ANNUAL REPORT 2024

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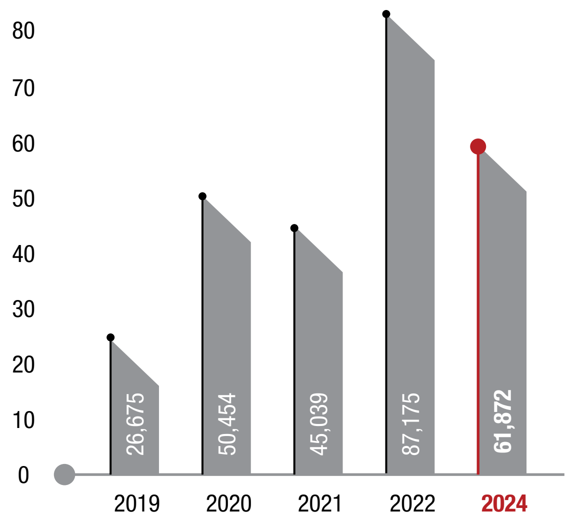
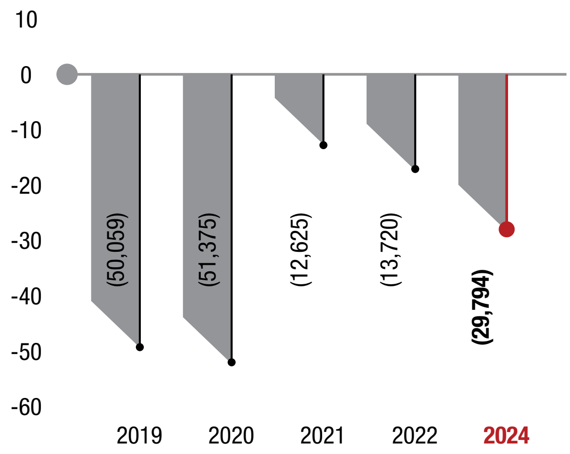
FINANCIAL HIGHLIGHTS

(RM'000)	FYE 31.03.2019	FPE 30.09.2020	FYE 30.09.2021	FPE 31.03.2023	**FPE 31.07.2024**
FINANCIAL RESULTS					
Revenue	26,675	50,454	45,039	87,175	**61,872**
Loss before tax	(50,059)	(51,375)	(12,625)	(13,720)	**(29,794)**
Loss attributable to equlty holders	(50,530)	(53,879)	(14,567)	(17,285)	**(31,937)**
KEY BALANCE SHEET DATA					
Total Assets	185,050	135,130	123,207	131,370	**92,188**
Total Liabilities	8,966	12,404	14,587	16,478	**9,699**
Net assets attributable to equity holders	175,499	121,621	107,055	115,594	**83,658**
No. of shares in issue at year end ('000)	5,072,352	5,072,361	5,072,361	6,451,720	**6,451,763**
SHARES INFORMATION					
Basic loss per share (sen)	(1.02)	(1.06)	(0.29)	(0.27)	**(0.50)**
Net assets per share attributable to equity holders (RM)	0.04	0.02	0.02	0.02	**0.01**

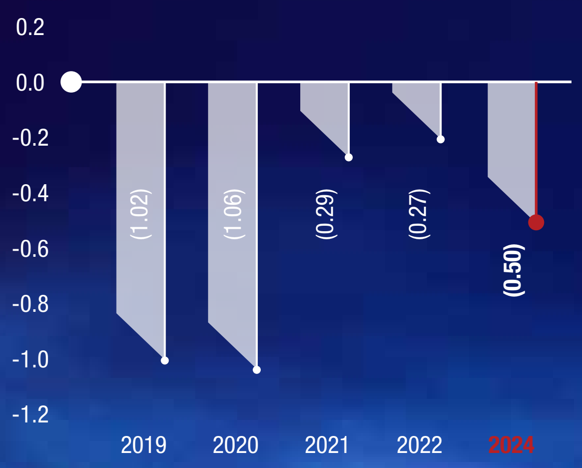
REVENUE
(RM'000)



