data, anytime, anywhere by merely using a smartphone.

07

**PARTNERSHIP BETWEEN CENTURY  
SOFTWARE AND JITTERBIT IS GOOD  
NEWS FOR MALAYSIAN GOVERNMENT**

Petaling Jaya

18th August 2021

Century Software (Malaysia) Sdn Bhd

**Overview**

Century Software and Jitterbit, an application programming interface ("API") transformation company, strengthened their partnership with a pledge to continue advancing their joint technology to enable Malaysian government agencies and businesses to accelerate their digital transformation journey.

06

**START OF A NEW ACUMATICA ERP KICK  
OFF – KAJIMA OVERSEAS ASIA (SINGAPORE)**

Singapore

11th July 2021

Netsense Business Solutions Sdn Bhd

**Overview**

Netsense Business Solutions Sdn Bhd ("Netsense") kicked off a new Acumatica ERP project for Kajima Overseas Asia (Singapore), a key player in the construction industry. This project, which aims to replace the legacy SunSystem, will see Acumatica catering to more than 50 users at Kajima in Singapore.

08

**CS CLOUD PARTNERS WITH NIMBUS  
CLOUD SERVICES TO FAST TRACK  
MALAYSIA'S DIGITAL TRANSFORMATION**

Petaling Jaya

9th September 2021

CS Cloud Sdn Bhd

**Overview**

Through a partnership with Nimbus Cloud Services, CS Cloud will introduce and provide, four new cloud-based products, namely, Hijra Cloud, Kami Cloud and Askar Cloud to all existing and future clients of CS Cloud. This partnership will essentially accelerate the company's ability to meet the digital transformation ambitions of Malaysia's public sector.

## HIGHLIGHTS OF THE YEAR



09

### CENTURY SOFTWARE (MALAYSIA) SDN BHD ORGANISES VIRTUAL GLOBAL USER CONFERENCE 2021 – THE NORMAL NORM

Kuala Lumpur

5th October 2021

Century Software (Malaysia) Sdn Bhd

#### Overview

The month of October 2021 saw Century Software conduct its Software Virtual Global User Conference 2021 for SAGA users. With the theme, "The Normal Norm", the conference, which covered topics such as digital transformation, seamless personalisation, best-in-class functionality, and innovation with a robust ecosystem, drew good response.



10

### CENSOF DIGITAL AWARDED WITH A PROJECT BY ECORIDE (OWNED BY PERISIND SAMUDRA) TO PROVIDE GREEN TRACK & TRACE PLATFORM FOR ELECTRIC VEHICLES

Johor

1st November 2021

Censof Digital Sdn Bhd

#### Overview

Censof Digital will provide EcoRide and its users a digital platform and mobile app that will allow users to book, pay and earn carbon credits when using electric vehicles to commute.

11

### CS CLOUD SDN BHD AND CLOOCUS CO LTD TEAM UP IN SYNERGISTIC COLLABORATION

Kuala Lumpur

7th December 2021

CS Cloud Sdn Bhd

#### Overview

CS Cloud and Cloocus Co Ltd of Korea have partnered to form a new joint operation entity named Cloocus Sdn Bhd ("Cloocus") which is to provide service on a hyperscale cloud management platform in Malaysia based on Microsoft Azure. In addition to the Microsoft business, Cloocus will focus on developing Modern Work or MW and business apps.

HIGHLIGHTS  
OF THE YEAR

## 12

### CENTURY SOFTWARE (MALAYSIA) SDN BHD WINS MASTERCLASS CEO OF THE YEAR AT MEBA 2021

Marriot Hotel, Putrajaya

10th December 2021

Century Software (Malaysia) Sdn Bhd

#### Overview

Dr Zainul Ariffin Harun, CEO of Century Software was hailed as the Masterclass CEO of the Year at the Malaysia Excellence Business Awards (MEBA) 2021.

## 13

### CENSO SECURES ELECTRONIC PAYMENT (IPAYMENT) CONTRACT WITH THE GOVERNMENT

Kuala Lumpur

15th December 2021

Century Software (Malaysia) Sdn Bhd

#### Overview

Century Software secured a RM13.5 million contract (including 6% sales and service tax) to develop and integrate the iPayment collection system for the Accountant General's Department of Malaysia ("AGD"). This system is expected to be rolled out to all government agencies to facilitate cashless payments and collections by 2022.

## 14

### START OF A NEW ACUMATICA ERP KICK OFF – SECRET RECIPE

Kuala Lumpur

11th January 2022

Netsense Business Solutions Sdn Bhd

#### Overview

Netsense kicked off a new Acumatica ERP project for Secret Recipe, a key retail F&B & distribution player. This project, which aims to replace a rival legacy ERP system, will see Acumatica catering to more than 90 users at Secret Recipe.

## HIGHLIGHTS OF THE YEAR



### 15 MOU WITH UNIVERSITI SAINS MALAYSIA

Pulau Pinang

12th January 2022

Century Software (Malaysia) Sdn Bhd

#### Overview

Century Software signed a Memorandum of Understanding ("MoU") with Universiti Sains Malaysia ("USM") to promote, develop and establish an internship training programme pertaining to accounting and information technology.

### 16 CENSOF COMPLETES ACQUISITION OF A 51% STAKE IN COGNITIVE CONSULTING

Petaling Jaya

20th January 2022

Censof Holdings Berhad

#### Overview

Censof entered into a share purchase agreement to take up a 51% stake in Cognitive Consulting Sdn Bhd ("Cognitive Consulting") for approximately RM3.7 million, with a profit guarantee scheme. Cognitive Consulting's robotic process automation ("RPA") technology will allow Censof to readily tap into RPA technology to elevate the processes of our public and private sector customers.

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### CENSOF APPOINTS VICKS KANAGASINGAM AS CEO OF CENSOF DIGITAL

Petaling Jaya

25th January 2022

Censof Holdings Berhad

#### Overview

In January 2022, Vicks Kanagasingam was roped in to spearhead the future direction of Censof Digital Sdn Bhd ("Censof Digital"), given his vast experience in artificial intelligence, the Internet of Things and Industrial Revolution 4.0. As a respected thought leader in digital transformation, Vicks leads as a mentor with his advanced knowledge in emerging tech. He is also considered a leading industry expert by his peers and a major advocate for localised industrial IoT solutions.





HIGHLIGHTS  
OF THE YEAR

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**CENSOF AWARDED SME RATING AND  
ACCREDITATION CONTACT FROM SME  
CORP**

Petaling Jaya

10th February 2022

Century Software (Malaysia) Sdn Bhd

**Overview**

The contract, valued at RM7.3 million, involves the building of an integrated application system for Small and Medium Enterprises ("SME") Rating and Accreditation phase 1 for SME Corp ("the Project").

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**CENSOF ACQUIRES 51% EQUITY STAKE IN  
GW INTECH**

Petaling Jaya

22nd February 2022

Century Software (Malaysia) Sdn Bhd

**Overview**

The share sale agreement entails the acquisition of a 51% equity stake in GW Intech Sdn Bhd ("GW Intech") through the subscription of 100,000 new ordinary shares for a total consideration of RM500,000.

The acquisition of 51% equity stake in GW Intech was completed on 12 July 2022.



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**CENTURY SOFTWARE (MALAYSIA) SDN  
BHD WINS WITSA AWARDS 2021 IN  
PUBLIC / PRIVATE SECTOR**

Kuala Lumpur

11th March 2022

Century Software (Malaysia) Sdn Bhd

**Overview**

Century Software was named one of the recipients of the 2021 WITSA Global ICT Excellence Awards in the Public / Private Sector category at the PIKOM Unicorn Tech Awards Night 2021. The company gained recognition for the development of its MyResults solution for Malaysia's Ministry of Finance. The World Information Technology and Services Alliance ("WITSA") is the leading voice of the global digital technology industry.

## HIGHLIGHTS OF THE YEAR



### 21 NETSENSE RECEIVES SECOND ACUMATICA MVP AWARD

Kuala Lumpur

1st February 2022

Netsense Business Solutions Sdn Bhd

#### Overview

Netsense Business Solutions Director, Mr Abdul Rehman was named Acumatica's Most Valuable Professional ("MVP") 2022. He is currently the only MVP named in Asia.



### 22 NETSENSE AWARDED ACUMATICA ASIA PARTNER OF THE YEAR

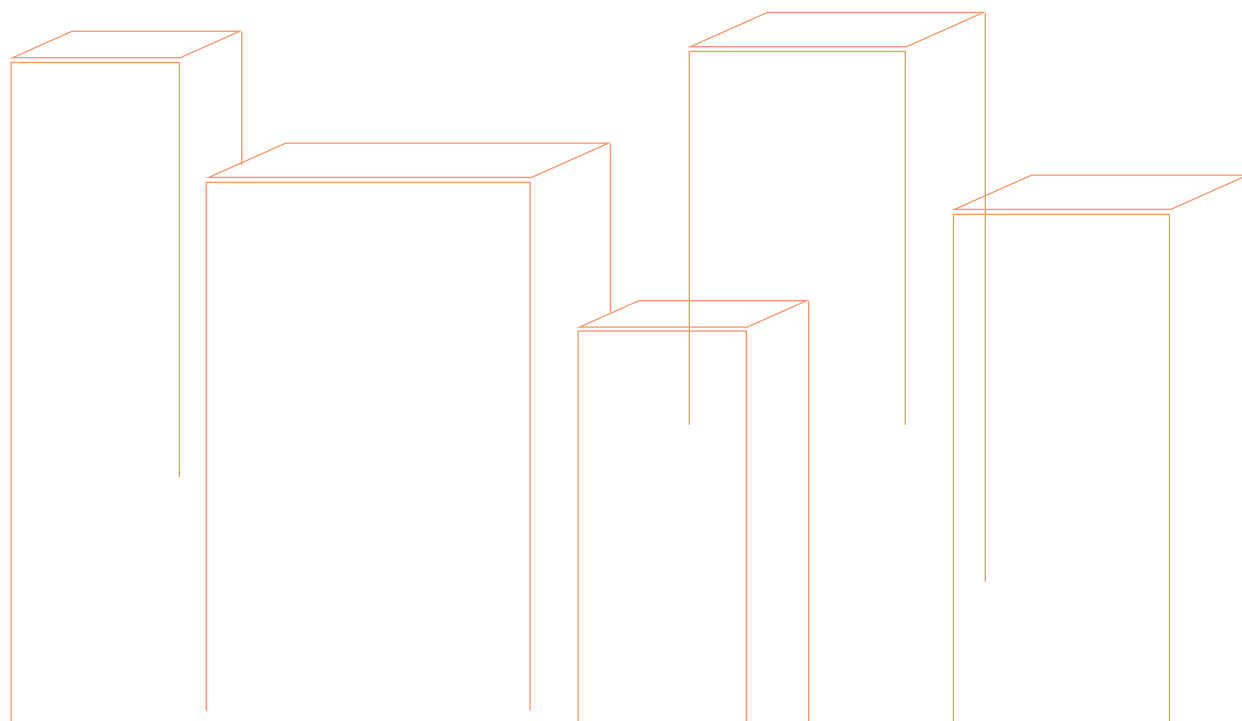
Kuala Lumpur

1st March 2022

Netsense Business Solutions Sdn Bhd

#### Overview

Netsense was recognised as the Acumatica Asia Partner of the Year for the second consecutive year.



HIGHLIGHTS  
OF THE YEAR

23

**ABSS SIGNED STRATEGIC PARTNERSHIP  
WITH UOB SINGAPORE**

Singapore

1st March 2022

Asian Business Software Solutions Pte Ltd

**Overview**

ABSS Singapore has partnered with UOB Singapore to provide business automation services to banking clients. This partnership will build on the strong relationship both parties have with SMEs in the region.



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**CENTURY SOFTWARE SPREADS HARI  
RAYA CHEER**

Subang Jaya

26th April 2022

Century Software (Malaysia) Sdn Bhd

**Overview**

Century Software organised a CSR initiative called #CahayaRamadanCSM where the company donated food supplies, cash and carepacks to the children and caretakers of Pusat Jagaan Cahaya Kasih Bestari.

OVERVIEW

PERFORMANCE  
REVIEWSUSTAINABILITY  
STATEMENTLEADERSHIP AND  
GOVERNANCEFINANCIAL  
STATEMENTSANNUAL GENERAL  
MEETING

# BOARD OF DIRECTORS



from left to right

**ANG HSIN HSIEN**  
Executive Director

**TAMIL SELVAN A/L  
M. DURAIRAJ**  
Deputy Group  
Managing Director

**TAN SRI DATO'  
MOHD IBRAHIM  
BIN MOHD ZAIN**  
Independent Non-  
Executive Chairman

**AMEER BIN  
SHAIK MYDIN**  
Group Managing  
Director

BOARD OF  
DIRECTORS

from left to right

**MAHATHIR BIN  
MAHZAN**

Independent Non-  
Executive Director

**TUAN HAJI AB.  
GANI BIN HARON**

Senior Independent  
Non-Executive  
Director

**TAN SRI DATUK  
WIRA DR. HJ.  
MOHD SHUKOR BIN  
HJ. MAHFAR**

Independent Non-  
Executive Director

**MOHD REDZUAN  
BIN HASAN**

Independent Non-  
Executive Director



# PROFILE OF DIRECTORS



## Academic / Professional Qualifications:

- Graduate, British Institute of Management, United Kingdom.
- Graduate, Institute of Marketing, United Kingdom.
- Master's in Business Administration, University of Ohio, United States of America.

**Gender** - Male | **Age** - 79 | **Nationality** - Malaysian

**Date of Appointment** - 28 December 2010

**Board Committee Membership:**  
- Member of the Audit Committee

## TAN SRI DATO' MOHD IBRAHIM BIN MOHD ZAIN

Independent Non-Executive Chairman

### Working Experience:

Upon his graduation in 1965, he was attached to University Technology MARA (UiTM) (formerly known as Institute of Technology MARA) as a lecturer and then Head of School of Business and later as Dean of Academic Affairs. Subsequently he was appointed as a Council Member/Director, a position he had held until October 2006.

He had served as Chief Executive Officer of Amanah International Finance Berhad, Amanah-Chase Merchant Bank Berhad and Oriental Bank Berhad; Chairman and Chief Executive

Officer of Setron (Malaysia) Berhad, Chairman of Bank Kerjasama Rakyat (M) Berhad, Pan Malaysian Holdings Berhad, Pan Malaysian Industries Berhad, Pan Malaysia Capital Berhad, Chemical Company of Malaysia Berhad and Kawan Food Berhad. He was also Deputy Chairman of Metrojaya Berhad, a Director of K & N Kenanga Berhad and AMMB Holdings Berhad.

He has over forty (40) years of broad-based senior management, decision making and significant executive leadership positions in various industries in public listed companies as well as private companies.

### Other Directorship In Public Companies and Listed Issuers:

- Chairman, Yayasan Arshad Ayub
- Chairman, Rex Industry Berhad

### Relationship with other directors/shareholders/listed issuer:

Nil

### Conflict of Interest with listed issuer:

Nil

### Any other convictions (aside from traffic offence):

Nil



## PROFILE OF DIRECTORS



### Academic / Professional Qualifications:

- Bachelor of Science (Physics), Universiti Malaya, Malaysia.

**Gender** - Male | **Age** - 59 | **Nationality** - Malaysian

**Date of Appointment** - 28 December 2010

**Board Committee Membership:**  
- Member of the Risk Management Committee

### AMEER BIN SHAIK MYDIN

Group Managing Director

#### Working Experience:

Mr Ameer bin Shaik Mydin has accumulated invaluable experience in the IT and financial services industry. He started his career as an Account Manager at PanGlobal Sistemaju Sdn Bhd, providing WANG computers solutions to the banking industry. There, he managed an esteemed clientele comprising local and international banks.

Three (3) years later, Ameer then moved to Digital Equipment Malaysia Sdn Bhd to assume the role of a Channels Account Manager in charge of the re-seller market for VAX system processors. This is where Ameer built his network with other channel partners in the IT industry in Malaysia focusing on the Government sector.

Ameer went on to expand his knowledge in the IT solution business as a Sales Manager at Berjaya Ross Systems Sdn Bhd, an accounting system and computer hardware provider. Thereafter, he joined Unisys Malaysia Sdn Bhd, as the Senior Strategic Account Manager in the Network Sales Division.

In 1999 with the coming of Y2K, Ameer joined Century Software (M) Sdn Bhd (CSM) as a Business Development Manager. In the ensuing years, he assumed many roles under the Group including CEO of IT System Implementors Sdn Bhd and Director of Business Development at CSM where he identified, cultivated and negotiated new opportunities for the company.

In 2008, Ameer was appointed an Executive Director for Censof Holdings Berhad and subsequently as CEO of T-Melmax in 2012 to oversee the progress of the company. In 2014, he was appointed as the Group Managing Director of Censof Holdings Bhd overseeing all its subsidiaries. Ameer takes a hands-on approach with all things concerning business development, group strategy, human resource and corporate affairs.

Outside of Censof, Ameer is a staunch environmentalist and is also a Director in Gunung Ganang Corp Sdn Bhd, an environmental and project management turnkey service provider focusing on environmentally friendly and sustainable practices. He is also an avid mountain climber and has even made it to the Mt. Everest base camp.

**Other Directorship in Public Companies and Listed Issuers:**  
Nil

**Relationship with other directors/shareholders/listed issuer:**  
Nil

**Conflict of Interest with listed issuer:**  
Nil

**Any other convictions (aside from traffic offence):**  
Nil



## PROFILE OF DIRECTORS



### Academic / Professional Qualifications:

- Chartered Accountant of the Malaysian Institute of Accountants, Malaysia.
- Member, Chartered Institute of Management Accountants, United Kingdom.
- Chartered Global Management Accountant, CGMA.

**Gender** - Male | **Age** - 61 | **Nationality** - Malaysian

**Date of Appointment** - 28 December 2010

**Board Committee Membership:**  
- None

### TAMIL SELVAN A/L M. DURAIRAJ

Deputy Group Managing Director

#### Working Experience:

Mr. Selvan Durairaj has gained over three (3) decades of public and private sector experience in business consulting and financial applications.

During the early years of his career, Selvan was a treasury accountant at the Accountant General Office and an accountant for the Perak state secretariat. He then joined the private sector as a consulting manager at New Straits Times Technology Sdn Bhd and then in KPMG Peat Marwick Consulting Sdn Bhd, which gave him exposure into accounting systems and software implementation.

Having taken on roles in both IT and accounting sectors, Selvan gained a unique perspective and aimed to modernise accounting solutions for both the public and private sector.

In 1995, Selvan along with his partners founded Century Software Sdn Bhd, specialising in accounting systems and software. The solutions were made available to both the Malaysian Government and the private sector, winning awards such as Member Excellence Award (2012) & Technoprenuer Excellence Award (2011) from PIKOM ICT Leadership Awards, Best Software Product (2010) from NEF-AWANI ICT Awards, SME Star Award in both 2009 and 2010 from the National Award Of Management Accounting and many more.

In 2014, Selvan was appointed as the Group Deputy Managing Director at Censof Holdings Berhad where he still holds the position. His area of expertise includes financial management and cost accounting and he oversees both the finance and operations department of the company.

**Other Directorship In Public Companies and Listed Issuers:**  
Nil

**Relationship with other directors/shareholders/listed issuer:**  
Nil

**Conflict of Interest with listed issuer:**  
Nil

**Any other convictions (aside from traffic offence):**  
Nil

## PROFILE OF DIRECTORS



### Academic / Professional Qualifications:

- Bachelor of Business (Finance & Marketing), Curtin University of Technology, Western Australia.

**Gender** - Female | **Age** - 55 | **Nationality** - Malaysian

**Date of Appointment** - 28 December 2010

**Board Committee Membership:**  
- None

### ANG HSIN HSIEN

Executive Director

#### Working Experience:

Ms. Ang has more than twenty (20) years of experience in business and the IT industry. Armed with her training in marketing and finance, and her interest in IT, she has IT-enabled business transformation for clients in both the public and private sectors.

She co-founded Century Software Sdn. Bhd. and started distributing accounting software from Australia to Malaysia. Ang was instrumental in pioneering the government accounting systems with the introduction of SAGA (Standard Accounting System for Government Agencies) and coordinated with Central Agencies to ensure successful implementation of SAGA at respective federal and state government agencies.

Currently, Ms. Ang serves as the Executive Director with focus on customer support and developing new market opportunities for the Group, she plays a strategic role in subsidiaries, including Netsense Business Solution, Tender Pintar and newly startup Censof Digital. She is also a technology evangelist and works with partners to get the most out of new technology such as cloud, big data analytics the Internet of Things (IoT) and sees that digitalisation is the way forward in business.

Ms. Ang has a strong commitment towards social economy, people and believes that an emphasis on sustainable technology is essential to the growth and development of businesses today. Ms. Ang is actively involved in empowering children with artistic expression using emergent technology with Antz World, a not-for-profit organisation that seeks to build a sustainable 'arts with technology' ecosystem to benefit our underserved children within our community.

**Other Directorship In Public Companies and Listed Issuers:**  
Nil

**Conflict of Interest with listed issuer:**  
Nil

**Relationship with other directors/shareholders/listed issuer:**  
Nil

**Any other convictions (aside from traffic offence):**  
Nil

## PROFILE OF DIRECTORS



### Academic / Professional Qualifications:

- Chartered Accountant of the Malaysian Institute of Accountants.
- B.Econs (Hons), University of Malaya.
- Diploma in Accounting, University of Malaya.

**Gender** - Male | **Age** - 71 | **Nationality** - Malaysian

**Date of Appointment** - 28 December 2010

### Board Committee Membership:

- Chairman of the Audit Committee
- Member of the Risk Management Committee
- Member of the Nominating & Remuneration Committee

### TUAN HAJI AB. GANI BIN HARON

Senior Independent Non-Executive Director

### Working Experience:

Tuan Haji Gani's professional career over thirty (30) years was with the public service sector in senior positions involving financial, management, audit and human resource management for the Accountant General Office of Malaysia. Since 2001, he assumed the role of Director of Accounting Development and Management Division and subsequently Deputy Accountant General of Malaysia, managing the human resource management of the Federal Government and the development of the accounting system for the Federal Government.

### Other Directorship In Public Companies and Listed Issuers:

Nil

### Conflict of Interest with listed issuer:

Nil

### Relationship with other directors/shareholders/listed issuer:

Nil

### Any other convictions (aside from traffic offence):

Nil

## PROFILE OF DIRECTORS



### Academic / Professional Qualifications:

- Bachelor of Economics from University Malaya.
- Post Graduate Diploma in Computer Science from Malaysia University of Technology Diploma in Accounting, University of Malaya.
- Master of Taxation and Doctor of Public Administration from the Golden Gate University USA.
- Honorary Doctor of Management from UNITEN and Asia Metropolitan University.
- Appointed the Adjunct Professor of University Teknologi Mara (UiTM), Universiti Tenaga Nasional (UNITEN), Universiti Tun Abdul Razak (UNITAR), Universiti Utara Malaysia (UUM), Universiti Malaysia Perlis (UniMAP) and University College of Technology Sarawak (UCTS).

**Gender** - Male | **Age** - 67 | **Nationality** - Malaysian

**Date of Appointment** - 15 January 2018

### Board Committee Membership:

- Member of the Audit Committee
- Chairman of the Risk Management Committee
- Chairman of the Nominating & Remuneration Committee

## TAN SRI DATUK WIRA DR. HJ. MOHD SHUKOR BIN HJ. MAHFAR

Independent Non-Executive Director

### Working Experience:

He started his career as a Bank Officer in 1978; a year later he took a leap to work with the Inland Revenue Board of Malaysia (IRBM) as Assessment Officer. He then rose through the ranks in IRBM, being appointed Deputy CEO of Compliance, Deputy CEO of Operations, and CEO in January 2011 until his retirement in December 2016.

Throughout the years, he received many accolades and awards, he was elected President of the Malaysian Association of Statutory Bodies and Chairman of The Commonwealth Association of Tax Administrations (CATA); and was awarded the CEO of the year 2015 by The European Emerging Markets Awards and received the 2015 Lifetime Achievement Award-Outstanding Contribution in Shaping People by the Asia HRD Award.

Equipped with thirty six (36) years of vast experiences both in taxation and management throughout his tenure ship with IRBM, he now leads his own Tax and Management firm known as MSM Management Advisory. With his continuous engagement in the tax related field, he was subsequently appointed as the Chairman of McMillan Woods National Tax Firm, Chairman of Uniutama Education and Consultancy. He also sits on the Board of Directors of Uniutama Management Holdings, and Prokhas, a private limited company wholly-owned by Minister of Finance, a Partner of YYC Advisors.

### Other Directorship In Public Companies and Listed Issuers:

- Paragon Globe Berhad
- Minda Global Berhad

### Relationship with other directors/shareholders/listed issuer:

Nil

### Conflict of Interest with listed issuer:

Nil

### Any other convictions (aside from traffic offence):

Nil

## PROFILE OF DIRECTORS



### Academic / Professional Qualifications:

- Bachelor of Engineering Degree in the field of Electronic and Electrical Engineering from University College London.
- Chartered Accountant member of the Malaysian Institute of Accountants (MIA) - Chartered Accountant (M).
- Associate Chartered Accountant (ACA) member with Chartered Accountants Ireland.

**Gender** - Male | **Age** - 44 | **Nationality** - Malaysian

**Date of Appointment** - 1 March 2022

**Board Committee Membership:**  
- Member of the Audit Committee

### MAHATHIR BIN MAHZAN

Independent Non-Executive Director

#### Working Experience:

Mahathir Bin Mahzan is a fellow member of Chartered Accountants Ireland (previously known as the Institute of Chartered Accountants in Ireland) and a member of the Malaysian Institute of Accountants (MIA).

