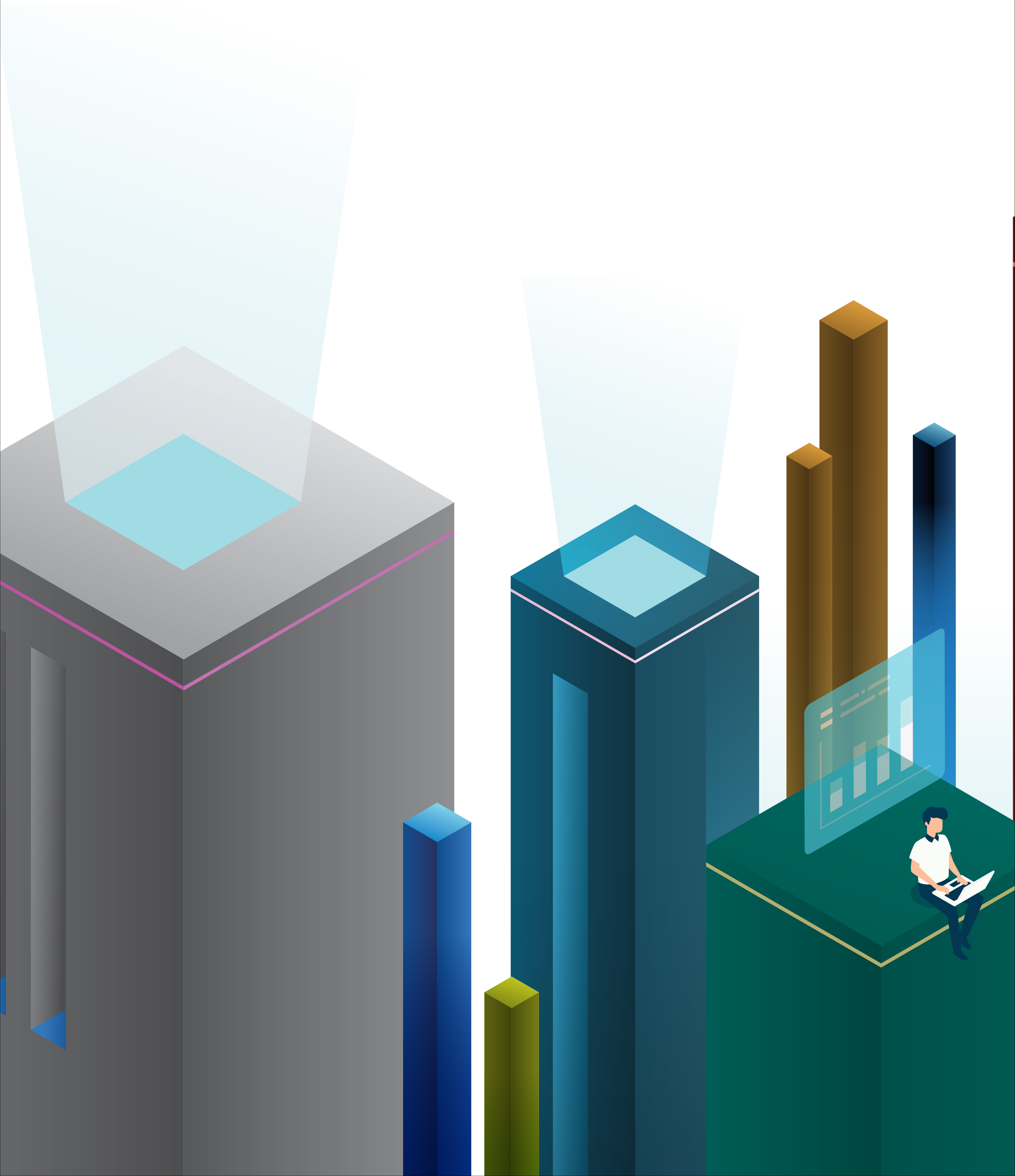
Holdings Berhad

Registration No. 200901034925 (878041-A)

2021 ANNUAL REPORT

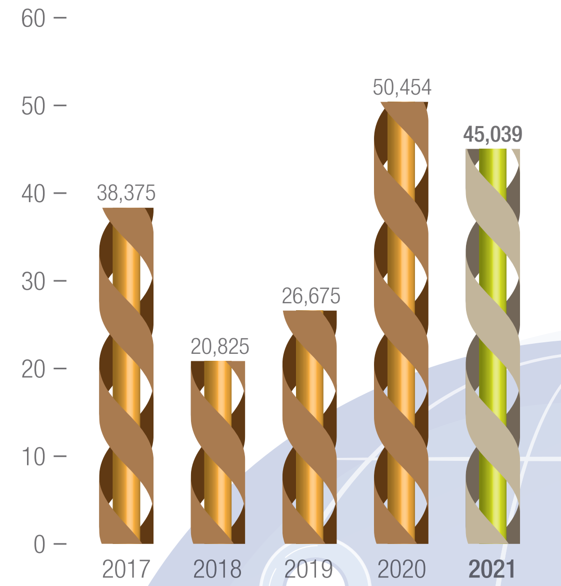


Financial Highlights

(RM'000)	FYE 31.03.17	FYE 31.03.18	FYE 31.03.19	FPE 30.09.20	FYE 30.09.21
FINANCIAL RESULTS					
Revenue	38,375	20,825	26,675	50,454	**45,039**
Profit/(Loss) before tax	3,457	(7,845)	(50,059)	(51,375)	**(12,625)**
Profit/(Loss) attributable to equity holders	2,831	(7,902)	(50,530)	(53,879)	**(14,567)**
KEY BALANCE SHEET DATA					
Total Assets	142,112	170,940	185,050	135,130	**123,207**
Total Liabilities	9,495	7,815	8,966	12,404	**14,587**
Net assets attributable to equity holders	132,376	163,075	175,499	121,621	**107,055**
No. of shares in issue at year end ('000)	1,490,828	3,478,598	5,072,352	5,072,361	**5,072,361**
SHARES INFORMATION					
Basic earnings/(loss) per share (sen)	0.12	(0.34)	(1.02)	(1.06)	**(0.29)**
Net assets per share attributable to equity holders (RM)	0.09	0.05	0.04	0.02	**0.02**

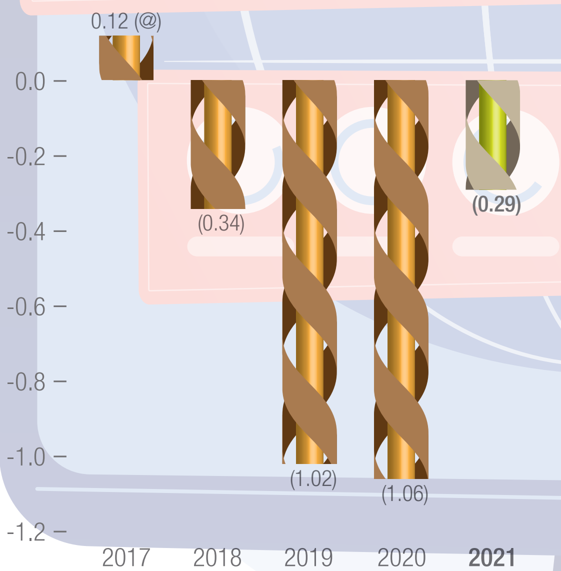
Financial Highlights (Continued)

Revenue (RM'000)

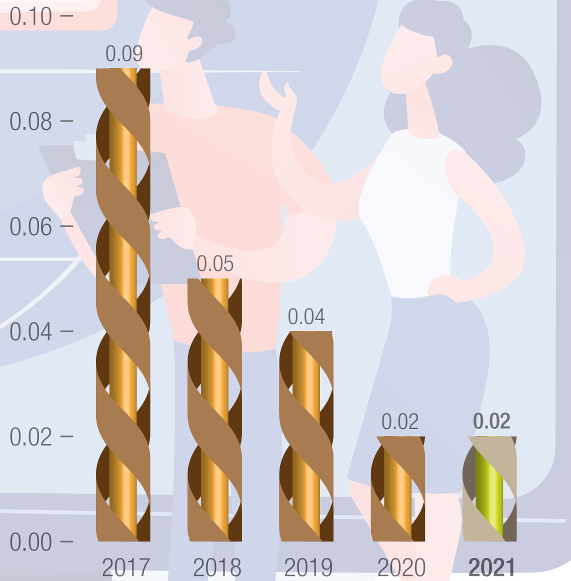


Profit/(Loss) Before Tax (RM'000)

Basic Earnings/(Loss) Per Share (sen)



Net Assets Per Share Attributable to Equity Holders (RM)



Chairman's Statement

Dear Valued Shareholders,

On behalf of the Board of Directors of EA Holdings Berhad ("EAH"), I present to you the Annual Report and Audited Financial Statements of the Group for the financial year ended 30 September 2021 ("FYE 2021").

2021 had been a challenging year as the Covid-19 pandemic continued to wreak havoc on the economy and people's lives. Fortunately, as the Government continues to ramp up the vaccination rate and begin to re-open all sectors of the economy, we're beginning to see some light at the end of the tunnel. Thankfully, the full lockdown imposed by the Government between June to Aug 2021 did not affect our operations significantly, as we had sufficient projects in hand to tide us over the low period.

During the financial year, the F&B segment remained as the main contributor for the Group and they were able to maintain their sales volume despite the lockdown. In addition, the Automation System and ICT Services segments recorded strong improvement as they managed to secure new projects during the year. Further details of our performance and results are outlined in the next section of this annual report.

On the corporate front, the Group have signed a Memorandum of Understanding (MOU) with Third Telecom Sdn Bhd in December 2021, to collaborate for the design, provision and distribution of broadband access solutions, services and equipment utilizing the 5G technology in Malaysia. With this collaboration, we are strategically positioning ourselves to be tap in the next phase of the technology revolution in Malaysia, which is the roll-out of the 5G services, spearheaded by Digital Nasional Berhad.

On behalf of the Board, I wish to express our gratitude to our staff for their dedication, diligence, professionalism and commitment to the Group. My deep gratitude also goes to my colleagues and the management team for their dedicated efforts and support through these years. I would also like to take this opportunity to convey our appreciation to our clients, business associates, shareholders and various stakeholders for their continued support and confidence in EAH.

Thank you.

Dato' Azahar bin Rasul
Chairman

Management Discussion And Analysis

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

The Company was incorporated in Malaysia on 6 November 2009 under the name EA Holdings Sdn Bhd and subsequently converted into a public limited company on 19 February 2010 and assumed its present name.

Since the Group's successful listing on the ACE Market of Bursa Malaysia Securities Berhad on 20 July 2010, the Group had expanded its structure and core business activities, which now comprises ICT Services, Software Solutions, Automation Systems and F&B Distribution. The Group is also involved in M&E engineering services for water supply and treatment plant via its associate company, Cekap Air Sdn. Bhd.

FINANCIAL OVERVIEW

During the financial year, the F&B segment remained as the main contributor for the Group and they were able to maintain their sales volume despite the lockdown. In addition, the Automation System and ICT Services segments recorded strong improvement as they managed to secure new projects during the year. Despite the lockdown imposed by government between June to September 2021, we were able to keep our project delivery on schedule as we had adopted work-from-home policies to ensure business continuity and maintained close communication with our clients and business partners.

For the FYE 2021, the Group recorded revenue of RM45.0 million. This was mainly driven by the contribution from the F&B distribution segment amounting to RM20.5 million, which was equivalent to 46% of the Group's total revenue. There was also significant improvement from Automation Systems and ICT Services segment, which contributed RM12.4 million and RM9.4 million respectively (49% of the Group's total revenue). The Group recorded loss before tax of RM12.6 million, which was mainly attributable to the provision of impairment losses amounting to RM20.0 million in compliance with the approved accounting standards.

Cash reserves stood at RM20.1 million as at the end of the FYE 2021 compared to RM30.6 million as at the end of the FPE 2020.

SEGMENTAL OVERVIEW

	FYE 2021 (12 months)		FPE 2020 (18 months)		FPE 2020 (Pro-rated 12 months)		Changes	
	RM '000	%	RM '000	%	RM '000	%	RM '000	%
ICT Services	9,432	20.9%	8,338	16.5%	5,559	16.5%	3,873	46.5%
Software Solutions	2,666	6.0%	4,471	8.9%	2,981	8.9%	(315)	(7.0%)
Automation Systems	12,428	27.6%	7,326	14.5%	4,884	14.5%	7,544	103.0%
F&B Distribution	20,513	45.5%	30,319	60.1%	20,213	60.1%	300	1.0%
Total	**45,039**	**100.0%**	**50,454**	**100.0%**	**33,636**	**100.0%**	**11,403**	**22.6%**

ICT Services

ICT Services comprised system integration, application development, maintenance services and supply of ICT software and equipment. During the financial year, ICT services contributed RM9.4 million, which was 20.9% of the total revenue for the FYE 2021. The revenue was higher compared to the 18 months result for the Financial Period Ended 30.09.2020 ("FPE 2020") as there were roll-out of new projects during the FYE 2021.

Software Solutions

Software Solutions segment comprised provision and maintenance of software applications such as, amongst others, e-Solutions, ICT consultancy services and Enterprise Resource Planning (ERP) solutions. The software solutions contributed RM2.7 million, which is 6.0% of the total revenue for the FYE 2021. The lower revenue was due to the weak market conditions as most companies were defraying or postponing new orders/additions while waiting for the economy to recover.

Management Discussion And Analysis (Continued)

SEGMENTAL OVERVIEW (Continued)

Automation Systems

The Automation Systems segment comprised of RFID Access Control Systems ("RFID"), Building Management Systems ("BMS"), Integrated Security Division ("ISD") and Mechanical and Electrical engineering services ("M&E"). The automation systems contributed RM12.4 million, which was 27.6% of the total revenue for the FYE 2021. The strong improvement was mainly due to the roll-out of an M&E project for a mixed development project in Kuala Lumpur.

F&B Distribution Segment

The F&B Distribution segment comprised selling and distribution of imported food items such as fruit juice, premium biscuits, canned fruits, jams and spreads, olive oil and vinegar as well as pasta, with approximately 150 products which major brands include Basso, Baronia, SICA or SICA Tomatoes, Loreto, Trucillo, Bonomi, Kronos, D' Amico and etc. This segment contributed RM20.5 million, which was 45.5% of the total revenue for the FYE 2021 and continued to remain as the main contributor to the Group's revenue.

REVIEW OF OPERATING ACTIVITIES

The full lockdown imposed by the Government between June to Aug 2021 did not affect our operations significantly, as we had sufficient projects in hand to tide us over the low period. Furthermore, the ICT Services segment and Automation Systems segment recorded significant improvement during the FYE 2021 due to the roll-outs of new projects. Sunland continued to be the main contributor to the Group's revenue (45.5%). As the nation's economy is still in recovery mode, and we will continue to monitor our expenditure and ensure that our overheads are at manageable levels.

BUSINESS RISKS

The Group will continue to be vigilant to mitigate the impacts on the business as much as possible. This is achieved by continued adherence to the SOPs to prevent COVID-19 infection in the workplace, curtailing unnecessary expenditures, and growing in targeted segments and markets with relevant solutions and products. This should ensure that the Group is strategically placed when the economic activities normalise and the industry recovers.

Nonetheless, the Group strives to maintain our competitive edge by always delivering quality services to our existing customers and to always keep growing our customer base. A competent, knowledgeable and talented pool of employees will continue to be the key driver for the Group's business moving forward. Our strategy of diversifying into non-ICT industry have proven to be successful with the acquisition of Sunland, and we will continue to look for opportunities expand our business, for both ICT and non-ICT related.

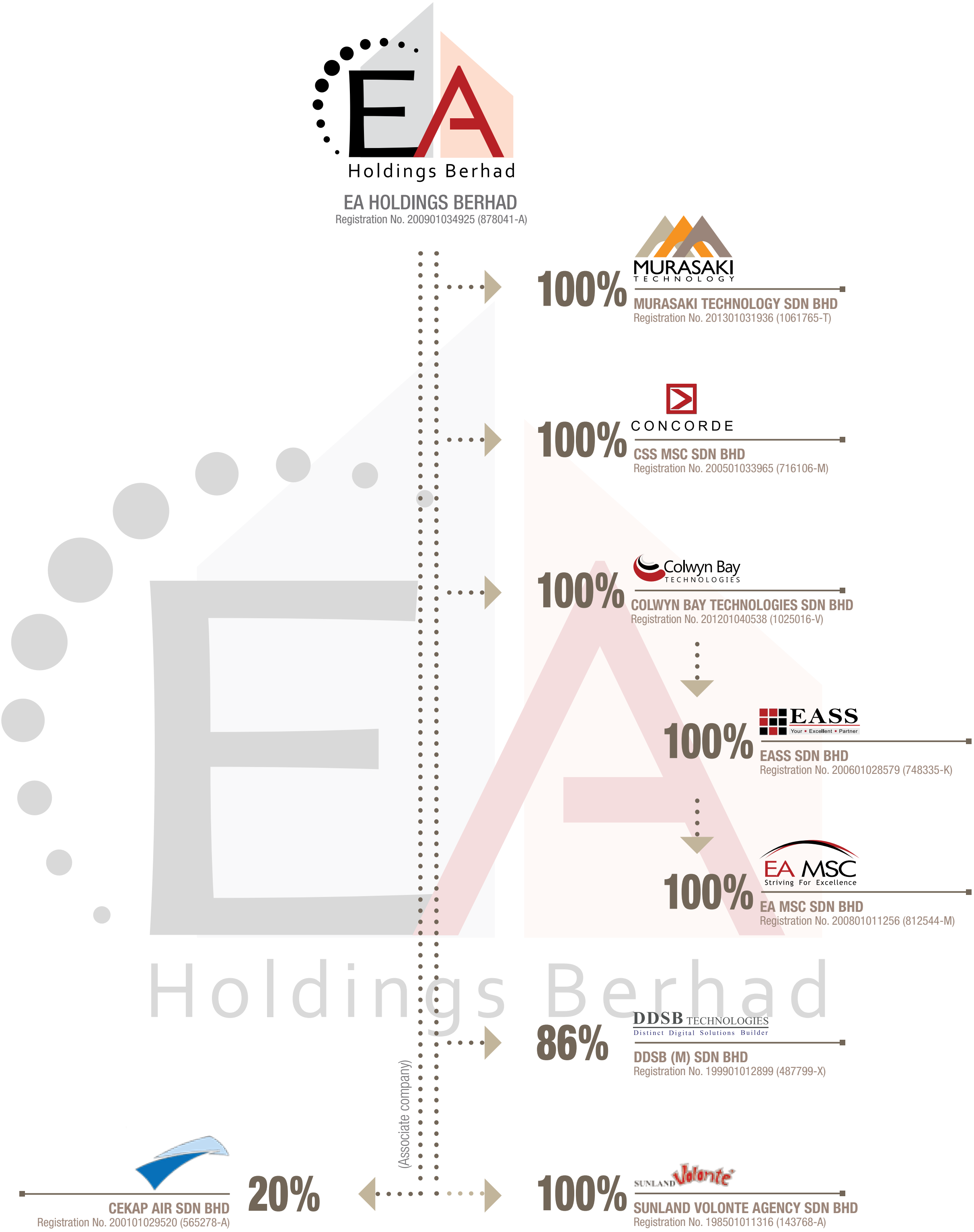
FUTURE PROSPECT

The Group has recorded significantly lower losses for this year as compared to the previous years. Barring any unforeseen circumstances, we expect to continue this positive trajectory, even as the nation's economy gently steer itself away from terrible effects brought on by the Covid-19 pandemic.

Company Profile

The Company was incorporated on 6 November 2009 under the name of EA Holdings Sdn Bhd and subsequently converted into a public limited company on 19 February 2010 and assumed its present name.

Since the Group's successful listing on the ACE Market of Bursa Malaysia Securities Berhad on 20 July 2010, EA Holdings Group structure has expanded as follows :-



Company Profile (Continued)

Our Products

EA HOLDINGS BERHAD
Registration No. 200901034925 (878041-A)

- ICT Consultancy Services
- System & Infrastructure Integrations
- E-business Software Applications
- Distribution of F&B Products
- Enterprise Resource Planning & Human Capital Management Solutions Technology
- RFID Systems, Security & Building Automation Systems
- M & E Engineering Services

Corporate Information

BOARD OF DIRECTORS

Dato‘ Azahar bin Rasul
Chairman, Independent and Non-Executive Director

Mohammad Sobri bin Saad
Chief Executive Officer / Executive Director

Basir bin Bachik
Executive Director

Choo Seng Choon
Independent Non-Executive Director

Abdul Fattah bin Mohamed Yatim
Senior Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Choo Seng Choon (Chairman)

Dato’ Azahar bin Rasul

Abdul Fattah bin Mohamed Yatim

NOMINATION COMMITTEE

Dato’ Azahar bin Rasul (Chairman)

Choo Seng Choon

Abdul Fattah bin Mohamed Yatim

REMUNERATION COMMITTEE

Dato’ Azahar bin Rasul (Chairman)

Choo Seng Choon

Abdul Fattah bin Mohamed Yatim

AUDITORS

Moore Stephens Associates PLT
(LLP0000963-LCA & AF002096)
Chartered Accountants
Unit 3.3A, 3rd Floor, Surian Tower,
No.1, Jalan PJU 7/3, Mutiara Damansara,
47810 Petaling Jaya, Selangor

COMPANY SECRETARY

Tan Kah Koon
SSM PC NO. 201908001500 (MAICSA 7066666)

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
(ACE Market)

PRINCIPAL BANKER

Hong Leong Bank Berhad
United Overseas Bank (Malaysia) Berhad

REGISTERED OFFICE

29-2, Level 29, Oval Damansara,
685, Jalan Damansara,
Taman Tun Dr Ismail
60000 Kuala Lumpur
Tel: 03-2770 8163
Fax: 03-2770 8166

REGISTRAR

Insurban Corporate Services Sdn. Bhd.
149, Jalan Aminuddin Baki,
Taman Tun Dr Ismail,
60000 Kuala Lumpur
Tel: 03-7729 5529
Fax: 03-7728 5948

PRINCIPAL PLACE OF BUSINESS

Unit 25-5, Level 25,
Oval Damansara,
685, Jalan Damansara,
60000 Kuala Lumpur
Tel: 03-7733 9762
Fax: 03-7733 9765

Directors' Profile

BOARD OF DIRECTORS

Name Of Members	Designation	Nationality
Dato' Azahar bin Rasul	Chairman, Independent Non-Executive Director	Malaysian
Mohammad Sobri bin Saad	Chief Executive Officer/Executive Director	Malaysian
Basir bin Bachik	Executive Director	Malaysian
Choo Seng Choon	Independent Non-Executive Director	Malaysian
Abdul Fattah bin Mohamed Yatim	Senior Independent Non-Executive Director	Malaysian

DATO' AZAHAR BIN RASUL

A Malaysian aged 60, male, Dato' Azahar was appointed as the Independent Non-Executive Director on 22 February 2010. He was appointed as the Chairman of the Company on 15 April 2013.

He obtained his Bachelor of Science Degree in Business Administration from Central Michigan University in 1988 and a Master of Science Degree in Accounting from the University of New Haven, Connecticut, USA in 1990. He has over 26 years of experience in the field of corporate accounting, finance, banking and administration. His last employment was with Land & General Berhad as its Senior Manager for Administration and Finance until 1995, when he left to set up set up his own business. Dato' Azahar also sits on the board of directors of VinVest Capital Holdings Berhad.

Dato' Azahar attended all Board meetings held during his tenure in office for the financial year ended 30 September 2021. He has no family relationship with any director or substantial shareholder of the Company.

Dato' Azahar has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

MOHAMMAD SOBRI BIN SAAD

A Malaysian aged 62, male, Mohammad Sobri is the Group founder and was appointed as the Chief Executive Officer/ Executive Director on 6 November 2009. He is responsible for the operations, strategic planning and direction of our Group. He obtained his Bachelor of Science (Hons) Degree in Mathematics and Computing from The Polytechnic of Wales, Pontypridd, Wales, United Kingdom in 1984.

He started his career in various local corporations as well as multinational companies such as Harrisons Malaysian Plantation Berhad, Bank Simpanan Nasional and ESSO Malaysia Berhad who were users of ICT technologies like IBM, SAP and Oracle. He started a new phase of career to become a supplier of ICT technology by working and consulting in Infotech Consultants Pte Ltd, Singapore, Platinum Technology Inc, an US-based software company, Teliti Computers Sdn. Bhd., Swift Applications Sdn. Bhd. and EASS Sdn. Bhd. His experiences encompassed the usage of advance ICT technology supplied by IBM, Computer Network Technology Corporation, LANdesk Software Inc, ReadSoft and his clients comprised of large corporations in the banking industries, oil and gas, and utilities companies in Malaysia and the ASEAN region. He also sits on the Board of Directors of the subsidiary companies of the Group, namely EASS Sdn. Bhd., EA MSC Sdn. Bhd., CSS MSC Sdn. Bhd. and Colwyn Bay Technologies Sdn. Bhd.

Mohammad Sobri attended all Board meetings held during his tenure in office for the financial year ended 30 September 2021. He has no family relationship with any director or substantial shareholder of the Company.

Mohammad Sobri has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

BASIR BIN BACHIK

A Malaysian aged 64, male, Basir was appointed as the Executive Director of EA Holdings Berhad on 22 February 2010. He is also the Chief Operating Officer for ICT Services of the Group. He obtained his Bachelor of Science Degree in Computer Science from Edinburgh University, United Kingdom in 1982.

Basir has over 30 years of experience in the IT industry, serving both local and multinational companies such as Malaysian Airline System Berhad, ESSO Malaysia Berhad, IBM Singapore Pte Ltd, SHELL Refining Company (Federation of Malaya) Berhad, IBM Malaysia Sdn. Bhd., Petronas Group of companies and iPerintis Sdn. Bhd. He has also consulted for various financial institutions in Malaysia including Bank Simpanan Nasional and Permodalan Nasional Berhad. He started as a systems programmer, moving on to IT systems management to become a consultant specialising in ITIL. He has also managed large IT infrastructure projects for a petrochemical complex and a government agency. He is an accomplished system architect specialising in IT infrastructure. He is also a Director of DDSB (M) Sdn. Bhd. and CSS MSC Sdn. Bhd., which are subsidiary companies of the Group.

Basir attended all Board meetings held during his tenure in office for the financial year ended 30 September 2021. He has no family relationship with any director or substantial shareholder of the Company.

Basir has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

CHOO SENG CHOON

A Malaysian aged 48, male, Choo Seng Choon was appointed as the Independent Non-Executive Director of EA Holdings Berhad and Chairman of the Audit and Risk Management Committee on 15 November 2019. He is also a member of the Nomination Committee and Remuneration Committee of the Company.

Choo Seng Choon is a Chartered Accountant of the Malaysian Institute of Accountants, Fellow member of the Chartered Association of Certified Accountants (UK), a Chartered member of the Institute of Internal Auditors Malaysia and a Certified Internal Auditor. He also holds a Diploma in Financial Accounting from Tunku Abdul Rahman College, Kuala Lumpur.

Choo has over 25 year of professional and commercial experience in multi discipline that includes internal audit, risk management, performance and business management, IPOs, taxation, due diligence, corporate finance, business process re-engineering, investigations, corporate governance and financial audits. He has previously served as an adviser in the office of public listed conglomerate. He currently owns and manages his own corporate advisory firm that provides business advisory services to public, multi-national and private companies. Choo also sits on the board of directors of VinVest Capital Holdings Berhad and LTKM Berhad.

Choo attended all Board meetings held during his tenure in office for the financial year ended 30 September 2021. He has no family relationship with any director or substantial shareholder of the Company.

Choo has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

ABDUL FATTAH BIN MOHAMED YATIM

A Malaysian aged 66, male, Abdul Fattah was appointed as the Independent Non-Executive Director of EA Holdings Berhad on 22 February 2010. He was subsequently appointed as a member of the Audit and Risk Management Committee on 13 August 2010. He is also a member of the Nomination Committee and Remuneration Committee of the Company.

Abdul Fattah obtained his Bachelor of Science Degree in Electronic and Electrical Engineering from Loughborough University of Technology, United Kingdom in 1978. He practised engineering with the National Electricity Board (now known as Tenaga Nasional Berhad) where he specialised in engineering software development and simulation and long range transmission planning. From 1983, he served in professional and senior management positions in Esso Production Malaysia Incorporated, including a two year foreign assignment in Exxon companies in USA and UK. He then worked in System Consultancy Services Sdn. Bhd. from 1996 where he was a consultant to the Malaysian Armed Forces.

From 2003 to present, Abdul Fattah has been a consultant in several consulting companies providing ICT consulting services on various aspects of ICT such as strategic planning, project management, application delivery, security, business continuity planning, personal data protection and block chain to clients in the public and private sectors. He is presently an independent consultant. He was a council member in the Institutions of Engineers Malaysia. He is also a Professional Member of the Organisation of Islamic Countries – Computer Emergency Response Team (OIC-CERT).

Abdul Fattah attended all Board meetings held during his tenure in office for the financial year ended 30 September 2021. He has no family relationship with any director or substantial shareholder of the Company.

Abdul Fattah has no conflict of interest with the Group and has no conviction for offences within the past 10 years other than traffic offences.