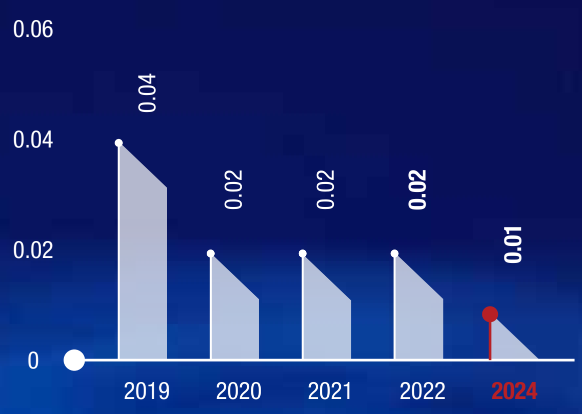
LOSS BEFORE TAX
(RM'000)



BASIC LOSS PER SHARE
(sen)



NET ASSETS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS
(RM)



CHAIRMAN'S STATEMENT

Dear 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 period ended 31 July 2024 ("FPE 2024"). As announced on 29 February 2024, our financial year end was changed from 31 March to 31 July. The financial period under review covered 16 months period from 1 April 2023 to 31 July 2024.

During the financial period in review, the Group recorded revenue of RM61.9 million. This was mainly driven by the contribution from the F&B distribution segment amounting to RM42.1 million, which was equivalent to 68% of the Group's total revenue. The Group recorded loss before tax of RM29.8 million was mainly attributable to the non-operational losses amounting to RM20.7 million. These losses are non-revenue and non-operation in nature, and hence would not impact the operations and cashflow of the Group.

In addition, the projects under the Automation segment were impacted by rising material and operational costs, which affected the Group's results. Fortunately, the F&B distribution segment continued to perform strongly and robustly to undergird the Group's results.

The market outlook appears uncertain due to various factors, including ongoing geopolitical tensions, concerns about a potential global recession and persistent high inflation. These elements have impacted global economic growth and also our performance. The Group is monitoring the situation and implementing necessary measures to minimise the impact of unpredictable conditions on its operations. We are committed to stewarding our resources and streamline our operations in order to maintain long-term sustainability growth. We are also safeguarding our capacity for growth initiatives when there are any opportunities arise. Notwithstanding this, we hope to emerge from this period stronger and better positioned for our next phase of growth.

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.

Borhan bin Abdul Halim
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.

FINANCIAL OVERVIEW

The Group had changed its financial year end from 31 March to 31 July. Accordingly, the financial period under review covered 16 months period from 1 April 2023 to 31 July 2024.

For the financial period under review, the Group recorded revenue of RM61.9 million. This was mainly driven by the contribution from the F&B distribution segment amounting to RM42.1 million, which was equivalent to 68% of the Group's total revenue. The F&B distribution segment remained as the main contributor to the Group's revenue. The Group recorded loss before tax of RM29.8 million, which was mainly attributable to the fair value loss on other investment of RM8.4 million, loss on disposal of investment in an associate company and other investment amounting to RM8.5 million and RM3.8 million respectively. These losses are non-revenue and non-operation in nature, and hence would not impact the operations and cashflow of the Group.

Cash reserves stood at RM28.6 million as at the end of the FPE 2024 compared to RM27.1 million as at the end of the FPE 2023.

SEGMENTAL OVERVIEW

	FPE 2024 (16 months)		FPE 2023 (Pro-rated 16 months)		FPE 2023 (18 months)		Changes	
	RM'000	**%**	**RM'000**	**%**	**RM'000**	**%**	**RM'000**	**%**
ICT Services	7,620	12.3	22,337	28.8	25,129	28.8	(14,717)	-58.6
Automation Systems	12,132	19.6	20,279	26.2	22,814	26.2	(8,147)	-35.7
F&B Distribution	42,120	68.1	34,873	45.0	39,232	45.0	7,247	18.5
Total	**61,872**	**100.0**	**77,489**	**100.0**	**87,175**	**100.0**	**(15,617)**	**-17.9**

Management Discussion and Analysis

ICT SERVICES

ICT Services comprised system integration, application development, maintenance services and supply of ICT software and equipment. During the financial period, ICT services contributed RM7.6 million, which was 12.3% of the total revenue for the FPE 2024. The decrease in revenue was due to lack of new sizeable projects to replace the major projects that were completed in the preceding year. The increased competition from new vendors and limited projects in the market created a very challenging year for the ICT segment.