Mr Mahathir graduated with honours from University College London with a Bachelors of Engineering Degree in the field of Electronic and Electrical Engineering. He then pursued his accountancy training with a medium sized audit firm in Dublin, Ireland. After successful completion of his professional examinations and practical training, he was admitted as a member of Chartered Accountants Ireland.

Mr Mahathir returned to Malaysia after spending fifteen (15) years in the United Kingdom and Ireland and worked for Binafikir, a local strategic advisory firm and a subsidiary company of Maybank Investment Bank. Mr Mahathir is currently the Managing Partner of Mahzan Sulaiman PLT, a firm of Chartered Accountants and Advisors. Throughout his professional career, Mr Mahathir has accumulated significant experience in areas of audit, accounting, tax, corporate finance and investor relations.

#### Other Directorship In Public Companies and Listed Issuers:

- OCK Group Berhad

#### Conflict of Interest with listed issuer:

Nil

#### Relationship with other directors/shareholders/listed issuer:

Nil

#### Any other convictions (aside from traffic offence):

Nil

## PROFILE OF DIRECTORS



### Academic / Professional Qualifications:

- Degree in Accounting, University Kebangsaan Malaysia.
- Masters in Business Administration, University Kebangsaan Malaysia.
- Chartered Accountant member of the Malaysian Institute of Accountants (MIA).

**Gender** - Male | **Age** - 60 | **Nationality** - Malaysian

**Date of Appointment** - 1 June 2022

**Board Committee Membership:**  
- None

### MOHD REDZUAN BIN HASAN

Independent Non-Executive Director

#### Working Experience:

Mohd Redzuan bin Hasan is a Chartered accountant and a member of the Malaysian Institute of Accountant. He was the former Deputy Accountant General (Operation) of Accountant Generals Department of Malaysia and is currently a board member and Chairman of the Audit Committee of Malaysia Kuwaiti Investment Corporation. Mohd Redzuan bin Hasan has more than thirty (30) years of experience serving in various government entities such as The Accountant General Department of Malaysia, Ministry of Finance, The Ministry of Women, Family and Community Development and Forest Research Institute Malaysia.

**Other Directorship In Public Companies and Listed Issuers:**  
Nil

**Conflict of Interest with listed issuer:**  
Nil

**Relationship with other directors/shareholders/listed issuer:**  
Nil

**Any other convictions (aside from traffic offence):**  
Nil



# MANAGEMENT TEAM'S PROFILES



**DR. ZAINUL ARIFFIN HARUN**  
**Group Strategic Director**  
Censof Holdings Berhad  
**Chief Executive Officer**  
Century Software (M)  
Sdn Bhd



**NAGENDRAN PERUMAL**  
**Chief Technology Officer**  
Censof Holdings Berhad



**MALINI VIJAYA RAJAH**  
**Chief People Officer**  
Censof Holdings Berhad



**IVAN FONG CHOON HAU**  
**Chief Finance Officer**  
Censof Holdings Berhad



**HAZAIRIN**  
**Chief Executive Officer**  
P.T Praisindo Teknologi



**RHYS BROWN**  
**Chief Executive Officer**  
Asian Business Software  
Solutions Group (ABSS)



**ABDUL REHMAN**  
**Chief Executive Officer**  
Netsense Business  
Solutions Pte Ltd &  
Netsense Business  
Solutions Sdn Bhd



**GIRITHARAN NAGALINGAM**  
**Chief Executive Officer**  
Tender Pintar Sdn Bhd



**VICKS KANAGASINGAM**  
**Chief Executive Officer**  
Censof Digital Sdn Bhd



**KAVINTHRAJ PANNEERCHELVAM**  
**Chief Executive Officer**  
CS Cloud Sdn Bhd &  
Cloocus Sdn Bhd



**ZULKIFLI GHAIRI**  
**Chief Executive Officer**  
Cognitive Consulting  
Sdn. Bhd.



## MANAGEMENT TEAM'S PROFILES

### DR. ZAINUL ARIFFIN HARUN

Group Strategic Director

**Gender - Male | Age - 51 | Nationality - Malaysian**

#### Academic/Professional Qualification(s)

- Bachelor in Business Administration, International Islamic University Malaysia.
- Master of Business Administration, International Islamic University Malaysia.
- Doctor of Business Administration, International Islamic University, Malaysia.

#### Date Of Appointment

16 January 2014

#### Working experience

He started his career as Credit Officer with Kwong Yik Bank Berhad in 1995 where he was responsible for ASB loans. He then joined Tractors Malaysia Berhad in 1996 as the Sales & Administrative Executive.

In 2000 he was appointed as the Chief Business Development Officer of DigiCert Sdn. Bhd., a joint venture company of POS Malaysia and MIMOS Berhad Officer before moving to Scan Associate Berhad as Head, Business Development in 2011. In January 2014, he joined Century Software (Malaysia) Sdn. Bhd. as the Chief Executive Officer. Zainul won Masterclass Bumiputra CEO of The Year award at the Malaysia Excellence Business Awards 2018 (MEBA 2018) as well as Strategic Financial Entrepreneur of The Year award at the recent SME and Entrepreneurs Business Awards (SEBA 2019).

### NAGENDRAN PERUMAL

Chief Technology Officer of Censof Holdings Berhad

**Gender - Male | Age - 57 | Nationality - Malaysian**

#### Academic/Professional Qualification(s)

- Bachelor of applied in Computer Science, Royal institute of Technology (RMIT).
- Certified Diploma in Accounting and Finance.
- MBA (University of Strathclyde).

#### Date Of Appointment

1 June 2018

#### Working experience

Nagendran worked at 3S Consulting in 2013 as an advisor to various technology companies related to software developments and project management. More than 30 years of experiences in software development methodologies and project management. And has extensive experiences in providing consulting services to government, semi-government, reorganization and process improvements. He was also involved in the setting and developing of business activities in Australia and India.

Nagendran previously worked towards a researcher specializing in artificial intelligence and database system. Not just that, he has worked with Century Software (M) Sdn Bhd by managing and advising the outcome-based budgeting for the ministry of finance Malaysia and government data exchange for the agency MAMPU under The Prime Minister's department.

Nagendran's earlier employment was at Tenaga Serata Sdn Bhd as managing and advising the key projects there and then worked at MIMOS as the senior director where he was in charge of the software development lab and for development platforms.

#### Other Directorship In Public Companies and Listed Issuers:

Nil

#### Conflict of Interest with listed issuer:

Nil

#### Relationship with other directors/shareholders/listed issuer:

Nil

#### Any other convictions (aside from traffic offence):

Nil

## MANAGEMENT TEAM'S PROFILES

### MALINI VIJAYA RAJAH

Chief People Officer of Censoft Holdings Berhad

**Gender - Female | Age - 52 | Nationality - Malaysian**

#### Academic/Professional Qualification(s)

- LLB, University of Wales, Aberystwyth.
- Certified Coach, Emotional and Social Intelligence, Institute of Social and Emotional Intelligence.

#### Date Of Appointment

1 March 2022

#### Working experience

With over 28 years of experience in regional HR business partnering, organisational culture and leadership development, Malini has been passionately driving effective customised solutions in leadership development & talent management, organisation culture, change management. Her comprehensive and in-depth people experience in various sectors including Technology, GBS, FMCG Wholesale & Luxury retail organizations across Asia, EMEA and EUROPE has enabled her to lead and achieve high performance cultures.

As the Group Chief People Officer of Censoft Holdings Berhad, she spearheads group HR transformation, HR business partnering and Talent Management. This would include bench & capability building & adopting HR digital technology to make businesses simpler, leaner and faster. As a representative of HRCI, the global HR Certification body and a Research Associate of NHRC, HRD Corp Malini is also instrumental in driving the HRCI & NHRC Dual HR Certifications to elevate the standards of HR in Malaysia and ASEAN.

As a HR Leaders she believes strongly in both heart and head; in being more human and more personal, whilst using analytics and digital to improve, measure and grow businesses through people. She holds a Bachelor's Degree in Law from University of Wales, Aberystwyth and is also Certified Coach in Emotional & Social Intelligence from the Institute of Social & Emotional Intelligence, United States.

#### Other Directorship In Public Companies and Listed Issuers:

Nil

#### Relationship with other directors/shareholders/listed issuer:

Nil

### IVAN FONG CHOON HAU

Chief Finance Officer of Censoft Holdings Berhad

**Gender - Male | Age - 36 | Nationality - Malaysian**

#### Academic/Professional Qualification(s)

- Chartered Accountant, Malaysia Institute of Accountant.
- ACCA.

#### Date Of Appointment

16 November 2016

#### Working experience

Ivan joined Censoft Holdings Berhad in November 2016 as a General Manager in Finance and was subsequently promoted to Chief Financial Officer in September 2017. He comes with 10 years of solid in-depth knowledge and experience in the accounting and finance field. Ivan is currently holding a directorship position in one of the subsidiaries based in Indonesia.

Prior to joining the company, he was the Head of Finance in a construction listed company where he oversees the Utility Department in both Malaysia and Indonesia where he gained extensive knowledge of regulatory compliance in both countries.

He started his career as an external auditor in Baker Tilly Monteiro Heng firm in 2008 where he later got his Chartered Accountant accreditation from Malaysia Institute of Accountant.

#### Conflict of Interest with listed issuer:

Nil

#### Any other convictions (aside from traffic offence):

Nil

## MANAGEMENT TEAM'S PROFILES

### HAZAIRIN

Chief Executive Officer of P.T Praisindo Teknologi

**Gender - Male | Age - 53 | Nationality - Indonesian**

#### Academic/Professional Qualification(s)

- Master Degree, Electronic Engineering.
- Technology University Eindhoven, Netherlands.

### RHYS BROWN

Chief Executive Officer of Asian Business Software Solutions Pte Ltd (ABSS)

**Gender - Male | Age - 43 | Nationality - New Zealand**

#### Academic/Professional Qualification(s)

- Post Graduate Diploma in Business, University of Auckland.

#### Date Of Appointment

November 2011

#### Working experience

Since 1999, he has developed and implemented high quality software development and system integration works in various cities across the Indonesian archipelago. Using pragmatic combination of clear business insight, extensive technological expertise and creativity, he has successfully contributed to clients' results.

He has led many successful projects as Project Director/ Manager such as development and implementation Jakarta Futures Exchange Trading System (JAFETS), Online Stock Trading for Sinar Mas, Investment Management Solution for top 10 Investment Banking in Indonesia.

He specializes in IT business processes in Capital Market, Investment Banking and Wealth Management.

#### Date Of Appointment

1 June 2019

#### Working experience

Rhys is a 15-year veteran of the accounting software industry, having held senior management roles with MYOB now ABSS spanning China, South East Asia and New Zealand. As a founding shareholder of ABSS and part of the leadership team, Rhys brings a background in technology with a passion for helping small businesses grow and thrive.

#### Other Directorship In Public Companies and Listed Issuers:

Nil

#### Relationship with other directors/shareholders/listed issuer:

Nil

#### Conflict of Interest with listed issuer:

Nil

#### Any other convictions (aside from traffic offence):

Nil

## MANAGEMENT TEAM'S PROFILES

### ABDUL REHMAN

Chief Executive Officer of Netsense Business Solutions Pte Ltd

**Gender - Male | Age - 34 | Nationality - India**

#### Academic/Professional Qualification(s)

- Bachelor of Business - Majors in Accounts and Finance Heriot Watt University, Scotland, UK.
- Certified Advance Business Consultant & Project Manager Acumatica University (OpenUni).
- Certified Manufacturing Consultant JAAS Systems (Acumatica ERP).

#### Date Of Appointment

3 January 2020

#### Working experience

Abdul Rehman leads the team in charge of Digital Transformation in SME's. His main task is to create awareness and educate the business owners and key decision makers on benefits of using systems like ERP, HRMS & DMS solutions to increase productivity and profitability in business operations. His experience covers different stages of technology adoption from being a Support Helpdesk Consultant to Implementation consultant and later becoming a Project Manager and finally moving to Presales Director.

Over the last 11 years he has helped 100+ SME's from Malaysia, Singapore & Dubai in adopting technology to grow their business and keeping the Operations lean. Being an Accounting and Finance graduate he is well equipped to envision and architect solutions end to end. He has also mentored number of startups and provided them guidance on business growth hacks and marketing techniques to get early traction.

He is now the Regional Director – Business Development for Netsense Business Solutions. Netsense provides Implementation & Support services for latest solutions like Acumatica ERP, Cadena HRMS & OpenBee DMS covering 6+ Industry verticals.

### GIRITHARAN NAGALINGAM

Chief Executive Officer Tender Pintar Sdn Bhd

**Gender - Male | Age - 46 | Nationality - Malaysian**

#### Academic/Professional Qualification(s)

- Bachelor of Computing, Monash University, Australia.

#### Date Of Appointment

1 April 2021

#### Working experience

Giritharan leads the team in charge of Digital Transformation in government procurement, particularly around tendering. He and his team strive to transform the mundane & tedious manual tendering process into a more efficient, effective and time saving electronic tendering experience. His experience covers different stages of technology adoption from being a pre-sales consultant, business development manager and later becoming a General Manager for Presales & SaaS Business, and finally moving to General Manager - Procurement at Century Software Sdn Bhd prior to heading the team at Tender Pintar.

Giritharan has over 22 years of experience in implementation of IT systems and consulting from his previous engagements in Malaysia, India & Australia. He has a Bachelor's degree in Computing from Monash University, Australia.

He is now working closely with government statutory agencies, Government Linked Companies, local councils & state agencies among others in their transformation journey towards electronic tendering.

#### Other Directorship In Public Companies and Listed Issuers:

Nil

#### Relationship with other directors/shareholders/listed issuer:

Nil

#### Conflict of Interest with listed issuer:

Nil

#### Any other convictions (aside from traffic offence):

Nil

## MANAGEMENT TEAM'S PROFILES

### VICKS KANAGASINGAM

Chief Executive Officer Censof Digital Sdn Bhd

**Gender - Male | Age - 51 | Nationality - Malaysian**

#### Academic/Professional Qualification(s)

- BEng (Hons) Degree in Engineering (Electrical & Electronics) from the University of Leicester, UK | 1993
- National Westminster Bank Award - Outstanding Graduate Engineer, for demonstrating special interest, skills, enterprise and leadership in University of Leicester, U.K. | 1993
- Certified Professional Coach by the International Coach Federation, U.S | 2013
- Certified Trainer by MOTOROLA University, U.S | 1995
- Certified Lead Internal ISO Auditor, Peplow-Warren | 1996

#### Date Of Appointment

1 January 2022

#### Working experience

Vicks spearheads the future direction of Censof Digital Sdn Bhd. Given his vast experience in artificial intelligence, Internet of Things (IoT) and Industrial Revolution 4.0, he is a thought leader in digital transformation, heading the emerging technology sector. As a leading industry expert known by his peers and a major advocate for localised industrial IoT solutions, he is an invaluable asset to Censof to bridge the digital divide by accelerating digital adoption across communities, enterprises and government agencies.

He has over 28 years of experience in leadership roles in sales, business development, partner/alliance management, marketing and operations primarily in the telecommunications and information technology industry. He has developed businesses in Asia Pacific for start-ups from the United Kingdom, France and Australia, and secured million-dollar contracts from communication service providers including Telstra in Australia, Maxis, Celcom and Astro in Malaysia and Telkomsel, Axis and XL in Indonesia, to name a few. In the local scene, Vicks provides coaching and mentoring for start-ups to help them expand within Malaysia and the Southeast Asia region.

Vicks is no stranger to the technology start-up scene, having founded IoT Integrator, which was acquired by Xperanti IoT (M) Sdn Bhd ("Xperanti") in 2018 and was appointed as CEO of Xperanti – Malaysia's first licensed dedicated IoT network and solutions provider. He has also collaborated with established global players across the Asia Pacific region as a strategic partner in the telecommunications and information technology industry.

### KAVINTHRAJ PANNEERCHELVAM

Chief Executive Officer CS Cloud Sdn Bhd

**Gender - Male | Age - 38 | Nationality - Malaysian**

#### Academic/Professional Qualification(s)

- Bachelor of Computer Science Majoring on Networking (University Technology Malaysia).

#### Date Of Appointment

1 March 2021

#### Working experience

Raj, who graduated with a Bachelor's degree in Computer System and Communication, currently leads CS Cloud Sdn Bhd as its Chief Executive Director. He also holds certifications in Oracle Database, Linux System Administration, HTML, Linux, and 11gR2.

He started out on his own at the age of 32, with a great passion in continuously providing improvement to ensure business sustainability, scalability and value to the customers.

Over the years, he has accumulated vast experiences and knowledge in the IT infrastructure and platform managed services environment, focusing on customers and people leadership. Raj has managed and optimised multi-level technical teams and solutions to address the business challenges and provided value-added services using the ITIL Framework, ISO 20000 and 27000 standards. He held various management roles focusing on business and operational leadership.

#### Other Directorship In Public Companies and Listed Issuers:

Nil

#### Relationship with other directors/shareholders/listed issuer:

Nil

#### Conflict of Interest with listed issuer:

Nil

#### Any other convictions (aside from traffic offence):

Nil

## MANAGEMENT TEAM'S PROFILES

### ZULKIFLI GHAIRI

Chief Executive Officer of Cognitive Consulting  
Sdn. Bhd.

Gender - Male | Age - 57 | Nationality - Malaysian

#### Academic/Professional Qualification(s)

- Bachelor of Arts in Computer Science, University of Minnesota, USA.

#### Date Of Appointment

20 January 2022

#### Working experience

Zulkifli Ghairi is the co-founder and CEO of Cognitive Consulting Sdn. Bhd., a leading Malaysian enterprise automation solution provider. Zulkifli started Cognitive Consulting in 2017 with the goal of helping enterprises to improve efficiency by embracing Robotic Process Automation (RPA) and AI technologies.

His professional career and vast experience encompass areas of Enterprise Resource Planning, IT Management, Project Management and Operational Support Systems/Business Support Systems. His expertise also covers Business Process Improvement, Sales Management, Account Management, IT Consulting including Strategic IT Planning, Project Management and Systems Development across multiple industries such as Telecommunications, Government, Financial Services, Construction, Oil & Gas and Utility.

Prior to joining Cognitive, Zulkifli was the Head of Public Sector and Key Accounts at SAP Malaysia. Zulkifli managed a team of Account Managers and Solution Specialists. He led the engagement with key partners and developed new strategic partnership with the largest telco operator. He was responsible for driving the revenue growth by leveraging on new technologies such as S/4Hana, SAP Cloud Platform, Ariba, Success Factor, Concur and Leonardo.

Zulkifli also spent more than 5 years in Oracle and held a few key roles including Head of Public Sector business in Oracle Technology, Sales Director of Primavera and Oracle Communications and was instrumental in securing large deals in the Telecommunications space. He was also the Country Manager of CA Malaysia.

#### Other Directorship In Public Companies and Listed Issuers:

Nil

#### Conflict of Interest with listed issuer:

Nil

#### Relationship with other directors/shareholders/listed issuer:

Nil

#### Any other convictions (aside from traffic offence):

Nil

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**the Board**") of Censof Holdings Berhad ("**the Company**") recognises the importance of corporate governance and is committed to ensuring that the principles and best practices in corporate governance as set out in the Malaysian Code on Corporate Governance ("**MCCG**") are observed and practised throughout the Company and its subsidiaries (collectively referred to as "**the Group**") so that the affairs of the Group are conducted with integrity and professionalism with the objective of safeguarding shareholders' investment and ultimately enhancing shareholders' value.

This statement is prepared in compliance with Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and it is meant to be read together with the Corporate Governance Statement and Corporate Governance Report. The Corporate Governance Report provides details on how the Company has applied each practice as set out in the MCCG for the financial year ended 31 March 2022 ("**FY2022**"), a copy of which is available on the Company's website.

This statement further outlines the following principles and recommendations which the Group has comprehended and applied with the best practices outlined in MCCG and the Board will continue to take measures to improve compliance with principles and recommended best practices in the ensuing years:

- Board Leadership and Effectiveness
- Effective Audit and Risk Management
- Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

## PRINCIPAL A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. BOARD RESPONSIBILITIES

The Board has considered and discussed a wide range of matters during the FY2022, including strategic decisions and reviewing of risk associated matters in the business. The Board is aware that decisions made for the business of the Group would affect a broad range of our stakeholders. While the Board seeks to ensure that the decisions were taken in a way that was fair and consistent with the Group's values, the Board also recognised the importance of balancing these with the need to support the long-term future of the business.

In order to ensure orderly and effective discharge of the above functions and responsibilities of the Board, the Board has established various committees where specific powers of the Board are delegated to the relevant Board Committees.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### II. BOARD COMPOSITION

The Board recognises the benefits of having a diverse Board to ensure that the mix and profiles of the Board members in terms of age, ethnicity and gender to provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management. The Board believes that a truly diverse and inclusive Board will leverage on different thought, perspective, cultural and geographical background, age, ethnicity and gender which will ensure that the Group has a competitive advantage.

In evaluating the suitability of individual Board members, the Nominating and Remuneration Committee ("**NRC**") takes into account several factors, including skills, knowledge, expertise, experience, professionalism, integrity and time availability to effectively discharge his or her role as a Director, contribution, background, character, integrity and competence. In the case of candidates for the position of Independent Non-Executive Directors, the NRC will evaluate the candidates' ability to discharge their responsibilities or functions as expected from Independent Non-Executive Directors.

The Board currently has one (1) female Director, and with the current composition, the Board feels that its members have the necessary knowledge, experience, diverse range of skills and competence to enable them to discharge their duties and responsibilities effectively. Moving forward, the Board, being in line with the national target of having 30% women on the boards of the listed issuers, will maintain a register of potential directors which include high-calibre female candidates and appoint them when the need arises.

### III. REMUNERATION

The Board has in place a Directors' and Senior Management Remuneration Policy which is clear and transparent, designed to support and drive business strategy and long-term objectives of the Group. In this regard, the NRC is responsible to formulate and review the remuneration policies for the Directors of the Company to ensure the same remain competitive, appropriate and in line with the prevalent market practices.

The Board carries out a remuneration review for its employees including that of Senior Management, with the view to ensure that the Group continues to retain and attract the best talents in the industry. The proposed salary structure was considered by the NRC and subsequently approved by the Board for implementation.

## PRINCIPAL B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### I. AUDIT COMMITTEE

The Audit Committee ("**AC**") plays a key role in ensuring integrity and transparency of corporate reporting. The AC's role is to review and challenge Management to ensure that appropriate disclosures of accounting treatment and accounting policies are made. The AC has a duty to provide assurance to the Board that robust risk management, controls and assurance process are in place. The AC continues to monitor the potential risks of the Group and ensures that mitigating factors are in place to see to the health, safety and business continuity of the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The AC with the assistance of the Internal Auditor had undertaken a thorough review of the following areas within the Group to ensure that appropriate controls and effective management process are in place:

- Bribery prevention
- Data Protection

Annually, the composition of the AC is reviewed by the NRC and recommended to the Board for their approval. With the view to maintain an independent and effective AC, the NRC ensures that only Directors who have the appropriate level of expertise and experience and have the strong understanding of the Group's business would be considered for membership on the AC.

### II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk Management is a critical component of good management practice and effective corporate governance. With the Risk Management Framework being in place, the Board's decision-making is supported by sufficient information for the right discussions and considerations. The enhanced level of risk debate and greater involvement from the Management are also critical in ensuring that appropriate monitoring and mitigations are embedded to support the proposals under discussion.

The Board will continue to drive a proactive risk management culture and ensure that the Group's employees have a good understanding and application of risk management principles towards cultivating a sustainable risk management culture. The Board will also continue to challenge the Group's risk reporting mechanism and ensure that it is data-driven to capture and quantify exposures where applicable and necessary.

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

### I. COMMUNICATION WITH STAKEHOLDERS

The Group recognises the importance of stakeholder engagement leading to the long-term sustainability of its businesses. As a responsible corporate citizen, the Group must interact with stakeholders and also acknowledge the potential impact that its operations may have on a wide range of stakeholders. For engagement to be constructive and meaningful, each matter considered by the Board therefore has to be in the context of relevant economic, social and environmental factors.

The Company has heightened its engagement efforts with stakeholders by engaging discussions with analysts, fund managers and shareholders, both locally and overseas, upon requests.

Moving forward, the Board intends to adopt a more mature form of sustainability reporting to stakeholders by implementing the International Integrated Reporting Framework in the Annual Report, allowing stakeholders to have a better understanding on the Group's sustainability.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### II. CONDUCT OF GENERAL MEETINGS

The Group's Annual General Meeting ("**AGM**") is an important means of communicating with its shareholders. To ensure effective participation of an engagement with the shareholders at the AGM of the Group, all members of the Board would be present at the meeting to respond to questions raised by shareholders and proxies. In addition, the Chairman of the Board would chair the AGM in an orderly manner and encourage the shareholders and proxies to speak at the meeting. The overall performance of the Group would be presented at the meeting.

In line with good governance practices, the notice of the AGM would be issued at least twenty (28) days before the AGM date and the AGM is conducted through poll. The Group will continue to explore and leverage on technology, to enhance the quality of engagement with its shareholders to facilitate further participations by shareholders at the AGM of the Group.

### PRELUDE

Over the next few pages, we would look at the Board, its role, performance and oversight. We will provide details on the Board's activities and discussions during the financial year, the actions arising from these and the progress made against them. We also provide an insight on director independence effectiveness and our Board evaluation, succession planning and induction and ongoing developments.