Corporate Governance

The Board of Directors of EA Holdings Berhad is fully committed towards ensuring that the principles and best practices as set out in the Malaysian Code on Corporate Governance ("the Code") are applied and practiced by the Group to deliver long term sustainable value to the shareholders and stakeholders.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

I. Board of Directors' Duties and Responsibilities

The Board has overall responsibility for the corporate governance, proper conduct and strategic direction of the Group. The Board delegates authority and vests accountability for the Group's day to day operations with a management team led by the Group's CEO, En. Mohammad Sobri bin Saad. The Board, however, assume responsibility for the following areas :-

a) Reviewing and adopting a strategic plan for the Group;

b) Overseeing the conduct of the Group of the Group's business to evaluate whether the business is being properly managed;

c) Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;

d) Succession planning;

e) Developing and implementing an investor relations programme and shareholder communications policy for the Group; and

f) Reviewing the adequacy and the integrity of the Group's internal controls systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

II. Chairman

The Chairman of the Board, Dato' Azahar bin Rasul is an Independent Non-Executive Director. The Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board, which is fully defined in the Board Charter.

III. Separation in the role of Chairman and CEO

The roles and responsibilities of the Chairman of the Board and the CEO are exercised by different individuals, and are clear and distinct. The Chairman's primary role is to lead and manage the Board, which would include, amongst others, leading the Board in the oversight of the management, ensuring the integrity of the corporate governance process and issues, guiding and mediating Board actions with respect to organisational priorities and governance concerns.

The CEO is responsible for the development and implementation of strategy, overseeing and managing the day to day operations of the Group, such as, amongst others, developing long-term strategic and short-term cash flow plans, directing and controlling all aspects of business operations, overseeing the human resources need of the Group and ensuring compliance with all governmental procedures and regulations.

IV. Qualified and Competent Company Secretary

The Board is satisfied with the performance and support rendered by the Company Secretary to the Board in the discharge of functions. The Company Secretary ensure that all Board meetings are properly convened, and accurate and proper records of the proceedings and resolutions passed are recorded and maintained in the statutory register of the Company. The Company Secretary also ensure that the Board policies and procedures are followed and rules and regulations, codes or guidance and legislations are complied with.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

1. Board Responsibilities (Continued)

V. Access to Information and Advice

All Board members have full and unrestricted access to information on the Group's business and affairs. All scheduled meetings held during the year were preceded by a formal notice issued by the Company Secretary in consultation with the Chairman. The Board papers contain all relevant information and reports on financial, operational, corporate, regulatory and minutes of meetings. These documents are comprehensive and include qualitative and quantitative information to enable the Board members to make informative decisions. Where required, senior management and external advisors are invited to attend these meetings to explain and clarify on matters tabled.

The Board is regularly updated and advised by the Company Secretary on new statutory as well as regulatory requirements. The Board has full and unrestricted access to the advice and services of the Company Secretary as well as the senior management. Where necessary, the Board may obtain independent professional advice at the Company's expenses on the specific issues to enable the Board to make well-informed decisions in discharging their duties on the matters tabled.

VI. Board Charter

The Board had approved and adopted a Board Charter setting out the duties, responsibilities and functions of the Board in accordance with the principles of good corporate governance as set out in the policy documents and guidelines issued by the regulatory authorities. The charter is regularly reviewed and updated to ensure its consistency with the Code. The Board Charter is available on EAH's corporate website at www.eah.com.my.

VII. Code of Conduct and Ethics

The Board has been guided by the Code of Conduct for Directors, Management and Officers of the Group, to promote the corporate culture which engenders ethical conduct that permeates throughout the Group to be in line with the Code. The Code of Ethics will require all Directors to observe high ethical business standards, and to apply these values to all aspects of the Group's business and professional practice and act in good faith in the best interests of the Group and its shareholders.

VIII. Whistle Blowing Policy

The Board has established a Whistle-blowing Policy, available for viewing on the Company's website at www.eah.com.my. The Board is committed to promote and maintain a high standard of integrity, openness and accountability in the conduct of its businesses and operations. The Company provides avenue for employees and stakeholders to report and disclose any wrongdoing or improper conduct relating to unlawful conduct, inappropriate behaviour, malpractices, any violation of the procedures as provided under this policy or any action that is or could be harmful to the reputation of the Group or compromise the interests of the shareholders, clients and the public, to the Company. This is also to provide protection for the whistle-blower from reprisal as a direct consequence of making a disclosure and to safeguard such person's confidentiality. Employees and stakeholders are encouraged to submit their reports and concerns to the Company via the Company's website and it will be attended to by the Board or the Senior Management, as the case may be.

IX. Anti-Bribery and Anti-Corruption Policy

In compliance with the requirement of S17A of the Malaysian Anti-Corruption Commission Act 2009, the Company has adopted the Anti-Bribery and Anti-Corruption Policy. The Group has established and implemented policies and procedures to prevent corruption practices and safeguard the integrity of the Company. The Anti-Bribery and Anti-Corruption Policy is available on the Company's website at www.eah.com.my.

Corporate Governance (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

2. Board Composition

I. Composition and Board Balance

The Group is led and managed by a well-balanced Board which consists of members with wide range of business, technical and financial background in ensuring that the Group achieves the highest standard of performance, accountability and ethical behaviour as expected by the stakeholders.

The Board is made up of five (5) members, consisting of two (2) Executive Directors and three (3) Independent Non-Executive Directors as follows:

Name Of Members	Designation
Dato' Azahar bin Rasul	Chairman, Independent Non-Executive Director
Mohammad Sobri bin Saad	Chief Executive Officer/Executive Director
Basir bin Bachik	Executive Director
Choo Seng Choon	Independent Non-Executive Director
Abdul Fattah bin Mohamed Yatim	Senior Independent Non-Executive Director

The Board has a balanced composition of Executive and Non-Executive Independent Directors such that no individual or group of individuals can dominate the Board's decision making powers and processes. All Board members carry an independent judgement to bear on issues of strategy, performance, resources and standards of products. All the Directors have also complied with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad on the limit of five (5) directorship in public listed companies.

The profiles of the Directors are presented on page 10 to 11 of this annual report.

II. Tenure of Independent Director

According to the Code, if the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval. Dato' Azahar bin Rasul, Chairman, Independent Director and Abdul Fattah bin Mohamed Yatim, Independent Director have served the Board of EAH for more than nine (9) years. Their tenure of service is set out in the Profile of Board of Directors of this Annual Report.

The Board has via the NC conducted an annual performance evaluation and assessment on the Independent Directors and is of the opinion that Dato' Azahar bin Rasul and Abdul Fattah bin Mohamed Yatim remains objective and independent in expressing their views.

Based on the recommendation of the NC, the Board will be seeking the shareholders' approval in the 11th AGM for Dato' Azahar bin Rasul and Abdul Fattah bin Mohamed Yatim to continue as Independent Directors of the Company by way of ordinary resolutions. The justifications for their continuation as Independent Directors are disclosed in the Notice of the AGM.

III. Gender Diversity

There is currently no women on the Board. At present, the Board does not have a specific policy on gender, ethnicity and age group for candidates to be appointed to the Board and does not have policy on setting target to achieve more female participation on Board. However, the Board is committed to ensuring that the directors of the Company possess a broad balance of knowledge, merits, capability, experience, skillsets, integrity and diversity, including gender diversity. The Company always provide a fair opportunities and female representation will be considered when vacancies arise with the primary aim of selecting the best candidate to support the achievement of the Groups' objectives.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

2. Board Composition (Continued)

IV. Board Meeting

The Board will meet at least four (4) times a year with additional meetings being held as and when required. For the financial year ended 30 September 2021, four (4) Board meetings were held. The Board is satisfied with the level of time committed by its members in discharging their duties and roles.

The attendance of the Directors at Board meetings during the financial year ended 30 September 2021 are:

No.	Name Of Members	Designation	Attendance	% Of Attendance
1	Dato' Azahar bin Rasul	Chairman, Independent Non-Executive Director	4/4	100%
2	Mohammad Sobri bin Saad	Executive Director/CEO	4/4	100%
3	Basir bin Bachik	Executive Director	4/4	100%
4	Abdul Fattah bin Mohamed Yatim	Senior Independent Non-Executive Director	4/4	100%
5	Choo Seng Choon	Independent Non-Executive Director	4/4	100%

V. Board Committees

To assist the Board in discharge of their duties effectively, the Board has delegated specific functions to certain committees. Each committee will operate within its clearly defined terms of reference.

(a) Audit and Risk Management Committee

The terms of reference of the Audit and Risk Management Committee are set out on page 21 to 23 of the annual report.

(b) Nomination Committee

The Nomination Committee comprises exclusively of independent Non-Executive Directors as follows :-

Dato' Azahar bin Rasul	Chairman
Abdul Fattah bin Mohamed Yatim	Member
Choo Seng Choon	Member

The Nomination Committee considers and recommends to the Board suitable candidates whom the Committee feel would be of good value and a complementing addition to the Board. The appointment of the Directors remains the responsibility of the Board after taking into consideration the recommendations of the Nomination Committee. The assessment of the effectiveness of the Board collectively and individually is an on-going continuous process undertaken by the Nomination Committee.

Whenever deemed necessary, the Committee would forward the relevant recommendations for the Board consideration. In carrying out its duties and responsibilities, the Nomination Committee have full, free and unrestricted access to any information, record, properties and personnel of the Group. The Committee may seek the external professional services to source for the right candidate for directorship or seek independent professional advice whenever necessary. The Nomination Committee is of the opinion that the current Board composition has the necessary knowledge, experience, professionalism, integrity, requisite range of skills and competence to enable them to discharge their duties and responsibilities.

En. Abdul Fattah bin Mohamed Yatim was appointed as the Senior Independent Non-Executive Director, to whom the concerns by the public and external stakeholders can be addressed.

Corporate Governance (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

2. Board Composition (Continued)

V. Board Committees (Continued)

(b) Nomination Committee (Continued)

Nomination Committee attendance were as follows :-

No.	Name Of Members	Attendance	Percentage
1	Dato‘ Azahar bin Rasul	1/1	100%
2	Abdul Fattah bin Mohamed Yatim	1/1	100%
3	Choo Seng Choon	1/1	100%

VI. Directors’ Training

The Board is mindful of the importance for its members to undergo continuous training to be apprised on changes to regulatory requirements and the impact such regulatory requirements have on the Group. All Directors have attended the Mandatory Accreditation Programme (“MAP”) as required by Bursa Malaysia Securities Berhad. The Directors will continue to undergo other relevant training programmes to keep themselves abreast with the relevant changes in laws, regulations and business development and the Board would also continually assess the training needs of the Directors as part of their obligation to update and enhance their skills and knowledge in order to effectively carry out their duties and responsibilities.

During the financial year ended 30 September 2021, the Directors had attended the following training programmes :-

Directors	Title
Dato‘ Azahar bin Rasul	- ALLIANZ Introduction to Personal Data & Privacy Act (PDPA) on 31 March 2021 - Anti-Fraud and Anti-Corruption Training on 7 September 2021
Mohammad Sobri bin Saad	- Advocacy Sessions for Directors and Senior Management of ACE Market Listed Corporation on 15 September 2021
Abdul Fattah bin Mohamed Yatim	- National Blockchain Technology Roadmap Development Workshop on 27 November 2020 & 13 January 2021 - ISO/IEC JTC1 Information Technology Standards Committee Plenary Workshop from 11 to 14 May 2021 & 17 May 2021 - ISO/TC 307 Blockchain and Distributed Ledger Technologies Standards Committee Workshop on 1, 3 & 4 June 2021
Choo Seng Choon	- Managing Income Tax Audit Training on 16 June 2020 - Optimising Tax Benefits for Companies and Related Entities Seminar on 17 June 2021 - Harnessing Procurement as Profit Springboard Training on 30 September 2021

VII. Appointment and Re-election of Directors

One third (1/3) of the Board shall retire from office and are eligible for re-election at each Annual General Meeting and all directors shall retire from office once in every three (3) years but shall be eligible for re-election. The Company’s Constitution also provides that a Director who is appointed by the Board in the course of the year shall be subject to re-election at the next AGM to be held following his appointment.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

3. Remuneration

I. Remuneration Policy

The Remuneration Committee reviews, assesses and recommends to the Board the remuneration packages of the executive directors in all forms. None of the executive directors participated in any way in determining their individual remuneration. The Board as a whole determines the remuneration of the non-executive Chairman and non-executive directors with individual directors abstaining from decisions in respect of their individual remuneration.

In carrying out its duties and responsibilities, the Remuneration Committee have full, free and unrestricted access to any information, record, properties and personnel of the Company. The Remuneration Committee may obtain the advice of external consultants on the appropriateness of remuneration package and other employment conditions if required.

The remuneration package is designed to support the Company's strategy and to provide an appropriate incentive to maximise individual and corporate performance, whilst ensuring that overall rewards are market competitive. The Executive Directors' package consists of basic salary, contribution to the national pension fund and benefits-in-kind such as medical care, car allowance and fuel whilst the Non-Executive Directors' package primarily consists of fees only.

II. Remuneration Committee

The Remuneration Committee comprises exclusively of Independent Non-Executive Directors as follows :-

Dato' Azahar bin Rasul	Chairman
Abdul Fattah bin Mohamed Yatim	Member
Choo Seng Choon	Member

Remuneration Committee attendance were as follows : -

No.	Name Of Members	Attendance	Percentage
1	Dato' Azahar bin Rasul	1/1	100%
2	Abdul Fattah bin Mohamed Yatim	1/1	100%
3	Choo Seng Choon	1/1	100%

The details of the Directors' remuneration for the financial year ended 30 September 2021 are as follows :-

	Executive Directors (RM'000)	Non-Executive Directors (RM'000)
Salaries and other emoluments	513	-
Fees	-	131

The number of Directors whose remuneration falls into each band of RM50,000 are set as follows :-

	Number of Directors	
	Executive Directors	Non-Executive Directors
Below RM 50,000	-	3
200,001 - 250,000	1	-
250,001 - 300,000	1	-

Corporate Governance (Continued)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

3. Remuneration (Continued)

III. Remuneration of Senior Managements

The aggregate remuneration of the top 5 Key Senior Management of the Group for the financial year ended 30 September 2021 are as follows :-

Remuneration	Number of Key Senior Management
100,001 – 150,000	1
200,001 – 250,000	2
250,001 – 300,000	1
350,001 – 400,000	1

4. Board's Performance Evaluation

The Nomination Committee has a formal assessment processes to review and evaluate the individual Director's performance and assess the effectiveness of the Board and Board's Committees. The Assessment were based on the criteria as recommended by the MCCG, which includes the Board structure and operations, roles and responsibilities, overall quality input to Board effectiveness, succession planning and Board Governance. The Board evaluation comprises Performance Evaluation of the Board and Board Committee, Directors' Self and Peer Evaluation and Assessment of the independence of the Independent Director. The Independent Non-Executive Directors provide a broader view and independent assessment to the decision-making process of the Board taking into account of the interest of the Group and all its stakeholders. During the financial year, the Board has assessed the independence of the Independent Non-executive Directors and is generally satisfied with their ability to act independently and objectively in the best interest of the Group. In conclusion, the Board was satisfied with the overall performance of individual Director, Board and Board Committees for the year under review.

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Audit and Risk Management Committee

The Audit and Risk Management Committee ("ARMC") assists the Board to oversee the Group's financial reporting process. ARMC of the Board comprises exclusively of independent Non-Executive Directors and the Chairman of the ARMC is distinct from the Chairman of the Board. It is a practice for ARMC to require former key audit partner who was part of the engagement team to observe a cooling-off period of at least 2 years before being appointed as a member of the ARMC. For the financial year ended 30 September 2021, no former key audit partner has been appointed or is a Director of the Company. There are 4 meetings held for ARMC during the current financial year. The role, activities, authority, duties and responsibilities of the ARMC during the financial year are described in the Audit and Risk Management Committee Report found on page 21 to 23 of this annual report.

The Group and ARMC have always maintained a close and transparent relationship with the both internal and external auditors in seeking professional advice and ensuring compliance with the relevant accounting standards. The internal and external auditors are invited to attend Audit and Risk Management Committee meetings and present their audit findings without the Executive Directors. The Committee is responsible for reviewing audit and non-audit services provided by the auditors. The independence, effectiveness and performance of the external auditors is reviewed annually by the Committee. External auditors will be recommended for re-appointment on the Board and seek approval from the shareholders at the forthcoming AGM. During the financial year under review, the ACMC had private meetings with the External Auditors without the presence of the Executive Board members and management.

The internal audit function has outsourced to an independent professional firm which reports directly to ARMC. The Committee works together with internal auditor on the scope of the audit and plan internal audit activities annually. All audit findings arising will then report directly to the Committee.

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT (Continued)

2. Risk Management and Internal Control Framework

The Statement on Risk Management and Internal Control is set out on page 24 to 25 of this annual report detailing the features of the risk management and internal control frameworks of the Group.

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

1. Communication with Stakeholders

The Board values the importance of effective communication and timely flow of information of all material business matters to the stakeholders. Hence, the Board has established corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosure information to the shareholders and stakeholders. In line with this commitment and in order to enhance the transparency and accountability, the Board has adopted an internal corporate disclosure policies and procedures to facilitate the handling and disclosure of material information in a timely and accurate manner. The information is communicated through the annual reports, circulars, quarterly results announcement, and the various disclosures and announcements made to Bursa Securities from time to time, in order to keep the stakeholders properly informed of the Group's performance and operations. The Group maintains a website at www.eah.com.my that allows all shareholders and investors access to information about the Group.

2. Annual General Meeting

The Annual General Meeting is the principal forum dialogue with all shareholders. Shareholders are encouraged to participate in the questions and answers session and all the Directors are available to respond to questions during the meeting. It provides the opportunity for the shareholders to meet and discuss for the Group's strategies, performance, major developments, corporate governance, future prospects and direction. The Board will also ensure that general meetings are served as an effective platform for the shareholders' communication by supplying timely and accurate information. Notice of Annual General Meeting and the annual report are sent to shareholders at least 21 days before the date of the meeting, allow sufficient time for the shareholders to review and seek clarification, if any. The notice included details of resolutions to be passed in the general meeting.

Statement of Compliance with the Code

The Board believes that the Group has complied with majority practices of the Principles and Recommendation of the Code, the relevant chapters of the Listing Requirement of ACE Market of Bursa Malaysia Securities Berhad on corporate governance and all applicable laws and regulations throughout the financial year ended 30 September 2021. The Board has reviewed and approved this Statement and is satisfied that the Group has fulfilled its obligation. The Corporate Governance Report is available on the Group's website, www.eah.com.my, as well as on Bursa Malaysia Berhad's website, www.bursamalaysia.com.

Corporate Governance (Continued)

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANING RELATIONSHIP WITH STAKEHOLDERS (Continued)

Director Responsibility Statement

This statement is prepared pursuant to the Listing Requirement of Bursa Malaysia Securities Berhad for the ACE Market.

The Board is fully accountable to ensure that the financial statements are prepared in accordance with the applicable approved accounting standards prescribed by Malaysian Accounting Standards Board and give a true and fair view of the state of affairs of the Group, including cash flow and results as at the end of each year.

The Directors are responsible for ensuring that the Group and the Company have maintained proper accounting records which disclose with reasonable accuracy the financial position of the Group and the Company which comply with the provisions of the Companies Act 2016.

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

Audit And Risk Management Committee Report

AUDIT AND RISK MANAGEMENT COMMITTEE MEMBERS

Chairman	**Choo Seng Choon** (Independent Non-Executive Director)
Members	**Abdul Fattah bin Mohamed Yatim** (Senior Independent Non-Executive Director) **Dato' Azahar bin Rasul** (Independent Non-Executive Director)
Secretary	**Tan Kah Koon** (Company Secretary)

TERMS OF REFERENCE OF AUDIT AND RISK MANAGEMENT COMMITTEE

1. Composition

(a) The Audit and Risk Management Committee shall be appointed by the Board from amongst themselves comprising not less than three (3) members where the majority of them shall be composed of independent non-executive directors and the CEO shall not be a member of the Audit and Risk Management Committee.

(b) The Committee shall include at least one (1) person who is a member of the Malaysian Institute of Accountants or possessing such financial related qualification or experience as may be required by Bursa Malaysia Securities Berhad.

(c) The term of office of the Audit and Risk Management Committee is two (2) years and may be re-nominated and appointed by the Board.

(d) The members of the Audit and Risk Management Committee shall elect a Chairman from amongst themselves who shall be an independent director.

(e) All members of the Audit and Risk Management Committee, including the Chairman, will hold office only so long as they serve as Directors of the Company. Should any member of the Audit and Risk Management Committee cease to be a Director of the Company, his membership in the Audit and Risk Management Committee would cease forthwith.

(f) No Alternate Director of the Board shall be appointed as a member of the Audit and Risk Management Committee.

(g) If the number of members of the Audit and Risk Management Committee for any reason be reduced to below three (3), the Board of Directors shall within three (3) months of the event, appoint such number of new members as may be required to make up the minimum number of three (3) members.

(h) The Board must review the term of office and performance of the Committee and each of its members at least once every three (3) years to determine whether such Committee and members have carried out their duties in accordance with their terms of reference.

2. Duties and Responsibilities

The duties and responsibilities of the Committee shall include the followings :-

Matters relating to External Audit

(a) To review the nomination of external auditors and their audit fees;

(b) To review the nature, scope and quality of external audit plan/arrangements;

(c) To review quarterly and annual financial statements of the Company, before submission to the Board, focusing in particular on the going concern assumption, compliance with accounting standards and regulatory requirements, any changes in accounting policies and practices, significant issues arising from the audit and major judgmental issues;

(d) To review the external auditors' audit report;

(e) To review with the external auditors, their evaluation of the system of internal accounting controls;

Audit And Risk Management Committee Report (Continued)

2. Duties and Responsibilities (Continued)

Matters relating to External Audit (Continued)

(f) To review the Company's policies and procedures with Management and external auditors to ensure the adequacy of internal accounting and financial reporting controls;

(g) To review any letter of resignation from the external auditors;

(h) To consider and review whether there is reason (supported by grounds) to believe that the Company's external auditors are not suitable for re-appointment; and

(i) To review the assistance given by the Company's officers to the external auditors.

Matters relating to Internal Audit function

(a) To review the effectiveness of the internal audit function;

(b) To review the internal audit programme and results of the internal audit process;

(c) To review the follow up actions by the Management on the weakness of internal accounting procedures and controls;

(d) To review on all areas of significant financial risk and the arrangements in place to contain those risks to acceptable levels; and

(e) To review the assistance and co-operation given by the Group and its officers to the internal auditors.

Risk Management and Internal Control

(a) To review the adequacy of risk management framework and to provide independent assurance to the Board of Directors on the effectiveness of the Company's risk management processes;

(b) To evaluate the quality and effectiveness of the Company's internal controls and management information systems, including compliance with applicable laws, rules and guidelines; and

(c) To recommend to the Board of Directors the Statement of Internal Control and any changes to the said statement.

3. Authority

The Committee shall in accordance with a procedure to be determined by the Board and at the expense of the Company :

(a) have explicit authority to investigate any matter within its terms of reference;

(b) have the resources which the Committee needs to perform the duties;

(c) have full access to any information which the Committee requires in the course of performing its duties;

(d) have unrestricted access to all employees of the Group;

(e) have direct communication channels with the external auditors;

(f) be able to obtain outside legal or independent professional advice in the performance of its duties at the cost of the Company; and

(g) be able to invite outsiders with relevant experience to attend its meetings, if necessary.

4. Meetings and Minutes

The Committee shall hold not less than four (4) meetings a year to review the quarterly results and year end financial statements. In order to form the quorum for each meeting, a minimum of two (2) members present shall be Independent Directors.

In addition to the Committee members, the head of internal audit shall normally attend the meetings. Representatives of the external auditors shall attend meetings where matters relating to the audit of the statutory accounts and/or the external auditors are to be discussed.

Minutes of each meeting shall be kept and distributed to each member of the Committee and also to the other members of the Board. The Committee Chairman shall report on each meeting to the Board.

The Secretary to the Committee shall be the Company Secretary.

5. Internal Audit Function

The Company's internal audit function is outsourced to an independent professional internal audit service provider, which reports directly to the Audit and Risk Management Committee. The Internal Auditors adopt a risk-based approach when preparing its annual audit plan and strategy. The principal role of the internal audit is to conduct independent and regular reviews of the various operations of the Company and to provide objective reports on the state of the internal controls to the Audit and Risk Management Committee. All internal audit reports will be presented to the Audit and Risk Management Committee for deliberation. The Audit and Risk Management Committee would then make the relevant recommendations for the management's further action. The total costs incurred for the outsourced internal audit function during the financial year ended 30 September 2021 was RM23,560.

Summary of Activities

During the financial yearperiod ended 30 September 2021, in line with the terms of reference, the Committee carried out the following activities in the discharge of its functions and duties:

1. Meeting with the external auditors to review the audited financial statements for the financial yearperiod ended 30 September 2021;

2. Reviewed the audit reports of the Group prepared by the external auditors and considered the major findings by the auditors and management's responses thereto;

3. Reviewed the quarterly and year-end financial results of the Group prior to submission to the Board for consideration and approval;

4. Reviewed the disclosure of related party transactions entered into by the Group in the annual report of the Group;

5. Reviewed the audit plan, nature and scope of the external auditors and considering their audit fee;

6. Reviewed the audit plan, nature and scope as proposed by the internal auditors;

7. Reviewed the audit reports presented by the internal auditors on the findings and recommendations and ensure that they are duly acted upon by the management.

Meeting Attendance

The Committee held four (4) meetings during the financial year ended 30 September 2021. The details of the attendance are as follows:

Directors	No. of meetings attended
Choo Seng Choon	4/4
Abdul Fattah bin Mohamed Yatim	4/4
Dato' Azahar bin Rasul	4/4

Statement On Risk Management And Internal Control

The Malaysian Code of Corporate Governance requires listed companies to establish and maintain a sound risk management framework and internal controls to safeguard shareholders' investment and the Group's assets. This Statement on Risk Management and Internal Control is prepared in accordance with Paragraph 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

BOARD RESPONSIBILITIES

The Board of Directors ("the Board") recognises the importance of maintaining a good system of risk management and internal controls and risk management to safeguard shareholders' investment and the Group's assets. The Board acknowledges its overall responsibility for reviewing the adequacy and integrity of the Company's system of risk management and internal control, identifying principal risks and establishing an appropriate control environment and framework to manage risks and evaluating the Group's operational effectiveness and efficiency.

The Board has reviewed the adequacy and effectiveness of the system of risk management and internal controls of the Group. It recognises that due to inherent limitations, such systems are designed to manage rather than to eliminate the risk of business failure. As such, these systems could only provide reasonable but not absolute assurance against material misstatements or losses and the effectiveness of an internal control system may vary over time.

SYSTEM OF RISK MANAGEMENT

The Board acknowledged that all areas of the Group's activities involve some degree of risks and recognises that effective risk management is part of good business management practice for the successful achievement of the Group's business objectives. Operationally, the respective directors of the subsidiary companies and key management staff are responsible for managing the risks of their departments and periodic management meetings are held to address significant issues faced by the Group so as to ensure significant risks are closely monitored and appropriately addressed. Significant risks are highlighted to the Board on an exception basis. The abovementioned practices/initiatives serves as the on-going process used to identify, evaluate and manage significant risks that affect the achievement of the Group's business objectives.

SYSTEM OF INTERNAL CONTROL

The key measures implemented in the Group are as follows :-

(i) A well-defined organisation structure with distinct lines of accountability that sets out the authority delegated to the board and management committees;

(ii) A management reporting system to facilitate the collection, processing, monitoring and dissemination of critical information for management review and decision;

(iii) Performance reports such as quarterly financial review, business development and other corporate matters are regularly provided to the Directors for discussion and deliberations at Board of Directors meeting;

(iv) Review of quarterly and annual financial results by the Audit and Risk Management Committee;

(v) Regular meetings by the management team to discuss and review reports and business developments and to resolve key operations and managements issues;

(vi) Review the adequacy and effectiveness of the system of internal control, with the assistance of the internal audit function; and

(vii) Direct involvement of the executive directors in running the business and operations of the Group and is responsible to report to the Board on significant changes which may affect the operations of the Group.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to an independent professional firm to review the adequacy and integrity of the internal control systems of the Group.

The functions of the internal audit are as follows :-

1. Perform audit work in accordance with the pre-approved internal audit plan.

2. Carry out review on the system of internal controls of the Group.

3. Review and comment on the effectiveness and adequacy of the existing control policies and procedures.

4. Provide recommendations, if any, for the improvement of the control policies and procedures.

5. Review and comment on the implementation status of the recommendation by the internal audit function.

The internal audit function reports directly to the Audit and Risk Management Committee and is independent to the management. The internal audit reports are submitted to the Audit and Risk Management Committee who would review and deliberate on the findings before making the necessary recommendations to the Board to strengthen its system internal control and policies.

CONCLUSION

The Board have received assurance from the Executive Directors that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects based on the risk management and internal control system of the Group.

The Board is committed towards operating a sound system of internal control and effective risk management practices throughout the Group and is of the view that they are adequate to safeguard shareholders' investments and the Group's assets. There were no material losses incurred during the financial year as a result of weaknesses in internal control that would require a separate disclosure in the annual report. The Board will, when necessary, take the necessary steps to further enhance the Company's system of risk management and internal control to adapt to the ever changing and challenging business environment.

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the ACE Market Listing Requirements of Bursa Malaysia, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in this annual report. Their review was performed in accordance with Audit and Assurance Practice Guide ("AAPG3"), Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants for inclusion in the annual report and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material aspect, in accordance with the disclosures required by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, or nor is factually inaccurate.