AUTOMATION SYSTEMS

The Automation Systems segment comprised of RFID Access Control Systems ("RFID"), Integrated Security Division ("ISD") and Mechanical and Electrical engineering services ("M&E"). The automation systems contributed RM12.1 million, which was 19.6% of the total revenue for the FPE 2024. The lower revenue during current period was mainly attributable to lower sales and project roll-outs due to the recovering construction sector, as the products under this segment were usually used for installation in new buildings.

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 RM42.1 million, which was 68.1% of the total revenue for the FPE 2024 and continued to remain as the main contributor to the Group's revenue.

REVIEW OF OPERATING ACTIVITIES

During the financial period under review, the Group had streamlined its operation to place more focus and emphasis on the better performing sectors of the Group. The change made was the disposal of the loss-making associate company, Cekap Air Sdn Bhd. The disposal of the latter was done to reduce the risk of further losses and erosion of the Group's investment, and also to mitigate future compliance and regulatory risks as the Group only control 20% of the associate's equity.

The F&B distribution segment contributed RM42.1 million or 68.1% of the Group's revenue, which continued to remain as the main contributor to the Group's revenue. It has continuously given the Group a strong and stable source of revenue with good cash flows and strong recurring revenue, which in turn had mitigated the Group's dependence on ICT segment. This is also in line with our diversification strategy into non-ICT segment, which had mitigated the impact of lower sales in the other segments of the Group.

The Group continues to rationalise and streamline our operations to achieve optimum cost efficiency. Amongst the measures taken during the year are the hiring of staff on contractual basis based on project needs, initiating hybrid working arrangement, and discontinuing under-performing divisions. The Group will continue to monitor our cost structure and compositions to ensure that our overheads are at manageable levels to improve the business performance and profitability.

BUSINESS RISKS

The ICT segment has always been dependent on the spending budget of government linked companies ("GLC") and statutory bodies, which are our main customers. Consequently, any changes in spending behavior by government will impact the Group's performance. In addition, the outlook and prospects for ICT industry continues to be challenging given the intense market competition. This is especially true in relation to tenders for government contracts. To reduce the impact of escalating competition, the Group has placed more focus on software development projects, which yield higher margins. The Group's previous focus was mainly on system integration projects. However, these projects have become more challenging with more competitors, resulting in lower margins. We will also diligently execute our ongoing projects and seize opportunities to secure maintenance and support contracts from our existing clients in order to maintain the long business relationship.

Nonetheless, the Group strives to maintain our competitive edge by always delivering quality services to our customers and to 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. In support of this, we encourage our employees to attend training programmes and focus on building expanded skillset to improve efficiency and quality services. We also allow for innovation and development of new or customize services to meet changing market requirement and emerging opportunities nowadays.

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 to expand our business, for both ICT and non-ICT related businesses. Mergers and acquisitions as well as strategic alliances will also be considered in line with our goal of diversification. We will also continue to keep an open view on various other corporate exercise which is complementary to the Group's overall business activities.

The Group is exposed to fluctuation in foreign exchange rate as a proportion of our purchases are transacted in foreign currencies, namely in United States Dollar ("USD") and Europe Dollar ("Euro"). Any adverse movement in the foreign exchange markets may have adverse impact on our business performance, financial position and operating results. However, we do not take any hedging operations to mitigate our foreign exchange risks as we do not expect significant future foreign transactions flow in the current financial period. If our foreign currency exposure becomes substantial, we may consider hedging our foreign exchange position.

The market risk on price inflation for almost all goods and services have severely impacted the economy. The Group remains cautious and will continue to optimise the resources and development that can support the market demands. The Group will also remain focused on prioritising the efforts on operational and cost efficiency in order to remains competitive and deliver sustainable growth in the long term.

FUTURE PROSPECT

The financial period under review has been challenging for the Group and for many other businesses and corporations, mainly due to global economics uncertainties such as uncertain political climate and rising inflationary pressure, which will affect the global market sentiment. With many of the markets that we operate having returned to 'normal' during the endemic phase, we continue to adapt and align our business activities with the prevailing conditions in those markets.