# CORPORATE GOVERNANCE STATEMENT

## PRINCIPAL A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. Board Responsibilities

#### 1. Board of Directors'

Censof Holdings Berhad ("**the Company**") and its subsidiaries ("**the Group**") acknowledge the pivotal role played by the Board of Directors ("**the Board**") in the stewardship of its directions and operations, and ultimately the enhancement of long-term shareholders' value. To fulfil this role, the Board plays a critical role in setting the appropriate tone at the top and is charged with leading and managing the Group in an effective, good governance and ethical manner. The directors individually have a legal duty to act in the best interest of the Group and are also collectively aware of their responsibilities to the stakeholders for the manner in which the affairs of the Group are managed. The Board's responsibilities, amongst others include the following:

- a) Lead and manage the Company in an effective and responsible manner;
- b) Establish the corporate vision and mission, as well as the philosophy of the Company, setting the aims of the management and monitoring the performance of the management;
- c) Monitor financial outcomes and the integrity of internal and external reporting, in particular approving annual budgets and longer term strategic and business plans;
- d) Assess the effectiveness of the Board of Directors as a whole, the Committees of the Board and the contribution of each Director;
- e) To identify principal risks and to ensure the implementation of appropriate systems to protect the company's assets and to minimise the possibility of the Company operating beyond acceptable risk parameters;
- f) To keep pace with the modern risk of business and other aspects of governance that encourage enhancement of effectiveness in Board and management;
- g) To review the adequacy and integrity of the Group's internal control systems and management information systems including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- h) Succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing Board and the key management;
- i) Establish and review annually corporate communication policies with respect to the following:
  - (i) How the Company interacts with analysts, investors, other key stakeholders and the public.
  - (ii) Measures for the corporation to comply with its continuous and timely disclosure obligations.

## CORPORATE GOVERNANCE STATEMENT

- j) For each member of the Board of Directors, act as representatives of the Company in:
- (i) Enhancing the Group's public image, reputation and credibility.
  - (ii) Providing contacts or network for the Group.
  - (iii) Being loyal to the Group.
  - (iv) Supporting the decisions of the majority of the Board of Directors.
  - (v) Identifying, evaluating and carrying out profitable business opportunity for the Group, as well as proving the Group with information on the market in which it operates.
- k) Ensure all new Directors receive comprehensive orientation to fully understand the role of the Board of Directors and its Committees, as well as the contribution individual Directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its Directors) and the nature and operation of the Group's business; and
- l) In discharging its duties, the Board of Directors may engage the services of an external advisors at the expense of the Company. The Board also allows, any Board committee or Director to engage the services of an external advisor at the expense of the Company, to adequately carry out such committee's duties, where the circumstances so warrant, subject to the Board of Directors' approval.

To assist in the discharge of its responsibilities, the Board has established the following Board Committees to perform certain of its functions and to provide recommendations and advice:

- (i) Audit Committee ("**AC**")
- (ii) Nominating and Remuneration Committee ("**NRC**")
- (iii) Risk Management Committee ("**RMC**")

Each Board Committee operates within their approved terms of reference set by the Board which are periodically reviewed. The Board appoints the Chairman and members of each Board Committee.

The Chairman of the respective Board Committees will report to the Board on the outcome of any discussions and make recommendations thereon to the Board. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

The Board may form other committees delegated with specific authorities to act on their behalf. These committees will operate under approved terms of reference or guidelines and are formed whenever required.

Board meeting agenda includes statutory matters, governance and management reports, which include strategic risks, strategic projects and operational items. The Board approves an annual performance contract setting the priorities director and performance targets for the Group within the parameters of the corporate plan.

The profile of each Director is presented in the Annual Report of the Company.

## CORPORATE GOVERNANCE STATEMENT

### 2. Separation of position of the Chairman and Executive Directors

The Board has established clear roles and responsibilities in discharging its fiduciary and leadership functions. The roles of the Chairman and the Executive Directors of the Company are separately held, and each has clearly accepted division of responsibilities and accountability to ensure a balance of power and authority. This segregation of roles also facilitates a healthy open, exchange of views between the Board and Management in their deliberation of the business, strategic aims and key activities of the Company.

The Chairman of the Board, Tan Sri Dato' Mohd Ibrahim bin Mohd Zain, an Independent Non-Executive Chairman, leads the Board with focus on governance and compliance and acts as a facilitator at Board meetings to ensure that relevant views and contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates the discussion. The roles and responsibilities of the Chairman's key responsibility, amongst others, includes the following:

- a) Provide leadership and run the Board effectively with the assistance of the Board Committees and management;
- b) Ensure the whole Board plays a full and constructive part in developing and determining the Group's strategy;
- c) Ensure the Board annually reviews its performance and is balanced so as to achieve its effectiveness;
- d) Review the performances of individual Directors;
- e) Assist and guide the Chief Executive Officer / Managing Director. Ensure the Board members are well briefed and have access to information on all aspects of the company's operations;
- f) Setting the Board meeting agenda for consideration, giving emphasis on important issues challenged by the Group with emphasis on strategic, rather than operational issues;
- g) Chairing of general meetings and Board meetings;
- h) Act as the Group's representative in its dealing with external parties;
- i) Help guide the Group on its long term strategic opportunities and represent the Group with key industry, civic and philanthropic constituents;
- j) Promote the highest standards of integrity, probity and corporate governance of the Group;
- k) Ensure that general meetings of the company are conducted efficiently and that shareholders have adequate opportunity to air their views and obtain answers to their queries.

The Board delegates the Group Managing Director, namely Ameer Bin Shaik Mydin, supported by the Executive Directors to oversee the day-to-day operations to ensure the smooth and effective running of the Group. The Executive Directors implement the policies, strategies, decisions adopted by the Board, monitor the operating financial results against plans and budgets and act as a conduit between the Board and Management in ensuring the success of the Group's governance and management functions.

During Board meetings, the Chairman maintains a collaborative atmosphere and ensures that all Directors contribute to the discussion. The Chairman and Executive Directors arrange informal meetings and events from time to time to build constructive relationships between the Board members.

## CORPORATE GOVERNANCE STATEMENT

The Executive Directors take on primary responsibility to spearhead and manage the overall business activities of the various business division of the Group to ensure optimum utilization of corporate resources and expertise by all the business divisions and at the same time achieve the Group's long-term objectives. The Executive Directors are assisted by the heads of each division in implementing and running the Group's day-to-day business.

### 3. Supply of and Access to Information

All Directors have full and unrestricted access to all information pertaining to the Group's businesses and affairs in a timely manner to enable them to discharge their duties effectively.

Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors and Board Committees in advance of the scheduled meetings. Notices of meetings are sent to Directors at least seven (7) days before the meetings. Management provides the Board with detailed meeting materials at least seven (7) days in advance of the Board or Board Committees' meetings. Senior Management may be invited to join the meetings to brief the Board and Board Committees on the requisite information on matters being discussed, where necessary.

Technology is effectively used in the meetings of Board and Board Committees and in communication with the Board, where the Directors may receive agenda and meeting materials online and participate in meetings via audio or video conferencing.

### 4. Commitment of the Board

The Board would meet at least four (4) times a year, at quarterly intervals which are scheduled at the onset of the financial year to help facilitate the Directors in planning their meeting schedule for the year. Additional meetings are convened where necessary to deal with urgent and important matters that require attention of the Board. All Board meetings are furnished with proper agendas with due notice given and Board papers are prepared by the Company Secretary and circulated to all Directors prior to the meetings.

All pertinent issues discussed at the Board meetings are properly recorded by the Company Secretary.

The Board met five (5) times during the financial year ended 31 March 2022. The attendance of each Director at the Board Meetings held during FY2022 are as follow:

Directors	Number of meetings attended	%
Tan Sri Dato' Mohd Ibrahim bin Mohd Zain	5/5	100%
Tan Sri Datuk Wira Dr Hj. Mohd Shukor bin Hj. Mahfar	5/5	100%
Tuan Haji Ab. Gani bin Haron	5/5	100%
Ameer bin Shaik Mydin	5/5	100%
Tamil Selvan A/L M. Durairaj	5/5	100%
Ang Hsin Hsien	5/5	100%
Mahathir bin Mahzan <sup>1</sup>	N/A	N/A
Mohd Redzuan bin Hasan <sup>2</sup>	N/A	N/A
Boey Tak Kong <sup>3</sup>	3/3	100%

#### Notes:

1. Mahathir bin Mahzan was appointed on 1 March 2022 and there were no AC meeting held after his appointment.
2. Mohd Redzuan bin Hasan was appointed after the financial year ended 31 March 2022.
3. Boey Tak Kong demised on 14 October 2021.



## CORPORATE GOVERNANCE STATEMENT

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities which is evidenced by the satisfactory attendance record of the Directors at each Board meeting.

It is the Board's policy for Directors to notify the Board before accepting any new directorship notwithstanding that the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") allow a Director to sit on the board of a maximum of five (5) listed issuers. At present, all Directors of the Company have complied with the MMLR of Bursa Securities where they do not sit on the board of more than five (5) listed issuers.

### 5. Continuous Development of the Board

The Board, via the NRC, continues to identify and attend appropriate briefings, seminars, conferences and courses to keep abreast of changes in legislations and regulations affecting the Group.

All Directors have completed the Mandatory Accreditation Programme. The Directors are mindful that they would continue to enhance their skills and knowledge to maximize their effectiveness as Directors during their tenure. Throughout their period in office, the Directors are continually updated on the Group's business and the regulatory requirements.

The list of training programmes attended by the Directors during the FY2022 under review are as follows:-

- Rethinking Corporate Risk to Manage Market Uncertainty - Ethics, Regulatory Compliance and Control Environment
- Covid Creates Unique Governance Issue
- Task Force on Climate-related Financial Disclosures (TCFD): TCFD 101
- Task Force on Climate-related Financial Disclosures (TCFD): TCFD 102
- Update of MCCG 2021 and latest amendments to MMLR
- Good Governance & Leadership: Pathway to Sustainable of UUMM
- Company Valuation: Measuring and Managing Value
- How to Manage the Current Global Supply Chain?

The Company Secretary also highlights the relevant guidelines on statutory and regulatory requirements from time to time to the Board. The External Auditors on the other hand, briefed the Board on changes to the Malaysian Financial Reporting Standards that affect the Group's financial statements during the year.

## CORPORATE GOVERNANCE STATEMENT

### 6. Board Committees

#### **Audit Committee ("AC")**

The AC monitors internal control policies and procedures designed to safeguard the Group's assets and to maintain the integrity of financial reporting. The AC maintains direct, unfettered access to the Company's External Auditor, Internal Auditor and management.

The AC comprises of four (4) members, all of whom are Independent Non-Executive Directors. The present members of the AC are as follows:

Director	Designation
Tuan Haji Ab. Gani bin Haron	Chairman
Tan Sri Datuk Wira Dr Hj. Mohd Shukor bin Hj. Mahfar	Member
Tan Sri Dato' Mohd Ibrahim bin Mohd Zain	Member
Mahathir bin Mahzan	Member
Boey Tak Kong <sup>1</sup>	Member

1. Boey Tak Kong demised on 14 October 2021.

A copy of the AC's Terms of Reference can be found in the Company's website at [www.censof.com](http://www.censof.com).

#### **Nominating and Remuneration Committee ("NRC")**

The NRC oversees matters related to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director as well as identify candidates to fill board vacancies, and nominating them for approval by the Board.

The NRC comprises of the following, all of whom are Independent Non-Executive Directors. The present members of the NRC are as follows:

Director	Designation
Tan Sri Datuk Wira Dr Hj. Mohd Shukor bin Hj. Mahfar <sup>1</sup>	Chairman
Tuan Haji Ab. Gani bin Haron	Member
Boey Tak Kong <sup>2</sup>	Chairman

#### **Notes:**

1. Tan Sri Datuk Wira Dr Hj. Mohd Shukor bin Hj. Mahfar was appointed as the Chairman subsequent to the demise of Boey Tak Kong.
2. Boey Tak Kong demised on 14 October 2021.

## CORPORATE GOVERNANCE STATEMENT

During the FY2022, the NRC held one (1) meeting. Below are the summary of the key activities undertaken by the NRC in discharge of its duty:

- (a) Reviewed the composition of the Board and Board Committees with regards to the mix of skills, independence and diversity in accordance with its policy.
- (b) Determined the Directors who stand for re-election and re-appointment by rotation.
- (c) Assessed the effectiveness and performance of the Board as a whole and the contribution of each individual Director. This was carried out through a self-assessment document that was completed by each Director. The assessment criteria include the following:
  - Board composition
  - Board process
  - Performance of Board Committees
  - Information provided to the Board
  - Role of the Board in strategy and planning
  - Risk management framework
  - Accountability and standard of conduct of Directors
- (d) Reviewed the terms of office of the AC and each member of the AC to ascertain that the AC and its member have carried out their duties in accordance with the AC's Terms of Reference.
- (e) Assessed and reviewed the independence and continuing independence of the Independent Directors.
- (f) Reviewed, assessed and recommended the remuneration packages of the Executive Directors and Senior Management.
- (g) Reviewed the Directors' fees and other benefits payable to Non-Executive Directors.

A copy of the NRC's Terms of Reference is available at the Company's website at [www.censof.com](http://www.censof.com).

### **Risk Management Committee ("RMC")**

The RMC is responsible for overseeing the risk management process within the Group.

The RMC comprises of the following members:

Director	Designation
Tan Sri Datuk Wira Dr Hj. Mohd Shukor bin Hj. Mahfar <sup>1</sup>	Chairman
Tuan Haji Ab. Gani bin Haron	Member
Ameer bin Shaik Mydin	Member
Boey Tak Kong <sup>2</sup>	Chairman

1. Tan Sri Datuk Wira Dr Hj. Mohd Shukor bin Hj. Mahfar was appointed as the Chairman subsequent to the demise of Boey Tak Kong.
2. Boey Tak Kong demised on 14 October 2021.

During the FY2022, the RMC held four (4) meetings and all member registered full attendance. Below are the summary of the key activities undertaken by the RMC in discharge of its duty:

- (a) Reviewed the risk registers.
- (b) Reviewed the sustainability initiatives progress.

A copy of the RMC's Terms of Reference can be found in the Company's website at [www.censof.com](http://www.censof.com).

## CORPORATE GOVERNANCE STATEMENT

### 7. Code of Business Ethics

The Company has established a Code of Business Ethics to promote a corporate culture which engenders ethical conduct that permeates throughout the Group. The Code of Business Ethics is based on principles in relation to trust, integrity, transparency, accountability, responsibility, excellence, loyalty, commitment, dedication, discipline, diligence and professionalism.

The Board is focused on creating corporate culture which engenders ethical conduct that permeates throughout the Company. The Group practices the relevant principles and values in the Group's dealings with employees, customers, suppliers and business associates. The Directors, officers and employees of the Group are also required to observe, uphold and maintain high standards of integrity in carrying out their roles and responsibilities and to comply with the relevant laws and regulations as well as the Group's policies.

The Board is provided guidance through the Code of Business Ethics on disclosure of conflict of interest and other disclosure information/requirements to ensure that the Directors comply with the relevant regulations and practices. In order to address and manage possible conflicts of interest that may arise between Directors' interests and those of the Group, the Company has put in place appropriate procedures including requiring such Directors to abstain from participating in deliberations during meetings and abstaining from voting on any matter in which they may also be interested or conflicted. The Directors of the Group are also required to disclose and confirm their directorships and shareholdings in the Group and any other entities where they have interests.

Notices on the closed period for trading in the Company's shares are sent to Directors, principal officers and the relevant employees on a quarterly basis specifying the timeframe during which they are prohibited from dealing in the Company's shares, unless they comply with the procedures for dealings during closed period as stipulated in the MMLR.

Details of the Code of Business Ethics can be found in the Company's website at [www.censof.com](http://www.censof.com).

### 8. Whistleblowing Policy and Procedure

The Company has adopted a Whistleblowing Policy as the Board believes that a sound whistleblowing system will strengthen, support good management and at the same time, demonstrate accountability, good risk management and sound corporate governance practices. The policy is to encourage reporting of any major concerns over any wrongdoings within the Group.

The policy outlines the relevant procedures such as when, how and to whom a concern may be properly raised about the genuinely suspected or instances of wrongdoing at the Company and its subsidiaries. The identity of the whistleblower is kept confidential and protection is accorded to the whistleblower against any form of reprisal or retaliation. All such concerns shall be set forth in writing and forwarded to either the Chairman of the Audit Committee or the Group Managing Director.

Full details of the Whistleblowing Policy can be found on the Company's website at [www.censof.com](http://www.censof.com).

## CORPORATE GOVERNANCE STATEMENT

### 9. Company Secretary

The Board is assisted by qualified and competent Company Secretaries who plays a vital role in advising the Board in relation to the Group's constitution, policies, procedures and compliance with the relevant regulatory requirements, codes, guidance and legislations. All the Directors have unrestricted access to the advice and services of the Company Secretaries for the purpose of the conduct of the Board's affairs and the business.

The Company Secretaries constantly keep themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance through attendance at relevant conferences and training programmes. The Company Secretaries have also attended the relevant continuous professional development programmes as required by the Companies Commission of Malaysia or the Malaysian Institute of Chartered Secretary and Administrators for practising company secretary. The Board is satisfied with the performance and support rendered by the Company Secretaries in discharging its functions.

In addition, the Company Secretaries is also accountable to the Board and is responsible for the following:

- Advising the Board on its roles and responsibilities.
- Advising the Board on matters related to corporate governance and the MMLR.
- Ensuring that Board procedures and applicable rules are observed.
- Maintaining records of the Board and ensuring effective management of the Company's statutory records.
- Preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded.
- Assisting communications between the Board and Management.
- Providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time.
- Preparing agendas and co-coordinating the preparation of Board papers.

## II. Board Composition

### 1. Composition and Diversity

The Directors are of the opinion that the current Board size and composition is adequate for facilitating effective decision making given the scope and nature of the Group's businesses and operations. The Board maintains an appropriate balance of expertise, skills and attributes among the Directors which is reflected in the diversity of backgrounds and competencies of the Directors. Such competencies include finance, accounting, legal, digital and other relevant industry knowledge, entrepreneurial and management experience and familiarity with regulatory requirements and risk management.

The NRC ensures that the composition of the Board is refreshed periodically while the tenure, performance and contribution of each Director is assessed by the NRC through the Board Evaluation. In addition, each of the retiring Directors will provide their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

As at the date of this Statement, the Board consists of one (1) Independent Non-Executive Chairman, one (1) Senior Independent Non-Executive Directors, three (3) Independent Non-Executive Directors, and three (3) Executive Directors, wherein at least half of the Board comprises Independent Directors. The composition of the Board ensures that the Independent Non-Executive Directors will be able to exercise independent judgment on the affairs of the Company.

The Board of Directors' profile can be found in the Annual Report of the Company.

## CORPORATE GOVERNANCE STATEMENT

### 2. Independency of Independent Directors

The Independent Directors play a crucial role in corporate accountability and provide unbiased views and impartiality to the Board's deliberations and decision-making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are given due consideration, fully discussed and examined, taking into account the interest of all stakeholders. The Board, via the NRC assesses each Director's independence to ensure on-going compliance with this requirement annually. The NRC is satisfied that the Independent Directors are independent of Management and free from any business or other relationships which could interfere with the exercise of independent judgement, objectivity and the ability to act in the best interest of the Company.

As at the date of this statement, the tenure of two (2) Independent Directors, namely Tan Sri Dato' Mohd Ibrahim bin Mohd Zain and Tuan Haji Ab. Gani bin Haron, have exceeded a cumulative term limit of nine (9) years from their date of appointment on 28 December 2010. Both the Independent Directors would not be seeking for re-election at the Company's forthcoming Annual General Meeting ("AGM").

### 3. Appointment of Board and Senior Management

The Board of Directors comprise of a collective of individuals having an extensive complementary knowledge and competencies, as well as expertise to make an active, informed and positive contribution to the management of the Group in terms of the business' strategic direction and development. The appointment of the Board and its Senior Management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

The NRC will assess the suitability of the candidates before formally considering and recommending them for appointment to the Board or senior management. In proposing its recommendation, the NRC will consider and evaluate the candidates' required skills, knowledge, expertise, competence, experience, characteristics, professionalism. For appointment of Independent Directors, considerations will also be given on whether the candidates meet the requirements for independence as defined in MMLR of Bursa Securities and time commitment expected from them to attend to matters of the Company in general, including attending meetings of the Board, Board Committees and AGM.

### 4. Gender Diversity

While the Board of Directors acknowledge the need to promote gender diversity within its composition and endeavour to increase female participation in the Board and Senior Management, it has decided not to set any specific targets as the Board believes that it is more important to have the right mix and skills for such positions. As at the date of this report, there are three female employees involved in the Board and Senior Management, collectively.

The Company has adopted a diversity policy which outlines its approach to achieving and maintaining diversity (including gender diversity) on its Board and in Senior Management positions. This includes requirements for the Board to establish measurable objectives for achieving diversity on the Board and in management positions, and for the appropriate Board Committees to monitor the implementation of the policy, assess the effectiveness of the Board nomination process and the appointment process for management positions at achieving the objectives of the policy.

## CORPORATE GOVERNANCE STATEMENT

### 5. Identifying Suitable Candidates

Any proposed appointment of a new member to the Board will be deliberated by the full Board based upon a formal report, prepared by the NRC on the necessity for reviewing the qualifications and experience of the proposed director. The NRC would be guided by the Directors' Fit and Proper Policy and an internal policy on Criteria and Skill Sets for the Board Members in assessing the suitability of the potential candidates for appointment to the Board.

### 6. Chairman of the NRC

The NRC is led by Tan Sri Datuk Wira Dr Hj. Mohd Shukor bin Hj. Mahfar, the Independent Non-Executive Director, who directs the NRC for succession planning and appointment of Board members and Senior Management by conducting annual review of board effectiveness and skill assessments. This provides the NRC with relevant information of the Group's needs, allowing them to source for suitable candidates when the need arises.

### 7. Annual Evaluation

The NRC is responsible in evaluating performance and effectiveness of the entire Board, the Board Committees and individual Director on a yearly basis. The evaluation process is led by the NRC Chairman and supported by the Company Secretaries via questionnaires. The NRC reviews the outcome of the evaluation and recommends to the Board on areas for continuous improvement and also for them to form the basis of recommending relevant Directors for re-election at the AGM.

The assessment criteria used in the assessment of Board and individual Directors include a mix of skills, knowledge, Board diversity, size and experience of the Board, core competencies and contributions of each Director. The Board Committees were assessed based on their roles and responsibilities, scope and knowledge, frequency and length of meetings, supply of sufficient and timely information to the Board and also overall effectiveness and efficiency in discharging their function.

The Board evaluation comprises Performance Evaluation of the Board and various Board Committees, Directors' Peer Evaluation and Assessment of the independence of the Independent Directors. The assessment is based on four (4) main areas relating to Board Structure, Board Operations, Roles and Responsibilities of the Board and Board Committees and elements of environmental social and governance.

For Directors' Peer Evaluation, the assessment criteria include abilities and competencies, calibre and personality, technical knowledge, objectivity and the level of participation at Board and Committee meetings including his/her contribution to Board processes.

Any appointment of a new Director to the Board or Board Committee is recommended by the NRC for consideration and approval by the Board. In accordance with the Company's Constitution, one-third (1/3) of the Directors (including the Managing Director) for the time being shall retire from office at each AGM. A retiring director shall be eligible for re-election. The Constitution also provides that all directors shall retire at least once every three (3) years.



## CORPORATE GOVERNANCE STATEMENT

During the year, the Board conducted an internally facilitated Board assessment. The results and recommendations from the evaluation of the Board and Committees are reported to the Board for full consideration and action. The Board was comfortable with the outcome and that the skills and experience of the current Directors satisfy the requirements of the skills matrix and that the Chairman possesses the leadership to safeguard the stakeholders' interest and ensure the development of the Group.

The NRC also considered the results of the evaluation when considering the re-election of Directors and recommended to the Board for endorsement the Directors standing for re-election at forthcoming AGM of the Company.

### III. Remuneration

The objective of the Group's internal remuneration policy is to provide fair and competitive remuneration to its Board and Senior Management in order for the Company to attract and retain Board and Senior Management of calibre to run the Group successfully. The responsibilities for developing the remuneration policy and determining the remuneration packages of Executive Directors and Senior Management lie with the NRC. Nevertheless, it is ultimately the responsibility of the Board to approve the remuneration of Executive Directors and Senior Management.

Based on the remuneration framework, the remuneration packages for the Executive Directors and Senior Management compose of a fixed component (i.e. salary, allowance and etc.) and a variable component (i.e. bonus, benefit-in kind and etc.) which is determined by the Group's overall financial performance in each financial year which is designed to support our strategy and provides a balance between motivating and challenging our senior managements to deliver our business priorities, as set out by Executive Directors, and strong performance while also driving the long-term sustainable success of the Group.

The level of remuneration of Non-Executive Directors reflects their experience and level of responsibility undertaken by them. Non-Executive Directors will receive a fixed fee, with additional fees if they are members of Board Committees, with the Chairman of the AC or NRC receiving a higher fee in respect of his service as Chairman of the respective Committees. The fees for Directors are determined by the Board with the approval from shareholders at the AGM and no Director is involved in deciding his/her own remuneration.