The external auditors are not required to consider whether the Directors' Statement on Risk Management and Internal Control covers all risk and control, or to form an opinion on the adequacy and effectiveness of the Company's risk management and internal control system including the assessment and opinion by the Board of Directors and Management thereon in accordance with AAPG3. The external auditors are also not required to consider the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

This Statement was made in accordance with a resolution of the Board dated 28 January 2022.

Sustainability Statement

The Board acknowledges the importance of sustainable and responsible business practices in developing the corporate strategy of the Group. The business will be conducted in a responsible, trustworthy and ethical manner while attention will be given to the environmental, social and governance aspects of the business which underpin sustainability as well as balancing the interest of stakeholders to enhance investors' perception and public trust.

The Group recognises and adopts corporate social responsibility (CSR) commitments in our business operations as they have direct and indirect impact on the communities. Being a public listed company, EA Holdings Berhad upholds our responsibility to oblige to the statutory compliance of CSR and extend it further by implementing various measures of which are consistent with our stakeholder's best interest.

We have adopted a CSR policy which could be applied into our operational activities and our employees' day-to-day work activities based on economic, environmental and social prospect.

(a) The Marketplace

Stakeholders play a crucial role for the growth and sustainability of the organisation. The Group is committed to maintain high standards of Corporate Governance and integrity within the company to promote confidence in stakeholders besides meeting shareholder expectations and to benefit the stake of the shareholders.

(b) The Workplace

The Group aims for the diversification in the workforce through encouraging the staff to share knowledge, skills and experience among themselves and learn from each other. All employees are treated equally and being evaluated based on their contribution, performance and capability. The Group respect the human rights and there is no discrimination on the basis of gender, race or religion which are not relevant to the employment.

The Group believes in protecting the health and safety of our employees and provides employees a quality work environment which complies with the health and safety standards as a good working environment would help to increase the employees' efficiency and productivity besides improving the quality of life of our employees.

We encourage employees for continuous improvement by providing training to employees from time to time to enhance their skills and abilities which would offer excellent opportunities for personal and career development. We are committed in keeping their knowledge and relevant skills which in turn would contribute to the sustainability of the Group. In addition, we also organize online gathering activities to foster and cultivate closer ties within the Group. It also helps to produce dynamic workforce with a strong sense belonging.

(c) The Environment

The Group understands the importance, impact and implications of our businesses to the environment and we implement environmental practices in our operations to conserve and minimize the impact to the environment.

(i) Paperless environment

Staffs and clients are encouraged to fully maximize the benefits of ICT (eg email, instant messaging, etc.) for communication and only print hard copy when necessary. Moreover, in line with our aim to lower carbon footprints, the company will make its annual report available in softcopy on Bursa Securities and the company's websites.

(ii) Recycling

Staffs are encouraged to print on both sides of the papers to minimize paper usage while unwanted papers and recyclable items are collected and sent to be recycled. This initiative is in place to support the government's Go Green effort.

(iii) Energy saving

Employees are advised to switch off the lights and air conditioners when they are not in use to help to conserve energy.

Additional Compliance Information

(a) Utilisation of Proceeds

There were no proceeds raised from corporate proposals during the financial year.

(b) Audit and Non-Audit Fees

The amount of audit and non-audit fees paid to the external auditors and their affiliates by the Group and the Company respectively for the financial year are as follows :-

	Company (RM)	Group (RM)
Audit services rendered	65,000	187,000
Non-audit services rendered	5,000	5,000
Total	70,000	192,000

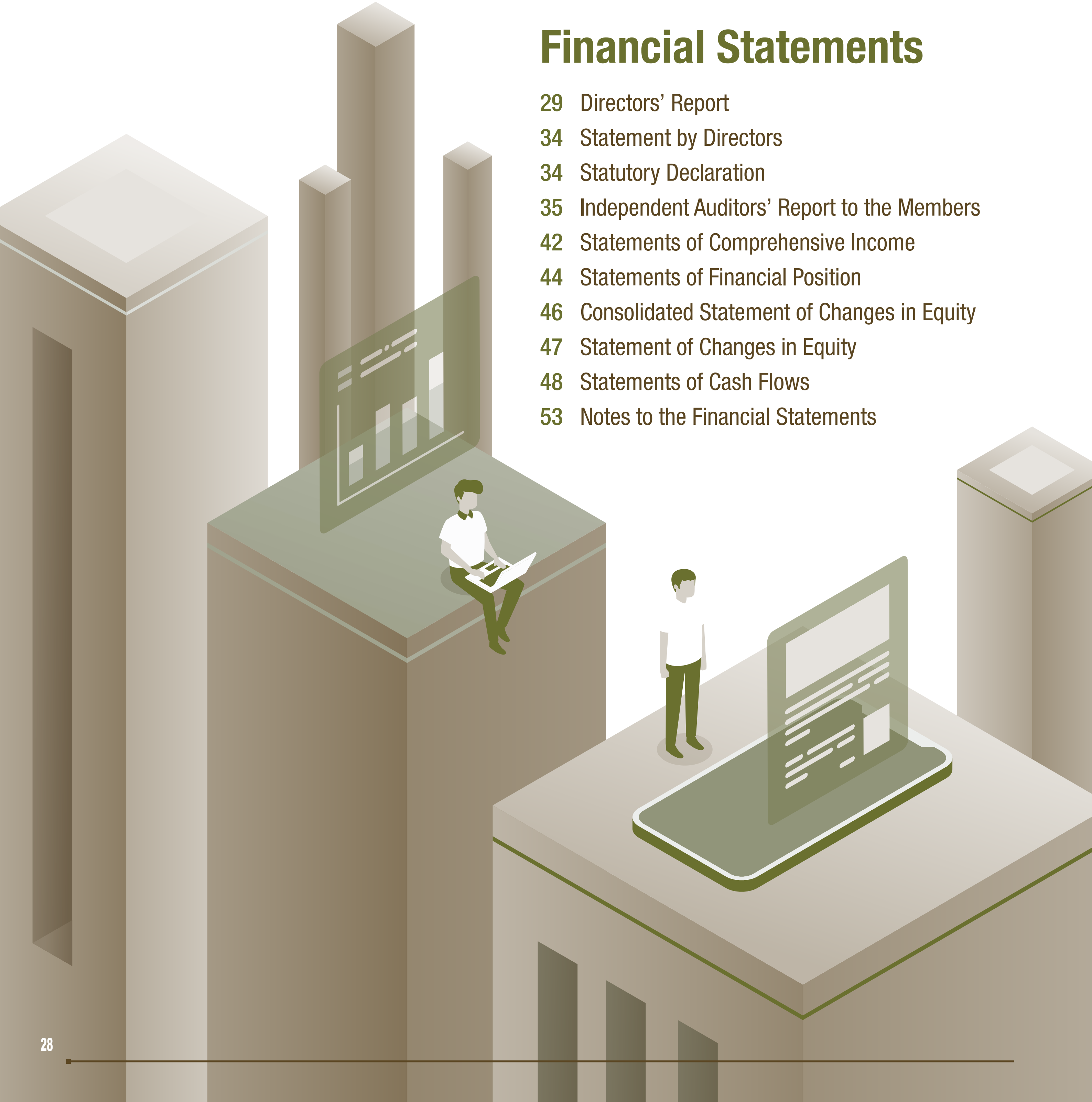
(c) Material Contracts Involving Directors and Major Shareholders

There were no material contracts entered into by the Company and its subsidiaries involving the Company's Directors' and/or major shareholders' interest.

(d) Recurrent Related Party Transactions of Revenue Nature ("RRPT")

During the financial year, the Company did not enter into any RRPT.

Financial Statements



Directors' Report

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 September 2021.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding, management and consultancy services.

The principal activities and other information of its subsidiaries are set out in Note 11 to the financial statements.

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

RESULTS

	Group RM	Company RM
Loss for the financial year, net of tax	14,105,690	14,792,427
Attributable to:		
- Owners of the Company	14,566,583	14,792,427
- Non-controlling interests	(460,893)	-
	14,105,690	14,792,427

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial period. The Company is not in a position to pay or declare dividends for the current financial year.

RESERVES AND PROVISIONS

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

ISSUANCE OF SHARES OR DEBENTURES

The Company has not issued any shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS OF THE COMPANY

The Directors in office since the beginning of the financial year to the date of this report are:

Dato' Azahar Bin Rasul *
Mohammad Sobri Bin Saad *
Basir Bin Bachik *
Abdul Fattah Bin Mohamed Yatim
Choo Seng Choon

* *Being a Director of one or more subsidiaries*

DIRECTORS OF SUBSIDIARIES OF THE COMPANY

Pursuant to Section 253(2) of the Companies Act 2016 ("Act"), the Directors who served in the subsidiaries (excluding Directors who are also Directors of the Company) in office since the beginning of the financial year to the date of this report are as follows:

Dato' Cheong Soo Han
Chia Kok Chin
Chong Chee Loong
Chong Nyet Fan
Law Kum Wah
Low Tee Chow
Norazian Binti Abdul Kudus

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings kept by the Company under Section 59 of the Act, the interests of Directors in office at the end of the financial year in shares and warrants of the Company and its related corporations during the financial year were as follows:

	Number of Ordinary Shares			
	At 01.10.2020 Unit	Acquired Unit	Sold Unit	At 30.09.2021 Unit
Name of Directors:				
Ordinary shares in the Company				
Direct interest:				
- Mohammad Sobri Bin Saad	1,133,424,300	-	-	1,133,424,300
- Basir Bin Bachik	492,000	-	-	492,000
- Abdul Fattah Bin Mohamed Yatim	18	-	-	18

	Number of Warrants D 2017/2022			
	At 01.10.2020 Unit	Acquired Unit	Exercised/ Sold Unit	At 30.09.2021 Unit
Warrants D 2017/2022				
Direct interest:				
- Mohammad Sobri Bin Saad	125,931,575	-	-	125,931,575

DIRECTORS' INTERESTS (cont'd)

	Number of Warrants E 2018/2023			
	At 01.10.2020 Unit	Acquired Unit	Exercised/ Sold Unit	At 30.09.2021 Unit
Warrants E 2018/2023				
Direct interest:				
- Mohammad Sobri Bin Saad	133,411,281	-	-	133,411,281
- Basir Bin Bachik	153,750	-	-	153,750
- Abdul Fattah Bin Mohamed Yatim	5	-	-	5

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

DIRECTORS' REMUNERATION AND BENEFITS

The amount of fees and other benefits paid to or receivable by the Directors or past Directors of the Company and the estimated money value of any other benefits received or receivable by them otherwise than in cash from the Company and its subsidiaries for their services to the Company and its subsidiaries were as follows:

	Company RM	Subsidiaries RM
Fees	130,920	-
Salaries and other emoluments	218,500	238,500
Contributions to defined contribution plan	26,220	28,620
Social security contributions	828	-
Total remuneration	376,468	267,120

Since the end of the previous financial period, no Director of the Company has received nor become entitled to receive any benefit (other than Directors' emoluments received or due and receivable as disclosed in the financial statements or the fixed salary of a full-time employee of the Company) 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.

There were no arrangements during or at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Report (Continued)

OTHER STATUTORY INFORMATION

(a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts to be written off and that adequate provision had been made for doubtful debts; and

(ii) 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.

(b) At the date of this report, the Directors are not aware of any circumstances:

(i) which would necessitate the writing off bad debts or render the amount of the provision for doubtful debts inadequate to any substantial extent;

(ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading;

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(iv) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements misleading.

(c) At the date of this report, there does not exist:

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

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

(d) In the opinion of the Directors:

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

(ii) the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and

(iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

(e) The total amount paid to or receivable by the auditors as remuneration for their services as auditors for the financial year from the Company and its subsidiaries are RM65,000 and RM122,000 respectively.

(f) There was no amount paid to or receivable by any third party in respect of the services provided to the Company or any of its subsidiaries by any Director or past Director of the Company.

OTHER STATUTORY INFORMATION (cont'd)

(g) There was no indemnity given to or insurance effected for any Director, officer or auditor of the Company and its subsidiaries.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Details of significant event during the financial year is disclosed in Note 35 to the financial statements.

EVENT SUBSEQUENT TO THE END OF FINANCIAL YEAR

Details of significant events subsequent to the end of financial year are disclosed in Note 36 to the financial statements.

AUDITORS

The auditors, Messrs. Moore Stephens Associates PLT, have expressed their willingness to continue in office.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 28 January 2022.

MOHAMMAD SOBRI BIN SAAD

BASIR BIN BACHIK

Statement By Directors

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

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements as set out on pages 42 to 136 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 at 30 September 2021 and of their financial performance and cash flows for the financial year then ended.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 28 January 2022.

MOHAMMAD SOBRI BIN SAAD

BASIR BIN BACHIK

Statutory Declaration

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

I, WONG WAN ROU (MIA No.: 39989), being the Officer primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the financial statements as set out on pages 42 to 136 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the
abovenamed
at Kuala Lumpur in the Federal Territory
on 28 January 2022

WONG WAN ROU

Before me,

Tan Kim Chooi

Independent Auditors' Report
To The Members Of EA Holdings Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of EA Holdings Berhad, which comprise the statements of financial position as at 30 September 2021 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 42 to 136.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 September 2021, and of their financial performance and their 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 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 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 (Continued)

To The Members Of EA Holdings Berhad

Key Audit Matters (cont'd)

Impairment Review of Goodwill and Investment in Subsidiaries

Goodwill

As at 30 September 2021, as shown in Note 10 to the financial statements, the carrying amount of goodwill recorded in the Group amounted to RM34,987,337.

The Group is required to perform an annual impairment review on the goodwill which arose from the Group's acquisition of six (6) subsidiaries. The Group applies the value-in-use ("VIU") calculation using cash flows projections derived from the most recent financial forecast and projections approved by the Directors covering a five-year period to estimate the recoverable amount of the goodwill.

During the financial year, the Group has recognised an additional impairment loss of RM12,057,000 for its goodwill arising from the food and beverage distribution business segment.

Investment in subsidiaries

As at 30 September 2021, as shown in Note 11 to the financial statements, the carrying amount of the Company's investment in subsidiaries amounted to RM68,282,221.

A history of recent losses, significant accumulated losses and shortfall of net assets recorded by certain subsidiaries have resulted in indications that the carrying amounts of investment in subsidiaries may be impaired. Accordingly, the Company estimated the recoverable amount of the investment in subsidiaries based on VIU calculations using cash flows projections derived from the most recent financial projections approved by the Directors covering a five-year period or fair value less costs of disposal (as the case may be).

During the financial year, the Company has recognised an additional impairment loss of RM12,476,000 for its investment in subsidiaries.

We have identified the impairment review of goodwill and investment in subsidiaries as key audit matter as the impairment test involves significant management judgement in determining the allocation of goodwill to the cash-generating units ("CGUs") and in estimating the underlying assumptions to be applied in the discounted cash flows projections of the VIU calculation. The recoverable amounts of the goodwill and investment in subsidiaries are highly sensitive to key assumptions applied in respect of future revenue, gross margin and the pre-tax discount rate used in the cash flows projections as well as considering the impact of the COVID-19 pandemic. A small change in the assumptions can have a significant impact on the estimation of the recoverable amounts.

Key Audit Matters (cont'd)

Impairment Review of Goodwill and Investment in Subsidiaries (cont'd)

Our audit procedures performed and responses thereon

In addressing the matters above, we have performed the following audit procedures to evaluate management's basis and assumptions used in the VIU for respective subsidiaries and CGUs:-

- Assessed and compared the key assumptions including forecasted revenue, gross margin and the pre-tax discount rate, including the management's consideration of the impact of COVID-19 pandemic, against our knowledge of the CGU/subsidiaries' historical performance, business and cost management strategies based on facts and circumstances currently available.
- Performed sensitivity analysis by changing certain key assumptions used in the VIU and assessed the impact on the recoverable amounts of goodwill and investment in subsidiaries.
- Assessed the adjusted net assets of the subsidiaries in deriving the recoverable amounts of the cost of investment to estimate the fair value of the subsidiaries.

Independent Auditors' Report (Continued)

To The Members Of EA Holdings Berhad

Key Audit Matters (cont'd)

Recoverability Assessment of Trade Receivables

As at 30 September 2021, as shown in Note 13 to the financial statements, the Group has trade receivables balance of RM12,856,951.

During the financial year, the Group has recognised an impairment loss on trade receivables of RM4,236,460.

The impairment losses have been determined in accordance with Expected Credit Loss (''ECL'') model which requires significant judgement and estimation to determine the recoverability of the trade receivables, as well as considering the impact of the COVID-19 pandemic.

We have identified recoverability on trade receivables as a key audit matter because of the significance of trade receivables in the financial statements both in amount and nature and the significant judgements required for the determination of the amount of impairment loss required as mentioned above.

Our audit procedures performed and responses thereon

We have performed the following audit procedures in relation to the recoverability assessment of receivables:-

- Reviewed the reliability of ageing of trade receivables at year end on a sample basis and to understand the credit exposures which were significantly overdue or deemed to be in default through analysis of ageing reports prepared by management;
- Reviewed subsequent settlement of receivables after the financial year end on a sample basis, if any and evaluated management's explanation on recoverability with significant past due balances; and
- Reviewed management's assessment on the recoverability of past due debts to assess the sufficiency of allowance for trade receivables through individual and collective assessments with reference to historical payment pattern of the customer, historical trend of bad debts or impairment provided for and forward-looking information as well as its correlation with macroeconomic factors and the recoverability impact from COVID-19 pandemic.

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 Annual Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the Annual Report 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 the Annual Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Independent Auditors' Report (Continued)

To The Members Of EA Holdings Berhad

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

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

(a) 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.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) 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.

(e) 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.

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

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

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

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

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

Other Matter

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.

MOORE STEPHENS ASSOCIATES PLT
201304000972 (LLP0000963-LCA)
Chartered Accountants (AF002096)

STEPHEN WAN YENG LEONG
02963/07/2023 J
Chartered Accountant

Petaling Jaya, Selangor
Date: 28 January 2022

Statements Of Comprehensive Income

For The Financial Year Ended 30 September 2021

	Note	Group 01.10.2020 to 30.09.2021 RM	Group 01.04.2019 to 30.09.2020 RM	Company 01.10.2020 to 30.09.2021 RM	Company 01.04.2019 to 30.09.2020 RM
Revenue	4	45,038,986	50,453,712	-	-
Other items of income					
Accretion of interest income on					
- deferred trade receivable		301,445	444,547	-	-
- amount due from shareholders of a subsidiary		350,226	-	350,226	-
Gain on disposal of property, plant and equipment		-	89,901	-	-
Income from shortfall in profit guarantee, net of fair value adjustment	14	-	3,448,015	-	3,448,015
Other income		308,678	452,967	151,555	240,570
Reversal of Impairment loss on:					
- investment in an associate	12	358,470	-	3,140,000	-
- trade receivables	31	200,289	196,786	-	-
Wage subsidy		-	275,400	-	-
		1,519,108	4,907,616	3,641,781	3,688,585
Items of expense					
Changes in inventories of trading merchandise		(58,535)	(11,667)	-	-
Purchases and other direct costs		(29,239,882)	(30,794,753)	-	-
Employee benefit expenses	5(a)	(6,818,759)	(9,134,610)	(469,495)	(711,016)
Directors' remuneration	5(b)	(1,823,139)	(2,645,455)	(376,468)	(475,920)
Depreciation of property, plant and equipment	8	(444,406)	(803,900)	(238,421)	(385,669)
Depreciation of right-of-use assets	9	(205,694)	(357,042)	-	-
Amortisation of intangible assets	10	-	(96,827)	-	-
Impairment loss on:					
- goodwill	10	(12,057,000)	(21,760,000)	-	-
- development costs	10	-	(413,127)	-	-
- investment in subsidiaries	11	-	-	(12,476,000)	(24,078,119)
- investment in an associate	12	-	(34,866,725)	-	(20,070,200)
- trade receivables	31	(4,236,460)	(946,940)	-	-
- other receivables	31	(3,617,772)	(546,470)	(3,617,772)	(481,900)
- property, plant and equipment	8	(126,316)	-	-	-
Deposit written off		-	(500,000)	-	-
Trade receivables written off		-	(611)	-	-
Other expenses		(2,753,738)	(4,808,335)	(1,040,709)	(1,769,308)
Loss from operations, carried forward		(14,823,607)	(52,325,134)	(14,577,084)	(44,283,547)

Statements Of Comprehensive Income (Continued)

For The Financial Year Ended 30 September 2021

	Note	Group 01.10.2020 to 30.09.2021 RM	Group 01.04.2019 to 30.09.2020 RM	Company 01.10.2020 to 30.09.2021 RM	Company 01.04.2019 to 30.09.2020 RM
Loss from operations, brought forward		(14,823,607)	(52,325,134)	(14,577,084)	(44,283,547)
Finance costs		(582,633)	(609,492)	(215,343)	(286,439)
Share of result of associate, net of tax	12	2,781,530	1,559,205	-	-
Loss before tax	5	(12,624,710)	(51,375,421)	(14,792,427)	(44,569,986)
Tax expense	6	(1,480,980)	(1,982,610)	-	(3,198)
Loss net of tax, representing total comprehensive income for the financial year/period		(14,105,690)	(53,358,031)	(14,792,427)	(44,573,184)
Loss attributable to:					
- Owners of the Company		(14,566,583)	(53,878,595)	(14,792,427)	(44,573,184)
- Non-controlling interests	11(b)	460,893	520,564	-	-
		(14,105,690)	(53,358,031)	(14,792,427)	(44,573,184)
Loss per ordinary share attributable to Owners of the Company:					
Basic and diluted (sen):	7	(0.29)	(1.06)		

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

Statements Of Financial Position

As At 30 September 2021

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
ASSETS					
Non-current Assets					
Property, plant and equipment	8	5,670,151	6,142,773	3,125,511	3,356,301
Right-of-use assets	9	113,626	319,320	-	-
Intangible assets	10	34,987,337	47,044,337	-	-
Investment in subsidiaries	11	-	-	68,282,221	80,758,221
Investment in an associate	12	21,009,800	17,869,800	21,009,800	17,869,800
Trade receivables	13	-	2,070,106	-	-
Amounts due from shareholders of a subsidiary	14	2,082,468	2,798,242	2,082,468	2,798,242
		63,863,382	76,244,578	94,500,000	104,782,564
Current Assets					
Inventories	15	6,119,353	3,697,460	-	-
Trade receivables	13	12,856,951	11,209,472	-	-
Other receivables	16	13,208,148	7,372,884	6,541,701	5,571,884
Contract assets	17	2,179,916	1,969,678	-	-
Amounts due from subsidiaries	18	-	-	150,968	-
Amount due from an associate	19	4,066,025	3,313,852	4,653,251	3,901,078
Amounts due from shareholders of a subsidiary	14	715,773	649,773	715,773	649,773
Tax recoverable		51,196	81,880	-	-
Fixed deposits placed with licensed banks	20(a)	4,058,942	3,873,056	2,162,943	2,130,105
Short-term money market deposit	20(b)	500,000	1,000,000	-	-
Cash and bank balances		15,587,176	25,716,955	12,092,689	15,467,270
		59,343,480	58,885,010	26,317,325	27,720,110
TOTAL ASSETS		123,206,862	135,129,588	120,817,325	132,502,674

Statements Of Financial Position (Continued)
As At 30 September 2021

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
EQUITY AND LIABILITIES					
Equity					
Share capital	21	198,035,371	198,035,371	198,035,371	198,035,371
Reserves	22	(90,980,649)	(76,414,066)	(93,353,609)	(78,561,182)
Total equity attributable to Owners of the Company		107,054,722	121,621,305	104,681,762	119,474,189
Non-controlling interests	11(b)	1,565,543	1,104,650	-	-
Total Equity		108,620,265	122,725,955	104,681,762	119,474,189
Liabilities					
Non-current Liabilities					
Borrowings	23	1,454,761	1,514,251	1,454,761	1,514,251
Lease liabilities	24	46,540	198,367	-	-
Deferred tax liabilities	25	340,368	424,634	-	-
		1,841,669	2,137,252	1,454,761	1,514,251
Current Liabilities					
Trade payables	26	4,196,593	2,968,614	-	-
Other payables	27	2,245,226	1,923,048	545,555	438,878
Contract liabilities	17	1,096,649	873,677	-	-
Amounts due to subsidiaries	18	-	-	13,560,351	10,472,117
Amounts due to Directors	28	15,650	15,650	-	-
Borrowings	23	4,471,414	3,362,847	572,290	600,041
Lease liabilities	24	151,826	233,143	-	-
Tax payable		567,570	889,402	2,606	3,198
		12,744,928	10,266,381	14,680,802	11,514,234
Total Liabilities		14,586,597	12,403,633	16,135,563	13,028,485
TOTAL EQUITY AND LIABILITIES		123,206,862	135,129,588	120,817,325	132,502,674

The annexed notes form an integral part of,
and should be read in conjunction with, these financial statements.

Consolidated Statement Of Changes In Equity

For The Financial Year Ended 30 September 2021

		<------------------Attributable to Owners of the Company------------------>						
			<----Non-Distributable---->					
	Note	Share Capital RM	Warrants Reserve RM	Other Reserve RM	Accumulated Losses RM	Total RM	Non-Controlling Interests RM	Total Equity RM
Group								
At 1 April 2019		198,034,778	19,441,546	(13,737,745)	(28,239,272)	175,499,307	584,086	176,083,393
Loss net of tax, representing total comprehensive income for the financial period		-	-	-	(53,878,595)	(53,878,595)	520,564	(53,358,031)
Transactions with Owners of the Company:								
Issuance of ordinary shares pursuant to exercise of Warrants C	21(b)(i)	593	-	-	-	593	-	593
Expiration of Warrants C		-	(9,502,695)	-	9,502,695	-	-	-
At 30 September 2020		198,035,371	9,938,851	(13,737,745)	(72,615,172)	121,621,305	1,104,650	122,725,955
At 1 October 2020		198,035,371	9,938,851	(13,737,745)	(72,615,172)	121,621,305	1,104,650	122,725,955
Loss net of tax, representing total comprehensive income for the financial year		-	-	-	(14,566,583)	(14,566,583)	460,893	(14,105,690)
At 30 September 2021		198,035,371	9,938,851	(13,737,745)	(87,181,755)	107,054,722	1,565,543	108,620,265

Statement Of Changes In Equity

For The Financial Year Ended 30 September 2021

	Note	Share Capital RM	Non-Distributable Warrants Reserve RM	Accumulated Losses RM	Total Equity RM
Company					
At 1 April 2019		198,034,778	19,441,546	(53,429,544)	164,046,780
Loss net of tax, representing total comprehensive income for the financial period		-	-	(44,573,184)	(44,573,184)
Transactions with Owners of the Company:					
Issuance of ordinary shares pursuant to exercise of Warrants C	21(b)(i)	593	-	-	593
Expiration of Warrants C		-	(9,502,695)	9,502,695	-
At 30 September 2020		198,035,371	9,938,851	(88,500,033)	119,474,189
At 1 October 2020		198,035,371	9,938,851	(88,500,033)	119,474,189
Loss net of tax, representing total comprehensive income for the financial year		-	-	(14,792,427)	(14,792,427)
At 30 September 2021		198,035,371	9,938,851	(103,292,460)	104,681,762

The annexed notes form an integral part of,
and should be read in conjunction with, these financial statements.