The Government has implemented the e-invoicing system in Malaysia and it is targeted to be mandatory for all business by July 2025. The 'e-invoice' is an aspiration of the Government towards a digital Malaysia, strengthening the digital tax service administration and collection. This initiative will accelerate the shift to digitalization in Malaysia and will create many new business opportunities for the ICT sector. Hence, the ICT sector is expected to expand as government agencies will focus on fast-tracking digitalisation efforts to remain relevant to the public. In addition, the recent growth in the usage of Artificial Intelligence ("AI") will also create more opportunities for adoption in businesses.

While the local industries gear and equip themselves with the necessary knowledge and skillsets to tackle these new developments, it will take some time before these opportunities can be translated to revenue. Hence, barring any unforeseen circumstances, we are cautiously optimistic and will continue to look for areas and opportunities of revenue and income growth as well as deliver more value to our clients. The Group will also enhance the business operations and performance with the existing strength and technologies to ensure long term sustainability growth.

COMPANY PROFILE

About US

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 :-

Corporate Structure

EA Holdings Berhad
Registration No. 200901034925 (878041-A)

- 100% **MURASAKI TECHNOLOGY SDN BHD**
  Registration No. 201301031936 (1061765-T)
- 100% **CSS MSC SDN BHD**
  Registration No. 200501033965 (716106-M)
- 86% **DDSB (M) SDN BHD**
  Registration No. 199901012899 (487799-X)
- 100% **SUNLAND VOLONTE AGENCY SDN BHD**
  Registration No. 198501011316 (143768-A)
- 100% **COLWYN BAY TECHNOLOGIES SDN BHD**
  Registration No. 201201040538 (1025016-V)
  - 100% **EASS SDN BHD**
    Registration No. 200601028579 (748335-K)
    - 100% **EA MSC SDN BHD**
      Registration No. 200801011256 (812544-M)

OUR PRODUCTS

M&E Engineering Services

System & Infrastructure Integrations

Distribution of F&B Products

ICT Consultancy Services

Holdings Berhad
Registration No. 200901034925 (878041-A)

RFID Systems, Security & Building Automation

E-business Software Applications

Enterprise Resource Planning & Human Capital Management Solutions Technology

CORPORATE INFORMATION

BOARD OF DIRECTORS

Borhan bin Abdul Halim
Chairman,
Independent Non-Executive Director

Mohammad Sobri bin Saad
Chief Executive Officer/
Executive Director

Basir bin Bachik
Executive Director

Wong Wan Rou
Executive Director

Choo Seng Choon
Independent Non-Executive Director

Abdul Fattah bin Mohamed Yatim
Non-Independent
Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Choo Seng Choon *(Chairman)*
Borhan bin Abdul Halim
Abdul Fattah bin Mohamed Yatim

NOMINATION COMMITTEE

Borhan bin Abdul Halim *(Chairman)*
Abdul Fattah bin Mohamed Yatim
Choo Seng Choon

REMUNERATION COMMITTEE

Abdul Fattah bin Mohamed Yatim *(Chairman)*
Borhan bin Abdul Halim
Choo Seng Choon

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
Email : bizvibeconsultancy@gmail.com

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
Email : insurban@gmail.com

PRINCIPAL PLACE OF BUSINESS

Unit 25-5, Level 25,
Oval Damansara,
685, Jalan Damansara,
60000 Kuala Lumpur
Tel : 03-7733 9762
Email : corporate@eah.com.my

DIRECTORS' PROFILE

BORHAN BIN ABDUL HALIM

Chairman, Independent Non-Executive Director

AGE 65

Gender

Nationality

Borhan was appointed as the Chairman and Independent Non-Executive Director of EA Holdings Berhad on 31 January 2024. He is also the Chairman of Nomination Committee and a member of the Audit and Risk Management Committee and Remuneration Committee of the Company.

He obtained his Bachelor of Social Science Degree with Hons. in Development Studies from University Of Science Malaysia, Penang in 1997. In 1999, he joined the public sector as the deputy mayor of Gerik District Council of Perak state. He has more than 20 years of experience in the management level for several local government authorities in the state of Perak as the mayor and deputy mayor.