During the financial year under review, the NRC had reviewed the remuneration for the Executive Directors and Senior Management which reflects their level of responsibilities as well as the performance of the Group, and considered their remuneration packages are comparable within the industry norm. The NRC further discussed the annual salary review for the Executive Directors and Senior Management in line with the budget salary increase for the rest of the organisation. When approving payments for annual bonus, the NRC considered the overall performance of the business and of the Executive Directors and Senior Management against this, as well as their individual targets. Bonus payments made to Executive Directors and Senior Management reflected the large proportion of collective measures for the year, in support of focusing on teamwork and simplicity within the pay arrangements.

## CORPORATE GOVERNANCE STATEMENT

The detailed disclosure on named basis for the remuneration of individual Directors that includes fees, salary, bonus, benefits in-kind and other emoluments from the Company and the Group for the FY2022 are set out below and in the Corporate Governance Report.

Name	Salaries and other emoluments	Fees	Allowance	Bonus	Defined contribution	SOCSCO & EIS Contribution	Benefits- in-kind	Total
<b>Group</b>								
<b>Executive Directors</b>								
Ameer Bin Shaik Mydin	547,598	55,603	36,060	42,920	85,494	923	9,900	778,498
Tamil Selvan A/L M. Durairaj	542,557	148,274	36,060	42,500	93,675	868	9,900	873,834
Ang Hsin Hsien	414,000	-	36,060	34,500	69,075	923	6,600	561,158
<b>Non-Executive Directors</b>								
Tan Sri Dato' Mohd Ibrahim Bin Mohd Zain	-	104,000	9,000	-	-	-	-	113,000
Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar	-	84,000	11,000	-	-	-	-	95,000
Tuan Haji Ab. Gani Bin Haron	-	94,000	15,000	-	-	-	-	109,000
Boey Tak Kong	-	51,613	9,000	-	-	-	-	60,613
Mahathir Bin Mahzan	-	5,000	-	-	-	-	-	5,000
<b>Total</b>	<b>1,504,155</b>	<b>542,490</b>	<b>152,180</b>	<b>119,920</b>	<b>248,244</b>	<b>2,714</b>	<b>26,400</b>	<b>2,596,103</b>

## CORPORATE GOVERNANCE STATEMENT

Name	Salaries and other emoluments	Fees	Allowance	Bonus	Defined contribution	SOCSCO & EIS Contribution	Benefits- in-kind	Total
<b>Company</b>								
<b>Executive Directors</b>								
Ameer Bin Shaik Mydin	515,040	-	36,060	42,920	85,494	923	9,900	690,337
Tamil Selvan A/L M. Durairaj	510,000	-	36,060	42,500	93,675	868	9,900	693,003
Ang Hsin Hsien	414,000	-	36,060	34,500	69,075	923	6,600	561,158
<b>Non-Executive Directors</b>								
Tan Sri Dato' Mohd Ibrahim Bin Mohd Zain	-	104,000	9,000	-	-	-	-	113,000
Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar	-	84,000	11,000	-	-	-	-	95,000
Tuan Haji Ab. Gani Bin Haron	-	94,000	15,000	-	-	-	-	109,000
Boey Tak Kong	-	51,613	9,000	-	-	-	-	60,613
Mahathir Bin Mahzan	-	5,000	-	-	-	-	-	5,000
<b>Total</b>	<b>1,439,040</b>	<b>338,613</b>	<b>152,180</b>	<b>119,920</b>	<b>248,244</b>	<b>2,714</b>	<b>26,400</b>	<b>2,327,111</b>

## CORPORATE GOVERNANCE STATEMENT

Details of the remuneration of key senior management personnel within the Group (including salary, bonus, benefits in-kind and other emoluments) in each successive band of RM50,000 for FY2022, are as follows:

Range of Remuneration	Name of Key Senior Management	Designation
RM0 to RM50,000	Malini Vijaya Rajah (Appointed CPO w.e. 1st March 2022)	Chief People Officer
RM50,001 to RM100,000	Zulkifli Bin Ghairi (Acquired Cognitive Consulting on 20th January 2022)	Chief Executive Officer
	Vicks Kanagasingam (Appointed w.e. 25th January 2022)	Chief Executive Officer
RM100,001 to RM150,000	Ismadi Bin Norahman (Passed away on 5th August 2021)	Chief People Officer
RM250,001 to RM300,000	Fong Choon Hau, Ivan	Chief Financial Officer
	Giritharan Nagalingam	Chief Executive Officer
	Kavinthraj Pannerchelvam	Chief Executive Officer
RM300,001 to RM350,000	Hazairin	Chief Executive Officer
RM400,001 to RM450,000	Dr. Zainul Ariffin Bin Harun	Chief Strategic Director
RM450,001 to RM500,000	Nagendran A/L M. Perumal	Chief Technology Officer
	Abdul Rehman Khalid	Chief Executive Officer
RM1,050,001 to RM1,100,000	Rhys Paul Brown	Chief Executive Officer

## CORPORATE GOVERNANCE STATEMENT

### PRINCIPAL B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. Audit Committee ("AC")

Presently, the AC consists of four (4) Independent Non-Executive Directors and all of them are financially literate and have sufficient understanding of the Group's business. All the members of the AC undertook continuous professional development to keep abreast of relevant developments in accounting and auditing standards, practices and rules.

The Chairman of the AC is not the Chairman of the Board, ensuring that the impairment of objectivity on the Board's review of the AC's findings and recommendation remains intact.

The AC has adopted a Terms of Reference which sets out its goals, objectives, duties, responsibilities and criteria on the composition of the AC which includes a former key audit partner of the Group to observe a cooling-off period of at least three (3) years before being able to be appointed as a member of the AC. For the FY2022, no former key audit partner of the Company's Auditors is appointed as a member of AC.

In presenting the annual audited financial statements and interim financial statements on a quarterly basis to the shareholders, the Board is responsible to present a clear, balanced and understandable assessment of the Group's performance and position. The AC is entrusted to provide assistance to the Board in reviewing the Group's financial reporting process and accuracy of its financial results, and scrutinising information for disclosure to ensure accuracy, adequacy, completeness and compliance with the accounting standards.

The Board places great emphasis on the objectivity and independence of the External Auditors. Through the AC, the Board maintains a transparent relationship with the External Auditors in seeking professional advice on the internal control and ensuring compliance with the appropriate accounting standards. The AC is empowered to communicate directly with the External Auditors to highlight any issues of concern at any point in time.

The External Auditors is recommended to meet the AC without the presence of the executive Board members and Management on regular basis pertaining on matters relating to the Group and its audit activities. During such meetings, the External Auditors highlight and discuss the nature and scope of the audit, audit programme, internal controls and any other issues that may require the attention of the AC or the Board. For the FY2022, External Auditors met the AC twice without the presence of the executive Board members and Management.

The AC ensures the External Audit function is independent of the activities it audits and reviews the contracts for the provision of non-audit services by the External Auditors in order to make sure that it does not give rise to conflict of interests. The excluded contracts would include management consulting, internal audit and standard operating policies and procedures documentation.

## CORPORATE GOVERNANCE STATEMENT

For the FY2022, fees paid to the External Auditors, Messrs Crowe Malaysia PLT and its affiliated firms by the Company and the Group are stated in the table below:

Nature of Services	Group (RM)	Company (RM)
Audit services rendered	231,000	120,000
Non-Audit services rendered	6,000	-

The External Auditors have confirmed to the AC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

Further information on the roles and responsibilities of the AC may be found in the Annual Report of the Company.

### II. Risk Management and Internal Control Framework

The Board assumes ultimate responsibility for the effective management of risk across the Group, determining its risk appetite as well as ensuring that each business area implements appropriate internal controls. In order to achieve such objective, a risk management framework has been adopted by the Group. The Group's risk management systems are designed to manage and eliminate risks, where possible to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has delegated its responsibility for reviewing the effectiveness of the Group's systems of internal control to the AC. This covers all material controls including financial, operational, compliance and risk management systems. The AC is further supported by a number of sources of internal assurance within the Group in order to determine the adequacy and effectiveness of the framework.

The Group has outsourced the internal audit function as being the most cost-effective means of implementing an internal audit function. The independent third-party service provider of the internal audit services for the FY2022 was Messrs Galton Advisory PLT, which reported directly to the AC as specified in the Terms of Reference of the AC. The Internal Auditor carries out its function in accordance with the approved annual Internal Audit Plan approved by the AC. Messrs Galton Advisory PLT has two (2) audit personnel assisting the person responsible for the internal audit. Details on the person responsible for the internal audit are set out below:

Name	Low Chiun Yik
Qualification	MSc. Accountancy and Finance
Independence	Does not have any family relationship with any of the director and/or major shareholder of the Company
Public Sanction or penalty	Has no convictions for any offences within the past 5 years, other than traffic offences, if any and has not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year.

Further information may be found in the Statement on Risk Management and Internal Control and the Management Discussion and Analysis of this Annual Report.

## CORPORATE GOVERNANCE STATEMENT

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

#### I. Communication with stakeholders

The Board believes that stakeholders' communication is an essential requirement of the Group's sustainability. In view thereof, stakeholders are informed of all material business events and risks of the Group in a factual, timely and widely available manner. The Board has formalised a corporate communications policy and procedure not only to comply with the discourse requirements as stipulated in the MMLR, but also sets out the persons authorised and responsible to approve and disclose material information to all stakeholders.

The Group has set up an investor relations program to facilitate effective two-way communication with investors and analyst to provide a greater understanding of the Group's vision, strategies, developments and financial prospects. A variety of engagement initiatives including direct meetings and dialogues with stakeholders are constantly conducted to learn about their needs enabling sustainability and growth of the Group.

The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Securities and press conferences. It is the Group's practice that any material information for public announcement, including annual, quarterly financial statements, press releases, and presentation to investors, analyst and media are factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.

The Company's corporate website includes a dedicated Investor Relations section which provides all relevant information on the Group, including announcements to Bursa Securities, share price information as well as the corporate and governance structure of the Group. Stakeholders are also able to subscribe to e-mail alerts from the Group via the Investor Relation page.

#### II. Conduct of General Meetings

The AGM is the principal forum for dialogue with shareholders, allowing shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. To ensure shareholders have sufficient time to go through the Annual Report, it is circulated at least twenty-eight (28) calendar days before the date of the AGM. Shareholders are encouraged to vote on the proposed motions by appointing a proxy in the event they are unable to attend the meeting.

During the AGM, a presentation was shown to the shareholders on the Group's performance and major activities which were carried out during the financial year under review. The Board also encourages participation from shareholders by having a "question and answers" session during the AGM held on 8 September 2021 where the Directors (inclusive of the Chairman of the AC, NRC and RMC) are available to provide meaningful response to questions raised by the shareholders.

In line with the MMLR, the Company has implemented and will continue to implement poll voting for all proposed resolutions set out in the notice of any general meeting. An independent scrutineer will also be appointed to validate the votes cast at any general meeting of the Company.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board is pleased to provide the following Statement on Risk Management and Internal Control pursuant to paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Malaysian Code on Corporate Governance with guidance from the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("**the Guidelines**").

## RESPONSIBILITIES

The Board recognises the importance of good risk management practices and sound internal controls as a platform to good corporate governance. The Board acknowledges its responsibility for maintaining a sound risk management framework and internal control system, and ensuring its adequacy and effectiveness.

Due to inherent limitations in any risk management and internal control system, such system put into effect by management are designed to manage rather than eliminate all the risks that may impede the achievement of the Group's business objectives, and as such, it can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

The Board through its Audit Committee ("**AC**") has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment and regulatory requirements. The process is reviewed by the Board and the AC on a periodic basis.

Management assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced by the Group, and in the design and operation of suitable internal controls to mitigate these risks identified.

The Board is of the view that the risk management and internal control system in place for the period under review and up to the date of issuance of the annual report is adequate and effective to safeguard the shareholders' investment, the interests of customers, regulators, employees and the Group's assets.

## RISK MANAGEMENT FRAMEWORK

Risk management is firmly embedded in the Group's management system as the Board firmly believes that risk management is critical for the Group's sustainability and the enhancement of shareholder value. Key management staff and Heads of Department are delegated with the responsibility to manage identified risks within defined parameters and standards.

Periodic Management Meetings which are attended by the Department Heads and key management staff are held to:

- communicate the vision, roles and direction of the Group and priorities to all the employees and key stakeholders;
- identify, assess and evaluate the key risks of the Group that affect its goals and objectives for the year under review; and
- propose the appropriate mitigating controls and the significant risks that affect the Group's strategic and business plans, if any, to the Board at their scheduled meetings.

The key management staff meets regularly to review the risks faced by the Group and ensure that the existing mitigation actions are adequate. Risks identified are prioritised in terms of likelihood of occurrence and its impact on the achievement of the Group's business objectives.

## INTERNAL CONTROL SYSTEM

The key elements of the internal control system that provide effective governance and oversight of internal control are described as follow:

- (i) A well-defined organisational structure with clear lines of accountability and responsibilities provide a sound framework within the organisation in facilitating check and balance for proper decision making at the appropriate authority levels of management including matters that require the Board's approval.
- (ii) A documented delegation of authority that sets out decisions that need to be taken and the appropriate levels of management involved including matters that require the Board's approval.
- (iii) The Board and AC meet at least once on a quarterly basis to review and deliberate on the unaudited quarterly financial reports, annual financial statements, internal audit reports and etc. Discussions with management were held to deliberate on the actions that are required to be taken to address internal control issues identified.
- (iv) Internal policies and procedures had been established for key business units within the Group.

## INTERNAL AUDIT FUNCTION

The Group had appointed an independent professional firm, Galton Advisory PLT ("**GAP**") to assist the Board and AC in performing regular and systematic review and provide independent assessment on the adequacy, efficiency and effectiveness of the Group's risk management and internal control system. GAP is free from any relationship or conflict of interest, which may impair their objectivity and independence of the internal audit function.

The total costs incurred in respect of the outsourced of internal audit functions for the financial year ended 31 March 2022 ("**FY2022**") was RM30,000.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

During the FY2022, internal audit visits were carried out and the findings of the internal audit, including the recommended corrective actions, were presented directly to the AC.

In addition, follow up review will be conducted to ensure that corrective actions have been implemented on a timely manner. Based on the internal audit review conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this Annual Report.

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors had reviewed this Statement on Risk Management and Internal Control for inclusion in this Annual Report and reported to the Board that nothing has come to their attention that causes them to believe that the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control.

### CONCLUSION

For the financial year under review and up to the date of approval of this statement, the Board is of the opinion that the risk management and internal control system of the Group currently in place is adequate and effective to safeguard the Group's interests and assets.

In addition, the Board has received reasonable assurance from the Executive Directors that the Group's risk management and internal control system are adequate and operate effectively, in all material respects.

The Board will continue to assess and monitor the adequacy and effectiveness of the risk management and internal control system of the Group and to strengthen it, as and when necessary.

This statement is made in accordance with a resolution of the Board of Directors dated 26 July 2022.

# AUDIT COMMITTEE'S REPORT

## OBJECTIVE

The Audit Committee ("**AC**") was established with the primary objective of assisting the Board in discharging its statutory duties and responsibilities relating to accounting and reporting practices of the holding company and each of its subsidiary companies.

## COMPOSITION MEETING ATTENDANCE

The present AC members comprise of four (4) members, all of whom are Independent Non-Executive Directors.

During the financial year ended 31 March 2022 ("**FY2022**"), the AC held five (5) meetings and the records of the attendance of AC members are as follow:

Directors	Designation	Number of meetings attended	%
Tuan Haji Ab. Gani bin Haron	Chairman	5/5	100%
Tan Sri Datuk Wira Dr Hj. Mohd Shukor bin Hj. Mahfar	Member	5/5	100%
Tan Sri Dato' Mohd Ibrahim bin Mohd Zain <sup>1</sup>	Member	4/4	100%
Mahathir bin Mahzan <sup>2</sup>	Member	N/A	N/A
Boey Tak Kong <sup>3</sup>	Member	3/3	100%

Notes:

1. Tan Sri Dato' Mohd Ibrahim bin Mohd Zain had attended all the AC meetings subsequent to his appointment on the AC.
2. Mahathir bin Mahzan was appointed on 1 March 2022 and there were no AC meeting held after his appointment.
3. Boey Tak Kong demised on 14 October 2021.

## TERMS OF REFERENCE

The scope of duties and responsibilities of the AC stated in the Terms of Reference ("**TOR**") is made available on the Company's website, [www.censof.com](http://www.censof.com). The Board has reviewed and assessed the performance of the AC and is satisfied that the AC has discharged its functions, duties and responsibilities in accordance with its TOR.

## AUDIT COMMITTEE'S REPORT

### SUMMARY ACTIVITIES

The activities of the AC during the FY2022, include the following:

- a) Reviewed the unaudited quarterly results of the Group and the Company including the announcements pertaining thereto, before recommending to the Board for approval and release the results to Bursa Malaysia Securities Berhad ("**Bursa Securities**");
- b) Reviewed with External Auditors on their Audit Planning Memorandum for the FY2022;
- c) Reviewed the Audited Financial Statements of the Group for the FY2022 before recommending to the Board for approval and release of the results to Bursa Securities;
- d) Reviewed and discussed with the External Auditors of their audit findings inclusive of system evaluation, audit fees, issues raised, audit recommendations and management's response to these recommendations;
- e) Evaluated the performance of the External Auditors for the FY2022 covering areas such as caliber, quality processes, audit team, audit scope, audit communication, audit governance and independence and considered and recommended the re-appointment of the External Auditors;
- f) Reviewed and approved the non-audit services provided/to be provided by the External Auditors and its affiliates to ensure the provision of the non-audit services does not impair their independence or objectivity as External Auditors of the Group and the Company;
- g) Reviewed and assessed the adequacy of the scope and functions of the internal audit plan;
- h) Reviewed the internal audit reports presented and considered the findings of internal audit through the review of the internal audit reports tabled and management responses thereof;
- i) Reviewed and approved on the Internal Audit Planning Memorandum for the FY2022 to ensure adequate scope and coverage of the activities of the Group and the Company which was prepared based on risk-based approach;
- j) Reviewed the effectiveness of the Group's system of internal control;
- k) Reviewed the proposed fees for the External Auditors and Internal Auditors in respect of their audit of the Company and the Group;
- l) Reviewed related party transactions and conflict of interest situation that may arise within the Group and/or the Company, to ensure that transactions entered into were on arm's length basis and on normal commercial terms;
- m) Reviewed the Company's compliance with the Main Market Listing Requirements, applicable Approved Accounting Standards and other relevant legal and regulatory requirements;
- n) Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control before recommending to the Board for approval and inclusion in the Annual Report; and
- o) Report to the Board on its activities and significant findings and results.

## AUDIT COMMITTEE'S REPORT

### INTERNAL AUDIT FUNCTIONS

The Group has appointed an established external professional Internal Audit firm, which reports to the AC and assists the AC in reviewing the effectiveness of the internal control systems whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives.

Internal audit provides independent assessment on the effectiveness and efficiency of internal controls utilising a global audit methodology and tool to support the corporate governance framework and an efficient and effective risk management framework to provide assurance to the AC.

The AC approves the Internal Audit Planning Memorandum during the first AC meeting each year. Any subsequent changes to the Internal Audit plan are approved by the AC. The scope of internal audit covers the audits of all units and operations, including subsidiaries as stated in the letter of engagement.

During the FY2022, the following activities were carried out by the Internal Auditors in discharge of its responsibilities:

- (i) The internal audit function conducted based on an annual internal audit plan which was tabled before and approved by the AC;
- (ii) Internal Audit Plan covers the key functional areas and business activities of the major subsidiaries of the Group as well as issues relating to control deficiencies and areas for improvements including the relevant recommendations to address the issues;
- (iii) Emphasis on best practices and management assurance that encompass all business risks, particularly on the effectiveness and efficiency of operations, reliability of reporting, compliance with applicable law and regulations and safeguard of assets;
- (iv) Performed follow-up on status of management agreed action plan on recommendation raised in previous cycles of internal audits including specific timelines for those outstanding matters to be resolved; and
- (v) Reports issued by the internal audit function were tabled at AC meetings in which management was present at such meeting to provide pertinent clarification or additional information to address questions raised by AC members pertaining to matters raised.

The AC and the Board agree that the internal audit review was done in accordance with the audit plan and the coverage is adequate.

For further details on the risk management, internal controls and internal audit functions, please refer to the Statement on Risk Management and Internal Control in this Report.

# OTHER DISCLOSURE REQUIREMENTS

## 1. Utilisation of Proceeds from Corporate Exercise

The Company did not undertake any corporate exercise during the financial year.

On 10 February 2022, the Company had disposed 5 million ordinary shares in DNeX for a total consideration of RM5 million, classified as short-term investment.

As at to-date, the status of the utilization on gross proceeds were as follows:

Detail of Utilisation	Proposed Amount (RM)	Utilisation Period	Status
Working Capital	5,000,000	Within next 12 months from date of disposal	Utilised of approximately RM1.70 million as at 30 June 2022.
<b>Total</b>	<b>5,000,000</b>		

## 2. Recurrent Related Party Transactions

There was no recurrent related party transactions entered during the financial year, except for the office rental agreement which is within the normal commercial term which does not exceed tenancy period of three (3) years.

## 3. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries during the financial year, which involved Directors' or major shareholders' interest (not being contracts entered into in the ordinary course of business).

## 4. Contracts related to loans

There were no material contracts relating to loans entered into by the Group during FY2022 involving Directors and major shareholders.



# DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Companies Act 2016 to prepare the financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards in Malaysia.

The Directors are responsible to ensure that the financial statement is given a true and fair view of the financial position of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year then ended.

In preparing the financial statements, the Directors have observed the following criteria:

- overseeing the overall conduct of the company's business and that of the group;
- identifying principal risks and ensuring that an appropriate system of internal control exists to manage these risks;
- reviewing the adequacy and integrity of internal controls system and management information system in the company and within the group;
- adopting suitable accounting policies and apply them consistently;
- making judgements and estimates that are reasonable and prudent; and
- ensuring that the financial statements were prepared on a going concern basis and in compliance with all applicable approved accounting standards in Malaysia subject to any material departures, if any, were disclosed.

The Directors are satisfied that in preparing the financial statements of the Group and the Company for the financial year ended 31 March 2022, appropriate accounting policies were used and applied consistently, and adopted to include new and revised Malaysian Financial Reporting Standards where applicable. The Directors are also of the view that relevant approved accounting standards have been followed in the preparation of these financial statements.

The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Group and to minimise fraud and other irregularities.



# FINANCIAL STATEMENTS

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## DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2022. All values shown in this report are rounded to the nearest thousand (RM'000) unless otherwise indicated.

### PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

### RESULTS

	The Group RM'000	The Company RM'000
Profit/(Loss) after taxation for the financial year	19,892	(1,672)
Attributable to:-		
Owners of the Company	18,488	(1,672)
Non-controlling interests	1,404	-
	19,892	(1,672)

### DIVIDENDS

The Company paid an interim dividend of 0.75 sen per ordinary share amounting to RM4,142,112 for the financial year ended 31 March 2022 on 18 June 2021.

On 30 May 2022, the Company declared an interim dividend of 0.75 sen per ordinary share in respect of the current financial year, paid on 8 July 2022, to shareholders whose names appeared in the register of depositors on 17 June 2022. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2023.

The directors do not recommend the payment of any further dividends for the financial year.

### 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.

## DIRECTORS' REPORT

### 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 all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

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

### CURRENT ASSETS

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

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

### VALUATION METHODS

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

### CONTINGENT AND OTHER LIABILITIES

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

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial 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.

## DIRECTORS' REPORT

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:-

Ameer Bin Shaik Mydin  
Tamil Selvan A/L M. Durairaj  
Tan Sri Dato' Mohd Ibrahim Bin Mohd. Zain  
Ang Hsin Hsien (f)  
Tuan Haji Ab. Gani Bin Haron  
Tan Sri Datuk Wira Dr. Hj. Mohd Shukor Bin Hj. Mahfar  
Mahathir Bin Mahzan (Appointed on 01.03.2022)  
Mohd Redzuan bin Hasan (Appointed on 01.06.2022)  
Boey Tak Kong (Deceased on 14.10.2021)

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

Abdul Rehman Khalid  
Boyke Bader Brillianto  
Fong Choon Hau  
Giritharan A/L Nagalingan  
Hazairin  
Rhys Paul Brown  
Shanmugam A/L Pachapan  
Siti Safiah Binti Yahaya  
Paul Alistair Jennings  
Zainul Ariffin Bin Harun  
Kavinthraj A/L Panneerchelvam  
Yarlini A/P S Jahendran

## DIRECTORS' REPORT

### DIRECTORS (CONT'D)

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

Ashveen Chakravarthy A/L Sekaran  
 Shadhana A/P Sekaran  
 Al-Zambri Bin Ahmad Kabri  
 Zulkifli Bin Mhd Ghairi @ Md Asri  
 Jude A/L Augustin Pathrose Lopez  
 Atiatul Wardah Binti Dollah @ Abdullah (Appointed on 27.04.2022)  
 Hisham David Kumar Bin Abdullah (Appointed on 14.03.2022)  
 Syanizam Azrul Bin Anuar (Appointed on 14.06.2021)  
 Syed Ahmad Najmi Bin Syed Md Nasir (Appointed on 14.03.2022)  
 Zulkifli Bin Zainol (Appointed on 27.04.2022 and resigned on 09.05.2022)

### 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 1.4.2021	Bought	Sold	At 31.3.2022
<b>The Company</b>				
<i>Direct Interests</i>				
Tan Sri Dato' Mohd Ibrahim Bin Mohd. Zain	31,000,000	5,034,100	-	36,034,100
Ameer Bin Shaik Mydin	1,420,500	-	-	1,420,500
Ang Hsin Hsien (f)	2,191,000	-	-	2,191,000
<i>Indirect Interests</i>				
Ameer Bin Shaik Mydin*	175,937,954	-	-	175,937,954
Ang Hsin Hsien*	-	175,937,954	-	175,937,954
Tamil Selvan A/L M. Durairaj*	-	175,937,954	-	175,937,954

\* Deemed interested by virtue of his/her direct substantial shareholding in SAAS Global Sdn. Bhd.