Statements Of Cash Flows

For The Financial Year Ended 30 September 2021

		Group		Company	
	Note	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM
Cash Flows from Operating Activities					
Loss before tax		(12,624,710)	(51,375,421)	(14,792,427)	(44,569,986)
Adjustments for:					
Amortisation of development costs		-	96,827	-	-
Deposit written off		-	500,000	-	-
Depreciation of property, plant and equipment		444,406	803,900	238,421	385,669
Depreciation of right-of-use assets		205,694	357,042	-	-
Impairment loss on:					
- development costs		-	413,127	-	-
- goodwill		12,057,000	21,760,000	-	-
- investment in subsidiaries		-	-	12,476,000	24,078,119
- investment in an associate		-	34,866,725	-	20,070,200
- trade receivables		4,236,460	946,940	-	-
- other receivables		3,617,772	546,470	3,617,772	481,900
- property, plant and equipment		126,316	-	-	-
Interest expense		582,633	609,492	215,343	286,439
Trade receivables written off		-	611	-	-
Unrealised gain on foreign exchange		(32)	(750)	-	-
Accretion of interest income on:					
- deferred trade receivable		(301,445)	(444,547)	-	-
- amount due from shareholders of a subsidiary		(350,226)	-	(350,226)	-
Gain on disposal of property, plant and equipment		-	(89,901)	-	-
Interest income		(173,291)	(280,184)	(37,104)	(114,375)
Income from shortfall in profit guarantee, net of fair value adjustment		-	(3,448,015)	-	(3,448,015)
Reversal of impairment loss on:					
- investment in an associate		(358,470)	-	(3,140,000)	-
- trade receivables		(200,289)	(196,786)	-	-
Share of result of associate, net of tax		(2,781,530)	(1,559,205)	-	-
Write back of payables		-	(33,000)	-	-
Operating profit/(loss) before changes in working capital, balance carried forward		4,480,288	3,473,325	(1,772,221)	(2,830,049)

Statements Of Cash Flows (Continued)

For The Financial Year Ended 30 September 2021

	Note	Group 01.10.2020 to 30.09.2021 RM	Group 01.04.2019 to 30.09.2020 RM	Company 01.10.2020 to 30.09.2021 RM	Company 01.04.2019 to 30.09.2020 RM
Operating profit/(loss) before changes in working capital, balance brought forward		4,480,288	3,473,325	(1,772,221)	(2,830,049)
Changes in working capital:					
Inventories		(2,482,266)	(1,165,531)	-	-
Trade and other receivables		(12,765,135)	57,339	(4,587,589)	(2,183,681)
Trade and other payables		1,610,530	2,149,984	106,677	(148,353)
Contract assets		(210,238)	(1,044,538)	-	-
Contract liabilities		222,972	(377,195)	-	-
Cash (used in)/generated from operations		(9,143,849)	3,093,384	(6,253,133)	(5,162,083)
Tax paid		(1,856,394)	(1,896,260)	(592)	-
Interest paid		(582,633)	(609,492)	(215,343)	(286,439)
Interest received		173,291	280,184	37,104	114,375
Net cash (used in)/from operating activities		(11,409,585)	867,816	(6,431,964)	(5,334,147)
Cash Flows from Investing Activities					
Advances to subsidiaries		-	-	(150,968)	-
(Advances to)/repayment from an associate		(752,173)	955,837	(752,173)	955,837
Proceeds from disposal of property, plant and equipment		-	105,184	-	-
Purchase of property, plant and equipment		(98,100)	(78,661)	(7,631)	-
Repayment from shareholders of a subsidiary		1,000,000	-	1,000,000	-
Net cash from investing activities		149,727	982,360	89,228	955,837
Cash Flows from Financing Activities					
Advances from subsidiaries	(iii)	-	-	3,088,234	8,414,166
Payment for the principal portion of lease liabilities	(ii),(iii)	(233,144)	(502,541)	-	-
Proceeds from exercise of warrants		-	593	-	593
Repayment to Directors		-	(28,290)	-	(13,790)
(Increase)/upliftment in fixed deposits pledged to licensed banks		(185,886)	511,274	(32,838)	(93,834)
Repayment of borrowings	(iii)	(107,676)	(84,406)	(107,676)	(84,406)
Net cash (used in)/from financing activities		(526,706)	(103,370)	2,947,720	8,222,729

Statements Of Cash Flows (Continued)

For The Financial Year Ended 30 September 2021

	Note	Group 01.10.2020 to 30.09.2021 RM	Group 01.04.2019 to 30.09.2020 RM	Company 01.10.2020 to 30.09.2021 RM	Company 01.04.2019 to 30.09.2020 RM
Net (decrease)/increase in cash and cash equivalents		(11,786,564)	1,746,806	(3,395,016)	3,844,419
Effect of exchange rate changes on cash and cash equivalents		32	750	-	-
Cash and cash equivalents at beginning of the financial year/period		23,482,079	21,734,523	14,995,200	11,150,781
Cash and cash equivalents at end of the financial year/period	(i)	11,695,547	23,482,079	11,600,184	14,995,200

Note:

(i) Cash and cash equivalents comprise:

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Fixed deposits placed with licensed banks	20(a)	4,058,942	3,873,056	2,162,943	2,130,105
Short-term money market deposit	20(b)	500,000	1,000,000	-	-
Cash and bank balances		15,587,176	25,716,955	12,092,689	15,467,270
		20,146,118	30,590,011	14,255,632	17,597,375
Less: Fixed deposits pledged as collaterals		(4,058,942)	(3,873,056)	(2,162,943)	(2,130,105)
Bank overdrafts	23(b)	(4,391,629)	(3,234,876)	(492,505)	(472,070)
		11,695,547	23,482,079	11,600,184	14,995,200

Note: (cont'd)

(ii) Cash outflows for right-of-use assets are as follows:

	Group 01.10.2020 to 30.09.2021 RM	Group 01.04.2019 to 30.09.2020 RM
Included in net cash from operating activities:		
- Interest paid in relation to lease liabilities	(15,174)	(48,281)
- Payment relating to short-term leases	(26,400)	(50,400)
- Payment relating to low value assets	(7,062)	(26,856)
Included in net cash from financing activities:		
- Payment for the principal portion of lease liabilities	(233,144)	(502,541)
	(281,780)	(628,078)

(iii) The reconciliation of the movements of liabilities to cash flows arising from financing activities:

	Term Loan RM	Lease Liabilities RM
Group		
2021		
At 1 October 2020	1,642,222	431,510
Repayment	(107,676)	(233,144)
At 30 September 2021	1,534,546	198,366
2020		
At 1 April 2019	1,726,628	934,051
Repayment	(84,406)	(502,541)
At 30 September 2020	1,642,222	431,510

Statements Of Cash Flows (Continued)

For The Financial Year Ended 30 September 2021

Note: (cont'd)

(iii) The reconciliation of the movements of liabilities to cash flows arising from financing activities: (cont'd)

	Term Loan RM	Amounts Due to Subsidiaries RM
Company		
2021		
At 1 October 2020	1,642,222	10,472,117
Advances	-	3,088,234
Repayment	(107,676)	-
At 30 September 2021	1,534,546	13,560,351
2020		
At 1 April 2019	1,726,628	2,057,951
Advances	-	8,414,166
Repayment	(84,406)	-
At 30 September 2020	1,642,222	10,472,117

* *For reconciliation of liabilities arising from financing activities purpose, the bank overdrafts have been excluded from the borrowings as it is part of the cash and cash equivalents.*

The annexed notes form an integral part of,
and should be read in conjunction with, these financial statements.

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr Ismail, 60000 Kuala Lumpur.

The principal place of business of the Company is located at Unit 25-5, Level 25, Oval Damansara, 685, Jalan Damansara, 60000 Kuala Lumpur.

The Company is principally engaged in investment holding, management and consultancy services. The principal activities and other information of its subsidiaries are set out in Note 11. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year.

The financial statements were authorised for issue in accordance with a Board of Directors' resolution dated 28 January 2022.

2. BASIS OF PREPARATION

(a) Statement of compliance

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

The Group and the Company have also considered the new accounting pronouncements in the preparation of the financial statements.

(i) Accounting pronouncements that are effective and adopted during the financial year

Amendments to MFRS 3	Definition of a Business
Amendments to MFRS 4	Insurance Contracts (Extension of the Temporary Exemption from Applying MFRS 9)
Amendments to MFRS 9 and MFRS 7	Interest Rate Benchmark Reform
Amendments to MFRS 16	Covid-19 – Related Rent Concession
Amendments to MFRS 101 and MFRS 108	Definition of Material

Amendments to References to the Conceptual Framework in MFRSs

The adoption of the above accounting pronouncements did not have any significant effect on the financial statements of the Group and of the Company.

2. BASIS OF PREPARATION (cont'd)

(a) Statement of compliance (cont'd)

(ii) Accounting pronouncements that are issued but not yet effective and have not been early adopted

The Group and the Company have not adopted the following new accounting pronouncements that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:-

Effective for financial periods beginning on or after 1 January 2021

Amendments to MFRS 9, MFRS 7, MFRS 4 and MFRS 16	Interest Rate Benchmark Reform - Phase 2

Effective for financial periods beginning on or after 1 April 2021

Amendments to MFRS 16	Covid-19 - Related Rent Concessions beyond 30 June 2021

Effective for financial periods beginning on or after 1 January 2022

Amendments to MFRS 3	Reference to the Conceptual Framework
Amendments to MFRS 116	Property, Plant and Equipment – Proceeds before Intended Use
Amendments to MFRS 137	Onerous Contracts – Cost of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018 to 2020	

Effective for financial periods beginning on or after 1 January 2023

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts – Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Effective date to be announced

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

The Group and the Company will adopt the above accounting pronouncements when they become effective in the respective financial periods. These accounting pronouncements are not expected to have any effect to financial statements of the Group and of the Company upon their initial applications.

2. BASIS OF PREPARATION (cont'd)

(b) Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost convention except for those as disclosed in the accounting policy notes.

(c) Functional and presentation currency

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

(d) Significant accounting estimates and judgements

The summary of accounting policies as described in Note 3 are essential to understand the Group's and the Company's results of operations, financial position, cash flows and other disclosures. Certain of these accounting policies require critical accounting estimates that involve complex and subjective judgements and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Directors exercise their judgement in the process of applying the Group's and the Company's accounting policies.

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

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

(i) Impairment of goodwill

The Group is required to perform an annual impairment test and at other times when such indicators exist of the cash-generating units ("CGUs") or groups of CGUs to which goodwill has been allocated. The Group estimates the recoverable amounts of its CGUs or group of CGUs to which goodwill is allocated based on the higher of an asset's fair value less costs to sell and value-in-use.

This requires management to estimate the expected future cash flows of the CGUs and to apply a suitable discount rate in order to determine the present value of those cash flows. The future cash flows are most sensitive to budgeted gross margins, growth rates estimated and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

2. BASIS OF PREPARATION (cont'd)

(d) Significant accounting estimates and judgements (cont'd)

(ii) Impairment of financial assets and receivables

The Group and the Company assess on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied as disclosed in Note 3(p)(i) depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by MFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other receivables and amount due from an associate, the Group and the Company apply the approach permitted by MFRS 9, which requires the Group and the Company to measure the allowance for impairment loss for that financial asset at an amount based on the probability of default occurring within the next 12 months considering the loss given default of that financial asset.

(iii) Carrying value of investment in subsidiaries

Investment in subsidiaries are reviewed for impairment annually in accordance with its accounting policy or whenever events or changes in circumstances indicate that the carrying values may not be recoverable.

Significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries, which involves uncertainties and are significantly affected by assumptions and judgements made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the carrying value of investment in subsidiaries.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, unless otherwise stated.

(a) Basis of consolidation

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances. The Company controls an investee if and only if the Company has all the following:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant power activities of the investee);
(ii) Exposure, or rights, to variable returns from its investment with the investee; and
(iii) The ability to use its power over the investee to affect its returns.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(a) **Basis of consolidation** (cont'd)

Consolidation (cont'd)

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

(i) The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
(ii) Potential voting rights held by the Company, other vote holders or other parties;
(iii) Rights arising from other contractual arrangements; and
(iv) Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

When control ceases, the disposal proceeds and the fair value of any retained investment are compared to the Group's share of the net assets disposed. The difference together with the carrying amount of allocated goodwill and the exchange reserve that relate to the subsidiary is recognised as gain or loss on disposal.

Business combination

Acquisitions of subsidiaries are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. The Group elects on a transaction-by-transaction basis whether to measure the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Transaction cost incurred are expensed and included in the profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes in the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with MFRS 9 either in the profit or loss or a change to other comprehensive income. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of MFRS 9, it is measured in accordance with the appropriate MFRS.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Goodwill is initially measured at cost, being excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in the profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(a) Basis of consolidation (cont'd)

Business combination (cont'd)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Non-controlling interests

Non-controlling interests represent the equity in subsidiaries not attributable directly or indirectly, to Owners of the Company, and is presented separately in the consolidated profit or loss and within equity in the consolidated of financial position, separately from equity attributable to Owners of the Company. Non-controlling interest is initially measured at acquisition-date share of net assets other than goodwill as of the acquisition date and is subsequently adjusted for the changes in the net assets of the subsidiary after the acquisition date.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to Owners of the Company.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

Transactions eliminated on consolidation

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

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

Subsidiaries

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

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(a) **Basis of consolidation** (cont'd)

Associates

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

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

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

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

When the Group's interest in an associate decrease but does not result in a loss of significant influence, any retained interest is not re-measured. Any gain or loss arising from the decrease in interest is recognised in the profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to profit or loss.

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses. The cost of investment includes transaction costs.

(b) **Foreign currency transactions**

In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recorded in Ringgit Malaysia using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currencies at the reporting date are translated to the functional currencies at the exchange rates on the reporting date. Non-monetary items denominated in foreign currencies are not retranslated at the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the profit or loss for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(c) Revenue and other income recognition

Revenue is recognised when or as a performance obligation in the contract with customer is satisfied, i.e. when the "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation is a promise to transfer a distinct good or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group's customary business practices.

Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customers, excluding amounts collected on behalf of third parties such as sales taxes or goods and services taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, penalties or other similar items, the Group estimates the amount of consideration to which it will be entitled based on the expected value or the most likely outcome. If the contract with customer contains more than one performance obligation, the amount of consideration is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The control of the promised goods or services may be transferred over time or at a point in time. The control over the goods or services is transferred over time and revenue is recognised over time if:

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

Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

Sales of goods

Revenue from the sales of goods is recognised upon delivery of goods where the control of the goods has been passed to the customers, or performance of services, net of sales and goods and services taxes and discounts.

Service contracts

The Group recognises revenue from service contracts over time if it creates an asset with no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(c) **Revenue and other income recognition** (cont'd)

Other income earned by the Group and the Company are recognised on the following basis:

Rental income

Rental income from property is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income over the term of the lease.

Interest income

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

Government grant/assistance

Government grant/assistance received from government on wage subsidy for COVID-19 pandemic is recognised on monthly basis over the qualified period under the criteria set by the government.

Profit guarantee income

Income from shortfall in profit guarantee is recognised on accrual basis.

(d) **Government grant/assistance**

Grants/assistance from government is recognised when there is a reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants/assistance relating to costs are deferred and recognised in the statements of profit or loss over the period necessary to match them with the costs they are intended to compensate.

Government grants/assistance related to assets are presented in the statements of financial position as deferred revenue and recognised in the profit or loss on a systematic basis over the useful life of the asset.

(e) **Employee benefits**

Short-term employee benefits

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

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

Defined contribution plan

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(f) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(g) Income taxes

Current tax

Tax expense represents the aggregate amount of current and deferred tax. Current tax is the expected amount payable in respect of taxable income for the financial year/period, using tax rates enacted or substantively enacted by the reporting date, and any adjustments recognised for prior years' tax. When an item is recognised outside profit or loss, the related tax effect is recognised either in other comprehensive income or directly in equity.

Deferred tax

Deferred tax is recognised using the liability method, on all temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if the temporary difference arises 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 nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to apply in the period in which the assets are realised or the liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised only to the extent that there are sufficient taxable temporary differences relating to the same taxable entity and the same taxation authority to offset or when it is probable that future taxable profits will be available against which the assets can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will be available for the assets to be utilised.

Deferred tax assets relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from business combination is adjusted against goodwill on acquisition or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the acquisition cost.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(h) **Leases**

<u>As a lessee</u>

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are as follows:

Lease of premises	Over the lease period
Motor vehicles	5 years

If right-of-use asset relates to a class of property, plant and equipment to which the lessee applies the revaluation model in MFRS 116, a lessee may elect to apply that revaluation model to all of the right-of-use assets that relate to that class of property, plant and equipment.

The right-of-use assets and lease liabilities are presented as a separate line in the statements of financial position.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The Group applies MFRS 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 3(p)(ii).

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the Group's incremental borrowing rates. Lease payments included in the measurement of the lease liability include fixed payments, any variable lease payments, amount expected to be payable under a residual value guarantee, and exercise price under an extension option that the Group is reasonably certain to exercise.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, or if the Group changes its assessment of whether it will exercise an extension or termination option.

Lease payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in the profit or loss. Short-term leases are leases with a lease term of 12 months or less.

<u>As a lessor</u>

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "other income".

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(i) Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year/period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the financial year/period, adjusted for the effects of all dilutive potential ordinary shares, which comprise free warrants granted to shareholders.

(j) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

(i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs. All other repair and maintenance costs are recognised in the profit or loss as incurred.

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

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group or the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(j) **Property, plant and equipment** (cont'd)

(iii) Depreciation (cont'd)

Depreciation is recognised in the profit or loss on straight line basis over its estimated useful lives of each component of an item of property, plant and equipment at the following annual rates:

Freehold building	2%
Freehold office units	5%
Office equipment, furniture and fittings, computers and renovation	10% – 20%
Motor vehicles	20%
Machinery and equipment	10%

Freehold land has an indefinite useful life and therefore is not depreciated.

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

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these property, plant and equipment.

(k) **Intangible assets**

Goodwill

Goodwill acquired in a business combination represents the difference between the purchase consideration and the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities in the subsidiaries at the date of acquisition.

Goodwill is allocated to cash-generating units and is measured at cost less accumulated impairment losses, if any. Impairment test is performed annually. Goodwill is also tested for impairment when indication of impairment exists. Impairment losses recognised are not reversed in subsequent periods.

Upon the disposal of investment in the subsidiary, the related goodwill will be included in the computation of gain or loss on disposal of investment in subsidiary in the profit or loss.

Development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Expenditure on the development activities is also recognised as an expense in the period incurred except when the expenditure meets the following criteria where it will be capitalised as intangible assets:

(i) the product or process is clearly defined and costs are separately identified and can be measured reliably;
(ii) the technical feasibility of the product is demonstrated;
(iii) the product or process will be sold or used in-house;
(iv) the assets will generate future economic benefits (e.g. potential market exists for the product or its usefulness, in case of internal use, is demonstrated); and
(v) adequate technical, financial and other resources required for completion of the project are available.

Development costs initially recognised as an expense are not recognised as an asset in subsequent period.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(k) **Intangible assets** (cont'd)

Intellectual property rights

Intellectual property rights are recognised as intangible asset if it is probable that the future economic benefits that are attributable to such asset will flow to the Group and the costs of such asset can be measured reliably.

Intellectual property rights acquired for the use of certain brand names and trademarks are stated at cost less accumulated amortisation and impairment losses, if any.

The intellectual property rights are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the profit or loss as incurred.

Amortisation

Amortisation is calculated based on the cost of an asset less its residual value.

Amortisation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

Development costs	5 – 15 years
Intellectual property	20 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired.

(l) **Inventories**

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

The cost of inventories is measured based on first-in-first out ("FIFO") cost formula, and includes expenditure incurred in acquiring the inventories and others costs incurred in bringing them to their existing location and condition.

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

(m) **Contract assets and liabilities**

Contract assets and liabilities in services contract represent the timing differences in revenue recognition and the milestone billings. The milestone billings are structured and/or negotiated with customers to reflect physical completion of the contracts.

Contract assets are transferred to receivables when the rights to economic benefits become unconditional. This usually occurs when the Group issues billing to the customer. Contract assets are recognised as revenue when performance obligations are satisfied.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(m) **Contract assets and liabilities** (cont'd)

When there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract liabilities are the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customer. In the case of services contract, contract liabilities are the excess of the billings to-date over the cumulative revenue earned. Contract liabilities include down payments received from customers and other deferred income where the Group has billed or has collected the payment before the goods are delivered or services are provided to the customers.

(n) **Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and bank balances, fixed deposits placed with licensed banks and short-term money market deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

(o) **Financial instruments**

(i) **Initial recognition and measurement**

A financial asset or a financial liability is recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) **Financial instrument categories and subsequent measurement**

The Group and the Company categorise financial instruments as follows:

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(o) Financial instruments (cont'd)

(ii) Financial instrument categories and subsequent measurement (cont'd)

Financial assets (cont'd)

Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

Interest income, foreign exchange gains and losses and impairment are recognised in the profit or loss. Any gain or loss on derecognition is recognised in the profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see note 3(p)(i)) where the effective interest rate is applied to the amortised cost.

All financial assets are subject to impairment assessment (see note 3(p)(i)).

Financial liabilities

Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(iv) 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 guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of *MFRS 15 Revenue from Contracts with Customers*.

Liabilities arising from financial guarantees are presented together with other provisions.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(o) **Financial instruments** (cont'd)

(v) **Regular way purchase or sale of financial assets**

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

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to:

(a) the recognition of an asset to be received and the liability to pay for it on the trade date; and

(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

(vi) **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 control of the asset is not retained or substantially all of the risk and rewards of ownership of the financial assets are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged 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 the profit or loss.

(p) **Impairment**

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost and contract assets. Expected credit losses are a probability-weighted estimate of credit losses.

Loss allowances of the Group and of the Company are measured on either of the following basis:

(i) 12-month ECLs – represents the ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or

(ii) Lifetime ECLs – represents the ECLs that will result from all possible default events over the expected life of a financial instrument or contract assets.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(p) **Impairment** (cont'd)

(i) Financial assets (cont'd)

Simplified approach - trade receivables and contract assets

The Group applies the simplified approach to provide ECLs for all trade receivables and contract assets as permitted by MFRS 9. The simplified approach required expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where applicable.

General approach - other financial instruments and financial guarantee contracts

The Group and the Company apply the general approach to provide for ECLs on all other financial instruments and financial guarantee contracts, which requires the loss allowance to be measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group and the Company assess whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs. In assessing whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward looking information, where available.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group and the Company consider the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group and the Company in full, without recourse by the Group and the Company to actions such as realising security (if any is held); or
- The financial asset is aged more than 365 days, depending on customer profiles.

The Group and the Company consider a financial guarantee contract to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditors and the Group and the Company in full, without recourse by the Group and by the Company to actions such as realising security (if any is held). The Group and the Company only apply a discount rate if, and to the extent that, the risks are not taken into account by adjusting the expected cash shortfalls.

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

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(p) **Impairment** (cont'd)

(i) Financial assets (cont'd)

Credit impaired financial assets

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

Evidence that a financial asset is credit impaired includes the observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or significant past due event;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider (e.g. the restructuring of a loan or advance by the Group and the Company on terms that the Group and the Company would not consider otherwise);
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for security because of financial difficulties.

Write-off policy

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

(ii) Non-financial assets

The carrying amounts of non-financial assets (except for inventories) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised immediately in the profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

The recoverable amount of an asset or cash-generating units is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(p) Impairment (cont'd)

(ii) Non-financial assets (cont'd)

Except for goodwill, assets that were previously impaired are reviewed for possible reversal of the impairment at the end of each reporting period. Any subsequent increase in recoverable amount is recognised in the profit or loss unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation reserve. Reversal of impairment loss is restricted by the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

An impairment loss recognised for goodwill is not reversed.

An impairment loss is recognised for the amount by which the carrying amount of the subsidiary or associate exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and present value of the estimated future cash flows expected to be derived from the investment including the proceeds from its disposal. Any subsequent increase in recoverable amount is recognised in the profit or loss.

(q) Equity instruments

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

Ordinary shares

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

Issuance expenses

Costs directly attributable to the issuance of instruments classified as equity are recognised as a deduction from equity.

(r) Warrants reserves

Amount allocated in related to the issuance of free warrants are credited to a warrants reserve which is non-distributable. Warrants reserve is transferred to the share capital account upon the exercise of warrants and the warrants reserve in relation to the unexercised warrants at the expiry of the warrants period will be transferred to retained earnings.

(s) Provisions

A provision is recognised if, as a result of a past event, the Group or the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

(s) **Provisions** (cont'd)

Provisions are reviewed at each end of the reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Any reimbursement that the Group or the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The relating expense relating to any provision is presented in the statements of comprehensive income net of any reimbursement.

(t) **Operating segments**

Operating segments are defined as components of the Group that:

(a) engage in business activities from which it could earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group);

(b) whose operating results are regularly reviewed by the chief operating decision maker of the Group in making decisions about resources to be allocated to the segment and assessing its performance; and

(c) for which discrete financial information is available.

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

(a) its reported revenue, including both sales to external customers and intersegment sales or transfers, is 10% or more of the combined revenue, internal and external, of all operating segments.

(b) the absolute amount of its reported profit or loss is 10% or more of the greater, in absolute amount of:

(i) the combined reported profit of all operating segments that did not report a loss; and
(ii) the combined reported loss of all operating segments that reported a loss.

(c) Its assets are 10% or more of the combined segments that reported a loss.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least 75% of the revenue of the Group. Operating segments identified as reportable segments in the current financial year/period in accordance with the quantitative thresholds would result in a restatement of prior period segment date for comparative purposes.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

(u) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(ii) Contingent assets

Where it is not probable that there is an inflow of economic benefits, or the amount cannot be estimated reliably, the asset is not recognised in the statements of financial position and is disclosed as a contingent asset, unless the probability of inflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets unless the probability of inflow of economic benefits is remote.

(v) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.

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

Level 3: Unobservable inputs for the asset or liability.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

4. REVENUE

	Note	Group 01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM
Information and communications technologies ("ICT") services	(i)	9,431,793	8,337,917
Software solutions	(i)	2,666,211	4,470,729
Radio frequency identification ("RFID"), surveillance solutions and building automation system	(ii)	12,427,620	7,325,797
Food and beverage ("F&B") distribution	(iii)	20,513,362	30,319,269
		45,038,986	50,453,712
Timing of revenue recognition:			
- Point in time		24,717,786	31,842,085
- Over time		20,321,200	18,611,627
		45,038,986	50,453,712

(i) ICT services and software solutions

Software installation, commissioning, post-contract support and maintenance services

(a) Software installation and commissioning

Software solutions offered by the Group to its customers generally involve two phases which are installation and commissioning respectively. These integrated services include implementation, data conversion, software design or development, testing and go-live process. Such integrated services are explicitly stated in the contract with customers. The billing method by the Group is in the form of milestone billing which represents the work completed with reference to stages which are stipulated in the contract.

(b) Post-contract support and maintenance services (“PCSM”)

The Group offers PCSM which is an after-sales element included in the contract with customers on the software solutions. This represents the right of customers to receive services or unspecified product upgrades/enhancements, or both. Generally, these services include upgrade support and correction of errors (i.e. bug fixes or debugging), as well as unspecified upgrades or enhancements towards software previously installed. The period and duration of PCSM provided is dependent on the terms stipulated in the respective contract.

Performance obligation (“PO”)

The Group entered into separate fixed-price contracts with respective customers and such obligations are distinct and are able to be performed separately and tailored to respective needs of different customers. Based on individual contracts with customers which comprised of two POs, software installation, commissioning and PCSM are capable of being distinct and separately identifiable.

4. REVENUE (cont'd)

(i) ICT services and software solutions (cont'd)

Performance obligation ("PO") (cont'd)

Software installation and commission will be considered as a single PO as these two services are integrated and interdependent with the stages agreed in the contract and the customers are unable to use the software if one of the mentioned nature of work is incomplete. The reason of PCSM being distinct is due to software installed remain functional without the needs of PCSM. Accordingly, the Group allocates the transaction price based on relative stand-alone selling price of each PO.

Timing of recognition

For the software installation and commission, the PO is satisfied over time upon completion of services based on the milestone achievement. The completion of installation and commision of software has generally no alternative use for the Group as the software is customised according to the customer's needs and specifications. The Group has an enforceable right to payment for the stages of services performed by reference to the milestone of the contract agreed mutually. Therefore, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that agreed performance obligation mentioned in the contract.

For PCSM, customers simultaneously consumed and received the benefits provided by the Group on the service rendered and revenue is recognised over time. The Group has an enforceable right to payment for the services provided completed over the contract period.

(ii) RFID, surveillance solutions and building automation system

	Note	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM
RFID integrated products	(a)	576,019	459,586
Surveillance solutions	(b)	11,182,694	5,662,184
Building automation system	(c)	668,907	1,204,027
		12,427,620	7,325,797

(a) RFID integrated products

The Group carried out the business of assembly and distribution of RFID reader. Revenue is recognised at point in time when control over the goods have been transferred to the customer upon delivery, installation and obtain customer acceptance of the RFID units.

(b) Surveillance solutions

The Group provides security system services which includes the installation of closed-circuit television ("CCTV") system, security alarm system and access control system. In addition, the Group also entered into contracts with customer in respect of mechanical and electrical ("M&E") work which covers scope of works such as extra-low voltage ("ELV") services, mechanical ventilation services, fire protection services and etc.

4. **REVENUE** (cont'd)

(ii) **RFID, surveillance solutions and building automation system** (cont'd)

(b) Surveillance solutions (cont'd)

Revenue recognition for the M&E work is based on stage of completion method. The stage of completion method is determined by the proportion that construction costs incurred for work performed to-date in relation to the estimated total construction costs.

Performance obligation ("PO")

Installation of security systems and M&E construction works are considered as a single PO respectively. For the security system, PO is satisfied upon installation process completed in customer site. Whereas, PO for M&E works is satisfied over time upon the customer simultaneously receives and consumes the benefits provided by the Group's performance. The duration of the M&E works generally takes 36 months to complete.

Timing of recognition

Revenue from the installation of security system is recognised at point in time upon completion of installation. The M&E work has generally no alternative use due to contractual restrictions and the Group has an enforceable right to payment for the certified work performed over the contract period. Therefore, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that agreed performance obligation mentioned in the contract.

(c) Building automation system

The Group entered into short-term contract with customer to provide services in respect of supply, installing, testing and commissioning the space temperature sensor, outdoor humidity sensor and etc. Revenue is recognised at point in time when service has been performed and customer acceptance has been obtained.

(iii) **Food and beverage ("F&B'') distribution**

The Group also engaged in the business of selling and distributing canned foods, packet drinks, snacks and other food related products.

Performance obligation ("PO")

The contracts with customers are bundled and consist of obligations for the sale of goods and the delivery of the said goods. Contracts for bundled services are comprised of multiple POs and are capable of being distinct and separately identifiable. However, the management has assessed that the delivery obligation is primarily a value-added fulfilment service and is not considered to be a significant distinct PO. Accordingly, the contracts with the respective customers are considered as a single PO and is satisfied on point in time basis.

Timing of recognition

Revenue is recognised at a point in time when control over the goods have been transferred to the customer and obtain customer acceptance of the said goods. Revenue is recognised based on the price specified in the invoices, net of discounts, rebates and incentives where applicable.

4. REVENUE (cont'd)

Unsatisfied long-term contracts

The following table shows unsatisfied performance obligations resulting from software installation, commissioning, PCSM services, RFID, surveillance solutions and building automation system.