His duties during his services in the local government authorities includes to develop and evaluate the policies and programs of the municipality, to determine which services the municipality provides, to ensure that administrative practices and procedures are in place to implement the decisions of council, to ensure the accountability and transparency of the operations of the municipality. His last position was the mayor at Taiping Municipal Council in 2019 and during his time with the council he had led the council to win the third place as the most sustainable city in the world for 2019. Besides that, he was appointed as the co-president for the Tourism Promotion Organization for Asia Pacific Cities (TPO) on the same year. He retired as the mayor of Taiping in 2020 to pursue his business endeavours.

Borhan attended all Board meetings held during his tenure in office for the financial period ended 31 July 2024. He has no family relationship with any director or substantial shareholder of the Company.

Borhan 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

Chief Executive Officer/ Executive Director

AGE 64

Gender

Nationality

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 period ended 31 July 2024. 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.

Directors' Profile

BASIR BIN BACHIK
Executive Director

AGE 66
Gender
Nationality

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 period ended 31 July 2024. 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
Independent Non-Executive Director

AGE 50
Gender
Nationality

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, LTKM Berhad and Hua Yang Berhad.

Choo attended all Board meetings held during his tenure in office for the financial period ended 31 July 2024. 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

Non-Independent Non-Executive Director

AGE 68

Gender

Nationality

ABDUL FATTAH was appointed as the Senior Independent Non-Executive Director of EA Holdings Berhad on 22 February 2010. He was subsequently appointed as a Chairman of the Remuneration Committee on 31 May 2023. He is also a member of the Nomination Committee and Audit and Risk Management Committee of the Company. On 31 January 2024, he was re-designated as Non-Independent and Non-Executive Director.

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 period ended 31 July 2024. 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.

WONG WAN ROU

Executive Director

AGE 35

Gender

Nationality

WONG WAN ROU was appointed as the Executive Director of EA Holdings Berhad on 9 June 2023.

Wong Wan Rou obtained her Bachelor Degree of Accountancy from University Putra Malaysia (UPM) in 2012. She is a Chartered Accountant of the Malaysian Institute of Accountants and member of the Certified Practicing Accountant (Australia).

Wong has more than 10 years of professional and commercial experience in various industries which includes audit, telecommunications and IT industries, retail & trading, property investment and property development. After obtaining her degree in accountancy in 2012, she joined Crowe Malaysia PLT as an audit assistant. During her tenure in the audit firm, she was involved in the auditing process of clients in various industries. She subsequently joined Knusford Berhad, a company listed on the Bursa Malaysia for a short period of time as an accountant before joining the Asian International Arbitration Centre (AIAC), a not-for-profit organization, as its Deputy Head of Finance in 2018. She left AIAC to join EA Holdings Berhad in 2019. Wong also sits on the board of directors of VinVest Capital Holdings Berhad.

Wong attended all Board meetings held during her tenure in office for the financial period ended 31 July 2024. Wong has no family relationship with any director or substantial shareholder of the Company.

Wong 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 OVERVIEW STATEMENT

The Board of Directors of EA Holdings Berhad is committed to ensure that high standards of corporate governance are maintained throughout the Company and its subsidiaries ("the Group"). The Board is fully dedicated in ensuring that good corporate governance and practices are implemented as a fundamental part of discharging its duties to enhance shareholders' values consistent with the principles and best practices set out in the Malaysian Code on Corporate Governance ("MCCG") and the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

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, En. Borhan bin Abdul Halim 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, directing and controlling all aspects of business operations, overseeing the human resources of the Group and ensuring compliance with all governmental procedures and regulations.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1. Board Responsibilities (cont'd)

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.

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.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

1. Board Responsibilities (cont'd)

IX. Anti-Bribery and Anti-Corruption Policy

In compliance with the requirement of S17A of the Malaysian Anti-Corruption Commission Act 2018 which took effect on 1st June 2020, the Company has adopted the Anti-Bribery and Anti-Corruption Policy including corporate liability for corruption. 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.

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 six (6) members as follows, consisting of three (3) Executive Directors, two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director as follows:

Name of Members	Designation
Borhan bin Abdul Halim	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	Non-Independent Non-Executive Director
Wong Wan Rou	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. This current Board composition complies with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad on the limit of five (5) directorship and at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors.

The profiles of the Directors are presented on page 11 to 13 of this annual report.