Save for the above, the other directors holding office at the end of the financial year had no interest in shares or debentures of the Company or its related corporations during the financial year.

## DIRECTORS' REPORT

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other 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 37 (b) to the financial statements.

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

### DIRECTORS' REMUNERATION

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

	The Group RM'000	The Company RM'000
Fees	543	339
Salaries, bonuses and other benefits	1,729	1,714
Defined contribution benefits	298	248
	2,570	2,301

### INDEMNITY AND INSURANCE COST

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

### SUBSIDIARIES

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

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 41 to the financial statements.



DIRECTORS'  
REPORT

## AUDITORS

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

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM'000	The Company RM'000
Audit fee	326	127
Non-audit fees	6	6
	332	133

Signed in accordance with a resolution of the directors dated 26 July 2022

**Ameer Bin Shaik Mydin**

**Tamil Selvan A/L M. Durairaj**

**STATEMENT BY  
DIRECTORS**

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

We, Ameer Bin Shaik Mydin and Tamil Selvan A/L M. Durairaj, being two of the directors of Censof Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 122 to 212 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2022 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 26 July 2022

**Ameer Bin Shaik Mydin****Tamil Selvan A/L M. Durairaj****STATUTORY  
DECLARATION**

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

I, Fong Choon Hau, MIA Membership Number: 40821, being the officer primarily responsible for the financial management of Censof Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 122 to 212 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  
Fong Choon Hau, NRIC Number: 860930-56-6255  
at Klang in the State of Selangor Darul Ehsan  
on this 26 July 2022

Before me

**Fong Choon Hau**

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CENSOF HOLDINGS BERHAD

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Censof Holdings Berhad, which comprise the statements of financial position as at 31 March 2022 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 122 to 212.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2022, 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.

#### Key Audit Matters

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

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CENSOF HOLDINGS BERHAD (CONT'D)

### Key Audit Matters (Cont'd)

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

#### Impairment of goodwill

Refer to Note 4.1(a), Note 4.3 and Note 11 to the financial statements

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The Group has goodwill of approximately RM29.59 million relating to the acquisition of subsidiaries.</p> <p>This is considered a key audit matter due to its significant balance and the inherent subjectivity in impairment testing.</p> <p>The judgements in relation to the assessment of goodwill impairment relate primarily to the assumptions underlying the calculation of the value in use of the business, which include, amongst others, the achievability of the subsidiaries' long-term business plans.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>Made enquiries of and challenged the management on the key assumptions made, including: <ul style="list-style-type: none"> <li>the consistent application of management's methodology in the impairment assessment of goodwill;</li> <li>the achievability of the business plans;</li> <li>assumptions in relation to terminal growth in the business at the end of the plan period, if any; and</li> <li>revenue growth, operating margin and discount rates.</li> </ul> </li> <li>Evaluated the reasonableness of management's assumptions of expected future cash flows by taking into consideration the past performances of the subsidiaries;</li> <li>Performed sensitivity analysis to assess the impact on the recoverable amount of the cash-generating units; and</li> <li>Reviewed the adequacy of disclosure in the financial statements.</li> </ul>

#### Impairment of intangible assets

Refer to Note 4.1(b), Note 4.10 and Note 10 to the financial statements

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The Group has intangible assets of approximately RM9.75 million.</p> <p>This is considered a key audit matter given the materiality of the Group's intangible assets and the inherent subjectivity in impairment testing.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>Reviewed management's estimate of the recoverable amounts and tested the cash flow forecasts for their accuracy;</li> <li>Reviewed the key business drivers underpinning the cash flow forecasts prepared to support the recoverable amount;</li> <li>Evaluated the appropriateness and reasonableness of the key assumptions; and</li> <li>Reviewed the adequacy of disclosure in the financial statements.</li> </ul>

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CENSOF HOLDINGS BERHAD (CONT'D)

## Key Audit Matters (Cont'd)

### Impairment of trade receivables

Refer to Note 4.1(d), Note 14 and Note 40.1(b) to the financial statements

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As at 31 March 2022, trade receivables amounted to approximately RM45.17 million. The details of trade receivables and its credit risks are disclosed in Note 40.1(b) to the financial statements.</p> <p>The management applied assumptions in assessing the level of allowance for impairment losses on trade receivables based on the following:</p> <ul style="list-style-type: none"> <li>specific known facts or circumstances on customers' ability to pay; and/or</li> <li>by reference to past default experiences.</li> </ul> <p>The impairment assessment involved significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance.</p> <p>This is considered a key audit matter due to the inherent subjectivity that is involved in making judgement in relation to the recoverability of the trade receivables.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>Made enquiries of management's basis of allowance for impairment losses on trade receivables;</li> <li>Reviewed the Group's trade receivables collection history; and</li> <li>Reviewed the adequacy of the Group's disclosure in this area.</li> </ul>

## Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

## Responsibilities of the Directors for the Financial Statements

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

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CENSOF HOLDINGS BERHAD (CONT'D)

### Responsibilities of the Directors for the Financial Statements (Cont'd)

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

### Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CENSOF HOLDINGS BERHAD (CONT'D)

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

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

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

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

## OTHER MATTERS

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

Shah Alam  
26 July 2022

**Ong Beng Chooi**  
03155/05/2023 J  
Chartered Accountant



## STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2022

		The Group		The Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	78,312	74,620
Investments in an associate	6	180	-	-	-
Investments in a joint operation	7	12	-	-	-
Plant and equipment	8	825	599	-	-
Right-of-use assets	9	2,119	987	-	-
Intangible assets	10	9,745	12,521	-	-
Goodwill	11	29,590	26,324	-	-
Other investments	12	3,390	3,390	3,290	3,290
Amount owing by a subsidiary	13	-	-	-	3,182
		45,861	43,821	81,602	81,092
CURRENT ASSETS					
Inventories, at cost		27	32	-	-
Trade receivables	14	45,171	24,833	-	-
Other receivables, deposits and prepayments	15	1,509	4,665	2	3
Amount owing by subsidiaries	13	-	-	5,190	5,742
Amount owing by a joint operation	16	2	-	-	-
Current tax assets		502	448	-	-
Short-term investments	17	15,322	9,117	10,059	9,117
Fixed deposits with licensed banks	18	2,069	2,406	-	-
Cash and bank balances		17,769	26,754	58	6,959
		82,371	68,255	15,309	21,821
TOTAL ASSETS		128,232	112,076	96,911	102,913

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

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2022 (CONT'D)

		The Group		The Company	
	Note	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	19	115,075	115,075	115,075	115,075
Merger deficit	20	(12,300)	(12,300)	-	-
Accumulated losses		(2,025)	(14,680)	(18,447)	(12,633)
Foreign exchange translation reserve	21	(449)	(565)	-	-
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>					
		100,301	87,530	96,628	102,442
<b>NON-CONTROLLING INTERESTS</b>					
		1,690	2,396	-	-
<b>TOTAL EQUITY</b>					
		101,991	89,926	96,628	102,442
<b>NON-CURRENT LIABILITIES</b>					
Lease liabilities	22	1,393	417	-	-
Long-term borrowings	23	415	-	-	-
Deferred tax liabilities	24	528	655	-	-
		2,336	1,072	-	-
<b>CURRENT LIABILITIES</b>					
Trade payables	25	1,778	2,620	-	-
Other payables and accruals	26	10,489	8,254	283	471
Lease liabilities	22	865	803	-	-
Short-term borrowings	23	85	345	-	-
Deferred income	27	6,672	6,845	-	-
Current tax liabilities		4,016	2,209	-	-
Bank overdraft		-	2	-	-
		23,905	21,078	283	471
<b>TOTAL LIABILITIES</b>					
		26,241	22,150	283	471
<b>TOTAL EQUITY AND LIABILITIES</b>					
		128,232	112,076	96,911	102,913

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

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	The Group		The Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
REVENUE	28	110,047	87,361	1,047	4,029
COST OF SALES		(65,805)	(55,057)	-	-
GROSS PROFIT		44,242	32,304	1,047	4,029
OTHER INCOME		2,192	20,424	1,809	20,579
		46,434	52,728	2,856	24,608
ADMINISTRATIVE EXPENSES		(19,998)	(19,556)	(4,278)	(4,624)
FINANCE COSTS		(61)	(588)	-	(445)
OTHER EXPENSES		(1,628)	(2,797)	(250)	(153)
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	29	(509)	(198)	-	(650)
SHARE OF PROFITS OF EQUITY ACCOUNTED ASSOCIATE		28	-	-	-
PROFIT/(LOSS) BEFORE TAXATION	30	24,266	29,589	(1,672)	18,736
INCOME TAX EXPENSE	31	(4,374)	(1,134)	-	-
PROFIT/(LOSS) AFTER TAXATION		19,892	28,455	(1,672)	18,736
OTHER COMPREHENSIVE INCOME					
<u>Items that Will be Reclassified Subsequently to Profit or Loss</u>					
Foreign currency translation differences		116	189	-	-
TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE FINANCIAL YEAR		20,008	28,644	(1,672)	18,736

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

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

		The Group		The Company	
		2022	2021	2022	2021
	Note	RM'000	RM'000	RM'000	RM'000
<b>PROFIT/(LOSS) AFTER TAXATION</b>					
<b>ATTRIBUTABLE TO:</b>					
- Owners of the Company		18,488	26,604	(1,672)	18,736
- Non-controlling interests		1,404	1,851	-	-
		19,892	28,455	(1,672)	18,736
<b>TOTAL COMPREHENSIVE INCOME/(EXPENSES)</b>					
<b>ATTRIBUTABLE TO:</b>					
- Owners of the Company		18,604	26,793	(1,672)	18,736
- Non-controlling interests		1,404	1,851	-	-
		20,008	28,644	(1,672)	18,736
<b>EARNINGS PER SHARE (SEN)</b>					
- Basic	32	3.35	5.28		

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

**STATEMENTS OF  
CHANGES IN EQUITY**  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Non-Distributable			Distributable		Attributable to Owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Merger Deficit RM'000	Foreign Exchange Translation Reserve RM'000	Accumulated Losses RM'000				
<b>The Group</b>								
Balance at 1.4.2020	100,575	(12,300)	(754)	(29,783)		57,738	6,342	64,080
Profit after taxation for the financial year	-	-	-	26,604		26,604	1,851	28,455
Other comprehensive income for the financial year:								
- Foreign currency translation differences	-	-	189	-		189	-	189
Total comprehensive income for the financial year	-	-	189	26,604		26,793	1,851	28,644
Balance carried forward	100,575	(12,300)	(565)	(3,179)		84,531	8,193	92,724

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

STATEMENTS OF  
CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

	Note	Non-Distributable			Distributable		Attributable to Owners of the Company RM'000	Non-controlling Interests RM'000	Total Equity RM'000
		Share Capital RM'000	Merger Deficit RM'000	Foreign Exchange Translation Reserve RM'000	Accumulated Losses RM'000				
The Group									
Balance brought forward		100,575	(12,300)	(565)	(3,179)		84,531	8,193	92,724
Contributions by and distributions to owners of the Company:									
- Issuance of private placement ordinary shares	16	14,500	-	-	-		14,500	-	14,500
- Disposal of a subsidiary	32	-	-	-	-		-	(1,276)	(1,276)
- Acquisition of non-controlling interests	31	-	-	-	(11,599)		(11,599)	(1,881)	(13,480)
- Dividends:									
- by subsidiaries to non-controlling interests		-	-	-	-		-	(2,790)	(2,790)
Changes in a subsidiary's ownership interests that do not result in a loss of control									
		14,500	-	-	(11,599)		2,901	(5,947)	(3,046)
Total transactions with owners		14,500	-	-	(11,501)		2,999	(5,797)	(2,798)
Balance at 31.3.2021		115,075	(12,300)	(565)	(14,680)		87,530	2,396	89,926

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

STATEMENTS OF  
CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

	Non-Distributable			Distributable		Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Merger Deficit RM'000	Foreign Exchange Translation Reserve RM'000	Retained Earnings/ (Accumulated Losses) RM'000	Attributable to Owners of the Company RM'000		
<b>The Group</b>							
Balance at 31.3.2021/1.4.2021	115,075	(12,300)	(565)	(14,680)	87,530	2,396	89,926
Profit after taxation for the financial year	-	-	-	18,488	18,488	1,404	19,892
Other comprehensive income for the financial year:							
- Foreign currency translation differences	-	-	116	-	116	-	116
Total comprehensive income for the financial year	-	-	116	18,488	18,604	1,404	20,008
Balance carried forward	115,075	(12,300)	(449)	3,808	106,134	3,800	109,934

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

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

	Note	Non-Distributable			Distributable Retained Earnings/ (Accumulated Losses) RM'000	Attributable to Owners of the Company RM'000	Non- controlling Interests RM'000	Total Equity RM'000
		Share Capital RM'000	Merger Deficit RM'000	Foreign Exchange Translation Reserve RM'000				
The Group								
Balance brought forward		115,075	(12,300)	(449)	3,808	106,134	3,800	109,934
Contributions by and distributions to owners of the Company:								
- Acquisition of a subsidiary	33	-	-	-	-	-	405	405
- Disposal of a subsidiary	34	-	-	-	-	-	(163)	(163)
- Accretion loss from changes in a subsidiary's ownership interests		-	-	-	(1,691)	(1,691)	(2,284)	(3,975)
- Dividends:								
- by the Company		-	-	-	(4,142)	(4,142)	-	(4,142)
- by subsidiaries to non-controlling interests		-	-	-	-	-	(68)	(68)
Total transactions with owners		-	-	-	(5,833)	(5,833)	(2,110)	(7,943)
Balance at 31.3.2022		115,075	(12,300)	(449)	(2,025)	100,301	1,690	101,991

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



# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

The Company	Note	Share Capital RM'000	Distributable Accumulated Losses RM'000	Total Equity RM'000
Balance at 1.4.2020		100,575	(31,369)	69,206
Issuance of private placement ordinary shares	19	14,500	-	14,500
Profit after taxation/Total comprehensive income for the financial year		-	18,736	18,736
Balance at 31.3.2021/1.4.2021		115,075	(12,633)	102,442
Profit after taxation/Total comprehensive expenses for the financial year		-	(1,672)	(1,672)
Dividend		-	(4,142)	(4,142)
Balance at 31.3.2022		115,075	(18,447)	96,628

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

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM/(FOR)				
OPERATING ACTIVITIES				
Profit/(Loss) before taxation	24,266	29,589	(1,672)	18,736
Adjustments for:-				
Amortisation of intangible assets	3,566	4,339	-	-
Bad debts written off	54	-	-	-
Depreciation of plant and equipment	394	309	-	-
Depreciation of right-of-use assets	796	890	-	-
Impairment loss:				
- amount owing by a subsidiary	-	-	-	650
- investments in subsidiaries	-	-	-	153
trade receivables	853	198	-	-
Interest expense on lease liabilities	50	55	-	-
Interest expense	11	533	-	445
Inventories written off	3	8	-	-
Plant and equipment written off	2	-	-	-
(Gain)/Loss on disposal of a subsidiary	(8)	979	(13)	(1,500)
Gain on partial disposal of short-term investments at fair value through profit and loss	(1,200)	(2,075)	(1,200)	(2,075)
Unrealised loss on foreign exchange	117	102	-	-
Dividend income	(120)	-	(1,047)	(4,029)
Fair value loss/(gain) on financial assets measured at fair value through profit or loss mandatorily:				
- short-term investments	250	(16,194)	250	(16,194)
Gain on reassessment of leases	-	(15)	-	-
Gain on disposal of plant and equipment	-	(3)	-	-
Gain on disposal of right-of-use assets	-	(12)	-	-
Interest income on financial assets measured at amortised cost:				
- imputed interest on non-current amount owing by a subsidiary	-	-	(560)	(780)
Interest income	(112)	(47)	(36)	(24)
Reversal of impairment loss:				
- trade receivables	(344)	-	-	-
-Share of net profits of equity accounted associate	(28)	-	-	-
Waiver of payables	(2)	-	-	-
Operating profit/(loss) before working capital changes/Balance carried forward	28,548	18,656	(4,278)	(4,618)

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

## STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

Note	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Operating profit/(loss) before working capital changes/Balance brought forward	28,548	18,656	(4,278)	(4,618)
Decrease in inventories	2	2	-	-
(Increase)/Decrease in trade and other receivables	(17,276)	3,745	1	321
Increase/(Decrease) in trade and other payables	1,059	967	(188)	41
Decrease in amount owing by related parties	-	118	-	-
(Decrease)/Increase in deferred income	(204)	1,091	-	-
<b>CASH FROM/(FOR) OPERATIONS</b>	<b>12,129</b>	<b>24,579</b>	<b>(4,465)</b>	<b>(4,256)</b>
Interest paid	(61)	(588)	-	(445)
Income tax paid	(2,755)	(1,124)	-	-
Interest received	-	-	36	24
<b>NET CASH FROM/(FOR) OPERATING ACTIVITIES</b>	<b>9,313</b>	<b>22,867</b>	<b>(4,429)</b>	<b>(4,677)</b>
<b>CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES</b>				
Acquisition of subsidiaries, net of cash and cash equivalents acquired	33	(3,309)	-	-
Additional investments in existing subsidiaries		(3,975)	(14,065)	(5)
Addition to right-of-use-asset	35(a)	(15)	-	-
Disposal of a subsidiary, net of cash and cash equivalents disposed of	34	(271)	953	13
Dividend received from subsidiaries		-	-	927
Dividend received from other investments		120	-	120
(Advances to)/Repayment from related parties		-	(1,019)	-
Advances to a joint operation		(2)	-	-
Intangible assets additions		(180)	(148)	-
Investment in new subsidiaries		-	-	(3,687)
Investment in a joint operation		(12)	-	-
Purchase of other investments		-	(90)	-
Purchase of plant and equipment	35 (a)	(602)	(353)	-
Proceeds from disposal of plant and equipment		-	3	-
Proceeds from disposal of right-of-use assets		-	12	-
Proceeds from partial disposal of short-term investments		5,000	23,145	5,000
Repayment from subsidiaries		-	-	4,294
<b>NET CASH (FOR)/FROM INVESTING ACTIVITIES</b>		<b>(3,246)</b>	<b>8,438</b>	<b>6,662</b>
				<b>18,120</b>

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

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

	Note	The Group		The Company	
		2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
CASH FLOWS FOR					
FINANCING ACTIVITIES					
Repayment to related company		-	(199)	-	(150)
Interest received		112	47	-	-
Issuance of private					
placement ordinary shares		-	14,500	-	14,500
Drawdown of project financing loan	35 (b)	-	345	-	-
Dividend paid to					
owners of the Company		(4,142)	-	(4,142)	-
Dividend paid to					
non-controlling interests		(68)	(2,790)	-	-
Decrease in pledged fixed					
deposits with licensed banks		354	392	-	401
Proceeds from disposal of					
partial interest in a subsidiary that					
do not result in loss of control		-	248	-	-
Repayment of lease liabilities	35 (b)	(882)	(976)	-	-
Net repayment of					
project financing loan	35 (b)	(345)	-	-	-
Net repayment of term loans	35 (b)	-	(21,293)	-	(21,293)
NET CASH FOR					
FINANCING ACTIVITIES		(4,971)	(9,726)	(4,142)	(6,542)
NET INCREASE/(DECREASE)					
IN CASH AND CASH EQUIVALENTS		1,096	21,579	(1,909)	6,901
EFFECTS OF FOREIGN					
EXCHANGE TRANSLATION		193	201	-	-
CASH AND CASH					
EQUIVALENTS AT					
BEGINNING OF THE					
FINANCIAL YEAR		28,633	6,853	6,976	75
CASH AND CASH					
EQUIVALENTS AT END					
OF THE FINANCIAL YEAR	35 (d)	29,922	28,633	5,067	6,976

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

### 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 : E-10-4, Megan Avenue 1,  
189, Jalan Tun Razak,  
50400 Kuala Lumpur,  
W.P. Kuala Lumpur.

Principal place of business : Unit B-10-06, 6th Floor,  
Dataran 3 Two, Jalan 19/1,  
46300 Petaling Jaya,  
Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 26 July 2022.

### 2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

### 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)**

Amendment to MFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform - Phase 2

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 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 3: Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendment to MFRS17: Initial Application of MFRS 17 and MFRS 9 - Comparative Information	1 January 2023
Amendment to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to MFRS 116: Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022

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

### 4. SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

##### *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) Impairment of Goodwill**

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows which are subject to higher degree of estimation uncertainties due to uncertainty on how the COVID-19 pandemic may progress and evolve and volatility in markets in which the Group operates. The carrying amount of goodwill as at the reporting date is disclosed in Note 11 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

*Key Sources of Estimation Uncertainty (Cont'd)*

##### (b) Impairment of Intangible Assets

The Group determines whether an item of its intangible assets is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of intangible assets as at the reporting date is disclosed in Note 10 to the financial statements.

##### (c) Fair Value Estimates for Unquoted Financial Assets

The Group carries certain financial assets that are not traded in an active market at fair value. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The amount of fair value changes would differ if the Group uses different valuation methodologies and assumptions, and eventually affect profit and/or other comprehensive income. The carrying amount of these financial assets as at the reporting date is disclosed in Note 12 to the financial statements.

##### (d) 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 (including changes in the customer payment profile in response to the COVID-19 pandemic) and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 14 to the financial statements.

##### (e) Impairment of Non-trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default and expected loss rates. It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information incorporating the impact of COVID-19 pandemic. The carrying amounts of other receivables and amount owing by subsidiaries as at the reporting date are disclosed in Notes 15 and 13 to the financial statements respectively.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

##### *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 subsidiaries made up to the end of the reporting period.

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.2 BASIS OF CONSOLIDATION (CONT'D)

##### (a) 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 and 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 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 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 and parties' interests.

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.

##### (b) 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.

##### (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.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.2 BASIS OF CONSOLIDATION (CONT'D)

##### (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 the 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 (including goodwill), and liabilities of the former subsidiary and any non-controlling interests.

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

#### 4.3 GOODWILL

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.4 FUNCTIONAL AND FOREIGN CURRENCIES

##### (a) Functional and Presentation Currency

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

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

##### (b) Foreign Currency Transaction 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.

##### (c) Foreign Operations

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

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

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.5 FINANCIAL INSTRUMENTS

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

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as 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.

#### (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.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.5 FINANCIAL INSTRUMENTS (CONT'D)

##### (a) Financial Assets (Cont'd)

###### *Debt Instruments (Cont'd)*

##### (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.

###### *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).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.5 FINANCIAL INSTRUMENTS (CONT'D)

##### (c) Equity Instruments

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

##### *Ordinary Shares*

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

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

##### (d) Derecognition

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

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

##### (e) Financial Guarantee Contracts

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

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.6 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.

#### 4.7 JOINT ARRANGEMENTS

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

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

##### **Joint Operation**

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, the obligations for the liabilities, relating to the arrangement. The Group accounts for each of its interest in the joint operations the assets, liabilities, revenue and expenses (including its share of those held or incurred jointly with the other investors) in accordance with the applicable accounting standards.

#### 4.8 INVESTMENTS IN AN ASSOCIATE

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

Investments in an associate is 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 it's carrying value may not be recoverable. The cost of the investment includes transaction costs.

The investments in an associate is accounted for in the consolidated financial statements using the equity method based on the financial statements of the associate made up to 31 March 2022. The Group's share of the post-acquisition profits and other comprehensive income to the associate is included in the consolidated statement of profit or loss and other comprehensive income, after adjustment if any, to align the accounting policies with those of the Group, from the date that significant influence commences up to the effective date on which significant influence ceases or when the investment is classified as held for sale. The Group's investment in the associate is carried in the consolidated statement of financial position at cost plus the Group's share of the post-acquisition retained profits and reserves. The cost of investment includes transaction costs.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation. The interest in the associate is the carrying amount of the investment in the associate determined using the equity method together with any long-term interest that, in substance, form part of the Group's net investment in the associate.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.8 INVESTMENTS IN ASSOCIATES (CONT'D)

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

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

#### 4.9 PLANT AND EQUIPMENT

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

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

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

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

Plant and machinery	20%
Office equipment, furniture and fittings	15% - 33%
Computer equipment	25% - 33%
Office renovation	20% - 25%
Motor vehicles	16% - 25%

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

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

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



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.10 INTANGIBLE ASSETS

##### (a) 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:-

- (i) its ability to measure reliably the expenditure attributable to the asset under development;
- (ii) the product or process is technically and commercially feasible;
- (iii) its future economic benefits are probable;
- (iv) its intention to complete and the ability to use or sell the developed asset; and
- (v) 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.

##### (b) Other Intangible Assets

Intangible assets, other than goodwill, that are acquired by the Group, which has finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The research and development expenditure and other intangible assets are amortised on a straight-line method when the products are ready for sale or use. The principal annual rates used for this purpose are:-

Software	3 years
Development expenditure	3 - 5 years
Customer relationship	10 years
Trademark	2 years

In the event that the expected future economic benefits are no longer probable of being recovered, the research and development expenditure and other intangible assets are written down to its recoverable amount.