(i) Software installation, commissioning, post-contract support and maintenance services

	Group	
	01.10.2020 to 30.09.2021 RM	**01.04.2019 to 30.09.2020 RM**
Total contract revenue	54,239,895	44,487,875
Less: Cumulative revenue recognised		
- on-going projects	(24,810,949)	(23,515,446)
- completed projects	(10,802,501)	(2,635,000)
Aggregate amount of the transaction price allocated to software installation, commissioning, PCSM services revenue that are partially or fully unsatisfied as at reporting date	18,626,445	18,337,429

The remaining unsatisfied performance obligations are expected to be recognised as revenue within the next 12 to 24 months (2020: 12 to 24 months).

(ii) RFID, surveillance solutions and building automation system

	Group	
	01.10.2020 to 30.09.2021 RM	**01.04.2019 to 30.09.2020 RM**
Total contract revenue	40,750,472	66,768,661
Less: Cumulative revenue recognised		
- on-going projects	(8,850,755)	(1,992,627)
- completed projects	(5,569,492)	-
Aggregate amount of the transaction price allocated to RFID, surveillance solutions and building automation system services revenue that are partially or fully unsatisfied as at reporting date	26,330,225	64,776,034

The remaining unsatisfied performance obligations are expected to be recognised as revenue within the next 12 to 36 months (2020: 12 to 36 months).

The contract assets and liabilities related to contracts with customers are disclosed in Note 17.

5. LOSS BEFORE TAX

Loss before tax is arrived at after charging/(crediting):-

		Group		Company	
	Note	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM
Auditors' remuneration					
- statutory audit		187,000	225,000	65,000	85,000
- overprovision in prior year		-	(500)	-	-
- other services		5,000	115,000	5,000	5,000
Amortisation of development costs	10	-	96,827	-	-
Deposit written off		-	500,000	-	-
Depreciation of property, plant and equipment	8	444,406	803,900	238,421	385,669
Depreciation of right-of-use assets	9	205,694	357,042	-	-
Directors' remuneration	(b)	1,823,139	2,645,455	376,468	475,920
Employee benefit expenses	(a)	6,818,759	9,134,610	469,495	711,016
Accretion of interest income on:					
- deferred trade receivable		(301,445)	(444,547)	-	-
- amount due from shareholders of a subsidiary		(350,226)	-	(350,226)	-
Impairment loss on:					
- development costs	10	-	413,127	-	-
- goodwill	10	12,057,000	21,760,000	-	-
- investment in subsidiaries	11	-	-	12,476,000	24,078,119
- investment in an associate	12	-	34,866,725	-	20,070,200
- trade receivables	31	4,236,460	946,940	-	-
- other receivables	31	3,617,772	546,470	3,617,772	481,900
- property, plant and equipment	8	126,316	-	-	-
Gain on disposal of property, plant and equipment		-	(89,901)	-	-
Income from shortfall in profit guarantee, net of fair value adjustment	14	-	(3,448,015)	-	(3,448,015)
Interest income		(173,291)	(280,184)	(37,104)	(114,375)
Interest expense on:					
- bank overdrafts		506,240	442,938	154,124	168,166
- term loans		61,219	118,273	61,219	118,273
- lease liabilities		15,174	48,281	-	-

5. LOSS BEFORE TAX (cont'd)

Loss before tax is arrived at after charging/(crediting):- (cont'd)

		Group		Company	
	Note	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM
Loss/(gain) on foreign exchange:					
- realised		3,464	2,111	-	-
- unrealised		(32)	(750)	-	-
Reversal of impairment loss on:					
- investment in an associate	12	(358,470)	-	(3,140,000)	-
- trade receivables	31	(200,289)	(196,786)	-	-
Lease of:					
- short-term leases		26,400	50,400	-	-
- low value assets		7,062	26,856	-	-
Rental income		(78,451)	(98,835)	(114,451)	(126,195)
Trade receivables written off		-	611	-	-
Wage subsidy		-	(275,400)	-	-
Write back of payable		-	(33,000)	-	-

(a) The employee benefit expenses comprise:

	Group		Company	
	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM
Salaries, wages, allowances and bonus	5,670,425	7,762,270	401,717	600,908
Contributions to defined contribution plan	863,293	935,373	47,426	73,818
Social security contributions	84,560	106,668	2,767	5,040
Other benefits	200,481	330,299	17,585	31,250
	6,818,759	9,134,610	469,495	711,016

5. **LOSS BEFORE TAX** (cont'd)

(b) The Directors' remuneration comprises:

	Group		Company	
	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM
Directors of the Company:				
Executive:				
Salaries and other emoluments	457,000	596,200	218,500	267,000
Contributions to defined contribution plan	54,840	65,430	26,220	29,370
Social security contributions	828	716	828	360
	512,668	662,346	245,548	296,730
Non-Executive:				
Fees	130,920	179,190	130,920	179,190
	643,588	841,536	376,468	475,920
Directors of the subsidiaries:				
Executive:				
Salaries and other emoluments	1,050,150	1,615,071	-	-
Contributions to defined contribution plan	126,018	183,406	-	-
Social security contributions	3,383	5,442	-	-
	1,179,551	1,803,919	-	-
Total	1,823,139	2,645,455	376,468	475,920
Analysis excluding benefits-in-kind:				
Total executive Directors' remuneration	1,692,219	2,466,265	245,548	296,730
Total non-executive Directors' remuneration	130,920	179,190	130,920	179,190
	1,823,139	2,645,455	376,468	475,920

5. LOSS BEFORE TAX (cont'd)

(b) The Directors' remuneration comprises: (cont'd)

The number of Directors of the Company whose total remuneration during the financial year/period fell within the following bands is analysed below:

	Number of Directors	
	01.10.2020 to 30.09.2021	**01.04.2019 to 30.09.2020**
Executive Directors:		
RM200,001 - RM250,000	1	-
RM250,001 - RM300,000	1	1
RM300,001 - RM350,000	-	1
Non-Executive Directors:		
Below RM50,000	3	2
RM50,000 - RM100,000	-	2

6. TAX EXPENSE

	Group		Company	
	01.10.2020 to 30.09.2021 RM	**01.04.2019 to 30.09.2020 RM**	**01.10.2020 to 30.09.2021 RM**	**01.04.2019 to 30.09.2020 RM**
Income tax:				
- Current year/period	1,432,544	2,057,296	-	-
- Under/(over)provision in prior period/year	132,702	(31,009)	-	3,198
	1,565,246	2,026,287	-	3,198
Deferred tax (Note 25):				
- Origination/(reversal) of temporary differences	2,304	(19,013)	-	-
- Overprovision in prior period/year	(86,570)	(24,664)	-	-
	(84,266)	(43,677)	-	-
Tax expense for the financial year/period	1,480,980	1,982,610	-	3,198

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable profit for the year/period.

6. **TAX EXPENSE** (cont'd)

The reconciliation of the tax amount at statutory income tax rate to the Group's and to the Company's tax expense is as follows:

	Group		Company	
	01.10.2020 to 30.09.2021 RM	**01.04.2019 to 30.09.2020 RM**	**01.10.2020 to 30.09.2021 RM**	**01.04.2019 to 30.09.2020 RM**
Loss before tax	(12,624,710)	(51,375,421)	(14,792,427)	(44,569,986)
Tax at the Malaysian statutory income tax rate of 24% (2020: 24%)	(3,029,930)	(12,330,101)	(3,550,182)	(10,696,797)
Tax effect on share of results of associate	(667,567)	(374,209)	-	-
Income not subject to tax	(307,305)	(996,422)	(837,654)	(827,524)
Expenses not deductible for tax purposes	4,504,133	14,971,398	4,387,836	11,524,321
Deferred tax assets not recognised	935,517	767,617	-	-
Under/(over)provision in prior period/year:				
- income tax	132,702	(31,009)	-	3,198
- deferred tax	(86,570)	(24,664)	-	-
Tax expense for the financial year/period	1,480,980	1,982,610	-	3,198

The Group has the following estimated unutilised tax losses and unabsorbed capital allowances respectively, available for set-off against future taxable profit as follows:

	Group	
	2021 RM	**Restated 2020 RM**
Unutilised tax losses	26,448,476	27,113,603
Unabsorbed capital allowances	636,373	583,077
	27,084,849	27,696,680

The comparative figures have been restated to reflect the actual unutilised tax losses and unabsorbed capital allowances carried forward.

With effect from Year of Assessment ("YA") 2019, the unutilised tax losses in a YA the subsidiaries can only be carried forward for a maximum period of 10 consecutive YAs to be utilised against income from any business source.

Notes To The Financial Statements (Continued)
– 30 September 2021

7. LOSS PER ORDINARY SHARE

(a) Basic

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

	Group	
	01.10.2020 to 30.09.2021	01.04.2019 to 30.09.2020
Basic loss per share:		
Loss after tax attributable to Owners of the Company (RM)	(14,566,583)	(53,878,595)
Weighted average number of ordinary shares:		
Number of ordinary shares at beginning of the year/period	5,072,360,564	5,072,352,068
Effect of exercise of warrants	-	7,287
Weighted average number of ordinary shares at end of the financial year/period	5,072,360,564	5,072,359,355
Basic loss per share (sen)	(0.29)	(1.06)

(b) Diluted

Diluted loss per share is not presented as there were no potential dilutive ordinary shares outstanding during the financial year as the average market price of the ordinary share was lower than the exercise price of the unexpired warrants as disclosed in Note 21.

8. PROPERTY, PLANT AND EQUIPMENT

	Freehold land and building RM	Freehold office units RM	Office equipment RM	Furniture and fittings RM	Computers RM	Renovation RM	Motor vehicles RM	Machinery and equipment RM	Total RM
Group									
2021									
Cost									
At 1 October 2020	2,876,437	4,608,783	336,343	247,054	2,309,271	546,349	2,213,199	171,491	13,308,927
Additions	-	-	5,058	-	92,144	-	-	898	98,100
At 30 September 2021	2,876,437	4,608,783	341,401	247,054	2,401,415	546,349	2,213,199	172,389	13,407,027
Accumulated Depreciation									
At 1 October 2020	441,467	1,260,649	281,983	160,912	2,198,159	514,131	2,164,501	144,352	7,166,154
Charge for the financial year	66,466	230,440	16,285	18,929	49,249	18,454	39,772	4,811	444,406
At 30 September 2021	507,933	1,491,089	298,268	179,841	2,247,408	532,585	2,204,273	149,163	7,610,560
Accumulated Impairment Loss									
At 1 October 2020	-	-	-	-	-	-	-	-	-
Impairment loss for the financial year	-	-	25,430	59,934	35,181	5,771	-	-	126,316
At 30 September 2021	-	-	25,430	59,934	35,181	5,771	-	-	126,316
Net Carrying Amount									
At 30 September 2021	2,368,504	3,117,694	17,703	7,279	118,826	7,993	8,926	23,226	5,670,151

8. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land and building RM	Freehold office units RM	Office equipment RM	Furniture and fittings RM	Computers RM	Renovation RM	Motor vehicles RM	Machinery and equipment RM	Total RM
Group									
2020									
Cost									
At 1 April 2019	2,876,437	4,608,783	330,298	246,794	2,252,646	546,349	2,518,870	171,491	13,551,668
Additions	-	-	21,776	260	56,625	-	-	-	78,661
Disposals	-	-	(13,751)	-	-	-	(305,671)	-	(319,422)
Written off	-	-	(1,980)	-	-	-	-	-	(1,980)
At 30 September 2020	2,876,437	4,608,783	336,343	247,054	2,309,271	546,349	2,213,199	171,491	13,308,927
Accumulated Depreciation									
At 1 April 2019	341,767	914,989	266,297	132,484	2,137,454	430,035	2,310,391	134,956	6,668,373
Charge for the financial period	99,700	345,660	31,417	28,428	60,705	84,096	144,498	9,396	803,900
Disposals	-	-	(13,751)	-	-	-	(290,388)	-	(304,139)
Written off	-	-	(1,980)	-	-	-	-	-	(1,980)
At 30 September 2020	441,467	1,260,649	281,983	160,912	2,198,159	514,131	2,164,501	144,352	7,166,154
Net Carrying Amount									
At 30 September 2020	2,434,970	3,348,134	54,360	86,142	111,112	32,218	48,698	27,139	6,142,773

8. **PROPERTY, PLANT AND EQUIPMENT** (cont'd)

	Freehold office units RM	Office equipment RM	Furniture and fittings RM	Computers RM	Renovation RM	Motor vehicles RM	Total RM
Company							
2021							
Cost							
At 1 October 2020	4,608,783	21,384	23,306	32,770	153,572	392,180	5,231,995
Additions	-	-	-	7,631	-	-	7,631
At 30 September 2021	4,608,783	21,384	23,306	40,401	153,572	392,180	5,239,626
Accumulated Depreciation							
At 1 October 2020	1,260,649	21,383	23,305	29,906	148,272	392,179	1,875,694
Charge for the financial year	230,440	-	-	2,681	5,300	-	238,421
At 30 September 2021	1,491,089	21,383	23,305	32,587	153,572	392,179	2,114,115
Net Carrying Amount							
At 30 September 2021	3,117,694	1	1	7,814	-	1	3,125,511
2020							
Cost							
At 1 April 2019/30 September 2020	4,608,783	21,384	23,306	32,770	153,572	392,180	5,231,995
Accumulated Depreciation							
At 1 April 2019	914,989	18,731	23,305	25,600	115,221	392,179	1,490,025
Charge for the financial period	345,660	2,652	-	4,306	33,051	-	385,669
At 30 September 2020	1,260,649	21,383	23,305	29,906	148,272	392,179	1,875,694
Net Carrying Amount							
At 30 September 2020	3,348,134	1	1	2,864	5,300	1	3,356,301

Notes To The Financial Statements (Continued)
– 30 September 2021

8. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(i) Net carrying amount of freehold office units of the Group and of the Company pledged to financial institutions as securities for term loans and bank overdrafts (Note 23) granted to the Group and the Company as at reporting date is as follows:

	Group and Company	
	2021	**2020**
	RM	**RM**
Freehold office units	2,014,407	2,163,623

(ii) The total impairment loss related to loss-making subsidiaries amounted to RM126,316 was recognised by the Group in the "impairment on property, plant and equipment" line item in the statements of comprehensive income.

9. RIGHT-OF-USE ASSETS

	Lease of premises RM	**Motor vehicles RM**	**Total RM**
Group			
2021			
Cost			
At 1 October 2020/ 30 September 2021	435,003	639,716	1,074,719
Accumulated Depreciation			
At 1 October 2020	207,045	548,354	755,399
Charge for the financial year	138,029	67,665	205,694
At 30 September 2021	345,074	616,019	961,093
Net Carrying Amount			
At 30 September 2021	89,929	23,697	113,626
2020			
Cost			
At 1 April 2019/ 30 September 2020	435,003	639,716	1,074,719
Accumulated Depreciation			
At 1 April 2019	-	398,357	398,357
Charge for the financial period	207,045	149,997	357,042
At 30 September 2020	207,045	548,354	755,399
Net Carrying Amount			
At 30 September 2020	227,958	91,362	319,320

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

The expenses charged to the profit and loss during the financial year/period are as follows:

	Group	
	01.10.2020 to 30.09.2021	01.04.2019 to 30.09.2020 RM
Depreciation of right-of-use assets	205,694	357,042
Interest expense on lease liabilities	15,174	48,281
Short-term leases	26,400	50,400
Lease of low value assets	7,062	26,856

10. INTANGIBLE ASSETS

	Goodwill on consolidation RM	Intellectual property rights RM	Development costs RM	Total RM
Group				
2021				
Cost				
At 1 October 2020/ 30 September 2021	99,555,619	3,500,000	15,460,180	118,515,799
Accumulated Amortisation				
At 1 October 2020/ 30 September 2021	-	831,250	7,483,982	8,315,232
Accumulated Impairment Loss				
At 1 October 2020	52,511,282	2,668,750	7,976,198	63,156,230
Impairment loss for the financial year	12,057,000	-	-	12,057,000
At 30 September 2021	64,568,282	2,668,750	7,976,198	75,213,230
Net Carrying Amount				
At 30 September 2021	34,987,337	-	-	34,987,337

10. INTANGIBLE ASSETS (cont'd)

	Goodwill on consolidation RM	Intellectual property rights RM	Development costs RM	Total RM
Group				
2020				
Cost				
At 1 April 2019/30 September 2020	99,555,619	3,500,000	15,460,180	118,515,799
Accumulated Amortisation				
At 1 April 2019	-	831,250	7,387,155	8,218,405
Charge for the financial period	-	-	96,827	96,827
At 30 September 2020	-	831,250	7,483,982	8,315,232
Accumulated Impairment Loss				
At 1 April 2019	30,751,282	2,668,750	7,563,071	40,983,103
Impairment loss for the financial period	21,760,000	-	413,127	22,173,127
At 30 September 2020	52,511,282	2,668,750	7,976,198	63,156,230
Net Carrying Amount				
At 30 September 2020	47,044,337	-	-	47,044,337

(a) Intellectual property rights

The intellectual property rights relate to e-Enterprise Resources Planning Application that was assigned by one of the subsidiary's Director on 18 June 2014. The intellectual property rights are amortised over a period 20 years.

(b) Development costs

Development costs are related to costs incurred in developing software products and are capitalised until the products are available for general release to customers. The development costs are amortised over an average period of 5 to 15 years.

(c) Amortisation expense

The amortisation expense is shown in the "amortisation of intangible assets" line item in the statements of comprehensive income.

10. INTANGIBLE ASSETS (cont'd)

Impairment testing for goodwill, intellectual property rights and development costs

Goodwill arising from business combinations, intellectual property rights and development costs have been allocated to six individual cash-generating units ("CGUs") for impairment testing as follows:

- Murasaki Technology Sdn. Bhd. ("MTSB")
- CSS MSC Sdn. Bhd. ("CSS MSC")
- DDSB (M) Sdn. Bhd. ("DDSB")
- EA MSC Sdn. Bhd. ("EA MSC")
- Sunland Volonte Agency Sdn. Bhd. ("Sunland")
- EASS Sdn. Bhd. ("EASS")

Goodwill

As at 30 September 2021, the carrying amount of goodwill allocated to Sunland is RM34,987,337 (2020: RM47,044,337). In prior years, the goodwill allocated to MTSB, DDSB, EA MSC and EASS respectively has been fully impaired.

The recoverable amount of Sunland has been determined based on value-in-use calculation using cash flows projections from financial budgets approved by Board of Directors covering a five-year period and cash flows projections are prepared after considering the impact of COVID-19 pandemic.

The calculations of value-in-use for the CGU are most sensitive to the following assumptions:

(i) Revenue

Revenue is projected based on forecasted growth rates of 4% (2020: 5%) based on past performance of the segment as well as future demand outlook. Terminal value is based on the fifth-year cash flows without incorporating any growth rate.

(ii) Gross margin

Gross margins are based on the average value achieved in the four years preceding to the start of the budget period. Gross margins are assumed to be maintained over the budgeted period.

(iii) Pre-tax discount rate

Pre-tax discount rate of 9.23% (2020: 10.15%) per annum applied to the cash flows was used in determining the recoverable amount of the CGU. The discount rate used is based on the weighted average cost of capital of Sunland.

Intellectual property rights and development costs

In prior years, the intellectual property rights and development costs allocated to CSS MSC, MTSB, DDSB and EA MSC respectively have been fully impaired.

The recoverable amount of CSS MSC has been determined based on value-in-use calculation using cash flows projections from financial budgets approved by Board of Directors covering a five-year period.

The calculations of value-in-use for the CGU are most sensitive to the following assumptions:

(i) Revenue

Revenue is projected based on the current projects on hand, projects on bidding as well as average historical revenue achieved in the past four years. These are not expected to be higher than the four years average revenue achieved.

10. INTANGIBLE ASSETS (cont'd)

Intellectual property rights and development costs (cont'd)

(ii) Gross margin

Gross margins are based on the average value achieved in the four years preceding to the start of the budget period. Gross margins are assumed to be maintained over the budgeted period.

(iii) Pre-tax discount rate

Pre-tax discount rate of 9.2% per annum applied to the cash flows was used in determining the recoverable amounts of the CGUs. The discount rate used is based on the weighted average cost of capital of the Company.

Management believes that any reasonably possible change in the key assumptions on which the intangible assets recoverable amount is based on would not cause the carrying amount to exceed its recoverable amount. Actual outcomes could vary from these estimates. Management considered that any reasonable possible changes in the above key assumptions applied are not likely to cause the recoverable amount of the CGUs to be lower than its carrying amount.

Impairment loss recognised

(i) Development cost and intellectual property rights

In prior financial period, total impairment loss for development costs amounted to RM413,127 was recognised to write-down the carrying amounts of development costs shown in the "impairment loss on development costs'' line item in the statements of comprehensive income.

The intellectual property rights were fully impaired in prior years as there is no indication from past records to show the improvement trend of results and the future economic benefit likely not be materialised due to the recent downturn of IT segment.

(ii) Goodwill

During the financial year, total impairment loss amounted to RM12,057,000 (2020: RM21,760,000) was recognised to write-down the carrying amounts of goodwill attributable to individual CGUs as follows:

	Group	
	01.10.2020 to 30.09.2021 RM	**01.04.2019 to 30.09.2020 RM**
Sunland	12,057,000	21,760,000

The impairment loss has been recognised in the statements of comprehensive income under the line item "impairment loss on goodwill".

11. INVESTMENT IN SUBSIDIARIES

	Company 2021 RM	Company 2020 RM
Unquoted shares, at cost		
At beginning/end of the financial year/period	150,131,000	150,131,000
Capital contribution to subsidiaries		
At beginning of the financial year/period	39,654,006	38,432,070
Addition	-	1,221,936
At end of the financial year/period	39,654,006	39,654,006
Accumulated Impairment Losses		
At beginning of the financial year/period	109,026,785	84,948,666
Impairment loss for the financial year/period	12,476,000	24,078,119
At end of the financial year/period	121,502,785	109,026,785
Net Carrying Amount		
At end of the financial year/period	68,282,221	80,758,221

The capital contribution to subsidiaries in prior financial period amounted to RM1,221,936 was in relation to advances that are not expected to be repaid in foreseeable future and in substance, represents additional investments into the subsidiaries by the Company.

The details of the subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Principal Activities	Effective Equity Interest 2021 %	Effective Equity Interest 2020 %
CSS MSC Sdn. Bhd.	Malaysia	Provision of business intelligence software and development, IT service management consultancy and system integration	100	100
DDSB (M) Sdn. Bhd.	Malaysia	Information technology, consultancy services and software development	86	86
Colwyn Bay Technologies Sdn. Bhd.	Malaysia	Investment holding	100	100
Murasaki Technology Sdn. Bhd.	Malaysia	E-business consultancy and system integration	100	100
Sunland Volonte Agency Sdn. Bhd.	Malaysia	Food and beverage distribution	90	90

11. INVESTMENT IN SUBSIDIARIES (cont'd)

Name of Subsidiaries	Country of Incorporation	Principal Activities	Effective Equity Interest 2021 %	2020 %
Subsidiary of Colwyn Bay Technologies Sdn. Bhd.				
EASS Sdn. Bhd.	Malaysia	E-business consultancy and system integration	100	100
Subsidiary of EASS Sdn. Bhd.				
EA MSC Sdn. Bhd.	Malaysia	Hardware system integration, mechanical and engineering services	100	100

(a) Impairment loss on investment in subsidiaries

As at 30 September 2021, the Group carried out a review of the recoverable amounts of its investment in subsidiaries arising from the continuous loss-making, significant accumulated losses position and shortfall of net assets. An impairment loss amounting to RM12,476,000 (2020: RM24,078,119) was recognised and stated as a separate line item in the statements of comprehensive income for the financial year ended 30 September 2021. The recoverable amounts were derived based on higher of VIU which was measured based on cash flows projections and fair value less costs of disposal which was measured based on adjusted net assets of the respective subsidiaries. The key assumptions used in VIU are disclosed in Note 10 to the financial statements.

(b) Non-controlling interests in subsidiaries

The subsidiaries of the Group that have non-controlling interests ("NCI") are as follows:

	Sunland RM	DDSB (M) Sdn. Bhd. RM	Total RM
2021			
NCI percentage of ownership and voting interest	10%	14%	
Carrying amount to NCI (RM)	2,495,344	(929,801)	1,565,543
Profit allocated to NCI (RM)	451,471	9,422	460,893
2020			
NCI percentage of ownership and voting interest	10%	14%	
Carrying amount to NCI (RM)	2,043,873	(939,223)	1,104,650
Profit/(loss) allocated to NCI (RM)	627,831	(107,267)	520,564

11. INVESTMENT IN SUBSIDIARIES (cont'd)

(b) Non-controlling interests in subsidiaries (cont'd)

The summarised financial information before intra-group elimination of the subsidiaries that have NCI as at the end of each reporting period are as follows:

	Sunland 2021 RM	Sunland 2020 RM	DDSB 2021 RM	DDSB 2020 RM
Assets and liabilities:				
Non-current assets	820,862	836,085	35,841	95,615
Current assets	24,384,811	20,215,003	1,282,845	931,204
Non-current liabilities	(10,477)	(25,558)	(2,988)	(37,956)
Current liabilities	(1,686,786)	(2,031,834)	(1,030,843)	(771,308)
Net assets	23,508,410	18,993,696	284,855	217,555
Less: Capital contribution	-	-	(6,926,278)	(6,926,278)
Add: Fair value adjustment arising from Purchase Price Allocation exercise	1,344,673	1,384,812	-	-
Adjusted net assets/ (liabilities)	24,853,083	20,378,508	(6,641,423)	(6,708,723)

	Sunland 01.10.2020 to 30.09.2021 RM	Sunland 01.04.2019 to 30.09.2020 RM	DDSB 01.10.2020 to 30.09.2021 RM	DDSB 01.04.2019 to 30.09.2020 RM
Results:				
Revenue	20,513,362	30,319,269	1,773,710	1,740,380
Profit/(loss) for the financial year/period	4,514,714	6,278,306	67,300	(766,196)
Total comprehensive income	4,514,714	6,278,306	67,300	(766,196)
Cash flows:				
Cash flows from/(used in) operating activities	1,261,954	6,737,871	(241,133)	86,956
Cash flows (used in)/from investing activities	(7,790,861)	(1,676,618)	89,878	(17,810)
Cash flows (used in)/from financing activities	(14,274)	(51,882)	130,193	(326,979)
	(6,543,181)	5,009,371	(21,062)	(257,833)

Notes To The Financial Statements (Continued)
– 30 September 2021

12. INVESTMENT IN AN ASSOCIATE

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Unquoted shares, at cost				
At beginning/end of the financial year/period	47,040,000	47,040,000	47,040,000	47,040,000
Add: Share of post-acquisition results				
At beginning of the financial year/period	14,796,525	13,237,320	-	-
Additions	2,781,530	1,559,205	-	-
At end of the financial year/period	17,578,055	14,796,525	-	-
Less: Accumulated impairment loss				
At beginning of the financial year/period	43,966,725	9,100,000	29,170,200	9,100,000
Impairment loss for the financial year/period	-	34,866,725	-	20,070,200
Reversal on impairment loss for the financial year/period	(358,470)	-	(3,140,000)	-
At end of the financial year/period	43,608,255	43,966,725	26,030,200	29,170,200
	21,009,800	17,869,800	21,009,800	17,869,800

(a) There is no quoted market price available for the shares as the associate is a private company.

(b) The details of the associate are as follows:

Name of Associate	Country of Incorporation	Principal Activities	Proportion of Ownership Interest 2021	Proportion of Ownership Interest 2020
Cekap Air Sdn. Bhd.	Malaysia	Provision of hydraulic mechanical and electrical engineering services for water supply and treatment plant	20%	20%

12. **INVESTMENT IN AN ASSOCIATE** (cont'd)

(c) The summarised financial information of the associate, not adjusted for the proportion of the ownership interest held by the Group, is as follows:

	2021 RM	2020 RM
Assets and liabilities:		
Non-current assets	1,188,271	832,620
Current assets	129,869,084	150,535,079
Non-current liabilities	(417,215)	(268,425)
Current liabilities	(25,275,079)	(61,750,273)
Net assets	105,365,061	89,349,001

	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM
Results:		
Revenue	59,468,946	53,749,295
Profit for the financial year/period	13,907,651	7,796,026
Total comprehensive income	13,907,651	7,796,026
Cash flows:		
Cash flows (used in)/from operating activities	(856,514)	6,927,715
Cash flows (used in)/from investing activities	(343,429)	1,228,712
Cash flows used in financing activities	(164,460)	(1,450,971)
	(1,364,403)	6,705,456

(d) Impairment loss

As at 30 September 2021, the Group and the Company carried out an annual review of the recoverable amount of its investment in CASB. A reversal of impairment loss of the Group and of the Company amounted to RM358,470 and RM3,140,000 respectively was recognised and stated as a separate line item in the statements of comprehensive income for financial year ended 30 September 2021. In prior financial period, an impairment loss the Group and of the Company was recorded at RM34,866,725 and RM20,070,200 respectively was recognised and stated as a separate line item in the statements of comprehensive income for financial period ended 30 September 2020.

The recoverable amount was derived based on the higher of fair value less costs of disposal which was measured based on net assets of CASB.

13. TRADE RECEIVABLES

	Note	Group 2021 RM	Group 2020 RM
Non-current:			
Third parties	(a)	-	2,070,106
Current:			
Third parties		18,629,350	13,788,671
Less: Allowance for impairment loss		(6,920,964)	(2,884,793)
	(a)	11,708,386	10,903,878
Retention sum		1,148,565	305,594
		12,856,951	11,209,472

The normal credit terms of the trade receivables of the Company ranging from 30 to 60 days (2020: 30 to 60 days). Other credit terms are assessed and approved on a case-by-case basis.