II. Tenure of Independent Non-Executive Director

The Board has adopted nine (9) years policy for Independent Non-Executive Directors. None of the current independent Board members had served the Company for more than nine years as per recommendation of the MCCG. According to the Code, if the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval through a two-tier voting process at a general meeting. The Board acknowledges that the tenure of an Independent Director shall not exceed a cumulative term of twelve (12) years pursuant to the Listing Requirements of Bursa Securities. If the services of the Director concerned are still required, the director concerned will be re-designated as a non-independent Director. During the financial period, Abdul Fattah bin Mohamed Yatim has re-designated as Non-Independent Non-Executive Director, due to his tenure of an Independent Director exceeded 12 years.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

2. Board Composition (cont'd)

III. Board Gender Diversity

The current Board composition consists of one (1) woman Director, which is complied with the Ace Market Listing Requirements that required at least one (1) woman director on the board in listed companies.

The Board is always 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 higher 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. The Company adheres to the practise of diversity and ensuring transparency for the appointment of Board Committees with non-discrimination of race, religion, age and gender throughout the organisation.

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 period ended 31 July 2024, nine (9) 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 period ended 31 July 2024 are:

No.	Name of Members	Designation	Attendance	% of Attendance
1	Borhan bin Abdul Halim *(Appointed on 31 January 2024)*	Chairman, Independent Non-Executive Director	2/2	100%
2	Mohammad Sobri bin Saad	CEO/Executive Director	9/9	100%
3	Basir bin Bachik	Executive Director	9/9	100%
4	Abdul Fattah bin Mohamed Yatim	Non-Independent Non-Executive Director	9/9	100%
5	Choo Seng Choon	Independent Non-Executive Director	9/9	100%
6	Wong Wan Rou (Appointed on 9 June 2023)	Executive Director	8/8	100%
7	Dato' Azahar bin Rasul *(Resigned on 31 January 2024)*	Chairman, Independent Non-Executive Director	6/7	86%

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 23 to 25 of the annual report.

(b) Nomination Committee

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

Chairman	Borhan bin Abdul Halim
Members	Abdul Fattah bin Mohamed Yatim Choo Seng Choon

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.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

2. Board Composition (cont'd)

V. Board Committees (cont'd)

b) Nomination Committee (cont'd)

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.

Nomination Committee attendance were as follows:-

No.	Name of Members	Attendance	Percentage
1	Abdul Fattah bin Mohamed Yatim	2/2	100%
2	Borhan bin Abdul Halim *(Appointed on 31 January 2024)*	-	-
3	Choo Seng Choon	2/2	100%
4	Dato' Azahar bin Rasul *(Resigned on 31 January 2024)*	2/2	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 period ended 31 July 2024, the Directors had attended the following training programmes :-

Directors	Title
Borhan bin Abdul Halim	- Webinar Mandatory Accreditation Programme (MAP) Part I by Bursa Malaysia on 29 and 30 April 2024 - Webinar Mandatory Accreditation Programme (MAP) Part II: Leading for Impact (LIP) by Bursa Malaysia on 12 and 13 June 2024
Mohammad Sobri bin Saad	- Webinar Mandatory Accreditation Programme (MAP) Part II: Leading for Impact (LIP) by Bursa Malaysia on 12 and 13 June 2024
Basir bin Bachik	- Webinar Mandatory Accreditation Programme (MAP) Part II: Leading for Impact (LIP) by Bursa Malaysia on 12 and 13 June 2024
Abdul Fattah bin Mohamed Yatim	- Webinar Mandatory Accreditation Programme (MAP) Part II: Leading for Impact (LIP) by Bursa Malaysia on 12 and 13 June 2024

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

2. Board Composition (cont'd)

VI. Directors' Training (cont'd)

During the financial period ended 31 July 2024, the Directors had attended the following training programmes (cont'd) :-

Directors	Title
Choo Seng Choon	- MIA Webinar Series: Embracing ESG in Value Creation on 21 and 22 June 2023 - Webinar Mandatory Accreditation Programme (MAP) Part II: Leading for Impact (LIP) by Bursa Malaysia on 19 and 20 September 2023 - MIA Webinar Series: Equity Accounting, Joint Ventures, Joint Arrangements and Joint Operations on 6 December 2023
Wong Wan Rou	- Webinar Mandatory Accreditation Programme (MAP) Part I by Bursa Malaysia on 26 and 27 June 2023 - MIA Webinar Series: Preparation and Presentation of Consolidated Financial Statements on 11 and 12 December 2023 - Webinar Mandatory Accreditation Programme (MAP) Part II: Leading for Impact (LIP) by Bursa Malaysia on 12 and 13 June 2024

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.