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 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 and contract assets using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

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

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

##### (b) Impairment of Non-financial Assets

The carrying values of assets, other than those to which MFRS 136 does not apply, are reviewed at the end of each reporting period for impairment when an annual impairment assessment is compulsory or there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of 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 determines the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss immediately. Any impairment loss recognised in respect of a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.11 IMPAIRMENT (CONT'D)

##### (b) Impairment of Non-financial Assets (Cont'd)

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

#### 4.12 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.

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 plant and equipment.

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

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.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.13 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, production or conversion costs 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.

#### 4.14 CASH AND CASH EQUIVALENTS

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

#### 4.15 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 and included in the development costs, where appropriate, in the period in which the associated services are rendered by employees of the Group.

##### (b) Defined Contribution Plans

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

#### 4.16 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.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.16 INCOME TAXES (CONT'D)

##### (b) Deferred Tax (Cont'd)

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.

#### 4.17 CONTINGENT LIABILITIES

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

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

#### 4.18 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.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.19 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.

#### 4.20 BORROWING COSTS

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

#### 4.21 DEFERRED INCOME

A deferred income is stated at cost and represents the obligation of the Group to transfer goods or services to a customer for which consideration has been received from the customers.

#### 4.22 FAIR VALUE MEASUREMENTS

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

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.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.23 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. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract.

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.

##### (a) Sale of Hardware and Software

Revenue from sale of hardware and software 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 Maintenance Services

Revenue from providing maintenance services is 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 proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. As a practical expedient, the Group recognises revenue on a straight line method over the period of service.

Customers are invoiced on a monthly basis and consideration is payable when invoiced.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### 4.24 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 rate method.

##### (c) Rental Income

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

### 5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2022 RM'000	2021 RM'000
Cost:-		
At 1 April 2021/2020	76,403	76,403
Acquisition of a subsidiary during the financial year	3,687	-
Allotment of shares in a subsidiary during the financial year	5	-
Disposal of a subsidiary during the financial year	(1,763)	-
At 31 March	78,332	76,403
Accumulated impairment losses:-		
At 1 April 2021/2020	(1,783)	(5,130)
Addition during the financial year	-	(153)
Disposal of a subsidiary during the financial year	153	3,500
Reclassification during the financial year	1,610	-
At 31 March	(20)	(1,783)
At 31 March	78,312	74,620



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2022 %	2021 %	
Subsidiaries of the Company				
Century Software (Malaysia) Sdn. Bhd.	Malaysia	100	100	Design, development, implementation and marketing of financial and related software and services.
PT Praisindo Teknologi^	The Republic of Indonesia	60	60	Providing services for software development, acting as a service provider for financial applications, electronic payments and wealth management applications.
Asian Business Software Solutions Pte. Ltd.^	Republic of Singapore	96.74	89.07	Selling of computerised accounting system.
Censof Maal Sdn. Bhd.^	Malaysia	100	100	Ceased business as marketing and reselling of financial and related software and services.
Censof Digital Sdn. Bhd.^	Malaysia	100	100	Commenced operations of providing solution and services in Information Technology.
Tender Pintar Sdn. Bhd.	Malaysia	100	100	Providing computer programming consultancy and related activities.
Netsense Business Solutions Sdn. Bhd.	Malaysia	51	51	Engaged in the business as IT and software solution consultants.
Netsense Business Solutions Pte. Ltd.^	Republic of Singapore	51	51	Providing enterprise resource planning ("ERP") software.
Cognitive Consulting Sdn. Bhd.^	Malaysia	51	-	Providing services for providing information technology consultancy and system integration services and all other related services.
T-Melmax Sdn. Bhd.*	Malaysia	-	49	Providing services for software development, acting as a service provider for financial applications, electronics payments and collection solutions and offering software as a service.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of Subsidiary	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2022 %	2021 %	
Subsidiaries of the Company (Cont'd)				
Cendee Sdn. Bhd.^	Malaysia	-	51	Developing a platform for integrated financial interactions across the blockchain ecosystem comprising of the internet and private key cryptography.
Subsidiary of Century Software (Malaysia) Sdn. Bhd.				
CS Cloud Sdn. Bhd.	Malaysia	80	80	Providing computer consultancy computer facilities management, and other information technology services activities.
Censof Software India Private Limited @	India	99	-	Dormant.
Subsidiaries of Asian Business Software Solutions Pte. Ltd.				
Asian Business Software Solutions Sdn. Bhd.	Malaysia	96.74	89.07	Engaged in the business of trading in business software and providing support services.
Financio Software Sdn. Bhd.^	Malaysia	96.74	89.07	Dormant and yet to commence business as an accounting software distributor.
Subsidiary of Censof Digital Sdn. Bhd.				
In Sureku Sdn. Bhd. (formerly known as In Suremy Sdn. Bhd.)^	Malaysia	100	-	Dormant.

^ These subsidiaries were audited by other firms of chartered accountants.

\* The directors have determined that the Group have lost the de facto control over T-Melmax ("TMAX") on the basis that there are newly appointed board representatives from the incoming third party owner.

@ Not required to be audited under the laws of the country of incorporation.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

- (a) (i) On 5 July 2021, a wholly-owned subsidiary, Censof Digital Sdn. Bhd. incorporated a new wholly-owned subsidiary, In Sureku Sdn. Bhd. (formerly known as In Suremy Sdn. Bhd.) under the Companies Act 2016.

- (ii) On 29 July 2021, the Company entered into a conditional Sale and Purchase of Shares Agreement ("SSPA") with Semantan Capital Sdn. Bhd. for the disposal of the entire 51% equity interest in Cendee Sdn. Bhd. for a cash consideration of RM13,260.

On 28 September 2021, all conditions precedent on the SSPA has been fulfilled and hence, 153,000 ordinary shares, representing 51% equity interest was transferred to Semantan Capital Sdn. Bhd.

- (iii) On 20 September 2021, the Company had subscribed to 4,900 ordinary shares in Tender Pintar Sdn. Bhd. ("TPSB") for a cash consideration of RM4,900. There were no changes to the status of TPSB after the subscription of additional shares.

- (iv) On 17 September 2021, a wholly-owned subsidiary, Century Software (Malaysia) Sdn. Bhd. incorporated a new subsidiary, Censof Software India Private Limited under the Companies Act 2013 and Companies Rules 2014 of India.

- (v) On 20 December 2021, the Company entered into a Share Sale and Purchase Agreement ("SSPA") with Al-Zambri Ahmad Kabri, Zulkifli Bin Mhd Ghairi @ Md Asri, Jasmin Kaur Manakh A/P Ram Sigh, Kemala A/P T Nagalingam and Jude A/L Augastin Pathrose Lopex to acquire 62,088 ordinary shares in Cognitive Consulting Sdn. Bhd. ("CCSB") representing approximately 51% equity interest for a cash consideration of RM3,687,336.

On 20 January 2022, all terms and conditions of the SSPA has been completed and CCSB on that date has become a subsidiary of the Company.

- (b) The non-controlling interests at the end of the reporting period comprised the following:-

	Effective Equity Interest		The Group	
	2022 %	2021 %	2022 RM'000	2021 RM'000
Asian Business Software Solutions Pte. Ltd. ("ABSS")	3.26	10.93	(1,037)	918
PT Praisindo Teknologi ("PTPT")	40.00	40.00	1,093	1,032
Netsense Business Solutions Sdn. Bhd. ("NBSSB")	49.00	49.00	1,120	546
Other individually immaterial subsidiaries			514	(100)
			1,690	2,396

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

	ABSS	
	2022 RM'000	2021 RM'000
<u>At 31 March</u>		
Non-current assets	1,350	302
Current assets	9,995	9,728
Non-current liabilities	(931)	-
Current liabilities	(6,715)	(7,702)
Net assets	3,699	2,328
<u>Financial Year Ended 31 March</u>		
Revenue	18,134	17,869
Profit for the financial year	6,231	5,656
Total comprehensive income	6,227	5,652
Total comprehensive income attributable to non-controlling interests	358	2,364
Dividends paid to non-controlling interests	29	2,490
Net cash flows from operating activities	5,465	8,228
Net cash flows for investing activities	(257)	(27)
Net cash flows for financing activities	(5,022)	(6,037)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

	PTPT	
	2022 RM'000	2021 RM'000
<u>At 31 March</u>		
Non-current assets	1,841	2,686
Current assets	3,235	2,637
Current liabilities	(2,688)	(3,187)
<b>Net assets</b>	<b>2,388</b>	<b>2,136</b>
<u>Financial Year Ended 31 March</u>		
Revenue	6,598	5,426
Profit for the financial year	248	29
Total comprehensive income	248	29
<b>Total comprehensive income attributable to non-controlling interests</b>	<b>99</b>	<b>12</b>
<b>Net cash flows from operating activities</b>	<b>198</b>	<b>355</b>
<b>Net cash flows for investing activities</b>	<b>(137)</b>	<b>(179)</b>
<b>Net cash flows for financing activities</b>	<b>(38)</b>	<b>(57)</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

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

	2022 RM'000	NBSB 2021 RM'000
<u>At 31 March</u>		
Non-current assets	130	197
Current assets	3,534	2,524
Non-current liabilities	(66)	(104)
Current liabilities	(1,313)	(1,504)
<b>Net assets</b>	<b>2,285</b>	<b>1,113</b>
<u>Financial Year Ended 31 March</u>		
Revenue	3,958	3,426
Profit for the financial year	1,172	1,389
Total comprehensive income	1,172	1,389
<b>Total comprehensive income attributable to non-controlling interests</b>	<b>574</b>	<b>554</b>
Net cash flows from operating activities	299	1,865
Net cash flows for investing activities	(13)	(27)
Net cash flows for financing activities	(643)	(449)

Summarised financial information of other non-controlling interests has not been presented as the other non-controlling interests of the subsidiaries are not individually material to the Group.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 6. INVESTMENTS IN AN ASSOCIATE

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Unquoted shares, at cost	152	-	1,610	-
Share of post-acquisition profits	28	-	-	-
Accumulated impairment losses	-	-	(1,610)	-
At 31 March	180	-	-	-

(a) The details of the associate are as follows:-

Name of Associate	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2022 %	2021 %	
T-Melmax Sdn. Bhd. ("TMAX")	Malaysia	49	-	Providing services for software development, acting as a service provider for financial applications, electronics payments and collection solutions and offering software as a service.

(b) TMAX has a different financial year end from the Group. In applying the equity method of accounting, the unaudited financial statements of the associate for the financial year ended 31 December 2021 have been used and appropriate adjustments have been made for the effects of significant transactions between 1 January 2022 to 31 March 2022.

(c) Summarised financial information has not been presented as the associate is not individually material to the Group.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 7. INVESTMENTS IN A JOINT OPERATION

	The Group	
	2022	2021
	RM'000	RM'000
Unquoted shares, at cost	12	-

The details of the joint operation, which is incorporated in Malaysia, are as follows:-

Name of Joint Operation	Principal Place of Business/ Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2022	2021	
		%	%	
Cloocus Sdn. Bhd.	Malaysia	50	-	Providing services for cloud infrastructure system, development of cloud management and other related activities.

- On 2 January 2022, CS Cloud Sdn. Bhd., the sub-subsidiary of the Company subscribed to 999,900 ordinary shares in Cloocus Sdn. Bhd through a Joint Venture Agreement at RM4.23 per ordinary share. The acquisition in the ordinary shares has no significant effect on the financial results of the Group for the current financial year and the financial position of the Group as at the end of the current reporting period.
- The Group's involvement in joint arrangement is structured through a separate vehicle which provides the Group with rights to the assets and obligation to the liabilities. Accordingly, the Group has classified these investments as joint operation.
- Cloocus Sdn. Bhd was incorporated on 24 November 2021, with reporting period from 24 November 2021 to 31 March 2023. In the consolidation of the Group's share of asset and liability, the unaudited financial statements of the joint operation have been used and appropriate adjustments have been made for the effects of significant transactions between 24 November 2021 to 31 March 2022.
- The Group has a 50% ownership interest in the joint operation, Cloocus Sdn. Bhd., with Cloocus Co. Ltd. This joint operation is formed for the purpose of providing service on a "hyperscale (Microsoft Azure)" cloud management.
- Summarised financial information has not been presented as the joint operation is not individually material to the Group.



## 8. PLANT AND EQUIPMENT

The Group	2022							2021						
	At 1.4.2021 RM'000	Additions (Note 35 (a)) RM'000	Acquisition of A Subsidiary (Note 33) RM'000	Written Off (Note 30) RM'000	Depreciation Charge (Note 30) RM'000	Currency Translation Differences RM'000	At 31.3.2022 RM'000	At 1.4.2020 RM'000	Additions (Note 35 (a)) RM'000	Disposal of A Subsidiary (Note 34) RM'000	Depreciation Charge (Note 30) RM'000	Currency Translation Differences RM'000	At 31.3.2022 RM'000	
Carrying Amount														
Plant and machinery	5	5	-	-	(5)	-	5					-	-	
Office equipment, furniture and fittings	362	318	18	(1)	(287)	(1)	409					-	5	
Computer equipment	104	93	-	(1)	(61)	(1)	134					-	362	
Office renovation	128	186	-	-	(41)	4	277					-	104	
	599	602	18	(2)	(394)	2	825					-	128	
The Group													-	
2021													599	
Carrying Amount														
Buildings		1,015	-	(1,015)	-	-	-					-	-	
Plant and machinery		14	-	-	(9)	-	5					-	5	
Office equipment, furniture and fittings		394	299	(112)	(227)	8	362					-	362	
Computer equipment		212	54	(119)	(44)	1	104					-	104	
Office renovation		232	-	(84)	(29)	9	128					-	128	
Motor vehicles		3	-	(3)	-	-	-					-	-	
	1,870		353	(1,333)	(309)	18	599							

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 8. PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
<b>2022</b>			
Plant and machinery	303	(298)	5
Office equipment, furniture and fittings	3,587	(3,178)	409
Computer equipment	503	(369)	134
Office renovation	2,484	(2,207)	277
	6,877	(6,052)	825
<b>2021</b>			
Plant and machinery	345	(340)	5
Office equipment, furniture and fittings	6,704	(6,342)	362
Computer equipment	1,166	(1,062)	104
Office renovation	2,759	(2,631)	128
	10,974	(10,375)	599

NOTES TO THE  
FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

9. RIGHT-OF-USE ASSETS

	At 1.4.2021 RM'000	Additions (Note 35 (a)) RM'000	Depreciation Charge (Note 30) RM'000	Acquisition of A Subsidiary (Note 33) RM'000	Disposal of A Subsidiary (Note 34) RM'000	Derecognition Due to Lease Modification RM'000	Currency Translation Differences RM'000	At 31.3.2022 RM'000
<b>The Group</b>								
2022								
Carrying Amount								
Office buildings	987	1,702	(761)	36	(18)	(33)	4	1,917
Motor vehicles	-	237	(35)	-	-	-	-	202
	987	1,939	(796)	36	(18)	(33)	4	2,119

## SUSTAINABILITY STATEMENT

## LEADERSHIP AND GOVERNANCE

## FINANCIAL STATEMENTS

ANNUAL GENERAL MEETING

(a) Office Buildings	The Group leases a number of office buildings with lease periods of between 1 year and 3 years, with an option to renew.
(b) Motor Vehicles	The Group leases its motor vehicles under hire purchase arrangements. The leases are secured by the leased assets. The Group has an option to purchase the asset at the expiry of the lease period at an insignificant amount.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 10. INTANGIBLE ASSETS

	Software RM'000	Development expenditure RM'000	Customer relationship RM'000	Trademark RM'000	Total RM'000
<b>The Group</b>					
Cost:-					
At 1.4.2020	8,307	45,162	8,814	1,818	64,101
Addition during the financial year	-	148	-	-	148
Currency translation differences	116	52	-	-	168
At 31.3.2021/1.4.2021	8,423	45,362	8,814	1,818	64,417
Addition during the financial year	-	180	-	-	180
Acquisition of a subsidiary (Note 33)	-	728	-	-	728
Disposal of a subsidiary (Note 34)	-	(5,924)	-	-	(5,924)
Reclassification	632	(632)	-	-	-
Currency translation differences	36	(148)	-	-	(112)
At 31.3.2022	9,091	39,566	8,814	1,818	59,289
Accumulated amortisation:-					
At 1.4.2020	(5,427)	(35,242)	(3,524)	(1,818)	(46,011)
Charge for the financial year (Note 30)	(1,161)	(2,297)	(881)	-	(4,339)
Currency translation differences	-	3	-	-	3
At 31.3.2021/1.4.2021	(6,588)	(37,536)	(4,405)	(1,818)	(50,347)
Charge for the financial year (Note 30)	(882)	(1,803)	(881)	-	(3,566)
Disposal of a subsidiary (Note 34)	-	4,374	-	-	4,374
Currency translation differences	(5)	-	-	-	(5)
At 31.3.2022	(7,475)	(34,965)	(5,286)	(1,818)	(49,544)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 10. INTANGIBLE ASSETS (CONT'D)

	Software RM'000	Development expenditure RM'000	Customer relationship RM'000	Trademark RM'000	Total RM'000
<b>The Group</b>					
Accumulated impairment loss:-					
At 31.3.2021/01.04.2021	-	(1,549)	-	-	(1,549)
Disposal of a subsidiary (Note 34)	-	1,549	-	-	1,549
At 31.3.2022	-	-	-	-	-
Carrying amount					
At 31.3.2021	1,835	6,277	4,409	-	12,521
At 31.3.2022	1,616	4,601	3,528	-	9,745

Included in development expenditure incurred during the financial year is:-

	The Group 2022 RM'000	2021 RM'000
Staff costs	180	148

The development expenditure is in respect of the development of Century Financials Software for Government and for Commercial, Merchant Payment System and Praisindo Investment Management System, and belong to the Group's "FMS", "PAS" and "WMS" reporting segment respectively. Their amortisation charges are recognised in profit or loss under the "Cost of Sales" line item in the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 11. GOODWILL

	The Group	
	2022	2021
	RM'000	RM'000
Cost:-		
At 1 April 2021/2020	29,568	29,568
Acquisition of a subsidiary (Note 33)	3,266	-
At 31 March	32,834	29,568
Accumulated impairment losses:-		
At 31 March	(3,244)	(3,244)
	29,590	26,324

(a) The carrying amounts of goodwill allocated to each cash-generating unit are as follows:-

	The Group	
	2022	2021
	RM'000	RM'000
Wealth Management Solutions ("WMS")	3,331	3,331
Financial Management Solutions - Commercial ("FMS-C")	22,464	22,464
Digital Technology ("DT")	3,266	-
Others	529	529
	29,590	26,324

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 11. GOODWILL (CONT'D)

- (b) The Group has assessed the recoverable amounts of goodwill allocated and determined that no impairment is required. The recoverable amounts of the cash-generating units are determined using the value in use approach, and this is derived from the present value of the future cash flows from each cash-generating unit computed based on the projections of financial budgets approved by the management covering a period of 3 years.

The key assumptions used in the determination of the recoverable amounts are as follows:-

	Average Budgeted Gross Margin 2023 - 2025	Average Growth Rate 2023 - 2025	Discount Rate (Pre-tax) 2023 - 2025	Terminal Growth Rate 2026 - infinity
WMS	46%	23%	19.51%	0%
FMS-C	68%	13%	17.63%	0%
DT	64%	19%	17.63%	0%

The values assigned to the key assumptions represent management's assessment based on the selling prices and the fixed and variable costs, adjusted for market conditions and economic conditions and internal resources efficiency.

Management has determined the average budgeted profit margin and average growth rate based on past performance and its expectation of market development. The discount rate used are computed based on the weighted average cost of capital of the industry that the Group operates in.

- (c) The directors believes that there is no reasonable possible change in the above key assumptions applied that is likely to materially cause the respective cash-generating unit's carrying amount to exceed its recoverable amount.

If the gross profit margin were to be reduced by 10%, the additional impairment loss on goodwill arising from the cash-generating-unit, WMS, is approximately RM443,745. If revenue growth would be reduced by 20%, the additional impairment loss is approximately RM184,738. Any reasonable possible change in the other key assumptions on which the recoverable amounts are based would not cause the carrying amount of other cash-generating units to exceed their recoverable amounts.

In the prior financial year, there were no reasonably possible changes in any of the key assumptions that would have resulted in an impairment loss on goodwill arising from WMS.

### 12. OTHER INVESTMENTS

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Unquoted shares, at fair value	3,290	3,290	3,290	3,290
Club membership	100	100	-	-
	3,390	3,390	3,290	3,290

The Group and the Company has designated these equity investments at fair value through other comprehensive income because the Group and the Company intend to hold the other investments for long-term strategic purposes.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 12. OTHER INVESTMENTS (CONT'D)

The fair value of each investment is summarised below:-

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Unquoted shares of MoneySave Holding Sdn. Bhd.	3,290	3,290	3,290	3,290
Corporate Membership of Glenmarie Golf and Country Club	100	100	-	-
	3,390	3,390	3,290	3,290

### 13. AMOUNT OWING BY SUBSIDIARIES

	The Company	
	2022	2021
	RM'000	RM'000
<u>Non-current</u>		
Non-trade balances	-	2,402
Accretion of interest	-	780
	-	3,182
<u>Current</u>		
Non-trade balances	5,840	6,392
Allowance for impairment losses (Note 29)	(650)	(650)
	5,190	5,742
	5,190	8,924

The amounts represent current balances which are non-trade in nature, unsecured, interest-free and repayable on demand.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 14. TRADE RECEIVABLES

	The Group	
	2022 RM'000	2021 RM'000
Trade receivables	46,126	25,285
Allowance for impairment losses	(955)	(452)
	45,171	24,833
Allowance for impairment losses:-		
At 1 April 2021/2020	(452)	(566)
Addition during the financial year (Note 29)	(853)	(198)
Reversal during the financial year (Note 29)	344	-
Written off during the financial year	6	312
At 31 March	(955)	(452)

The Group's normal trade credit terms range from 30 to 45 (2021 - 30 to 45) days.

### 15. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Other receivables:				
- Third parties	288	2,903	2	3
- Sales and Service Tax recoverable	2	1	-	-
	290	2,904	2	3
Deposits	724	527	-	-
Prepayments	495	1,234	-	-
	1,509	4,665	2	3

### 16. AMOUNT OWING BY A JOINT OPERATION

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 17. SHORT-TERM INVESTMENTS

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Quoted ordinary shares, at fair value	5,050	9,100	5,050	9,100
Money market funds, at fair value (Note 35(d))	10,272	17	5,009	17
	15,322	9,117	10,059	9,117

The money market funds represent investment in highly liquid money market instruments with financial institutions in Malaysia which are redeemable with one (1) day notice and are subject to an insignificant risk of changes in value.

### 18. FIXED DEPOSITS WITH LICENSED BANKS

- (a) The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 0.05% to 0.20% (2021 - 0.25% to 1.75%) per annum respectively. The fixed deposits have a maturity period ranging from 30 to 365 (2021 - 30 to 365) days.
- (b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM187,788 (2021 - RM541,833) which have been pledged to licensed banks as security for credit cards facilities granted to the Group.

### 19. SHARE CAPITAL

	The Group/The Company			
	2022	2021	2022	2021
	Number Of Shares ('000)		RM'000	RM'000
<b>Issued and Fully Paid-Up</b>				
Ordinary Shares				
At 1 April 2021/2020	522,282	501,759	115,075	100,575
Issuance of ordinary shares for cash under private placement	-	50,523	-	14,500
At 31 March	552,282	552,282	115,075	115,075

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 20. MERGER DEFICIT

The merger deficit relates to the subsidiary which was consolidated under the merger method of accounting.

The merger deficit arose from the difference between the nominal value of shares issued for the acquisition of a subsidiary and the nominal value of the shares acquired.

### 21. FOREIGN EXCHANGE TRANSLATION RESERVE

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiaries whose functional currencies are different from the Group and Company's functional and presentation currency.

### 22. LEASE LIABILITIES

	The Group	
	2022 RM'000	2021 RM'000
At 1 April 2021/2020	1,220	2,076
Additions (Note 35 (b))	1,924	781
Acquisition of a subsidiary (Note 33)	38	-
Disposal of a subsidiary (Note 34)	(13)	-
Interest expense recognised in profit or loss (Note 30)	50	55
Changes due to reassessment of lease (Notes 9 and 35 (b))	-	(664)
Derecognition due to lease modification (Note 35(b))	(33)	-
Repayment of principal	(882)	(976)
Repayment of interest expense	(50)	(55)
Currency translation differences	4	3
At 31 March	2,258	1,220
Analysed by:-		
Non-current liabilities	1,393	417
Current liabilities	865	803
	2,258	1,220

NOTES TO THE  
FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

**23. BORROWINGS**

	The Group	
	2022 RM'000	2021 RM'000
<b>Non-current liabilities</b>		
Term loans	415	-
<b>Current liabilities</b>		
Project financing loan	-	345
Term loans	85	-
	85	345

The term loan is repayable over 84 monthly installments. It bore an interest rate, fixed at 3.5% per annum at the end of the reporting period and is secured by:-

- (a) a joint and several guarantee of the directors of a subsidiary; and
- (b) Syarikat Jaminan Pembiayaan Perniagaan ("SJPP") issued a guarantee of 80% coverage of unsecured portion of the facility.