(a) The trade receivables can be analysed as follows:

	Group 2021 RM	Group 2020 RM
Present value of trade receivables:		
- Repayable within one year	11,708,386	10,903,878
- Repayable more than 1 year but not more than 5 years	-	2,070,106
	11,708,386	12,973,984
Future minimum payments:		
- Repayable within one year	11,708,386	11,197,404
- Repayable more than 1 year but not more than 5 years	-	2,339,971
	11,708,386	13,537,375
Less: Unamortised interest	-	(563,391)
	11,708,386	12,973,984

The effective interest rate for prior period is the weighted average cost of capital of the Company of 9.20% per annum.

14. AMOUNTS DUE FROM SHAREHOLDERS OF A SUBSIDIARY

	Group and Company 2021 RM	Group and Company 2020 RM
Non-current	2,082,468	2,798,242
Current	715,773	649,773
	2,798,241	3,448,015

14. AMOUNTS DUE FROM SHAREHOLDERS OF A SUBSIDIARY (cont'd)

The amounts due from shareholders of a subsidiary can be analysed as follows:

	Group and Company	
	2021 RM	2020 RM
Present value of amounts due from shareholders of a subsidiary		
- Repayable within one year	715,773	649,773
- Repayable more than 1 year but not more than 5 years	2,082,468	2,798,242
	2,798,241	3,448,015
Future minimum payments:		
- Repayable within one year	1,000,000	1,000,000
- Repayable more than 1 year but not more than 5 years	2,468,640	3,468,640
	3,468,640	4,468,640
Less: Unamortised interest	(670,399)	(1,020,625)
	2,798,241	3,448,015

The effective interest rate is the weighted average cost of capital of the Company of 10.15% per annum.

Income from shortfall in profit guarantee arising from acquisition of Sunland

Pursuant to the acquisition of Sunland that was completed on 27 April 2018, the shareholders (hereby also referred as the vendors) of Sunland have jointly and severally agreed to undertake and guarantee a minimum profit guarantee for a period of two years. Consequent thereon, the vendors would compensate any shortfall arising from the profit guarantee period to the Company.

In prior financial period, the Board of Directors of the Company has jointly agreed with the vendors on the shortfall in profit is RM4,468,640, which will be repaid over 9 instalments. After adjusting for the fair value adjustment of RM1,020,625, the net income of RM3,448,015 from the shortfall in profit guarantee was recognised in the "income from shortfall in profit guarantee, net of fair value adjustment" line item in the statements of comprehensive income for the financial period ended 30 September 2020.

During the financial year, an amount of RM350,226 has been added back being the accretion of interest on the instalment received in current financial year in which was recognised as "accretion of interest income on amount due from shareholders of a subsidiary" line item in the statements of comprehensive income for the financial year ended 30 September 2021.

15. INVENTORIES

	Group	
	2021 RM	2020 RM
At cost:		
- RFID integrated products	159,598	218,133
- Food and beverages	5,959,755	3,479,327
	6,119,353	3,697,460

The Group recognised inventories as cost of sales amounted to RM15,624,983 (2020: RM22,664,025).

16. OTHER RECEIVABLES

	Group		Company	
	2021	2020	2021	2020
	RM	RM	RM	RM
Other receivables, gross	15,934,328	6,224,379	10,622,973	6,036,884
Less: Allowance for impairment loss	(4,164,242)	(546,470)	(4,099,672)	(481,900)
Other receivables, net	11,770,086	5,677,909	6,523,301	5,554,984
Deposits	577,979	530,715	18,400	16,900
Prepayments	860,083	1,164,260	-	-
	13,208,148	7,372,884	6,541,701	5,571,884

Included in the other receivables of the Group and the Company was a security deposit of RM15,356,783 and RM10,123,738 paid for two surveillance solutions projects secured.

17. CONTRACT ASSETS/(LIABILITIES)

		Group	
		2021	2020
	Note	RM	RM
Contract assets:			
- Long-term service contract	(a)	1,853,173	1,891,398
- Other contract	(a)	326,743	78,280
		2,179,916	1,969,678
Contract liabilities:			
- Long-term service contract	(a)	901,630	85,278
- Advances from customers		-	168,000
- Other contract	(a)	195,019	620,399
		1,096,649	873,677

(a) Long-term service contract and other contract

	Group	
	2021	2020
	RM	RM
At beginning of the year/period	1,264,001	(325,732)
Revenue recognised during the year/period (Note 4)	20,321,200	18,611,627
Progress billing during the year/period	(20,501,934)	(17,021,894)
At end of the year/period	1,083,267	1,264,001

17. CONTRACT ASSETS/(LIABILITIES) (cont'd)

Set out below is the amount of revenue recognised from:

	Group	
	2021 RM	2020 RM
Amount included in contract liabilities at the beginning of the financial year/period	873,677	881,232

18. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

These non-trade amounts represent unsecured, interest-free advance which are collectible/(repayable) on demand.

19. AMOUNT DUE FROM AN ASSOCIATE

This non-trade amount represents unsecured, interest-free advance which is collectible on demand.

20. CASH AND CASH EQUIVALENTS

(a) Fixed deposits placed with licensed banks

The effective interest rates of the fixed deposits placed with licensed banks range from 1.30% to 3.00% (2020: 1.30% to 3.00%) per annum. The fixed deposits have maturity periods ranging from 1 to 12 months (2020: 1 to 12 months).

The fixed deposits with licensed banks of the Group and of the Company have been pledged to licensed banks as security for banking facilities granted to the Group and to the Company as disclosed in Note 23.

(b) Short-term money market deposit

The effective interest rate of the short-term money market deposit placed with a licensed bank of the Group is 1.0% (2020: 2.5%) per annum. The short-term money market deposit has maturity periods ranging from 1 to 3 days (2020: 1 to 3 days).

21. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	2021 Units	2020 Units	2021 RM	2020 RM
Ordinary shares				
Issued and fully paid:				
At beginning of the financial year/period	5,072,360,564	5,072,352,068	198,035,371	198,034,778
- Warrants C [Note 21(b)(i)]	-	8,496	-	593
At end of the financial year/period	5,072,360,564	5,072,360,564	198,035,371	198,035,371

21. SHARE CAPITAL (cont'd)

(a) Ordinary Shares

2020

In prior financial period, 8,496 of Warrants C 2014/2019 ("Warrants C") were exercised at an exercise price of RM0.07 per warrant, hence the Company paid-up share capital was increased from RM198,034,778 to RM198,035,371.

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual interests.

(b) Detachable Warrants

(i) Warrants C 2014/2019

In 2014, the Company issued 212,588,250 free detachable warrants pursuant to the rights issue with warrants on the basis of one (1) free warrant for every two (2) rights shares subscribed for. Each warrant entitles the holder of the right to subscribe for one (1) new ordinary share of RM0.10 each in the Company at an exercise price of RM0.12 per warrant. The fair value of the Warrants C was determined as RM0.0236.

In 2016, the exercise price of the warrant was adjusted from RM0.12 to RM0.10 and additional 42,517,650 warrants were issued arising from the adjustments pursuant to the bonus issue exercise.

In 2018, the exercise price of the warrant was further adjusted from RM0.10 to RM0.07 and additional 147,961,232 warrants were issued arising from the adjustments pursuant to the right issue exercise.

The movement in this warrant is as follows:

	Group and Company 2020 Units
Balance as at beginning of the financial period	403,067,132
Exercised	(8,496)
Lapsed	(403,058,636)
Balance as at end of the financial period	-

The salient features of the warrants are as follows:

(1) The issue date of the warrants is 24 June 2014 and the expiry date is 18 June 2019. Any warrants not exercised at the expiry date will lapse and cease to be valid for any purpose;

(2) Each warrant entitles the registered holder to subscribe for one (1) new ordinary share at an exercise price of RM0.07 per ordinary share;

(3) The exercise price and the number of warrants is subject to adjustments in the event of alteration to the share capital of the Company in accordance with the provisions of Deed Poll. However, no adjustment shall be made in any event whereby the exercise price would be reduced to below the par value of ordinary share in the Company;

21. SHARE CAPITAL (cont'd)

(b) Detachable Warrants

(i) Warrants C 2014/2019 (cont'd)

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

(4) The warrant holders are not entitled to participate in any distribution and/or offer of further securities in the Company (except for the issue of new warrants pursuant to adjustment as mention in item (3) above), until and unless such holders exercise the rights under the warrants to subscribe for new ordinary shares; and

(5) The new ordinary shares to be issued upon exercise of warrants shall, upon allotment and issue, rank pari passu with the then existing ordinary shares, including the entitlement to dividend, rights, allotments or other distributions, except that they will not entitled to the rights, allotments or other distributions declared by the Company which entitlement thereof precedes the allotment date of the new ordinary shares allotted pursuant to the exercise of the warrants.

The total number of warrants that remain unexercised amounted to 403,058,636 units expired and lapsed on 18 June 2019.

(ii) Warrants D 2017/2022

In 2018, the Company issued 993,885,016 free detachable warrants pursuant to the rights issue with warrants on the basis of two (2) free warrants for every four (4) rights shares subscribed for. Each warrant entitles the holder of the right to subscribe for one (1) new ordinary share each in the Company at an exercise price of RM0.05 per warrant. The fair value of the Warrants D was determined as RM0.01.

The movement in this warrant is as follows:

	Group and Company	
	2021	**2020**
	Units	**Units**
Balance as at beginning/end of the financial year/period	993,885,016	993,885,016

The salient features of the warrants are as follows:

(1) The issue date of the warrants is 1 November 2017 and the expiry date is 25 October 2022. Any warrants not exercised at the expiry date will lapse and cease to be valid for any purpose;

(2) Each warrant entitles the registered holder to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.05 per ordinary share;

(3) The warrants may be exercisable at any time within five (5) years commencing from and including the date of issuance of warrants and ending 5pm on the expiry date. The expiry date is a day falling immediately before the 5th anniversary of the date of issuance of the warrants and if such date is not a market day, then on the preceding market day;

21. SHARE CAPITAL (cont'd)

(b) Detachable Warrants (cont'd)

(ii) Warrants D 2017/2022 (cont'd)

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

(4) The exercise price and the number of warrants is subject to adjustments in the event of alteration to the share capital of the Company in accordance with the provisions of Deed Poll. However, no adjustment shall be made in any event whereby the exercise price would be reduced to below the par value of ordinary share in the Company; and

(5) The new ordinary shares to be issued upon exercise of warrants shall, upon allotment and issue, rank pari passu with the then existing ordinary shares, including the entitlement to dividend, rights, allotments or other distributions, except that they will not entitled to the rights, allotments or other distributions declared by the Company which entitlement thereof precedes the allotment date of the new ordinary shares allotted pursuant to the exercise of the warrants.

(iii) Warrants E 2018/2023

In 2019, the Company issued 1,087,061,194 free detachable warrants pursuant to the bonus issue on the basis of five (5) free warrants for every sixteen (16) existing ordinary shares of the Company held at an exercise price of RM0.035 per warrant.

The movement in this warrant is as follows:

	Group and Company	
	2021	**2020**
	Units	**Units**
Balance as at beginning/end of the financial year/period	1,087,061,194	1,087,061,194

The salient features of the warrants are as follows:

(1) The issue date of the warrants is 23 April 2018 and the expiry date is 22 April 2023. Any warrants not exercised at the expiry date will lapse and cease to be valid for any purpose;

(2) Each warrant entitles the registered holder to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.035 per ordinary share;

(3) The warrants may be exercisable at any time within five (5) years commencing from and including the date of issuance of warrants and ending 5pm on the expiry date. The expiry date is a day falling immediately before the 5th anniversary of the date of issuance of the warrants and if such date is not a market day, then on the preceding market day;

(4) The exercise price and the number of warrants is subject to adjustments in the event of alteration to the share capital of the Company in accordance with the provisions of Deed Poll. However, no adjustment shall be made in any event whereby the exercise price would be reduced to below the par value of ordinary share in the Company; and

21. SHARE CAPITAL (cont'd)

(b) Detachable Warrants (cont'd)

(iii) Warrants E 2018/2023 (cont'd)

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

(5) The new ordinary shares to be issued upon exercise of warrants shall, upon allotment and issue, rank pari passu with the then existing ordinary shares, including the entitlement to dividend, rights, allotments or other distributions, except that they will not entitled to the rights, allotments or other distributions declared by the Company which entitlement thereof precedes the allotment date of the new ordinary shares allotted pursuant to the exercise of the warrants.

22. RESERVES

		Group		Company	
		2021	**2020**	**2021**	**2020**
	Note	**RM**	**RM**	**RM**	**RM**
Non-distributable reserve:					
Warrants reserve	(a)	9,938,851	9,938,851	9,938,851	9,938,851
Other reserve	(b)	(13,737,745)	(13,737,745)	-	-
		(3,798,894)	(3,798,894)	9,938,851	9,938,851
Accumulated losses		(87,181,755)	(72,615,172)	(103,292,460)	(88,500,033)
		(90,980,649)	(76,414,066)	(93,353,609)	(78,561,182)

(a) Warrants reserve

	Group and Company	
	2021	**2020**
	RM	**RM**
At beginning of the financial year/period	9,938,851	19,441,546
Transfer to accumulated losses	-	(9,502,695)
At end of the financial year/period	9,938,851	9,938,851

This reserve comprises the recognition of fair value of the Company's warrants arising from the additional share issuance attached with warrants.

(b) Other reserve

The other reserve represents the excess of consideration over net assets acquired arising from step acquisition which is recognised as movement in equity of the Group.

23. BORROWINGS

	Note	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Non-current:					
Term loans	(a)	1,454,761	1,514,251	1,454,761	1,514,251
Current:					
Term loans	(a)	79,785	127,971	79,785	127,971
Bank overdrafts	(b)	4,391,629	3,234,876	492,505	472,070
		4,471,414	3,362,847	572,290	600,041
Total		5,926,175	4,877,098	2,027,051	2,114,292

The remaining maturities of the borrowings as at the reporting are as follows:

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
On demand or within 1 year	4,471,414	3,362,847	572,290	600,041
More than 1 year but not more than 2 years	124,325	134,318	124,325	134,318
More than 2 years but not more than 5 years	409,399	442,633	409,399	442,633
More than 5 years	921,037	937,300	921,037	937,300
	5,926,175	4,877,098	2,027,051	2,114,292

The range of interest rates per annum at the reporting date for the borrowings are as follows:

	Group 2021 %	Group 2020 %	Company 2021 %	Company 2020 %
Bank overdrafts	7.35 - 8.35	7.35 - 8.35	7.35 - 8.35	7.35 - 8.35
Term loans	4.65	4.70	4.65	4.70

(a) Term loans

	Group and Company 2021 RM	Group and Company 2020 RM
Current:		
Within one year	79,785	127,971
Non-current:		
Payable within one year	124,325	134,318
Payable more than 1 year but not more than 2 years	409,399	442,633
Payable more than 2 years but not more than 5 years	921,037	937,300
	1,454,761	1,514,251
	1,534,546	1,642,222

23. BORROWINGS (cont'd)

(a) Term loans (cont'd)

Term loans are secured by the following:

(i) Freehold office units as disclosed in Note 8(i); and

(ii) A legal assignment over the rights and interest to the rental income under the Tenancy Agreement between the Company and the tenants selected by the Company.

(b) Bank overdrafts

Bank overdrafts are secured by the following:

(i) Freehold office units disclosed in Note 8(i);

(ii) A legal assignment over the rights and interest to the rental income under the Tenancy Agreement between the Company and the tenants selected by the Company;

(iii) A charge by the Group and the Company on fixed deposits as disclosed in Note 20(a);

(iv) A fresh guarantee of RM8,500,000 jointly by Directors of the Company;

(v) Jointly and severally guaranteed by the Director of a subsidiary; and

(vi) Corporate guarantee by the Company.

24. LEASE LIABILITIES

	Motor vehicle RM	Lease of premises RM	Total RM
Group			
2021			
Future minimum lease payments:			
Payable within one year	60,216	97,000	157,216
Payable more than 1 year but not more than 2 years	47,499	-	47,499
	107,715	97,000	204,715
Less: Unexpired finance charges	(4,660)	(1,689)	(6,349)
Present value of future minimum lease payments	103,055	95,311	198,366
Present value of future minimum lease payments:			
Payable within one year	56,515	95,311	151,826
Payable more than 1 year but not more than 2 years	46,540	-	46,540
	103,055	95,311	198,366

24. LEASE LIABILITIES (cont'd)

	Motor vehicle RM	Lease of premises RM	Total RM
Group (cont'd)			
2021			
Analysed as:			
Current	56,515	95,311	151,826
Non-current	46,540	-	46,540
	103,055	95,311	198,366
2020			
Future minimum lease payments:			
Payable within one year	89,318	159,000	248,318
Payable more than 1 year but not more than 2 years	61,554	97,000	158,554
Payable more than 2 years but not more than 5 years	46,161	-	46,161
	197,033	256,000	453,033
Less: Unexpired finance charges	(11,642)	(9,881)	(21,523)
Present value of future minimum lease payments	185,391	246,119	431,510
Present value of future minimum lease payments:			
Payable within one year	82,335	150,808	233,143
Payable more than 1 year but not more than 2 years	57,809	95,311	153,120
Payable more than 2 years but not more than 5 years	45,247	-	45,247
	185,391	246,119	431,510
Analysed as:			
Current	82,335	150,808	233,143
Non-current	103,056	95,311	198,367
	185,391	246,119	431,510

The range of interest rates per annum at the reporting date for the lease liabilities are as follows:

	2021 %	2020 %
Hire purchase (motor vehicles)	5.04 - 6.54	5.04 - 6.54
Premises	4.68	4.68

25. DEFERRED TAX LIABILITIES

	Group 2021 RM	Group 2020 RM
At beginning of the financial year/period	424,634	468,311
Recognised in profit or loss (Note 6)	(84,266)	(43,677)
At end of the financial year/period	340,368	424,634

The recognised deferred tax (assets)/liabilities before offsetting are as follows:

	Unabsorbed capital allowances RM	Unutilised tax losses RM	Right-of-use assets RM	Others RM	Total RM
Group					
Deferred tax assets:					
2021					
At 1 October 2020	-	(1,920)	(26,560)	5,644	(22,836)
Recognised in profit or loss	-	1,103	6,994	(89,388)	(81,291)
At 30 September 2021	-	(817)	(19,566)	(83,744)	(104,127)
2020					
At 1 April 2019	(1,528)	-	-	(33,927)	(35,455)
Recognised in profit or loss	1,528	(1,920)	(26,560)	39,571	12,619
At 30 September 2020	-	(1,920)	(26,560)	5,644	(22,836)

	Property, plant and equipment RM	Fair value adjustment in respect of acquisition of a subsidiary RM	Total RM
Group			
Deferred tax liabilities:			
2021			
At 1 October 2020	10,160	437,310	447,470
Recognised in profit or loss	9,701	-	9,701
Crystalisation of fair value adjustment	-	(12,676)	(12,676)
At 30 September 2021	19,861	424,634	444,495
2020			
At 1 April 2019	47,443	456,323	503,766
Recognised in profit or loss	(37,283)	-	(37,283)
Crystalisation of fair value adjustment	-	(19,013)	(19,013)
At 30 September 2020	10,160	437,310	447,470

25. DEFERRED TAX LIABILITIES (cont'd)

The estimated temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows:

	Group	
	2021	2020
	RM	RM
Unutilised tax losses	26,445,071	27,109,368
Unabsorbed capital allowances	636,373	573,708
Other deductible temporary differences	7,149,640	2,650,021
	34,231,084	30,333,097

The comparative figures have been restated to reflect the actual tax losses carry forward, capital allowances and other deductible temporary differences available to the subsidiaries.

26. TRADE PAYABLES

	Group	
	2021	2020
	RM	RM
Trade payables	3,712,055	2,928,652
Retention sum	484,538	39,962
	4,196,593	2,968,614

The normal credit terms granted by the trade creditors to the Group ranging from 30 to 90 days (2020: 30 to 90 days).

27. OTHER PAYABLES

	Group		Company	
	2021	2020	2021	2020
	RM	RM	RM	RM
Other payables	942,661	1,066,272	275,440	294,106
Accruals	1,298,465	673,252	270,115	110,722
Deposits received	4,100	183,524	-	34,050
	2,245,226	1,923,048	545,555	438,878

28. AMOUNTS DUE TO DIRECTORS

These non-trade amounts represent unsecured, interest-free advances which are repayable on demand.

29. RELATED PARTIES DISCLOSURES

(a) Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group and to the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Group and the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Company have a related party relationship with its subsidiaries, associate, shareholders of a subsidiary and key management personnel.

(a) Related party transactions

The related party balances are shown in Notes 14, 18, 19 and 28 respectively. The related party transactions of the Group and of the Company are shown below.

	Group		Company	
	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM	01.10.2020 to 30.09.2021 RM	01.04.2019 to 30.09.2020 RM
Transactions with subsidiaries:				
- Advances to	-	-	(114,968)	-
- Advances from	-	-	3,088,234	8,468,166
- Rental income	-	-	(36,000)	(54,000)
Transactions with an associate:				
- (Advances to)/ Repayment from	(752,173)	955,837	(752,173)	955,837
Transactions with Directors:				
- Repayment to	-	(28,290)	-	(13,790)
Transactions with Shareholders of a subsidiary:				
- Repayment from	1,000,000	-	1,000,000	-

(c) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly, including any Directors of the Company and its subsidiaries.

The remunerations paid by the Group and the Company to the Directors during the financial year/period has been disclosed in Note 5(b).

30. SEGMENT INFORMATION

(a) Reporting format

Segment information is presented in respect of the Group's business segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

i.	ICT consultancy	E-business software application
ii.	Software solution	Provision of business intelligence software and development, IT service management consultancy and system integration
iii.	RFID system	Hardware system integration, mechanical and engineering services, access control system and building automation system
iv.	F&B distribution	Sales and distribution of food and beverages products
v.	Investment holding	Investment in subsidiaries

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Segment revenue and results

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3(t). Segment results represent profit or loss before finance costs and tax of the segment. Inter-segment transactions are entered in the ordinary course of business based on terms mutually agreed upon by the parties concerned.

Segment assets

Segment assets are measured based on all assets of the segment, excluding deferred tax assets and tax assets.

Segment liabilities

Segment liabilities are measured based on all liabilities of the segment, excluding deferred tax liabilities and tax liabilities.

(b) Allocation basis and transfers

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

30. SEGMENT INFORMATION (cont'd)

	Note	ICT Consultancy RM	Software Solution RM	RFID System RM	F&B Distribution RM	Investment Holding RM	Total RM	Elimination RM	Total RM
2021									
Revenue:									
External sales		9,431,793	2,666,211	12,427,620	20,513,362	-	45,038,986	-	45,038,986
Inter-segment sales	A	-	80,000	-	-	-	80,000	(80,000)	-
Total revenue		9,431,793	2,746,211	12,427,620	20,513,362	-	45,118,986		45,038,986
Results:									
Depreciation of property, plant and equipment		26,493	15,914	38,621	72,142	238,421	391,591	52,815	444,406
Depreciation of right-of-use assets		87,535	33,084	100,387	17,772	-	238,778	(33,084)	205,694
Impairment loss on:									
- goodwill		-	-	-	-	-	-	12,057,000	12,057,000
- investment in subsidiaries		-	-	-	-	12,476,000	12,476,000	(12,476,000)	-
- trade receivables		3,578,025	-	658,435	-	-	4,236,460	-	4,236,460
- other receivables		-	-	-	-	3,617,772	3,617,772	-	3,617,772
- property, plant and equipment		-	22,003	104,313	-	-	126,316	-	126,316
Loss/(gain) on foreign exchange:									
- realised		-	3,464	-	-	-	3,464	-	3,464
- unrealised		-	(32)	-	-	-	(32)	-	(32)
Lease of:									
- short-term leases		-	-	26,400	-	-	26,400	-	26,400
- low value assets		7,062	-	-	-	-	7,062	-	7,062
Interest income		(93,200)	(59)	(11,315)	(31,613)	(37,104)	(173,291)	-	(173,291)
- deferred trade receivable		(301,445)	-	-	-	-	(301,445)	-	(301,445)
- amount due from shareholders of a subsidiary		-	-	-	-	(350,226)	(350,226)	-	(350,226)

30. SEGMENT INFORMATION (cont'd)

	Note	ICT Consultancy RM	Software Solution RM	RFID System RM	F&B Distribution RM	Investment Holding RM	Total RM	Elimination RM	Total RM
2021 (cont'd)									
Results: (cont'd)									
Rental income		-	-	-	-	(114,451)	(114,451)	36,000	(78,451)
Reversal of impairment loss									
- investment in an associate		-	-	-	-	(3,140,000)	(3,140,000)	2,781,530	(358,470)
- trade receivables		-	(27,723)	(41,268)	(131,298)	-	(200,289)	-	(200,289)
Segment results		(2,692,847)	575,271	(1,574,063)	5,874,657	(14,588,364)	(12,405,346)	(2,418,261)	(14,823,607)
Interest expense		(7,872)	(2,629)	(357,606)	(1,812)	(215,343)	(585,262)	2,629	(582,633)
Share of result of associate, net of tax		-	-	-	-	-	-	2,781,530	2,781,530
(Loss)/profit before tax		(2,700,719)	572,642	(1,931,669)	5,872,845	(14,803,707)	(12,990,608)		(12,624,710)
Tax expense		(133,802)	(1,723)	-	(1,358,131)	-	(1,493,656)	12,676	(1,480,980)
(Loss)/profit for the financial year		(2,834,521)	570,919	(1,931,669)	4,514,714	(14,803,707)	(14,484,264)		(14,105,690)
Segment assets:									
Investment in associate		-	-	-	-	21,009,800	21,009,800	-	21,009,800
Other segment assets		12,605,150	4,086,898	11,891,542	25,145,300	99,808,526	153,537,416	(51,391,550)	102,145,866
Total assets	B	12,605,150	4,086,898	11,891,542	25,145,300	120,818,326	174,547,216		123,155,666
Segment liabilities	C	4,101,218	1,222,623	10,761,209	1,181,829	16,155,461	33,422,340	(19,743,681)	13,678,659
Other information:									
Additions to non-current assets excluding deferred tax assets and financial assets		58,495	4,399	24,474	3,101	7,631	98,100	-	98,100

30. SEGMENT INFORMATION (cont'd)

	Note	ICT Consultancy RM	Software Solution RM	RFID System RM	F&B Distribution RM	Investment Holding RM	Total RM	Elimination RM	Total RM
2020									
Revenue:									
External sales		8,337,917	4,470,729	7,325,797	30,319,269	-	50,453,712	-	50,453,712
Inter-segment sales	A	-	120,000	-	-	-	120,000	(120,000)	-
Total revenue		8,337,917	4,590,729	7,325,797	30,319,269	-	50,573,712		50,453,712
Results:									
Amortisation of development		-	96,827	-	-	-	96,827	-	96,827
Deposit written off		-	500,000	-	-	-	500,000	-	500,000
Depreciation of property, plant and equipment		74,458	20,202	92,016	152,332	385,669	724,677	79,223	803,900
Depreciation of right-of-use assets		179,803	49,626	150,581	26,658	-	406,668	(49,626)	357,042
Impairment loss on:									
- development costs		-	413,127	-	-	-	413,127	-	413,127
- goodwill		-	-	-	-	-	-	21,760,000	21,760,000
- investment in subsidiaries		2,999,999	-	-	-	29,802,867	32,802,866	(32,802,866)	-
- investment in an associate		-	-	-	-	20,070,200	20,070,200	14,796,525	34,866,725
- trade receivables		-	332,681	393,777	220,482	-	946,940	-	946,940
- other receivables		-	-	64,570	-	481,900	546,470	-	546,470
Loss/(gain) on foreign exchange:									
- realised		-	2,111	-	-	-	2,111	-	2,111
- unrealised		-	(750)	-	-	-	(750)	-	(750)
Trade receivables written off		-	611	-	-	-	611	-	611
Lease of:									
- short-term leases		-	-	50,400	-	-	50,400	-	50,400
- low value assets		11,556	-	15,300	-	-	26,856	-	26,856
Accretion of interest income on deferred trade receivable		(444,547)	-	-	-	-	(444,547)	-	(444,547)

30. SEGMENT INFORMATION (cont'd)

	Note	ICT Consultancy RM	Software Solution RM	RFID System RM	F&B Distribution RM	Investment Holding RM	Total RM	Elimination RM	Total RM
2020 (cont'd)									
Results: (cont'd)									
Gain on disposal of property, plant and equipment		(89,716)	(185)	-	-	-	(89,901)	-	(89,901)
Interest income		(15,433)	(110)	(18,373)	(131,893)	(114,375)	(280,184)	-	(280,184)
Income from shortfall in profit guarantee, net of fair value adjustment		-	-	-	-	(3,448,015)	(3,448,015)	-	(3,448,015)
Rental income		-	-	(26,640)	-	(126,195)	(152,835)	54,000	(98,835)
Reversal of impairment loss on trade receivables		-	(73,242)	(123,544)	-	-	(196,786)	-	(196,786)
Wage subsidy		(75,600)	(5,400)	(75,600)	(118,800)	-	(275,400)	-	(275,400)
Write back of payable		-	(33,000)	-	-	-	(33,000)	-	(33,000)
Segment results		(2,182,189)	(1,253,961)	(3,387,175)	8,351,881	(48,869,985)	(47,341,429)	(4,983,705)	(52,325,134)
Interest expense		(63,030)	(7,524)	(253,998)	(5,277)	(286,439)	(616,268)	6,776	(609,492)
Share of result of associate, net of tax		-	-	-	-	-	-	1,559,205	1,559,205
(Loss)/profit before tax		(2,245,219)	(1,261,485)	(3,641,173)	8,346,604	(49,156,424)	(47,957,697)		(51,375,421)
Tax (expense)/credit		(107,150)	177,023	-	(2,068,298)	(3,198)	(2,001,623)	19,013	(1,982,610)
(Loss)/profit for the financial year		(2,352,369)	(1,084,462)	(3,641,173)	6,278,306	(49,159,622)	(49,959,320)		(53,358,031)
Segment assets:									
Investment in associate		-	-	-	-	17,869,800	17,869,800	-	17,869,800
Other segment assets		14,932,371	3,541,155	7,688,634	21,051,088	114,641,751	161,854,999	(44,677,091)	117,177,908
Total assets	**B**	14,932,371	3,541,155	7,688,634	21,051,088	132,511,551	179,724,799		135,047,708
Segment liabilities	**C**	3,670,279	1,278,483	4,626,632	1,204,730	13,044,387	23,824,511	(12,734,914)	11,089,597

30. SEGMENT INFORMATION (cont'd)

	Note	ICT Consultancy RM	Software Solution RM	RFID System RM	F&B Distribution RM	Investment Holding RM	Total RM	Elimination RM	Total RM
2020 (cont'd)									
Other information:									
Additions to non-current assets excluding deferred tax assets and financial assets		21,413	30,891	26,357	-	-	78,661	-	78,661

30. SEGMENT INFORMATION (cont'd)

Operating segments

A Inter-segment revenues are eliminated on consolidation.