In assessing the candidates' eligibility for re-election, the Nomination Committee considers their competencies, commitment, contribution, and performance based on their respective performance evaluation to the Board and their ability to act in the best interest of the Company. The Board makes recommendations concerning the re-election, re-appointment and the continuation in office of any Director for shareholders' approval at the AGM.

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.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

3. Remuneration (cont'd)

I. Remuneration Policy (cont'd)

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 Non-Executive Directors as follows :-

Chairman	Abdul Fattah bin Mohamed Yatim
Members	Borhan bin Abdul Halim Choo Seng Choon

Remuneration Committee attendance were as follows : -

No.	Name of Members	Attendance	Percentage
1	Abdul Fattah bin Mohamed Yatim	1/1	100%
2	Borhan bin Abdul Halim *(Appointed on 31 January 2024)*	-	-
3	Choo Seng Choon	1/1	100%
4	Dato' Azahar bin Rasul *(Resigned on 31 January 2024)*	1/1	100%

The details of the Directors' remuneration for the financial period ended 31 July 2024 are as follows :-

	Executive Directors (RM'000)	Non-Executive Directors (RM'000)
Salaries and other emoluments	766	-
Fees	-	194

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
50,000 – 100,000	-	3
150,001 – 200,000	1	-
250,001 - 300,000	1	-
500,001 - 550,000	1	-

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (cont'd)

3. Remuneration (cont'd)

III. Remuneration of Senior Managements

The aggregate remuneration of the top 6 Key Senior Management of the Group for the financial period ended 31 July 2024 are as follows :-

Remuneration	Number of Key Senior Management
300,001 – 350,000	2
350,001 – 400,000	1
400,001 – 450,000	1
450,001 – 500,000	1
1,500,001 – 1,550,000	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 Performanwce 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 period, 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 period 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 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 period ended 31 July 2024, no former key audit partner has been appointed or is a Director of the Company. There are 5 meetings held for ARMC during the current financial period. The role, activities, authority, duties and responsibilities of the ARMC during the financial period are described in the Audit and Risk Management Committee Report found on page 23 to 25 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 period 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.

Corporate Governance Overview Statement

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

2. Risk Management and Internal Control Framework

The Statement on Risk Management and Internal Control is set out on page 26 to 27 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 MAINTAINING 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 period ended 31 July 2024. 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.

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 period/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	Borhan bin Abdul Halim (Independent Non-Executive Director) Abdul Fattah bin Mohamed Yatim (Non-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;

2. Duties and Responsibilities (cont'd)

Matters relating to External Audit (cont'd)

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

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

(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 internal auditors shall 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 period ended 31 July 2024 was RM24,633.

Summary of Activities

During the financial period ended 31 July 2024, 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 period ended 31 July 2024;
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; and
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 five (5) meetings during the financial period ended 31 July 2024. The details of the attendance are as follows:

Directors	No. of meetings attended
Choo Seng Choon	5/5
Borhan bin Abdul Halim *(Appointed on 31 January 2024)*	2/2
Abdul Fattah bin Mohamed Yatim	5/5
Dato' Azahar bin Rasul *(Resigned on 31 January 2024)*	2/3

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

(vi) 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 period 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. Based on their review, the external auditors have reported to the Board that nothing has come to their attention which causes them to believe that this Statement is inconsistent with their understanding of the processes adopted by the Board in the review of the adequacy, integrity and effectiveness of the Group's risk management and internal control system.

The external auditors are not required to consider whether the 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 29 November 2024.

SUSTAINABILITY STATEMENT

The Board acknowledges the importance of sustainable and responsible business practices in developing the corporate strategy of the Group. As a responsible corporate entity, The Group have been embracing a culture of incorporating Economic, Environmental, and Social ("EES") risks and opportunities into our decision making, business practices and processes. 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 upholds our responsibility to commit for inculcating EES principles and guidelines as well as a sound corporate culture and ethical practices and extend it further by implementing various measures of which are consistent with our stakeholder's best interest. We also aim to leverage transformation strategies to drive our growth in a sustainable manner and to provide some assurance for long-term success.