**24. DEFERRED TAX LIABILITIES**

	At 1.4.2021 RM'000	Recognised in Profit or Loss (Note 31) RM'000	Acquisition of A Subsidiary (Note 33) RM'000	Currency Translation Difference RM'000	At 31.3.2022 RM'000
<b>The Group</b>					
<b>2022</b>					
<i>Deferred Tax Liabilities</i>					
Plant and equipment	182	36	14	-	232
Intangible assets acquired	746	(149)	-	-	597
<i>Deferred Tax Assets</i>					
Provision	(273)	(25)	-	(3)	(301)
	655	(138)	14	(3)	528

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 24. DEFERRED TAX LIABILITIES (CONT'D)

The Group	At 1.4.2020 RM'000	Recognised in Profit or Loss (Note 31) RM'000	Currency Translation Difference RM'000	At 31.3.2021 RM'000
<b>2021</b>				
<i>Deferred Tax Liabilities</i>				
Plant and equipment	182	-	-	182
Intangible assets acquired	1,093	(347)	-	746
<i>Deferred Tax Assets</i>				
Provision	(240)	(28)	(5)	(273)
	1,035	(375)	(5)	655

## 25. TRADE PAYABLES

The normal trade credit terms granted to the Group range from 30 to 90 (2021 - 30 to 90) days.

## 26. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
Other payables:				
- Third parties	976	883	39	12
- Sales and Service Tax payable	1,843	1,595	-	-
	2,819	2,478	39	12
Accruals	7,670	5,776	244	459
	10,489	8,254	283	471

## 27. DEFERRED INCOME

The deferred income primarily relates to advance considerations received from customers for subscription of computerised accounting software of which the revenue will be recognised over the remaining contract term of the specific contract it relates to, ranging from 1 to 36 (2021 - 1 to 36) months.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 28. REVENUE

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>Revenue from Contracts with Customers</b>				
<u>Recognised at a point in time</u>				
Software, training and implementation	54,206	38,213	-	-
Hardware	9,570	8,394	-	-
	63,776	46,607	-	-
<u>Recognised over time</u>				
Maintenance	46,151	40,754	-	-
	109,927	87,361	-	-
<b>Revenue from Other Sources</b>				
Dividend income	120	-	1,047	4,029
	110,047	87,361	1,047	4,029

The information on the disaggregation of revenue is disclosed in Note 39 to the financial statements.

### 29. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Impairment losses:				
- trade receivables (Note 14)	853	198	-	-
- amount owing by subsidiaries (Note 13)	-	-	-	650
Reversal of impairment losses:				
- trade receivables (Note 14)	(344)	-	-	-
	509	198	-	650

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 30. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before taxation is arrived at after charging/(crediting):-				
Amortisation of intangible assets (Note 10)	3,566	4,339	-	-
Auditors' remuneration:				
- audit fees				
- current financial year	319	311	120	111
- underprovision in the previous financial year	7	15	7	13
- non-audit fee	6	6	6	6
Bad debts written off	54	-	-	-
Depreciation:				
- plant and equipment (Note 8)	394	309	-	-
- right-of-use assets (Note 9)	796	890	-	-
Directors' remuneration (Note 36)	2,570	2,385	2,301	2,213
Staff costs (including other key management personnel as disclosed in Note 36):				
- short-term employee benefits	25,228	20,926	1,039	1,166
- defined contribution benefits	2,147	1,971	111	128
Impairment loss:				
- amount owing by a subsidiary (Note 13)	-	-	-	650
- investments in subsidiaries (Note 5)	-	-	-	153
- trade receivables (Note 14)	853	198	-	-
Interest expense on lease liabilities (Note 22)	50	55	-	-
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- bank overdrafts	11	51	-	-
- project financing loan	-	37	-	-
- term loans	-	445	-	445
Inventories written off	3	8	-	-
Plant and equipment written off (Note 8)	2	-	-	-
Lease expenses:				
- short-term leases	323	268	-	-
- low-value assets	-	4	-	-
Loss on foreign exchange:				
- unrealised	117	102	-	-
- realised	19	52	-	-



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 30. PROFIT/(LOSS) BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before taxation is arrived at after charging/ (crediting):- (Cont'd)				
(Gain)/Loss on disposal of a subsidiary (Note 34)	(8)	979	(13)	(1,500)
Gain on partial disposal of short-term investments at fair value through profit and loss	(1,200)	(2,075)	(1,200)	(2,075)
Dividend income:				
- subsidiaries	-	-	(927)	(4,029)
- other investments	(120)	-	(120)	-
Fair value loss/(gain) on financial assets measured at fair value through profit or loss mandatorily:				
- short-term investments	250	(16,194)	250	(16,194)
Gain on reassessment of leases	-	(15)	-	-
Gain on disposal of plant and equipment	-	(3)	-	-
Gain on disposal of right-of- use assets	-	(12)	-	-
Interest income on financial assets measured at amortised cost:				
- imputed interest on non-current amount owing by a subsidiary	-	-	(560)	(780)
Interest income:				
- fixed deposits with licensed banks	(109)	(40)	(36)	(24)
- others	(3)	(7)	-	-
Recovered bad other receivables	(53)	-	-	-
Rental income	(16)	(15)	-	-
Reversal of impairment loss:				
- trade receivables (Note 14)	(365)	-	-	-
Realised gain on foreign exchange	(117)	-	-	-
Waiver of payable	(2)	-	-	-

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 31. INCOME TAX EXPENSE

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Current tax:				
- Current financial year	4,370	1,352	-	-
- Underprovision in the previous financial year	101	83	-	-
	4,471	1,435	-	-
Withholding tax	41	74	-	-
Deferred tax (Note 28):				
- origination and reversal of temporary differences	(174)	(375)	-	-
- underprovision in the previous financial year	36	-	-	-
	(138)	(375)	-	-
	4,374	1,134	-	-

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	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before taxation	24,266	29,589	(1,672)	18,736
Tax at the statutory tax rate of 24%	5,824	7,101	(401)	4,497
Tax effects of:-				
Non-deductible expenses	1,343	3,311	433	1,137
Non-taxable income	(712)	(6,055)	(677)	(5,899)
Share of results in an associate	(7)	-	-	-
Tax-exempt income	(76)	(75)	-	-
Deferred tax assets not recognised during the financial year	686	265	645	265
Utilisation of deferred tax assets previously not recognised	(2,331)	(3,150)	-	-
Underprovision in the previous financial year:				
- current tax	101	83	-	-
- deferred tax	36	-	-	-
Withholding tax	41	74	-	-
Differential in tax rates of foreign subsidiaries	(531)	(420)	-	-
	4,374	1,134	-	-

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 31. INCOME TAX EXPENSE (CONT'D)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

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

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Accelerated capital allowances	-	151	-	-
Unabsorbed capital allowances	59	142	-	-
Provision	3,673	2,249	-	-
Unutilised tax losses	2,756	10,800	2,994	308
	6,488	13,342	2,994	308

For the Malaysia entities, the unutilised tax losses are allowed to be utilised for the next 10 (2021 - 7) consecutive years of assessment while unabsorbed capital allowances are allowed to be carried forward indefinitely.

The use of tax losses of subsidiaries in other countries is subjected to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the subsidiaries operate.

### 32. EARNINGS PER SHARE

	The Group	
	2022	2021
Profit after taxation attributable to owners of the Company (RM'000)	18,488	26,604
Weighted average number of ordinary shares in issue (in '000):-		
Ordinary shares at 1 April 2021/2020	503,669	501,731
Effect of new ordinary shares issued	48,613	1,938
Weighted average number of ordinary shares at 31 March	552,282	503,669
Basic earnings per share (sen)	3.35	5.28

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 33. ACQUISITION OF A SUBSIDIARY

On 20 January 2022, based on Bursa announcement the Group acquired 62,088 ordinary shares representing 51% equity interests in the issued and paid-up share capital of Cognitive Consulting Sdn. Bhd ("CCSB") for RM3,687,336.

The following summaries the major classes of consideration transferred and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	<b>The Group 2022 RM'000</b>
Plant and equipment	18
Right-of-use assets	36
Intangible assets	728
Trade and other receivables	454
Cash and cash equivalents	378
Current tax asset	4
Deferred tax liabilities	(14)
Trade and other payables	(240)
Borrowings	(500)
Lease liabilities	(38)
Net identifiable assets acquired	826
Less: Non-controlling interests	(405)
Add: Goodwill on acquisition	3,266
Total purchase consideration	3,687
Less: Cash and bank balances of a subsidiary acquired	(378)
Net cash outflow from the acquisition of a subsidiary	3,309

The acquired subsidiaries have contributed the following results to the Group:

	<b>2022 The Group RM'000</b>
Revenue	2,234
Profit after tax	209

There were no acquisition of subsidiaries in the previous financial year.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 34. DISPOSAL OF A SUBSIDIARY

- (a) On 1 April 2021, the directors of the Group have determined that the Group have lost control of T-Melmax Sdn. Bhd. ("TMAX") as they no longer have control over the board of directors of TMAX. Consequently, the Group reclassified its investment in TMAX to investment in an associate as disclosed in Note 6 to the financial statements.
- (b) On 10 September 2021, the Group disposed of its entire 51% equity interest in Cendee Sdn. Bhd. ("CENDEE") for RM13,260 in cash.

The following summarises the major classes of the consideration received and the amounts of assets disposed of and liabilities transferred at the date of disposal:-

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Intangible asset	1	-	-	-
Plant and equipment	-	1,333	-	-
Right-of-use assets	18	-	-	-
Amount owing by a related company	6	-	-	-
Amount owing by subsidiaries	-	1,727	-	-
Trade and other receivables	45	1,257	-	-
Cash and cash equivalents	262	1,339	-	-
Fixed deposit with licensed banks	31	-	-	-
Current tax assets	-	451	-	-
Trade and other payables	(19)	(811)	-	-
Current tax liabilities	*	*	-	-
Bank overdraft	(9)	(792)	-	-
Borrowings	-	(628)	-	-
Deferred income	(2)	(116)	-	-
Lease liabilities	(13)	-	-	-
Non-controlling interests	(163)	(1,276)	-	-
Carrying amount of net assets disposed	157	2,484	-	-
Foreign exchange translation reserve	-	(5)	-	-
Gain/(Loss) on disposal on subsidiary	8	(979)	13	1,500
Fair value of remaining stake	(152)	-	-	-
Net disposal proceeds	13	1,500	13	1,500
Less: Cash and bank balances of subsidiary disposed	(284)	(547)	-	-
Net cash (outflow)/inflow from the disposal of a subsidiary	(271)	953	13	1,500

\* Amount below RM500.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 35. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of plant and equipment and the addition of right-of-use assets is as follows:-

	<b>The Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Plant and equipment</b>		
Cost of plant and equipment purchased (Note 8)	602	353
<b>Right-of-use assets</b>		
Cost of right-of-use assets acquired (Note 9)	1,939	781
Less: Additions of new lease liabilities (Note 22)	(1,924)	(781)
	15	-

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

<b>The Group</b>	<b>Borrowings</b>	<b>Lease</b>	<b>Total</b>
	<b>RM'000</b>	<b>Liabilities</b>	<b>RM'000</b>
		<b>RM'000</b>	
<b>2022</b>			
At 1 April 2021	345	1,220	1,565
<u>Changes in Financing Cash Flows</u>			
Repayment of principal	(345)	(882)	(1,227)
Repayment of interest	-	(50)	(50)
	(345)	(932)	(1,277)
<u>Other Changes</u>			
Acquisition of new leases (Note 35(a))	-	1,924	1,924
Acquisition of a subsidiary (Note 33)	500	38	538
Disposal of a subsidiary (Note 34)	-	(13)	(13)
Derecognition due to modification of lease	-	(33)	(33)
Interest expense recognised in profit or loss (Note 30)	-	50	50
Foreign exchange adjustments	-	4	4
	500	1,970	2,470
At 31 March	500	2,258	2,758

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 35. CASH FLOW INFORMATION (CONT'D)

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

The Group	Borrowings RM'000	Lease Liabilities RM'000	Total RM'000
<b>2021</b>			
At 1 April 2020	21,921	2,076	23,997
<u>Changes in Financing Cash Flows</u>			
Drawdown of project financing loan	345	-	345
Repayment of principal	(21,293)	(976)	(22,269)
Repayment of interest	(445)	(55)	(500)
	(21,393)	(1,031)	(22,424)
<u>Other Changes</u>			
Acquisition of new leases (Note 35(a))	-	781	781
Changes due to reassessment of lease term	-	(664)	(664)
Disposal of a subsidiary (Note 34)	(628)	-	(628)
Interest expense recognised in profit or loss (Note 30)	445	55	500
Foreign exchange adjustments	-	3	3
	(183)	175	(8)
At 31 March	345	1,220	1,565

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 35. CASH FLOW INFORMATION (CONT'D)

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

	2022 RM'000	2021 RM'000
<b>The Company</b>		
Term loans		
At 1 April 2021/2020	-	21,293
<u>Changes in Financing Cash Flows</u>		
Repayment of principal	-	(21,293)
Repayment of interest	-	(445)
	-	(21,738)
<u>Other Changes</u>		
Interest expense recognised in profit or loss	-	445
At 31 March	-	-

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

	The Group 2022 RM'000	2021 RM'000
Payment of short-term leases	323	268
Payment of low-value assets	-	4
Interest paid on lease liabilities	50	55
Payment of lease liabilities	882	976
	1,255	1,303



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 35. CASH FLOW INFORMATION (CONT'D)

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

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Fixed deposits with licensed banks (Note 18)	2,069	2,406	-	-
Cash and bank balances	17,769	26,754	58	6,959
Bank overdraft	-	(2)	-	-
Money market funds (Note 17)	10,272	17	5,009	17
	30,110	29,175	5,067	6,976
Less: Fixed deposits pledged to licensed banks (Note 18)	(188)	(542)	-	-
	29,922	28,633	5,067	6,976

### 36. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and members of senior management of the Group and of the Company.

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

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>(a) Directors</b>				
<u>Directors of the Company</u>				
Executive:				
- fee	204	110	-	-
- non-fee emoluments	1,983	1,833	1,918	1,771
	2,187	1,943	1,918	1,771
Non-executive:				
- fee	339	360	339	360
- non-fee emoluments	44	82	44	82
	2,570	2,385	2,301	2,213

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 36. KEY MANAGEMENT PERSONNEL COMPENSATION (CONT'D)

The key management personnel compensation during the financial year are as follows:- (Cont'd)

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>(b) Other Key Management Personnel</b>				
Key management personnel compensation:				
- short-term employee benefits	4,739	4,008	1,001	967

## 37. 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, key management personnel and entities within the same group of companies.

### (b) Significant Related Party Transactions and Balances

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

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Subsidiaries:				
- Dividend income received	-	-	927	4,029
Related parties:				
- Rental expenses	(495)	(527)	-	-

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 38. CONTINGENT LIABILITY

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	The Group	
	2022	2021
	RM'000	RM'000
Performance guarantee extended by a subsidiary to its customers	4,602	4,771

### 39. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Executive Committee as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their products and services provided.

In current financial year, the Group has changed the structure and reporting of its internal segmental results and presentation format to better reflect its earnings profile which has caused the composition of its reportable segments to change.

The Digital Technology segment ("DT") which was previously reported under Financial Management Solutions segment for Government ("FMS - G") is now separately disclosed as a reportable segment given its growing earnings contribution to the Group. DT segment provides information technology consultancy and services for system integration, cloud-based solutions, e-procurement and e-tendering.

No comparative figures are presented for DT segment as it's contribution to the Group is immaterial.

The Group is organised into 5 main reportable segments as follows:-

- Financial Management Solutions segment for Government ("FMS - G") and for Commercial ("FMS - C") - design, development, implementation and marketing of financial management software and related services.
- Payment Aggregation Solutions segment ("PAS") - providing services for financial applications, electronic payments and collections solutions.
- Corporate Services segment ("CS") - provide Group level corporate services and treasury functions and investments.
- Wealth Management Solutions segment ("WMS") - providing services for portfolio management, fund accounting, unit registry, selling agent and online transaction.
- Digital Technology segment ("DT") - providing information technology consultancy and services for system integration, cloud-based solutions, e-procurement and e-tendering.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 39. OPERATING SEGMENTS (CONT'D)

### 39.1 BUSINESS SEGMENTS

	FMS - G RM'000	CS RM'000	WMS RM'000	DT RM'000	FMS - C RM'000	Elimination RM'000	The Group RM'000
<b>2022</b>							
Segment revenue	79,150	1,047	6,598	5,821	23,237	(5,806)	110,047
Represented by:-							
<u>Revenue recognised at a point in time</u>							
- Software, training and implementation	36,251	-	6,598	-	13,045	(1,688)	54,206
- Hardware	-	-	-	-	9,570	-	9,570
- Dividend income	-	1,047	-	-	-	(927)	120
<u>Revenue recognised over time</u>							
- Maintenance	42,899	-	-	5,821	622	(3,191)	46,151
	79,150	1,047	6,598	5,821	23,237	(5,806)	110,047
<b>Results</b>							
Segment results	16,043	(1,671)	444	1,790	9,474	(1,781)	24,299
Finance costs	(35)	-	-	(5)	(21)	-	(61)
Share of profits of equity-accounted associates	-	-	-	-	-	28	28
Profit for the financial year							24,266
Income tax expense							(4,374)
							19,892

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 39. OPERATING SEGMENTS (CONT'D)

#### 39.1 BUSINESS SEGMENTS (CONT'D)

	FMS - G RM'000	CS RM'000	WMS RM'000	DT RM'000	FMS - C RM'000	Elimination RM'000	The Group RM'000
<b>2022</b>							
Segment assets	57,840	96,910	4,762	4,642	15,156	(51,580)	127,730
Current tax assets							502
Consolidated total assets							128,232
Segment liabilities	15,561	283	2,287	1,973	8,148	(6,555)	21,697
Deferred tax liabilities							528
Current tax liabilities							4,016
Consolidated total liabilities							26,241
Additions to non-current assets other than financial instruments:							
- plant and equipment	294	-	24	14	270	-	602
- intangible assets	-	-	180	-	-	-	180
- right-of-use assets	709	-	-	65	1,165	-	1,939
Other material items of expenses/(income) consist of the following:-							
Amortisation and depreciation	2,441	-	963	47	424	881	4,756
Impairment loss:							
- trade receivables	771	-	-	-	82	-	853
Interest expense	11	-	-	-	-	-	11
Interest expense on lease liabilities	26	-	-	3	21	-	50
Interest income	(67)	(37)	(2)	(1)	(5)	-	(112)
Reversal of impairment loss:							
- trade receivables	(284)	-	-	-	(60)	-	(344)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 39. OPERATING SEGMENTS (CONT'D)

### 39.1 BUSINESS SEGMENTS (CONT'D)

	FMS - G RM'000	PAS RM'000	CS RM'000	WMS RM'000	TS RM'000	FMS - C RM'000	Elimination RM'000	The Group RM'000
<b>2021</b>								
Segment revenue	60,324	189	4,029	5,246	60	21,790	(4,277)	87,361
Represented by:-								
<u>Revenue recognised at a point in time</u>								
- Software, training and implementation	19,715	116	-	5,246	60	13,093	(17)	38,213
- Hardware	-	-	-	-	-	8,394	-	8,394
- Dividend income	-	-	4,029	-	-	-	(4,029)	-
<u>Revenue recognised over time</u>								
- Maintenance	40,609	73	-	-	-	303	(231)	40,754
	60,324	189	4,029	5,246	60	21,790	(4,277)	87,361
<b>Results</b>								
Segment results	11,290	658	19,105	263	(177)	7,434	(8,396)	30,177
Finance costs	(119)	(1)	(445)	-	-	(23)	-	(588)
Profit for the financial year								29,589
Income tax expense								(1,134)
								28,455

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 39. OPERATING SEGMENTS (CONT'D)

#### 39.1 BUSINESS SEGMENTS (CONT'D)

	FMS - G RM'000	PAS RM'000	CS RM'000	WMS RM'000	TS RM'000	FMS - C RM'000	Elimination RM'000	The Group RM'000
<b>2021</b>								
Segment assets	43,728	329	102,999	4,956	-	12,932	(53,316)	111,628
Current tax assets								448
Consolidated total assets								112,076
Segment liabilities	16,900	20	529	2,368	-	8,860	(9,391)	19,286
Deferred tax liabilities								655
Current tax liabilities								2,209
Consolidated total liabilities								22,150
Additions to non-current assets other than financial instruments:								
- plant and equipment	268	-	-	31	-	54	-	353
- intangible assets	-	-	-	148	-	-	-	148
- right-of-use assets	543	-	-	-	-	238	-	781
Other material items of expenses/(income) consist of the following:-								
Amortisation and depreciation	2,858	55	-	93	12	479	2,041	5,538
Impairment loss:								
- trade receivables	89	-	-	-	-	109	-	198
Interest expense	88	-	445	-	-	-	-	533
Interest expense on lease liabilities	31	1	-	-	-	23	-	55
Interest income	(7)	-	(25)	(3)	(2)	(10)	-	(47)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 39. OPERATING SEGMENTS (CONT'D)

#### 39.2 GEOGRAPHICAL INFORMATION

Revenue is based on the country in which the customers are located.

Non-current assets are determined according to the country where these assets are located. The amounts of non-current assets do not include financial instruments (but includes investment in an associate).

	Revenue		Non-current Assets	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<b>The Group</b>				
Indonesia	6,598	5,246	1,721	2,594
Singapore	14,780	13,780	1,218	172
Malaysia	88,669	68,335	42,922	41,055
	110,047	87,361	45,861	43,821

#### 39.3 MAJOR CUSTOMER

The following is major customer with revenue equal to or more than 10% of the Group's total revenue:-

	Revenue		Segment
	2022 RM'000	2021 RM'000	
Customer #1	17,075	18,839	FMS - G



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. 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.

#### 40.1 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 Hong Kong Dollar, Singapore Dollar, United States Dollar and Indonesian Rupiah. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level

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

##### *Foreign Currency Exposure*

The Group	Hong Kong Dollar RM'000	Singapore Dollar RM'000	United States Dollar RM'000	Indonesian Rupiah RM'000	Ringgit Malaysia RM'000	Total RM'000
<b>2022</b>						
Financial Assets						
Other investments	-	-	-	-	3,390	3,390
Trade receivables	247	430	32	2,427	42,035	45,171
Other receivables	-	3	-	26	259	288
Amount owing by a joint operation	-	-	-	-	2	2
Short-term investments	-	-	-	-	15,322	15,322
Fixed deposits with licensed banks	-	2,069	-	-	-	2,069
Cash and bank balances	80	4,893	-	517	12,279	17,769
	327	7,395	32	2,970	73,287	84,011

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (a) Market Risk (Cont'd)

##### (i) Foreign Currency Risk (Cont'd)

*Foreign Currency Exposure (Cont'd)*

The Group	Hong Kong Dollar RM'000	Singapore Dollar RM'000	United States Dollar RM'000	Indonesian Rupiah RM'000	Ringgit Malaysia RM'000	Total RM'000
<b>2022</b>						
<b>Financial Liabilities</b>						
Lease liabilities	-	26	-	-	2,232	2,258
Term loan	-	-	-	-	500	500
Trade payables	-	37	220	-	1,521	1,778
Other payables and accruals	-	192	5	728	7,721	8,646
	-	255	225	728	11,974	13,182
Net financial assets/(liabilities)	327	7,140	(193)	2,242	61,313	70,829
Less: Net financial assets denominated in the respective entities' functional currencies	-	(7,140)	-	(2,242)	(61,313)	(70,695)
Currency Exposure	327	-	(193)	-	-	134
<b>2021</b>						
<b>Financial Assets</b>						
Other investments	-	-	-	-	3,390	3,390
Trade receivables	366	265	115	861	23,226	24,833
Other receivables	-	106	-	953	1,844	2,903
Short-term investments	-	-	-	-	9,117	9,117
Fixed deposits with licensed banks	-	2,050	-	-	356	2,406
Cash and bank balances	494	5,013	-	371	20,876	26,754
	860	7,434	115	2,185	58,809	69,403

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (a) Market Risk (Cont'd)

##### (i) Foreign Currency Risk (Cont'd)

*Foreign Currency Exposure (Cont'd)*

The Group	Hong Kong Dollar RM'000	Singapore Dollar RM'000	United States Dollar RM'000	Indonesian Rupiah RM'000	Ringgit Malaysia RM'000	Total RM'000
<b>2021</b>						
<b>Financial Liabilities</b>						
Lease liabilities	-	26	-	-	1,194	1,220
Project financing loan	-	-	-	-	345	345
Trade payables	-	140	284	-	2,196	2,620
Other payables and accruals	-	673	5	744	5,237	6,659
Bank overdraft	-	-	-	-	2	2
	-	839	289	744	8,974	10,846
Net financial assets/(liabilities)	860	6,595	(174)	1,441	49,835	58,557
Less: Net financial assets denominated in the respective entities' functional currencies	-	(6,595)	-	(1,441)	(49,835)	(57,871)
Currency Exposure	860	-	(174)	-	-	686

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (a) Market Risk (Cont'd)

##### (i) Foreign Currency Risk (Cont'd)

##### *Foreign Currency Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2022 Increase/ (Decrease) RM'000	2021 Increase/ (Decrease) RM'000	2022 Increase/ (Decrease) RM'000	2021 Increase/ (Decrease) RM'000
<b>Effects on Profit/(Loss) After Taxation and Other Comprehensive Income/ (Expenses)</b>				
Strengthened by 10%				
- Hong Kong Dollar	25	65	-	-
- United States Dollar	(15)	(13)	-	-
Weakened by 10%				
- Hong Kong Dollar	(25)	(65)	-	-
- United States Dollar	15	13	-	-

##### (ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

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

The Group's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 23 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (a) Market Risk (Cont'd)

##### (ii) Interest Rate Risk (Cont'd)

##### *Interest Rate Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>Effects on Profit/(Loss) After Taxation and Other Comprehensive Income/(Expenses)</b>				
Increase of 100 basis points ("bp")	(4)	(3)	-	-
Decrease of 100 bp	4	3	-	-

##### (iii) Equity Price Risk

The Group's principal exposure to equity price risk arises mainly from changes in quoted investment prices. The Group manages its exposure to equity price risk by maintaining a portfolio of equities with different risk profiles.