B Reconciliation of segment assets

	Group	
	2021	**2020**
	RM	**RM**
Segment assets	174,547,216	179,724,799
Adjustment on consolidation	(33,294,886)	(33,713,886)
Fair value adjustment on property, plant and equipment	1,716,492	1,769,307
Elimination of inter-segment balances and transactions	(19,813,156)	(12,732,512)
Segment total assets	123,155,666	135,047,708

The following items are added to/(deducted from) segment assets to arrive at total assets reported in the consolidated statement of financial position:

	Group	
	2021	**2020**
	RM	**RM**
Segment total assets	123,155,666	135,047,708
Tax recoverable	51,196	81,880
Total assets	123,206,862	135,129,588

C Reconciliation of segment liabilities

	Group	
	2021	**2020**
	RM	**RM**
Segment liabilities	33,422,340	23,824,511
Adjustment on consolidation	69,475	(2,402)
Elimination of inter-segment balances and transactions	(19,813,156)	(12,732,512)
Segment total liabilities	13,678,659	11,089,597

The following items are added to/(deducted from) segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	Group	
	2021	**2020**
	RM	**RM**
Segment total liabilities	13,678,659	11,089,597
Deferred tax liabilities	340,368	424,634
Tax payable	567,570	889,402
Total assets	14,586,597	12,403,633

30. SEGMENT INFORMATION (cont'd)

Geographical information

All of the segments are operated within Malaysia.

Major customer information

The Group has 6 customers which contributed approximately RM20.2 million or 44% (2020: 6 customers, RM20.2 million or 40%) of the Group's revenue during the financial year/period.

31. FINANCIAL INSTRUMENTS

Categories of financial instruments

The Group's and the Company's financial assets and financial liabilities are all categorised as amortised costs.

Financial Risk Management Objectives and Policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing their financial risks, including credit risk, interest risk, foreign currency risk and liquidity risk. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions. The Group does not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises primarily from their receivables (which consist of trade and other receivables), contract assets, amounts due from subsidiaries, amount due from an associate and shareholders of a subsidiary. There are no significant changes as compared to prior years.

<u>Trade receivables and contract assets</u>

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Group's association to business partners with good credit rating. Credit evaluations are performed on all customers requiring credit over a certain amount.

At each reporting date, the Group assess whether any of the trade receivables and contract assets are credit impaired.

31. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Risk management objectives, policies and processes for managing the risk (cont'd)

The gross carrying amounts of credit impaired receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to write-off. Nevertheless, receivables and contract assets that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

As the Group does not hold any collateral, the maximum exposure to credit risk from receivables and contract assets is represented by the carrying amounts in the statements of financial position as at the end of the reporting period.

Concentration of credit risk

The Group determines concentration of credit risk by monitoring the segment profile of their receivables on an ongoing basis.

As at 30 September 2021, the Group has significant concentration of credit risk arising from the amounts owing from 2 customers (2020: 6 customers) constituting 36% (2020: 78%) of net trade receivables of the Group.

Recognition and measurement of impairment loss

The Group has applied the simplified approach in MFRS 9 to measure the loss allowance at lifetime expected credit losses as disclosed in Note 3(p)(i). The Group assesses impairment of trade receivables on individual and collective basis.

Trade receivables from F&B distribution (collective basis)

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values. The Group has recognised a loss allowance of 100% for any receivables aged more than 90 days (2020: 180 days) with loss given default rate of 10% (2020: 100%) from different customer profiles because historical experience has indicated that these receivables are generally not recoverable.

The Group determines the expected credit losses by using a provision matrix for collective assessed receivables which are grouped together based on shared credit risk characteristics, the number of days past due and similar types of contracts which have similar risk characteristics.

31. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Recognition and measurement of impairment loss (cont'd)

Trade receivables from F&B distribution segment (collective basis) (cont'd)

Loss rates are calculated using a "roll rate" method based on the probability of a receivable progressing through successive stages of delinquency.

Loss rates are based on actual credit loss experienced over the prior years and are adjusted to reflect the forward-looking information on macroeconomic factors. The Group also considers differences between (a) economic conditions during the period over which the historical data has been collected, (b) current economic conditions and (c) the Group's view of economic conditions over the expected lives of the receivables.

The Directors are of the view that the COVID-19 pandemic does not have adverse impact to the credit risk as the debtors of the Group are in the essential service businesses and the credit profile of debtors have improved during the year. Consequently, credit impaired period and loss given default rate have been adjusted to reflect the credit risk of the Group for the financial year.

Trade receivables from other segments (individual basis)

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances and to ensure that receivables that are neither past due nor impaired are stated at their realisable values. The Group has recognised a loss allowance of 100% for any receivables aged more than 180 or 365 days from different customer profiles because historical experience has indicated that these receivables are generally not recoverable. Changes in credit impaired period was due to the repayment trend of Group's debtors have improved during the year.

For individual assessment, it is due to the number of debtors is minimal and these debtors can be individually managed by the Group in an effective and efficient manner. The Group has reasonable and supportable information available to assess the impairment individually.

31. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Impairment losses

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at 30 September 2021 and 30 September 2020:

F&B distribution segment

	Gross RM	Loss Allowance RM	Net RM
Group			
2021			
Current:			
Trade receivables			
Not past due	1,783,168	(21,423)	1,761,745
Past due:			
- 31 to 60 days	1,491,357	(20,808)	1,470,549
- 61 to 90 days	749,426	(19,210)	730,216
	2,240,783	(40,018)	2,200,765
	4,023,951	(61,441)	3,962,510
Credit impaired			
- More than 90 days	551,869	(55,183)	496,686
Trade receivables, net	4,575,820	(116,624)	4,459,196
2020			
Current:			
Trade receivables			
Not past due	1,651,178	(11,114)	1,640,064
Past due:			
- 31 to 60 days	1,099,781	(8,817)	1,090,964
- 61 to 90 days	1,106,931	(13,428)	1,093,503
	2,206,712	(22,245)	2,184,467
	3,857,890	(33,359)	3,824,531
Credit impaired			
- More than 90 days	525,003	(214,563)	310,440
Trade receivables, net	4,382,893	(247,922)	4,134,971

31. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Impairment losses (cont'd)

Other segments

	Gross RM	Loss Allowance RM	Net RM
Group			
2021			
Current:			
Trade receivables			
Not past due	6,113,143	-	6,113,143
Past due:			
- 31 to 60 days	872,482	-	872,482
- 61 to 90 days	94,667	-	94,667
- 90 days to 180 days	168,898	-	168,898
	1,136,047	-	1,136,047
	7,249,190	-	7,249,190
Credit impaired			
- More than 180 or 365 days	6,804,340	(6,804,340)	-
Retention sum	1,148,565	-	1,148,565
Trade receivables, net	15,202,095	(6,804,340)	8,397,755
Contract assets	2,179,916	-	2,179,916
	17,382,011	(6,804,340)	10,577,671
2020			
Non-current:			
Trade receivables	2,070,106	-	2,070,106
Current:			
Trade receivables			
Not past due	1,546,166	-	1,546,166
Past due:			
- 31 to 60 days	2,841,032	-	2,841,032
- 61 to 90 days	602,081	-	602,081
- More than 90 days	1,779,628	-	1,779,628
	5,222,741	-	5,222,741
	6,768,907	-	6,768,907
Credit impaired	2,636,871	(2,636,871)	-
Retention sum	305,594	-	305,594
Trade receivables, net	11,781,478	(2,636,871)	9,144,607
Contract assets	1,969,678	-	1,969,678
	13,751,156	(2,636,871)	11,114,285

31. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Impairment losses (cont'd)

Receivables that are neither past due nor impaired

F&B distribution segment

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records and mostly are regular customers that have been transacting with the Group.

Other segments

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records and mostly are regular customers that have been transacting with the Group.

Receivables that are past due not impaired

F&B distribution segment

The Group has not provided for these trade receivables as there has been no significant changes in their credit quality and the amounts are still considered recoverable which are not past due for more than 90 days.

Other segments

The Group has not provided for these trade receivables as there has been no significant changes in their credit quality and the amounts are still considered recoverable which are not past due for more than 180 or 365 days.

Credit impaired

F&B distribution segment

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments which aged more than 90 days from different customer profiles. These receivables are not secured by any collateral or credit enhancements.

Other segments

Trade receivables that are individually determined to be impaired at the reporting date relate to debtors that are in significant financial difficulties and have defaulted on payments which aged more than 180 or 365 days from different customer profiles. These receivables are not secured by any collateral or credit enhancements.

31. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

Impairment losses (cont'd)

The movement in the allowance for impairment loss on trade receivables are as follows:

	2021 RM	2020 RM
Group		
At beginning of the financial year/period	2,884,793	2,777,739
Charge for the financial year/period	4,236,460	946,940
Reversal during the year/period	(200,289)	(196,786)
Written off during the financial year/period	-	(643,100)
At end of the financial year/period	6,920,964	2,884,793

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the reporting date, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These banks and financial institutions have low credit risks. Hence, a loss allowance is not necessary.

Other receivables

Expected credit loss of other receivables is determined individually after considering the financial strength of the other receivables. As at the end of the reporting period, the maximum exposure to credit risks is represented by their carrying amounts in the statements of financial position.

The amounts due from shareholders of a subsidiary mainly relates to the refund pertaining to the shortfall of profit guarantee net of fair value adjustment as disclosed in Note 14. This amount is secured by pledge of the Company's ordinary shares in an escrow account deposited with a financial institution.

The Group and the Company consider the amounts due from shareholders of a subsidiary have low credit risk. As at the reporting date, there were no indications of impairment loss in respect of amounts due from shareholders of a subsidiary.

As at the end of the reporting period, the Group and the Company have assessed other receivables which are past due more than 1 year as credit impaired. As such, the Group and the Company have provided allowances for expected credit losses on these other receivables as disclosed in Note 16.

31. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

Other receivables (cont'd)

The movement in the allowance for impairment loss on other receivables are as follows:

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
At beginning of the financial year/period	546,470	-	481,900	-
Charge for the financial year/period	3,617,772	546,470	3,617,772	481,900
At end of the financial year/period	4,164,242	546,470	4,099,672	481,900

Credit risk on deposits is mainly arising from deposits paid for office buildings, fixtures rented and project tendering. The deposits paid for office buildings and fixtures rented will be received at the end of each lease term. The Group manages the credit risk together with the leasing arrangement.

There are two types of deposits in respect of the project tendering. The earnest money deposits are refundable in the event that the Group failed to bid for the project, whereas the security deposits (performance bond) are refundable upon the satisfactory completion of the contract.

As at the end of the reporting period, the Group and the Company have assessed deposits which are past due more than 1 year as credit impaired. As such, the Group has written off deposit of Nil (2020: RM500,000) as included in "Deposit written off" line item in the statements of comprehensive income. In addition, the Group and the Company have provided impairment loss of RM3,617,772 which included as "impairment loss on other receivables" in the statements of comprehensive income.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Group and the Company provide unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Group and the Company monitor the ability of the subsidiaries to service their loans on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk of the Company amounted to RM3,899,124 (2020: RM2,762,806) representing the outstanding banking facility of the subsidiary as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiary secured loans.

31. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

Financial guarantees (cont'd)

Recognition and measurement of impairment loss

These financial guarantees are subject to the impairment requirement under MFRS 9.

The Company assumes that there is a significant increase in credit risk when the subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when:

- The subsidiary is unlikely to repay its credit obligations to the bank in full; or
- The subsidiary is continuously loss making and is having a deficit in shareholders' fund.

The Company determines the probability of default of the guaranteed loans individually using internal information available. As at the end of the reporting period, there was no indication that the subsidiary which was granted the loan facility (Note 23) would default on repayment. Hence, the financial guarantee granted by the Company has not been recognised since the fair value on initial recognition was not material.

Inter-company loans and advances

Risk management objectives, policies and processes for managing the risk

Associate

The Group and the Company provide unsecured loans and advances to its associate. The Group and the Company monitor the ability of the associate to repay the loans and advances on an individual basis.

Subsidiaries

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. Loans and advances provided are not secured by any collateral.

Recognition and measurement of impairment loss

Associate

Generally, the Group and the Company consider loans and advances to an associate have moderate credit risk. The Group and the Company assume that there is a significant increase in credit risk when the associate's financial position deteriorates significantly. The Group and the Company consider an associate's loans or advances to be credit impaired when the associate is unlikely to repay its loan or advances to the Group and the Company in full given insufficient highly liquid resources when the loan is demanded.

As at the reporting date, there were no indications of impairment loss in respect of amount due from an associate.

31. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

Inter-company loans and advances (cont'd)

Recognition and measurement of impairment loss (cont'd)

Subsidiaries

Generally, the Company considers loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when subsidiaries' financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers subsidiaries' loans or advances to be credit impaired when the subsidiaries are unlikely to repay the loans or advances to the Company in full given insufficient highly liquid resources when the loans are demanded.

The Company determines the probability of default for these loans and advances individually using internal information available.

As at the reporting date, there were no indications of impairment loss in respect of amounts due from subsidiaries.

(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 and the Company's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities.

In respect of interest-earning financial assets and interest-bearing financial liabilities, the effective interest rates at the reporting date, in which they reprice or mature, whichever is earlier are disclosed in Notes 20 and 23 respectively.

Exposure in interest rate risk

The interest rate profile of the Group's and the Company significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	2021 RM	**2020 RM**	**2021 RM**	**2020 RM**
Floating rate instruments:				
Financial assets:				
- Fixed deposit placed with licensed banks	4,058,942	3,873,056	2,162,943	2,130,105
- Short-term money market deposit	500,000	1,000,000	-	-
	4,558,942	4,873,056	2,162,943	2,130,105

31. **FINANCIAL INSTRUMENTS** (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(ii) Interest rate risk (cont'd)

Exposure in interest rate risk (cont'd)

	Group		Company	
	2021	**2020**	**2021**	**2020**
	RM	**RM**	**RM**	**RM**
Financial liabilities:				
- Bank overdrafts	(4,391,629)	(3,234,876)	(492,505)	(472,070)
- Term loans	(1,534,546)	(1,642,222)	(1,534,546)	(1,642,222)
	(5,926,175)	(4,877,098)	(2,027,051)	(2,114,292)
Net financial (liabilities)/ assets	(1,367,233)	(4,042)	135,892	15,813

A 50 basis points (2020: 50 basis points) increase/decrease of the interest rate at the end of the reporting period would have immaterial impact on the Group's and the Company's loss after tax. This assumes that all other variables remain constant.

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value of cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk on purchases that are denominated in a currency other than the functional currency of the Group. The currencies giving rise to this risk are primarily in Euro ("EUR") and United States Dollar (''USD'')

The Group holds cash and cash equivalents denominated in foreign currencies to pay its foreign purchases as natural hedge against fluctuations in foreign currency risk.

Foreign exchange exposures in transactional currencies other than functional currency of the Group are kept to an acceptable level.

Exposure to foreign currency risk

The Group's significant exposure to foreign currency (a currency which is other than functional currency of the Group) risk, based on carrying amounts as at end of the reporting period was:

	Cash at bank	Payables
	RM	**RM**
Group		
2021		
Euro ("EUR")	-	(655,219)
United States Dollar ("USD")	4,145	(898,587)
	4,145	(1,553,806)
2020		
United States Dollar ("USD")	15,034	-

A 5% strengthening/weakening of the RM against the EUR and USD at the end of the reporting period would have immaterial impact on the Group's loss after tax. This assumes that all other variables remain constant.

31. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(iv) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations associated with financial liabilities. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is to manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. In addition, the Group and the Company maintain sufficient levels of cash and available banking facilities at a reasonable level to their overall debt position to meet their working capital requirement.

31. **FINANCIAL INSTRUMENTS** (cont'd)

(iv) **Liquidity risk** (cont'd)

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

		<---- Contractual Cash Flows ----				
	Carrying Amount RM	**On Demand/ Within 1 year RM**	**1 to 2 years RM**	**2 to 5 years RM**	**Over 5 years RM**	**Total RM**
2021						
Group						
Financial liabilities:						
- Trade payables	4,196,593	4,196,593	-	-	-	4,196,593
- Other payables	2,245,226	2,245,226	-	-	-	2,245,226
- Amounts due to Directors	15,650	15,650	-	-	-	15,650
- Term loans	1,534,546	126,360	189,540	568,620	940,085	1,824,605
- Bank overdrafts	4,391,629	4,391,629	-	-	-	4,391,629
- Lease liabilities	198,366	157,216	47,499	-	-	204,715
	12,582,010	11,132,674	237,039	568,620	940,085	12,878,418
Company						
Financial liabilities:						
- Financial guarantee	-	3,899,124	-	-	-	3,899,124
- Other payables	545,555	545,555	-	-	-	545,555
- Amounts due to subsidiaries	13,560,351	13,560,351	-	-	-	13,560,351
- Term loans	1,534,546	126,360	189,540	568,620	940,085	1,824,605
- Bank overdrafts	492,505	492,505	-	-	-	492,505
	16,132,957	18,623,895	189,540	568,620	940,085	20,322,140

31. **FINANCIAL INSTRUMENTS** (cont'd)

(iv) **Liquidity risk** (cont'd)

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

		<---- Contractual Cash Flows ---->				
	Carrying Amount RM	**On Demand/ Within 1 year RM**	**1 to 2 years RM**	**2 to 5 years RM**	**Over 5 years RM**	**Total RM**
2020						
Group						
Financial liabilities:						
- Trade payables	2,968,614	2,968,614	-	-	-	2,968,614
- Other payables	1,923,048	1,923,048	-	-	-	1,923,048
- Amounts due to Directors	15,650	15,650	-	-	-	15,650
- Term loans	1,642,222	202,672	202,672	608,017	1,005,194	2,018,555
- Bank overdrafts	3,234,876	3,234,876	-	-	-	3,234,876
- Lease liabilities	431,510	248,318	158,554	46,161	-	453,033
	10,215,920	8,593,178	361,226	654,178	1,005,194	10,613,776
Company						
Financial liabilities:						
- Financial guarantee	-	2,762,806	-	-	-	2,762,806
- Other payables	438,878	438,878	-	-	-	438,878
- Amounts due to subsidiaries	10,472,117	10,472,117	-	-	-	10,472,117
- Term loans	1,642,222	202,672	202,672	608,017	1,005,194	2,018,555
- Bank overdrafts	472,070	472,070	-	-	-	472,070
	13,025,287	11,585,737	202,672	608,017	1,005,194	13,401,620

32. FAIR VALUES INFORMATION

Financial instruments other than those carried at fair value

Financial instruments that are not carried at fair values and whose carrying amounts are reasonable approximation of fair values

The carrying amounts of short-term receivables and payables, cash and cash equivalents and short-term borrowings approximate their fair values due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The carrying amount of long-term floating rate loans approximates their fair value as the loans will be re-priced to market interest rate on or near reporting date.

There were no material transfer between Level 1, Level 2 and Level 3 during the financial year/period.

33. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholders' value.

The Group manages its capital structure and make adjustments to it, in light of changes in economic and business conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies and processes during the financial year/period ended 30 September 2021 and 30 September 2020.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt includes borrowings and lease liabilities, less cash and cash equivalents whilst total capital is the equity attributable to the Owners of the Company.

There were no changes in the Group's approach to capital management during the financial year/period.

The Group and the Company are not subject to any externally imposed capital requirements.

Notes To The Financial Statements (Continued)
– 30 September 2021

33. CAPITAL MANAGEMENT (cont'd)

The gearing ratio as at 30 September 2021 and 30 September 2020, which are within the Group's and the Company's objective of capital management are as follows:

	Group 2021 RM	Group 2020 RM	Company 2021 RM	Company 2020 RM
Borrowings	5,926,175	4,877,098	2,027,051	2,114,292
Lease liabilities	198,366	431,510	-	-
	6,124,541	5,308,608	2,027,051	2,114,292
Less:				
- Fixed deposits placed with licensed banks	4,058,942	3,873,056	2,162,943	2,130,105
- Short-term money market deposit	500,000	1,000,000	-	-
- Cash and bank balances	15,587,176	25,716,955	12,092,689	15,467,270
	20,146,118	30,590,011	14,255,632	17,597,375
Net debts	(14,021,577)	(25,281,403)	(12,228,581)	(15,483,083)
Equity attributable to the Owners of the Company, representing total capital	107,054,722	121,621,305	104,681,762	119,474,189
Capital and net debts	93,033,145	96,339,902	92,453,181	103,991,106
Gearing ratio	*	*	*	*

* *Not meaningful*

34. CONTINGENT LIABILITIES

	Group 2021 RM	Group 2020 RM
Secured:		
Bank guarantee in favour of MMC Gamuda KVMRT (PDP SSP) Sdn. Bhd. as performance guarantee	-	83,500

35. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Coronavirus (COVID-19) outbreak

Due to the ongoing COVID-19 pandemic, the Government of Malaysia had implemented various and differing forms of lockdowns and standard operating procedures ("SOP") to be complied with over the course of the past financial period and up to the date of this report. Certain essential industries such as food and beverage, health care and medicine, energy and etc are still allowed to continue operate with certain restriction and conditions such as adherence to Standard Operating Procedure ("SOP") imposed. As the businesses of the Group are considered as essential services, the operation of the Company was not significantly impacted during Movement Control Order ("MCO") period.

With the implementation of the lockdowns and SOPs easing in tandem with increase in Malaysia's vaccination rate, the Group is optimistic for the forthcoming performance with the uncertainties resulting from the volatile movements in the software and hardware development progress, market positioning of food and beverage industry and global outbreak of the COVID-19 health crisis, amongst other matters.

36. EVENTS SUBSEQUENT TO END OF THE FINANCIAL YEAR

(a) On 11 November 2021, the Company via extraordinary general meeting obtained approval from shareholders for the following proposals:

(i) Proposed capital reduction

The proposed capital reduction entails a reduction of RM99.50 million of the issued share capital of the Company pursuant to Section 115(a) read together with Section 116 of the Companies Act 2016. On 9 December 2021, the Company had filed an application to the High Court.

(ii) Proposed issuance of share capital

During the year, the Company entered into a subscription agreement with Vinvest Capital Holdings Berhad ("Vinvest") to issue 1,100,000,000 new ordinary shares at an issue price of RM0.0211 per ordinary share, to be fully satisfied via the issuance of 62,645,075 new ordinary shares of Vinvest at an issue price of RM0.3705 per ordinary share. On 30 November 2021, the Company had increased its paid up share capital of RM23,210,000 via issuance of ordinary shares.

(b) On 6 January 2022, the Company had increased its paid up share capital of RM5,000,000 via issuance of ordinary shares for acquisition of remaining stake of 10% in Sunland.

37. COMPARATIVE FIGURES

(i) Certain comparative figures have been reclassified to conform with current year's presentation as follows:

	Group and Company	
	As previously disclosed RM	As restated RM
2020		
Statements of cashflows		
Cash Flows From Investing Activities		
Repayment from an associate	-	955,837
Cash Flows From Financing Activities		
Repayment from an associate	955,837	-

(ii) In prior year, the financial year end of the Group and the Company was changed from 31 March to 30 September accordingly, the comparatives relating to the statement of comprehensive income, statement of changes in equity, statement of cash flows and related notes are made up of financial period from 1 April 2019 to 30 September 2020 and therefore not comparable with the current financial period from 1 October 2020 to 30 September 2021.

List of Properties

TITLE / LOCATION	DESCRIPTION / EXISTING USE	REGISTERED OWNER	AGE OF BUILDINGS (Years)	BUILT-UP AREA (Sq feet)	TENURE	CARRYING AMOUNT @ 30.09.21 (RM)	ORIGINAL COST (RM)
No. 25-5 & 25-6, Oval Damansara No. 685, Jalan Damansara 60000 Kuala Lumpur	Office Unit/ Head Office	EA Holdings Bhd	7 years	3,148	Freehold	1,103,283	1,624,472
No. 22-3A Oval Damansara No. 685, Jalan Damansara 60000 Kuala Lumpur	Office Unit/ Tenanted	EA Holdings Bhd	7 years	1,579	Freehold	511,928	758,412
No. 22-5 Oval Damansara No. 685, Jalan Damansara 60000 Kuala Lumpur	Office Unit/ Tenanted	EA Holdings Bhd	7 years	1,579	Freehold	517,313	766,389
No. 28-2 Oval Damansara No. 685, Jalan Damansara 60000 Kuala Lumpur	Office Unit/ Office Use	EA Holdings Bhd	7 years	1,504	Freehold	492,585	729,755
No. 29-2 Oval Damansara No. 685, Jalan Damansara 60000 Kuala Lumpur	Office Unit/ Tenanted	EA Holdings Bhd	7 years	1,504	Freehold	492,585	729,755
No.4, Jalan Sungai Beting 2 Batu 3 3/4, Jalan Kapar Rantau Panjang 41200 Klang, Selangor	Office Unit/ Warehouse	Sunland Volonte Agency Sdn Bhd	24 years	11,141	Freehold	2,368,504	2,876,437
					Total	5,486,198	7,485,220

Analysis of Shareholdings
as at 31 December 2021

Total number of issued shares : 6,172,360,564
Class of shares : Ordinary Shares
Voting Rights : One vote per share

DISTRIBUTION OF SHAREHOLDINGS

	No. of holders	%	No. of shares	%
Less than 100	233	2.5	11,298	0.0
100 - 1,000	225	2.4	103,312	0.0
1,001 - 10,000	701	7.4	4,702,038	0.1
10,001 - 100,000	4,015	42.3	227,312,320	3.7
100,001 and below 5%	4,322	45.5	3,706,807,296	60.2
5% and above	2	0.0	2,233,424,300	36.1
TOTAL	9,498	100.0	6,172,360,564	100.0

SUBSTANTIAL SHAREHOLDERS

	Direct Interest		Deemed Interest	
Name	No. of shares	%	No. of shares	%
Mohammad Sobri bin Saad	1,133,424,300	18.4%	-	-
Vinvest Capital Holdings Berhad	1,100,000,000	17.8%	-	-

DIRECTORS’ SHAREHOLDING

	Direct Interest		Deemed Interest	
Name	No. of shares	%	No. of shares	%
Mohammad Sobri bin Saad	1,133,424,300	18.4%	-	-
Basir bin Bachik	492,000	0.0%	-	-
Choo Seng Choon	-	-	-	-
Abdul Fattah bin Mohamed Yatim	18	0.0%	-	-
Dato' Azahar bin Rasul	-	-	-	-

Analysis of Shareholdings (Continued)

as at 31 December 2021

LIST OF 30 LARGEST SHAREHOLDERS AS AT 31 DECEMBER 2021

NO.	NAME	NO. OF SHARES	%
1	KENANGA NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR MOHAMMAD SOBRI BIN SAAD)	1,133,424,300	18.4%
2	VINVEST CAPITAL HOLDINGS BERHAD	1,100,000,000	17.8%
3	PUBLIC NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR CHAN CHEE WAI (E-BPJ))	40,000,000	0.6%
4	FOO CHEE KOON	36,100,000	0.6%
5	FOO FOOK MIN	30,633,000	0.5%
6	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR LEONG KIM FONG)	28,500,000	0.5%
7	SIM MUI KHEE	26,495,100	0.4%
8	MAYBANK NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR THONG KOK WAN)	24,000,000	0.4%
9	PUBLIC NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR KWAH WOI LEONG (E-BPJ/JKA))	22,000,000	0.4%
10	LIM YUEN SING	20,500,000	0.3%
11	KIAN SIEW SIN	20,000,000	0.3%
12	KOH CHEE MENG	20,000,000	0.3%
13	PUBLIC NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR CHOW CHOON FUTT (E-TCS))	20,000,000	0.3%
14	MAYBANK NOMINEES (TEMPATAN) SDN BHD (LING KHENG)	19,805,400	0.3%
15	YAP YOUNG SIONG	19,800,033	0.3%
16	HO LAI KUAN	19,742,666	0.3%
17	TAN TIAM YEE	17,363,800	0.3%
18	WONG SAU LAI	17,280,000	0.3%
19	KIAN SIEW SIN	17,000,000	0.3%
20	LIAW HOCK CHOON	15,000,000	0.2%
21	LOW JU-LIEN	14,730,000	0.2%
22	LAI SIEW MIN	14,000,000	0.2%
23	CHIONG KA CHIN	13,320,000	0.2%
24	PANG SHIEW WAI	13,030,200	0.2%
25	TAN CHONG JEAN	12,299,900	0.2%
26	MAH SIEW HOE	12,000,000	0.2%
27	WONG CHANG HENG	10,910,000	0.2%
28	JF APEX NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR SEIK YEE KOK)	10,740,000	0.2%
29	TANG HIN TONG	10,600,000	0.2%
30	YIM PUI WAN	10,575,000	0.2%