##### *Equity Price Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the prices of the quoted investments at the end of the reporting period, with all other variables held constant:-

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>Effects on Profit/(Loss) After Taxation</b>				
Increase of 10%	384	692	384	692
Decrease of 10%	(384)	(692)	(384)	(692)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (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 quoted investments and cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company's exposure to credit risk arises principally from loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the results of these subsidiaries regularly and repayments made by the subsidiaries.

##### (i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amounts owing by 3 (2021 - 3) customers which constituted approximately 16% (2021 - 41%) of its total trade receivables at the end of the reporting period.

In addition, the Group also determines the concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables at the end of the reporting period is as follows:-

	The Group	
	2022	2021
	RM'000	RM'000
Indonesia	2,427	861
Singapore	677	631
Malaysia	42,067	23,341
	45,171	24,833

##### (ii) 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 the 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).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries as disclosed under the 'Maturity Analysis' of item (c) below, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (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 the following events that have a detrimental impact on the estimated future cash flows on the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as 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 90 days past due.

##### *Trade Receivables*

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

##### *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 2 months (2021 - 2 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using linear regression analysis.

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 40. FINANCIAL INSTRUMENTS (CONT'D)

### 40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (b) Credit Risk (Cont'd)

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

##### *Trade Receivables (Cont'd)*

The information about the exposure to credit risk and the loss allowances calculated under MFRS 9 for the trade receivables are summarised below:-

The Group	Gross Amount RM'000	Individual Impairment RM'000	Collective Impairment RM'000	Carrying Amount RM'000
<b>2022</b>				
Current (not past due)	35,789	-	-	35,789
31 - 60 days past due	1,006	-	-	1,006
61 - 90 days past due	2,203	-	-	2,203
91 - 120 days past due	981	-	-	981
More than 120 days	5,192	-	-	5,192
Credit impaired	955	(955)	-	-
	46,126	(955)	-	45,171
<b>2021</b>				
Current (not past due)	14,082	-	(77)	14,005
31 - 60 days past due	4,901	-	(46)	4,855
61 - 90 days past due	2,086	-	(20)	2,066
91 - 120 days past due	955	-	(43)	912
More than 120 days	3,087	-	(92)	2,995
Credit impaired	174	(174)	-	-
	25,285	(174)	(278)	24,833



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

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

##### *Trade Receivables (Cont'd)*

The movements in the loss allowances in respect of trade receivables are disclosed in Note 14 to the financial statements.

##### *Other Receivables and Related Parties*

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables and amount owing by related parties.

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 the 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 Licensed Banks, Cash and Bank Balances*

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

##### *Amount Owing By Subsidiaries (Non-trade Balances)*

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries to have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

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

*Amount Owning By Subsidiaries (Non-trade Balances) (Cont'd)*

*Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)*

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sales of less liquid assets by the subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

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

*Allowance for Impairment Losses*

	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
<b>The Company 2022</b>			
Low credit risk	5,190	-	5,190
Credit impaired	650	(650)	-
	5,840	(650)	5,190
<b>2021</b>			
Low credit risk	8,924	-	8,924
Credit impaired	650	(650)	-
	9,574	(650)	8,924

*Financial Guarantee Contracts*

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (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 the availability of funding through certain committed credit facilities.

##### *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 2022	Weighted Average Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000
<u>Non-derivative Financial Liabilities</u>					
Lease liabilities	4.61	2,258	2,343	918	1,425
Term loan	3.50	500	564	107	457
Trade payables	-	1,778	1,778	1,778	-
Other payables and accruals	-	8,646	8,646	8,646	-
		13,182	13,331	11,449	1,882

#### 2021

<u>Non-derivative Financial Liabilities</u>					
Lease liabilities	5.40	1,220	1,238	689	549
Project financing loan	7.30	345	345	345	-
Trade payables	-	2,620	2,620	2,620	-
Other payables and accruals	-	6,659	6,659	6,659	-
Bank overdraft	6.60	2	2	2	-
		10,846	10,864	10,315	549

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.1 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	Weighted Average Effective Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000
<b>2022</b>				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	-	283	283	283
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	-	4,602	4,602
		283	4,885	4,885
<b>2021</b>				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	-	471	471	471
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries	-	-	4,771	4,771
		471	5,242	5,242

The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair values on initial recognition were not material.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.2 CAPITAL RISK MANAGEMENT

The Group manages its capital based on debt-to-equity ratio. The debt-to-equity ratio of the Group at the end of the reporting period is not presented as its cash and cash equivalents exceeded the total external borrowings.

#### 40.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2022 The Group RM'000	The Company RM'000
<b>Financial Assets</b>		
<u>Designated at Fair Value Through Other Comprehensive Income Upon Initial Recognition</u>		
Other investments (Note 12)	3,390	3,290
<u>Mandatorily at Fair Value Through Profit or Loss</u>		
Short-term investments (Note 17)	15,322	10,059
<u>Amortised Cost</u>		
Trade receivables (Note 14)	45,171	-
Other receivables (Note 15)	288	2
Amount owing by subsidiaries (Note 13)	-	5,190
Amount owing by a joint operation (Note 16)	2	-
Fixed deposits with licensed banks (Note 18)	2,069	-
Cash and bank balances	17,769	58
	65,299	5,250
<b>Financial Liability</b>		
<u>Amortised Cost</u>		
Lease liabilities (Note 22)	2,258	-
Borrowings (Note 23)	500	-
Trade payables (Note 25)	1,778	-
Other payables and accruals (Note 26)	8,646	283
	13,182	283

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 40. FINANCIAL INSTRUMENTS (CONT'D)

### 40.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	The Group RM'000	2021 The Company RM'000
<b>Financial Assets</b>		
<u>Designated at Fair Value Through Other Comprehensive Income Upon Initial Recognition</u>		
Other investments (Note 12)	3,390	3,290
<u>Mandatorily at Fair Value Through Profit or Loss</u>		
Short-term investments (Note 17)	9,117	9,117
<u>Amortised Cost</u>		
Trade receivables (Note 14)	24,833	-
Other receivables (Note 15)	2,903	3
Amount owing by subsidiaries (Note 13)	-	8,924
Fixed deposits with licensed banks (Note 18)	2,406	-
Cash and bank balances	26,754	6,959
	56,896	15,886
<b>Financial Liability</b>		
<u>Amortised Cost</u>		
Lease liabilities (Note 22)	1,220	-
Borrowings (Note 23)	345	-
Trade payables (Note 25)	2,620	-
Other payables and accruals (Note 26)	6,659	471
Bank overdrafts	2	-
	10,846	471

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 40. FINANCIAL INSTRUMENTS (CONT'D)

### 40.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>Financial Assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss	950	18,269	950	18,116
<u>Amortised Cost</u>				
Net (losses)/gains recognised in profit or loss	(397)	(151)	596	154
<b>Financial Liability</b>				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	(11)	(533)	-	(445)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

## 40. FINANCIAL INSTRUMENTS (CONT'D)

### 40.5 FAIR VALUE INFORMATION

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

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
<b>The Group</b>								
<b>2022</b>								
<u>Financial Assets</u>								
Other investment:								
- unquoted	-	3,390	-	-	-	-	3,390	3,390
Short-term investments:								
- quoted shares	15,322	-	-	-	-	-	15,322	15,322
<u>Financial Liabilities</u>								
Term loans	-	-	-	-	500	-	500	500
<b>2021</b>								
<u>Financial Assets</u>								
Other investment:								
- unquoted	-	3,390	-	-	-	-	3,390	3,390
Short-term investments:								
- quoted shares	9,117	-	-	-	-	-	9,117	9,117



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.5 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:- (Cont'd)

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>The Company</b>								
<b>2022</b>								
<u>Financial Assets</u>								
Other investment:								
- unquoted	-	3,290	-	-	-	-	3,290	3,290
Short-term investments:								
- quoted shares	10,059	-	-	-	-	-	10,059	10,059
<b>2021</b>								
<u>Financial Assets</u>								
Other investment:								
- unquoted	-	3,290	-	-	-	-	3,290	3,290
Short-term investments:								
- quoted shares	9,117	-	-	-	-	-	9,117	9,117

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 40. FINANCIAL INSTRUMENTS (CONT'D)

#### 40.5 FAIR VALUE INFORMATION (CONT'D)

Fair Value of Financial Instruments Carried at Fair Value

**The fair values above have been determined using the following basis:-**

- (i) The fair value of the unquoted equity investments is estimated based on the price to book valuation model. Management has obtained the industry price to book ratio from discounted the ratio for illiquidity and multiplied the discounted price to book ratio with the book value per share of the investee to derive the estimated value. Management believes that the estimated fair value resulting from this valuation model is reasonable and the most appropriate at the end of the reporting period.
- (ii) The fair value for golf club memberships is estimated based on references to current available counterparty quotations of the same investments.
- (iii) The fair value of quoted equity investments is determined at their quoted closing bid prices at the end of the reporting period.
- (iv) There were no transfers between level 1 and level 2 during the financial year.

### 41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are as follows:-

- (a) On 1 April 2021, a subsidiary of the Group, Asian Business Software Solutions Pte Ltd ("ABSSPL") have entered into a Share Buy-Back Agreement ("SBBA") to acquire 31,000 and 26,460 ordinary shares in the Company from two existing shareholders cum directors for a total cash consideration of RM2,686,442 and SGD406,265, respectively.

Upon the completion of SSBA, the Company's direct holding on ABSS have increase to 96.74%.

- (b) On 5 July 2021, a wholly-owned subsidiary, Censof Digital Sdn. Bhd. incorporated a new wholly owned subsidiary, In Sureku Sdn. Bhd. (formerly known as In Suremy Sdn. Bhd.) under the Companies Act 2016.
- (c) On 29 July 2021, the Company entered into a conditional Sale and Purchase of Shares Agreement ("SSPA") with Semantan Capital Sdn. Bhd. for the disposal of the entire 51% equity interest in Cendee Sdn. Bhd. for a cash consideration of RM13,260.

On 28 September 2021, all conditions precedent on the SSPA has been fulfilled and hence, 153,000 ordinary shares, representing 51% equity interest was transferred to Semantan Capital Sdn. Bhd.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022 (CONT'D)

### 41. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are as follows:- (Cont'd)

- (d) On 17 September 2021, a wholly-owned subsidiary, Century Software (Malaysia) Sdn. Bhd. incorporated a new wholly owned subsidiary, Censof Software India Private Limited under the Companies Act 2013 and Companies Rules 2014 of India.
- (e) On 5 November 2021, a wholly-owned subsidiary, Century Software (Malaysia) Sdn. Bhd. accepted a Letter of Award from Dewan Bandaraya Kuala Lumpur for a project named *"Renewal Licenses for DBKL ePBT System Dewan Bandaraya Kuala Lumpur (2021-2023)"* with a total project sum of RM3,400,000.
- (f) On 24 November 2021, the sub-subsidiary of the Company, CS Cloud Sdn. Bhd. incorporated a Special Purpose Vehicle ("SPV"), Cloocus Sdn. Bhd. under the Companies Act 2016, for the purpose of a joint arrangement with Cloocus Co. Ltd. as mentioned in (g).
- (g) On 8 December 2021, a SPV, Cloocus Sdn. Bhd. have entered into a Joint Venture Agreement with Cloocus Co., Ltd to provide service on a "hyperscale (Microsoft Azure)" cloud management with additional Microsoft business involving all activities and transactions that are necessary and suitable in furtherance of such purpose in Malaysia and certain portions of the surrounding region.
- (h) On 15 December 2021, a wholly-owned subsidiary, Century Software (Malaysia) Sdn. Bhd. accepted a Letter of Award from the Accountant General's Department Malaysia for a project named *"Perolehan Pembangunan dan Pelaksanaan Sistem Terimaan Elektronik Kerajaan Persekutuan (iPayment)"* for a total contract sum of RM13,451,850.
- (i) On 20 December 2021, the Company entered into a Share Sale and Purchase Agreement ("SSPA") with Al-Zambri Ahmad Kabri, Zulkifli Bin Mhd Ghairi @ Md Asri, Jasmin Kaur Manakh A/P Ram Sigh, Kemala A/P T Nagalingam and Jude A/L Augastin Pathrose Lopex to acquire 62,088 ordinary shares in Cognitive Consulting Sdn. Bhd. ("CCSB") representing approximately 51% equity interest for a cash consideration of RM3,687,336.

On 20 January 2022, all terms and conditions of the SSPA has been completed and CCSB on that date has become a subsidiary of the Company.

- (j) On 27 December 2021, a wholly-owned subsidiary, Century Software (Malaysia) Sdn. Bhd. accepted a Letter of Award from Pertubuhan Keselamatan Sosial (PERKESO) for a project named *"Perolehan Pembaharuan Kontrak Penyelenggaraan Komprehensif Serta Naik Taraf Penstoran Server Aplikasi Dan Pengkalan Data Bagi Sistem Perakuman Saga"* with a total project sum of RM5,138,986.
- (k) On 10 February 2022, the Company disposed 5,000,000 of ordinary shares in Dagang NeXchange Berhad ("DNeX") for a total gross value of RM5,000,000 in the open market of Bursa Malaysia.
- (l) On 10 February 2022, a wholly-owned subsidiary, Century Software (Malaysia) Sdn. Bhd. accepted a Letter of Award from SME Corporation Malaysia ("SME Corp") for a project named *"SME Corp"* with a total project sum of RM7,250,797.
- (m) On 22 February 2022, a wholly-owned subsidiary, Century Software (Malaysia) Sdn. Bhd, entered into a share subscription agreement with GW Intech Sdn. Bhd. ("GW Intech") for the subscription of 100,000 ordinary shares in GW Intech for a total subscription price of RM500,000.

On 12 July 2022, all terms and conditions precedent pursuant to the share subscription agreement has been completed and GW Intech on that date has become a subsidiary of the Company.

## NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fourteenth Annual General Meeting ("**14th AGM**") of Censof Holdings Berhad ("**Censof**" or "**Company**") will be held at Auditorium, Level LG1, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, Bukit Kiara, 60000 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia on Wednesday, 7 September 2022 at 10.00 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

### AGENDA

#### AS ORDINARY BUSINESS

- |   |   |
|---|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 March 2022 together with Reports of the Directors' and the Auditors' thereon.  | <b>Please refer to Explanatory Note 1</b> |
| 2. To approve the Directors' Fees and Benefits Payable to the Non-Executive Directors of the Company and its subsidiaries amounting to RM500,000.00 per annum until the next Annual General Meeting of the Company. | <b>Ordinary Resolution 1</b>              |
| 3. To re-elect the following Directors, who are retiring pursuant to Clause 86 of the Constitution of the Company and being eligible, offer themselves for re-election:   |   |
| i. Tan Sri Dato' Mohd Ibrahim bin Mohd Zain   | <b>Please refer to Explanatory Note 2</b> |
| ii. Tuan Haji Ab. Gani bin Haron  | <b>Please refer to Explanatory Note 3</b> |
| 4. To re-elect the following Directors, who are retiring pursuant to Clause 92 of the Constitution of the Company and being eligible, offer themselves for re-election:   |   |
| i. Encik Mahathir bin Mahzan  | <b>Ordinary Resolution 2</b>              |
| ii. Encik Mohd Redzuan bin Hasan  | <b>Ordinary Resolution 3</b>              |
| 5. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.   | <b>Ordinary Resolution 4</b>              |

## NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

### AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modifications, the following resolutions:

6. **AUTHORITY UNDER SECTION 76 OF THE COMPANIES ACT 2016 FOR THE DIRECTORS TO ALLOT SHARES OR GRANT RIGHTS**

**Ordinary Resolution 5**

"THAT pursuant to Section 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (20%) of the total issued shares/total number of voting shares of the Company (excluding treasury shares) at the time of issue and THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad ("**Bursa Securities**") and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

7. To transact any other business that may be transacted at an annual general meeting of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

BY ORDER OF THE BOARD

**CHIN WAI YI (MAICSA 7069783) (SSM PC NO. 202008004409)**

**FLORENCE TOH SUE MEI (MAICSA 7074778) (SSM PC NO. 202108000143)**

Company Secretaries

Kuala Lumpur

Dated : 29 July 2022

### Explanatory Notes on Ordinary and Special Businesses:

#### 1. Item 1 of the Agenda

This item is meant for discussion only as the provisions of Section 340 of the Companies Act 2016, it does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

#### 2. Items 3(i) and 3(ii) of the Agenda

Tan Sri Dato' Mohd Ibrahim bin Mohd Zain and Tuan Haji Ab. Gani bin Haron are due to retire at the 14th AGM pursuant to Clause 86 of the Constitution of the Company. Tan Sri Dato' Mohd Ibrahim bin Mohd Zain and Tuan Haji Ab. Gani bin Haron have informed the Board of their intention not to seek for re-election at the 14th AGM, hence they will retain office until the conclusion of the 14th AGM and retire in accordance with Clause 86 of the Constitution of the Company.

## NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

### 3. Items 4(i) and 4(ii) of the Agenda

The Nominating and Remuneration Committee ("**NRC**") have considered the performance and contribution of each of the retiring Directors and have also assessed the independence of the Independent Non-Executive Directors seeking for re-election.

Based on the results of the Board Evaluation conducted for the financial year ended 31 March 2022, the performance of each of the retiring Directors was found to be satisfactory. In addition, each of the retiring Directors had provided their annual declaration/confirmation on his fitness and propriety as well as independence, where applicable.

The Board endorsed the NRC's recommendation that the Directors who retire in accordance with Clause 92 of the Constitution, namely, Encik Mahathir bin Mahzan and Mohd Redzuan bin Hasan are eligible to stand for re-election. These two (2) retiring Directors had abstained from deliberations and decisions on their own eligibility and suitability on their re-election at the relevant Board meetings. The profiles of these Directors are set out in the Company's Annual Report for the financial year ended 31 March 2022.

The retiring Directors will abstain from voting on the resolution in respect of their re-election at the 14th AGM.

### 4. Item 6 of the Agenda

The Company had, during its Thirteenth Annual General Meeting held on 8 September 2021, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 76 of the Companies Act 2016.

The Ordinary Resolution 5 proposed under item 6 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 76 of the Companies Act 2016. Bursa Securities had via their letter dated 23 December 2021 granted an extension to the temporary relief measures, amongst others, listed corporations are allowed to seek a higher general mandate under Paragraph 6.04 of the Main Market Listing Requirements of not more than 20% of the total number of issued shares for issue of new securities ("**20% General Mandate**"), provided that the following are being complied with:

- (i) procure shareholders' approval for the 20% General Mandate at a general meeting; and
- (ii) complies with all relevant applicable legal requirements, including its Constitution or relevant constituent document.

This 20% General Mandate may be utilised by listed corporations to issue new securities until 31 December 2022 and thereafter, the 10% general mandate will be reinstated. The Board of Directors, having considered the current economic climate arising and future financial needs of the Group, is of the opinion that this 20% General Mandate is in the best interests of the Company and its shareholders. This 20% General Mandate will provide flexibility for the Company for fund raising and enable the Company, should it required to do so, to meet its funding requirements for working capital or strategic development of the Group and operational expenditure, expeditiously and efficiently. This would eliminate any delay arising from and cost involved in convening a separate general meeting to obtain approval of the shareholders for such issuance of shares during this challenging period.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting. The authority will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding investment project(s) and/or working capital. The Directors of the Company did not allot or issue ordinary shares pursuant to the authority given by its shareholders at the previous Annual General Meeting.

## NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

### Notes:

1. A member of the Company who is entitled to attend, speak and vote at this 14th AGM may appoint a proxy to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.
2. Where a member appoints more than one (1) proxy to attend and vote at the same 14th AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
4. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

5. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
6. The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited with the Share Registrar, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty eight (48) hours before the time appointed for holding the 14th AGM (no later than Monday, 5 September 2022 at 10.00 a.m.) or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.
7. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.
8. In respect of deposited securities, only members whose names appear in the Record of Depositors on 30 August 2022 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 14th AGM.
9. Any alteration in the Proxy Form must be initialed.
10. Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all the resolution set out in the Notice of 14th AGM will be put to the vote by poll.

## NOTICE OF FOURTEENTH ANNUAL GENERAL MEETING

### Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 14th AGM and/ or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 14th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 14th AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the **"Purposes"**);
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty



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CENSO HOLDINGS BERHAD

Registration No.: 200801026945 (828269-A)

## PROXY FORM

Number of Shares Held	
CDS Account No.	

I/We, \_\_\_\_\_ NRIC/Passport No. \_\_\_\_\_  
(FULL NAME IN BLOCK LETTERS)

of \_\_\_\_\_  
(FULL ADDRESS)

contact no. \_\_\_\_\_ email address \_\_\_\_\_ being a member / members of Censof Holdings Berhad ("**Company**") hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Fourteenth Annual General Meeting of the Company ("**14th AGM**") will be conducted at Auditorium, Level LG1, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, Bukit Kiara, 60000 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia on Wednesday, 7 September 2022 at 10.00 a.m., or at any adjournment thereof.

### IMPORTANT NOTE:

Please (i) tick [✓] either **ONE** of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) please tick [✓] option (c) if you would like to appoint the Chairman of the 14th AGM as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option	Name of proxy(ies)	NRIC/ Registration No.	Email Address & Phone Number	Proportion of shareholding to be represented
(a)	<b>Appoint ONE proxy only</b> (Please complete details of proxy below)			
				100%
(b)	<b>Appoint MORE THAN ONE proxy</b> (Please complete details of proxies below)			
Proxy 1				%
Proxy 2				%
				100%
(c)	<b>The Chairman of the 14th AGM as my/our proxy and/or failing the above proxy to vote for me/us on my/our behalf</b>			

\* My/our \*proxy/proxies shall vote as follows :-

Please indicate with an "X" in the space provided below how you wish your votes to be casted. If no specific direction as to voting is given, the \*proxy/proxies will vote or abstain for voting at his(her) discretion.

NO.	RESOLUTIONS	FOR		AGAINST	
	Ordinary Business	PROXY 1	PROXY 2	PROXY 1	PROXY 2
Ordinary Resolution 1	To approve the Directors' Fees and Benefits Payable to the Non-Executive Directors of the Company and its subsidiaries amounting to RM500,000.00 per annum until the next Annual General Meeting of the Company				
Ordinary Resolution 2	To re-elect Encik Mahathir bin Mahzan as Director in accordance with Clause 92 of the Constitution of the Company.				
Ordinary Resolution 3	To re-elect Encik Mohd Redzuan bin Hasan as Director in accordance with Clause 92 of the Constitution of the Company.				
Ordinary Resolution 4	To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.				
	<b>Special Business</b>				
Ordinary Resolution 5	Authority to Issue Shares pursuant to Section 76 of the Companies Act 2016.				

Signature / Common Seal of Shareholder

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2022

Contact No: \_\_\_\_\_

**Notes:**

1. A member of the Company who is entitled to attend, speak and vote at this 14th AGM may appoint a proxy to attend, speak and vote on his/her behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his/her proxy without limitation.
2. Where a member appoints more than one (1) proxy to attend and vote at the same 14th AGM, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("**SICDA**"), he/she may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.
4. Where a member of the Company is an exempt authorised nominee holding ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.  
  
An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
5. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.
6. The instrument appointing either a proxy, a power of attorney or other authorities, where it is signed or certified by a notary as a true copy shall be deposited with the Share Registrar, Boardroom Share Registrars Sdn. Bhd. at Ground Floor or 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than forty eight (48) hours before the time appointed for holding the 14th AGM (no later than Monday, 5 September 2022 at 10.00 a.m.) or at any adjournment thereof, and in default the instrument of proxy shall not be treated as valid.
7. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.
8. In respect of deposited securities, only members whose names appear in the Record of Depositors on 30 August 2022 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 14th AGM.
9. Any alteration in the Proxy Form must be initialed.
10. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, all the resolution set out in the Notice of the 14th AGM will be put to the vote by poll.

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AFFIX  
STAMP

**The Share Registrar**  
**CENSO HOLDINGS BERHAD**  
 [Registration No. 200801026945 (828269-A)]  
 Ground Floor or 11th Floor, Menara Symphony, No. 5,  
 Jalan Prof. Khoo Kay Kim, Seksyen 13,  
 46200 Petaling Jaya, Selangor Darul Ehsan

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**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 14th AGM and/ or any adjournment thereof, a member of the Company:

- (i) consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 14th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 14th AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies), and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty

Fold this flap for sealing

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**TENDER PINTAR SDN. BHD.**

202001007581 (1363901-X)  
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**CENTURY SOFTWARE  
(MALAYSIA) SDN. BHD.**

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www.centurysoftware.com.my

**PT. PRAISINDO TEKNOLOGI  
(C-12128)**

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F +62 21 573 6236  
www.praisindo.com

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www.netsensebs.com

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SOLUTIONS SDN. BHD.**

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**CENSOFT DIGITAL SDN BHD**

201501035144 (1160464-V)  
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F +603 7962 7800  
www.censofdigital.com

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SDN BHD**

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www.cognitive.com.my

[www.censof.com](http://www.censof.com)

censof

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