Analysis of Warrantholdings for Warrants D (2017/2022)

as at 31 December 2021

Type of Securities Warrants 2017/2022

Voting Rights One vote per warrant in respect of a meeting of warrant holders

DISTRIBUTION OF WARRANTHOLDINGS

Name	No. of holders	%	No. of warrants	%
Less than 100	299	13.9	14,741	0.0
100 - 1,000	57	2.7	26,134	0.0
1,001 - 10,000	217	10.1	1,328,796	0.1
10,001 - 100,000	903	42.1	40,705,028	4.1
100,001 and below 5%	664	31.0	565,847,262	56.9
5% and above	4	0.2	385,963,055	38.8
TOTAL	2,144	100.0	993,885,016	100.0

DIRECTORS' WARRANTHOLDINGS

	Direct Interest		Deemed Interest	
Name	No. of warrants	%	No. of warrants	%
Mohammad Sobri bin Saad	125,931,575	12.7%	-	-
Basir bin Bachik	-	-	-	-
Choo Seng Choon	-	-	-	-
Dato' Azahar bin Rasul	-	-	-	-
Abdul Fattah bin Mohamed Yatim	-	-	-	-

Analysis of Warrantholdings for Warrants D (2017/2022) (Continued)

as at 31 December 2021

LIST OF 30 LARGEST WARRANT D HOLDERS AS AT 31 DECEMBER 2021

NO.	NAME	NO. OF WARRANTS	%
1	KENANGA NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR MOHAMMAD SOBRI BIN SAAD)	125,931,575	12.7%
2	CHONG MUI FUN	120,531,480	12.1%
3	SJ SEC NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR LAU YAU YAN (SMT))	79,000,000	7.9%
4	NG KUAK PING	60,500,000	6.1%
5	CHONG MUI FUN	40,929,950	4.1%
6	KENANGA NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR KOH BOON POH (008))	20,987,900	2.1%
7	SIM MUI KHEE	15,000,010	1.5%
8	PUBLIC NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR CHOW CHOON FUTT (E-TCS))	15,000,000	1.5%
9	KONG SIEW MEE	13,500,000	1.4%
10	ANDREW TEOH JIT SENG	12,000,000	1.2%
11	HENRY CHUA AH JONG	12,000,000	1.2%
12	CGS-CIMB NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR LOW JU-LIEN (STARHILL-CL))	9,000,000	0.9%
13	NG THIAN HUAT	9,000,000	0.9%
14	WONG JO YENN	7,160,000	0.7%
15	LOO CHIN ENG	7,050,000	0.7%
16	AFFENDI BIN NAYAN	6,260,000	0.6%
17	PUBLIC NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR CHAN CHEE WAI (E-BPJ))	5,000,000	0.5%
18	JAGDEESH SINGH A/L SANTOK SINGH	4,500,000	0.5%
19	QUEK KHENG KOK	4,500,000	0.5%
20	FOO CHEE KOON	4,300,000	0.4%
21	DESTINET SDN BHD	4,235,260	0.4%
22	YEI WEE HO	4,010,000	0.4%
23	TAN CHONG JEAN	3,649,950	0.4%
24	MAYBANK NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR THONG KOK WAN)	3,500,000	0.4%
25	OOI LENG HWA	3,500,000	0.4%
26	TAN KOK SUAN	3,500,000	0.4%
27	PANG SHIEW WAI	3,200,050	0.3%
28	TAN CHEW CHUNG	3,154,550	0.3%
29	LIM KIAN MIN	3,091,090	0.3%
30	HLIB NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR CHIA KENT WEE (CCTS))	3,086,600	0.3%

Analysis of Warrantholdings for Warrants E (2018/2023)

as at 31 December 2021

Type of Securities Warrants 2018/2023

Voting Rights One vote per warrant in respect of a meeting of warrant holders

DISTRIBUTION OF WARRANTHOLDINGS

Name	No. of holders	%	No. of warrants	%
Less than 100	1,550	28.1	69,550	0.0
100 - 1,000	278	5.0	129,057	0.0
1,001 - 10,000	981	17.8	5,160,989	0.5
10,001 - 100,000	1,859	33.7	72,509,695	6.7
100,001 and below 5%	849	15.4	728,402,435	67.0
5% and above	2	0.0	280,789,468	25.8
TOTAL	5,519	100.0	1,087,061,194	100.0

DIRECTORS' WARRANTHOLDINGS

	Direct Interest		Deemed Interest	
Name	No. of warrants	%	No. of warrants	%
Mohammad Sobri bin Saad	133,411,281	12.3%	-	-
Basir bin Bachik	153,750	0.0%	-	-
Choo Seng Choon	-	-	-	-
Dato' Azahar bin Rasul	-	-	-	-
Abdul Fattah bin Mohamed Yatim	5	0.0%	-	-

Analysis of Warrantholdings for Warrants E (2018/2023) (Continued)
as at 31 December 2021

LIST OF 30 LARGEST WARRANT E HOLDERS AS AT 31 DECEMBER 2021

NO.	NAME	NO. OF WARRANTS	%
1	CHONG MUI FUN	147,378,187	13.6%
2	KENANGA NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR MOHAMMAD SOBRI BIN SAAD)	133,411,281	12.3%
3	SJ SEC NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR LAU YAU YAN (SMT))	51,000,000	4.7%
4	NG KUAK PING	50,500,000	4.6%
5	KONG SIEW MEE	24,784,125	2.3%
6	WONG JO YENN	19,600,000	1.8%
7	CHONG MUI FUN	13,457,625	1.2%
8	LIAU TAN TENG	12,200,000	1.1%
9	SIM MUI KHEE	11,779,793	1.1%
10	LAM CHEE MENG	7,780,375	0.7%
11	PUBLIC NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR LAU YAU CHEE (E-IMO))	7,223,300	0.7%
12	PANG MEI CHAN	6,437,000	0.6%
13	LEE SIEW FOO	6,250,000	0.6%
14	AFFIN HWANG INVESTMENT BANK BERHAD (IVT (YKL))	6,137,700	0.6%
15	HLIB NOMINEES (TEMPATAN) SDN BHD (HONG LEONG BANK BHD FOR NG SHIH CHIOW)	6,000,000	0.6%
16	LIM WAN KEONG	6,000,000	0.6%
17	MAH KOK FOON	6,000,000	0.6%
18	TAN LAI YAN	5,656,250	0.5%
19	TA NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR WONG CHUN HAN)	5,500,000	0.5%
20	CARMEN A/P A SIMON	4,995,200	0.5%
21	PUBLIC NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR LEE TEIK JIN (E-PTS))	4,587,500	0.4%
22	AFFIN HWANG INVESTMENT BANK BERHAD (IVT (CWF))	4,500,000	0.4%
23	CHEW HONG CHOO	4,500,000	0.4%
24	HLB NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR WITPRO SDN BHD)	4,500,000	0.4%
25	LOW JU-LIEN	4,500,000	0.4%
26	DEANNA BINTI ZAKARIA	4,200,000	0.4%
27	CHONG MEE FAH @ FREDERICK CHONG	4,175,300	0.4%
28	LIM BOON CHIN	4,000,000	0.4%
29	TAN CHONG JEAN	3,843,718	0.4%
30	LAU YAU YEE	3,578,125	0.3%

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 11th Annual General Meeting of the **EA HOLDINGS BERHAD** ("EAH" or the "Company") which will be held as a fully virtual meeting conducted through live streaming and remote voting using the remote participation and voting facilities at the online meeting platform of Vote2U Online provided by Agmo Digital Solutions Sdn Bhd ("AGMO") in Malaysia via its website at https://web.vote2u.my on Tuesday, 22 March 2022 at 11.00 a.m. to transact the following business :

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 September 2021 and the Reports of Directors and Auditors thereon. — **Please refer to Explanatory Note (i)**

2. To approve the payment of Directors' fees amounting to RM130,920 from 1 October 2020 to 30 September 2021. — **Resolution 1**

3. To approve the payment of Directors' fees amounting to RM180,000 for the financial year ending 30 September 2022. — **Resolution 2**

4. To re-elect the Director, En. Basir Bin Bachik who retires in accordance with Article 126 of the Company's Constitution. — **Resolution 3**

5. To re-elect the Director, En. Abdul Fattah Bin Mohamed Yatim, who retires in accordance with Article 126 of the Company's Constitution. — **Resolution 4**

6. To re-appoint Messrs. Moore Stephens Associates PLT as auditors of the Company and to authorize the Directors to fix their remuneration. — **Resolution 5**

AS SPECIAL BUSINESS

To consider and, if deemed fit, to pass the following resolution :

7. **Authority to issue shares** — **Resolution 6**
"THAT, subject always to the Companies Act 2016, the Company's Constitution and the approvals of the relevant governmental/regulatory authorities, if applicable, the Directors be and are hereby empowered, pursuant to Section 75 and Section 76 of the Companies Act 2016, to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the total number of issue shares of the Company for the time being and that the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

8. **Ordinary Resolutions**
- Retention of En. Abdul Fattah Bin Mohamed Yatim as an Senior Independent Non-Executive Director — **Resolution 7**
(i) "THAT subject to the passing of Ordinary Resolution 4, authority be and is hereby given to En. Abdul Fattah bin Mohamed Yatim, who has served as an Senior Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to act as an Senior Independent Non-Executive Director of the Company."

- Retention of Dato' Azahar Bin Rasul as an Independent Non-Executive Director — **Resolution 8**
(ii) "THAT authority be and is hereby given to Dato' Azahar Bin Rasul, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to act as an Independent Non-Executive Director of the Company."

9. To transact any other business for which due notice shall have been given.

By Order of the Board

TAN KAH KOON (MAICSA 7066666) (SSM PC No. 201908001500)
Company Secretary

Kuala Lumpur
28 January 2022

Notes:-

1. *Following the Government's directive and in accordance with the revised SC Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued on 16 July 2021, this meeting shall be conducted online and all meeting participants including the Chairperson of the meeting, board members, senior management and shareholders shall participate in the meeting via the online platform. The online meeting platform can be recognised as the meeting venue or place under Section 327(2) of Companies Act 2016 provided that the online platform is located in Malaysia.*

2. *Shareholders/ proxies **WILL NOT BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the meeting.*

3. *Shareholders of the Company are to attend, participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the meeting via the Remote Participation and Voting Facilities ("**RPV**") provided by Agmo Studio Sdn Bhd ("AGMO") via its Vote2U Online website at https://web.vote2u.my. Please follow the Procedures for RPV provided in the Administrative Details for the meeting and read the notes below in order to participate remotely via RPV.*

4. *A shareholder of the Company who is entitled to attend, participate, speak and vote at the meeting via RPV is entitled to appoint one (1) or more proxies to attend, participate, speak and vote in his/ her stead. Where a shareholder appoints more than one (1) proxy in relation to the meeting, the appointments shall be invalid unless he/ she specifies the proportions of his/ her holding to be represented by each proxy. The proxy may but need not be a shareholder of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak and vote at the meeting shall have the same rights as the shareholder to speak at the meeting.*

5. *Where a shareholder of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which holds ordinary shares in the Company for multiple beneficial owners in one 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.*

6. *A shareholder of the Company who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this meeting via RPV must request his/ her proxy to register himself/ herself for RPV at Vote2U Online website at https://web.vote2u.my. Please follow the Procedures for RPV in the Administrative Details for the meeting.*

7. *The appointment of a proxy may be made by electronic means or in a hard copy form in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote:*

   i. *By electronic form*
   The proxy form can be submitted via fax at 03-2770 8166 or email to eah.meeting@gmail.com or by electronically lodged.

   ii. *Online via Vote2U Online*
   Register via Vote2U Online website at https://web.vote2u.my (applicable to individual shareholders only). Kindly refer to the Administrative Details on the procedures for electronic lodgment of proxy form via Vote2U Online.

   iii. *In hard copy form*
   In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Registered Office of the Company at 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

8. *Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.*

9. *Last date and time for lodging the Proxy Form is Monday, 21 March 2022, 11:00 a.m.*

Notice of Annual General Meeting (Continued)

10. *Any authority pursuant to which such an appointment is made by a power of attorney or appointment of corporate representative must be deposited with the Registered Office of the Company at 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr. Ismail, 60000 Kuala Lumpur not less than twenty-four (24) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*

11. *For the purpose of determining a shareholder who shall be entitled to attend the meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Clause 89 of the Company's Constitution and Section 34(1) of the SICDA to issue a General Meeting Record of Depositors as at Friday, 11 March 2022. Only a depositor whose name appears therein shall be be entitled to participate the said meeting or appoint a proxy to attend, participate, speak and/ or vote on his/ her stead.*

PERSONAL DATA PRIVACY:-

*By submitting an instrument appointing a proxy(ies) and/ or representative(s) to attend, participate, speak and vote at the meeting and/ or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure 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 meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's 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 collection, use and disclosure by the Company (or its agents) of the personal data 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.*

Explanatory notes :

a) Item 1 - Audited Financial Statement for the financial year ended 30 September 2021

The item is meant for discussion only, as the provision of Section 340(1) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item is not put forward for voting.

b) Ordinary Resolution 6 - Proposed authority to issue shares

The Company wishes to renew the mandate on the authority to issue shares pursuant to Section 75 of the Companies Act 2016 at the 10th AGM of the Company (hereinafter referred to as the "General Mandate").

The Company had been granted a general mandate by its shareholders at the 10th AGM of the Company held on 17 March 2021 (hereinafter referred to as the "Previous Mandate").

As at the date of this notice, 279,329,600 new ordinary shares of the Company were issued pursuant to the Previous Mandate in connection with the acquisition by the Company of the remaining 10% equity interest in Sunland Volonte Agency Sdn Bhd for a purchase consideration of RM5.0 million. The new ordinary shares were listed on 6 January 2022 on the ACE Market of Bursa Malaysia Securities Berhad.

The General Mandate will enable the Directors of the Company to issue shares any time to such persons in their absolute discretion without convening a general meeting as it would be both time and cost-consuming to organise a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the next Annual General Meeting. The proceeds raised from the General Mandate 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 future investment project(s), working capital and/ or acquisitions.

c) Ordinary Resolutions 7 - Retention of En. Abdul Fattah Bin Mohamed Yatim as an Senior Independent Non-Executive Director

Ordinary Resolutions 8 - Retention of Dato' Azahar Bin Rasul as an Independent Non-Executive Director

The Nomination Committee and the Board of Directors have assessed the independence of En. Abdul Fattah bin Mohamed Yatim and Dato' Azahar Bin Rasul who have served as the Senior Independent Non-Executive Director and Independent Non-Executive Director of the Company for a cumulative term of 9 years or more, and recommended them to continue acting as the Independent Non-Executive Directors of the Company based on the following justifications:-

a) they fulfilled the criteria under the definition of Independent Director as stated in the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad, and thus, they would able to provide a check and balance and bring an element of objectivity to the Board;

b) they are familiar with the Company's business operations and are able to advise the Board diligently;

c) they have devoted sufficient time and attention to their professional obligations for informed and balanced decision making by actively participated in Board discussion and provided an independent voice to the Board; and

d) they have exercised their due care during their tenure as Independent Non-Executive Directors of the Company and carried out their professional duties in the best interest of the Company and shareholders.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad :-

1. Details of individuals who are standing for election as Directors

The profile of the Directors who are standing for re-election is stated on page 10 to 11 of this Annual Report.

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

Detail of the General Mandate for the Authority to issue shares pursuant to Section 75 of the Companies Act 2016 are set out in Explanatory Notes (b) of the Notice of AGM.

Administrative Guide for Shareholders

EA HOLDINGS BERHAD

General Meeting	:	Annual General Meeting
Day, Date, and Time of Meeting	:	Tuesday, 22 March 2022 at 11:00 a.m.
Remote Participation and Voting Facilities	:	*https://web.vote2u.my*
Meeting Venue	:	Online Meeting Platform of Vote2U at *https://web.vote2u.my*
Domain Registration Numbers with MYNIC	:	D6A471702

We continue to exercise prudence in this situation where COVID-19 outbreak is still ongoing and strictly complying to the decree of the Government of Malaysia ("**Government**") and the Guidance and Frequently Asked Questions of the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia ("**SC**") ("**Guidance Note and FAQs**").

Following the Government's directive and in accordance with the revised SC Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued on 16 July 2021, this meeting shall be conducted online and all meeting participants including the Chairperson of the meeting, board members, senior management and shareholders shall participate in the meeting via the online platform. Hence, **EA HOLDINGS BERHAD**'s ("**EAH**" or the "**Company**") meeting will be held as fully virtual meeting via live streaming and online remote voting using Remote Participation and Voting ("RPV") facilities provided by Vote2U at https://web.vote2u.my.

Kindly note that the quality of the live streaming is highly dependent on the bandwidth and stability of the internet connection of shareholders and proxies. Hence, you are to ensure that internet connectivity throughout the duration of the meeting is maintained.

Entitlement to Participate and Vote Remotely

Shareholders whose names appear on the Record of Depositors ("**ROD**") as at **Friday, 11 March 2022** shall be eligible to attend, participate and vote remotely in the meeting, or appoint proxy(ies)/ the Chairman of the general meeting to attend, participate and/ or vote on his/ her behalf.

PROCEDURES TO PARTICIPATE IN RPV FACILITIES

Please follow the procedures to participate in RPV facilities as summarised below:

BEFORE MEETING DAY

A: REGISTRATION

	Description	Procedure
i.	Shareholders to Register with Vote2U ☑ Individual Shareholders	a. Access website at *https://web.vote2u.my* b. Select "***Sign Up***" to sign up as user. c. Read and indicate your acceptance of the 'Privacy Policy' and 'Terms & Conditions' by clicking on a small box ☐.. Then select "***Next***". d. Fill-in your details – (i) ensure your email address is valid & (ii) create your own password. Then select "***Continue***". e. Upload a clear copy of your MyKAD for Malaysian (front only) or passport for non-Malaysian (page with photo). f. Registration as user completed. g. An email notification will be sent to you. *Note:* *If you have already signed up/ registered as a user with Vote2U previously, you are not required to register again.*

Administrative Guide for Shareholders (Continued)

B: REGISTRATION OF PROXY

	Description	Procedure
i.	Submit Proxy Form (hard copy) ☑ Individual Shareholders ☑ Corporate Shareholders ☑ Authorised Nominee ☑ Exempt Authorised Nominee	a. Fill-in the details on the hard copy Proxy Form by providing the following information: » Proxy(ies) & Corporate Representative • Name • Number of MyKAD for Malaysian or passport for non-Malaysian • Address and email address – ensure email address is valid b. Corporate Representative only – deposit the hard copy of Proxy Form together with the following document to the address as stated on the Proxy Form: • A copy of Certificate of Appointment as corporate representative c. Individual shareholders, authorised nominee and exempt authorised nominee - deposit the hard copy Proxy Form to the address as stated on the Proxy Form. d. Submitted Proxy Form will be verified. e. After verification, proxy(ies) and corporate representative will receive email notification with temporary credentials, i.e. email address & password, to log in to Vote2U.

REVOCATION OF PROXY

	Description	Procedure
i.	Revoke a Proxy ☑ Individual Shareholders ☑ Corporate Shareholders ☑ Authorised Nominee ☑ Exempt Authorised Nominee	a. Email to Company Secretary at bizvibeconsultancy@gmail.com to revoke the appointment of your proxy(ies). *<u>Note:</u>* *Applicable to individual shareholders/ corporate shareholders/ authorised nominee/ exempt authorised nominee who have appointed proxy(ies)/ corporate representative using hard copy Proxy Form.*

ON GENERAL MEETING DAY

1. Log in to *https://web.vote2u.my* with your registered email address and password.

   For proxy(ies) and corporate representative, log in with the temporary credentials in the email which you have received from Vote2U.

2. Vote2U will be opened for log in **one (1) hour** before the commencement of the general meeting you are attending.

3. When you are logged in, select the general meeting event you are attending. On the main page, you are able to access the following:

	Description	Procedures
i.	Live Streaming	a. Select "***Watch Live***" button to view the live streaming.
ii.	Ask Question (real-time)	a. Select "***Ask Question***" button to pose a question. b. Type in your question and select "***Submit***". *<u>Note:</u>* *The Chairman of the general meeting/ Board of Directors will endeavour to respond to questions submitted by remote shareholders and proxies and corporate representatives during the meeting.*
iii.	Remote Voting	a. On the main page, scroll down and select "***Confirm Details & Start Voting***". b. To vote, select your voting choice from the options provided. A confirmation screen will appear to show your selected vote. Select "***Next***" to continue voting for all resolutions. c. After you have completed voting, a Voting Summary page appears to show all the resolutions with you voting choices. Select "***Confirm***" to submit your vote. *<u>Note:</u>* *Once you have confirmed and submitted your votes, you are <u>not able</u> to change your voting choices.*

Administrative Guide for Shareholders (Continued)

ON GENERAL MEETING DAY (Continued)

	Description	Procedures
iv.	View Voting Results	a. On the main page, scroll down and select "***View Voting Results***".
v.	End of RPV	a. Upon the announcement by the Chairman of the general meeting on the closure of the said meeting, the live streaming will end. b. You may log out from Vote2U.

ADDITIONAL INFORMATION

Voting Procedure

Pursuant to paragraph 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, voting at a general meeting will be conducted by poll. The Company has appointed Agmo Digital Solutions Sdn. Bhd. as the poll administrator to conduct the polling process and Aegis Communication Sdn. Bhd. as the independent scrutineers to verify the results of the poll.

Meeting Venue

Following the Government's directive and in accordance with the revised SC Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued on 16 July 2021, this meeting shall be conducted online and all meeting participants including the Chairperson of the meeting, board members, senior management and shareholders shall participate in the meeting via the online platform. The online meeting platform can be recognised as the meeting venue or place under Section 327(2) of Companies Act 2016 provided that the online platform is located in Malaysia.

No e-Voucher, Gift, and Food Voucher

There will be no e-Voucher, gift, and food voucher for shareholders, proxies and corporate representatives who participate in the meeting.

Enquiry

a. For enquiries relating to the general meeting, please contact our Share Registrar during office hours (9:00 a.m. to 5:00 p.m.) on Mondays to Fridays (except public holidays) as follows:

   Telephone No. : 03-7729 5529
   Email : insurban@gmail.com

b. For enquiries relating to RPV facilities or issues encountered during registration, log in, connecting to the live streaming and online voting facilities, please contact Vote2U helpdesk during office hours (9:00 a.m. to 5:00 p.m.) on Mondays to Fridays (except public holidays) as follows:

   Telephone No. : 03-7664 8520 / 03-7664 8521
   Email : *vote2u@agmostudio.com*

Form of Proxy

EA HOLDINGS BERHAD
Registration No. 200901034925 (878041-A)
(Incorporated in Malaysia)

CDS Account No.:	
No. of Shares Held:	

I/ We ____ *NRIC/ Company no. ______________________________
(FULL NAME IN BLOCK CAPITAL)

of ____
(FULL ADDRESS)

telephone no. ____________________ email address _____________________ being a member/members of **EA HOLDINGS BERHAD**

Name of proxy & NRIC No.	**No. of shares**	**%**
1.		
2.		

or failing him/her

Name of proxy & NRIC No.	**No. of shares**	**%**
1.		
2.		

or failing him/her, the Chairman of the Meeting as my/our proxy, to vote for me/us and on my/our behalf at the Eleventh Annual General Meeting ("11th AGM") of the Company to be held on Tuesday, 22 March 2022 at 11.00 a.m. and at any adjournment thereof in the manner indicated below in respect of the following Resolutions :

	RESOLUTIONS	**FOR**	**AGAINST**
1.	To approve the payment of Directors' fees amounting to RM130,920 from 1 October 2020 to 30 September 2021.		
2.	To approve the payment of Directors' fees amounting to RM180,000 for the financial year ending 30 September 2022.		
3.	To re-elect the Director, En. Basir Bin Bachik, who retires in accordance with Article 126 of the Company's Constitution.		
4.	To re-elect the Director, En. Abdul Fattah Bin Mohamed Yatim, who retires in accordance with Article 126 of the Company's Constitution.		
5.	To re-appoint Messrs. Moore Stephens Associates PLT as auditors of the Company and to authorize the Directors to fix their remuneration.		
	AS SPECIAL BUSINESS		
6.	Authority to issue shares.		
7.	Retention of En. Abdul Fattah bin Mohamed Yatim as Senior Independent Non-Executive Director		
8.	Retention of Dato' Azahar Bin Rasul as Independent Non-Executive Director		

Please mark with " X " in either box if you wish to direct the proxy how to vote. If no mark is made the proxy may vote on the resolutions or abstain from voting as the proxy thinks fit.

** Strike out whichever is not desired*

Signed this _______ day of _______________________ 2022

____
Signature(s) of Member(s)

____
Affix Company's Seal (if applicable)

Notes:-

1. *Following the Government's directive and in accordance with the revised SC Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued on 16 July 2021, this meeting shall be conducted online and all meeting participants including the Chairperson of the meeting, board members, senior management and shareholders shall participate in the meeting via the online platform. The online meeting platform can be recognised as the meeting venue or place under Section 327(2) of Companies Act 2016 provided that the online platform is located in Malaysia.*

2. *Shareholders/ proxies **WILL NOT BE PHYSICALLY PRESENT** at the Broadcast Venue on the day of the meeting.*

3. *Shareholders of the Company are to attend, participate, speak (including posing questions to the Board via real time submission of typed texts) and vote remotely at the meeting via the Remote Participation and Voting Facilities ("**RPV**") provided by Agmo Studio Sdn Bhd ("AGMO") via its Vote2U Online website at https://web.vote2u.my. Please follow the Procedures for RPV provided in the Administrative Details for the meeting and read the notes below in order to participate remotely via RPV.*

4. *A shareholder of the Company who is entitled to attend, participate, speak and vote at the meeting via RPV is entitled to appoint one (1) or more proxies to attend, participate, speak and vote in his/ her stead. Where a shareholder appoints more than one (1) proxy in relation to the meeting, the appointments shall be invalid unless he/ she specifies the proportions of his/ her holding to be represented by each proxy. The proxy may but need not be a shareholder of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend, participate, speak and vote at the meeting shall have the same rights as the shareholder to speak at the meeting.*

5. *Where a shareholder of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("**SICDA**") which holds ordinary shares in the Company for multiple beneficial owners in one 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.*

6. *A shareholder of the Company who has appointed a proxy or attorney or authorised representative to attend, participate, speak and vote at this meeting via RPV must request his/ her proxy to register himself/ herself for RPV at Vote2U Online website at https://web.vote2u.my. Please follow the Procedures for RPV in the Administrative Details for the meeting.*

7. *The appointment of a proxy may be made by electronic means or in a hard copy form in the following manner and must be received by the Company not less than twenty-four (24) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote:*

   i. *By electronic form*
   The proxy form can be submitted via fax at 03-2770 8166 or email to eah.meeting@gmail.com or by electronically lodged.

   ii. *Online via Vote2U Online*
   Register via Vote2U Online website at https://web.vote2u.my (applicable to individual shareholders only). Kindly refer to the Administrative Details on the procedures for electronic lodgment of proxy form via Vote2U Online.

   iii. *In hard copy form*
   In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Registered Office of the Company at 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

Please fold here

AFFIX
STAMP

The Company Secretary
EA HOLDINGS BERHAD
Registration No. 200901034925 (878041-A)
29-2, Level 29, Oval Damansara,
685, Jalan Damansara,
Taman Tun Dr Ismail
60000 Kuala Lumpur

Please fold here

8. *Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.*

9. *Last date and time for lodging the Proxy Form is Monday, 21 March 2022, 11:00 a.m.*

10. *Any authority pursuant to which such an appointment is made by a power of attorney or appointment of corporate representative must be deposited with the Registered Office of the Company at 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr. Ismail, 60000 Kuala Lumpur not less than twenty-four (24) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/ or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*

11. *For the purpose of determining a shareholder who shall be entitled to attend the meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Clause 89 of the Company's Constitution and Section 34(1) of the SICDA to issue a General Meeting Record of Depositors as at Friday, 11 March 2022. Only a depositor whose name appears therein shall be be entitled to participate the said meeting or appoint a proxy to attend, participate, speak and/ or vote on his/ her stead.*

PERSONAL DATA PRIVACY:-

*By submitting an instrument appointing a proxy(ies) and/ or representative(s) to attend, participate, speak and vote at the meeting and/ or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure 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 meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/ or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's 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 collection, use and disclosure by the Company (or its agents) of the personal data 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.*

Holdings Berhad

EA HOLDINGS BERHAD
Registration No. 200901034925 (878041-A)

Unit 25-5, Level 25, Oval Damansara,
685, Jalan Damansara, 60000 Kuala Lumpur.

Tel : 603 7733 9762
Fax : 603 7733 9765