We have adopted EES principles and guidelines which could be applied into our operational activities and our employees' day-to-day work activities.

Economic

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.

To ensure good business conduct and governance, the Group has implement various policies such as Code of Conduct, Whistle-blower & Anti Bribery. The Group is adopting a zero-tolerance approach against discriminatory conducts, sexual harassment, and any practices that seek to obtain business through improper means. The Group committed to maintaining high ethical standards and strict adherence to the policies, as it is essential for the long-term sustainability by promoting social responsibility, building trust with our stakeholders and ensure fair and ethical treatment of employees, customers, and suppliers. The Group also appointed an outsourced firm of internal auditor to identify the risk profile in order to assist the Board in developing a sound risk management framework for managing risks which may have a major impact on the Group.

The investors or shareholders can access to the Bursa announcement and Group's corporate website at www.eah.com.my for financial position and performance of the Group, including quarterly financial statement, annual reports, circulars/statements to shareholders and other pertinent information which uploaded on a timely basis when available.

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. We will not directly dispose the old information technology equipment such as laptops, computer monitors and servers, as we will re-sell to the recycling Company.

(iii) Energy saving

In order to better manage resources consumption, employees are advised to switch off the lights and air conditioners when they are not in use to help to conserve energy and waste reduction.

Social

The Group prioritises social sustainability, recognising its integral role in the well-being of both our Company and the communities where we operate. We are committed to integrating these principles throughout all aspects of our operations. This commitment forms a core tenet of our corporate values, guiding our decisions and actions towards creating a positive social impact alongside delivering value to our stakeholders, as well as to support the welfare and empowerment of all members of society.

(i) Workforce diversity

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.

(ii) Occupational Safety and Health

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. Hence, the Group recognise a strong correlation between employees' safety, well-being, and morale by maintaining a healthy and work-life balance.

Besides, The Group provides medical insurance with hospitalisation coverage for employees and also fire insurance with adequate coverage for the office.

(iii) Training and Development

The Group believes that our employees are our greatest assets. 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. We are committed to fostering a culture of continuous learning and growth, where every individual has the opportunity to reach their full potential. This approach not only enhances productivity, satisfaction, and morale but also boosts employee engagement, thereby aiding in the attraction and retention of top talent. In addition, we also organize gathering activities to foster and cultivate closer ties within the Group. It also helps to produce dynamic workforce with a strong sense belonging.

ADDITIONAL COMPLIANCE INFORMATION

(a) Utilisation of Proceeds

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

(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 period are as follows :-

	Company (RM)	Group (RM)
Audit services rendered	95,000	280,000
Non-audit services rendered	5,000	5,000
Total	100,000	285,000

(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 period, 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 period from 1 April 2023 to 31 July 2024.

CHANGE OF FINANCIAL YEAR END

The financial year end of the Company was changed from 31 March to 31 July. Accordingly, comparative amounts for the statements of comprehensive income, statements of changes in equity, statements of cash flows and the related notes are not entirely comparable.

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 period.

RESULTS

	Group RM	Company RM
Loss for the financial period, net of tax	32,404,429	17,973,035
Attributable to:		
- Owners of the Company	31,936,643	17,973,035
- Non-controlling interests	467,786	-
	32,404,429	17,973,035

DIVIDEND

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 period.

RESERVES AND PROVISIONS

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

ISSUANCE OF SHARES OR DEBENTURES

During the financial period, the Company increased its issued and paid-up capital from RM136,685,725 to RM136,687,236 by the following:

(a) conversion of 42,066 units of Warrants E 2018/2023 ("Warrants E") to ordinary shares on 5 April 2023 at an exercise price of RM0.035 per warrant amounting to RM1,472; and

(b) conversion of 1,125 units of Warrants E to ordinary shares on 18 April 2023 at an exercise price of RM0.035 per warrant amounting to RM39.

WARRANTS

During the financial period, 43,191 units of Warrants E were exercised at an exercise price of RM0.035 per warrant. The total number of Warrants E that remained unexercised amounted to 1,087,018,003 units have expired on 22 April 2023.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS OF THE COMPANY

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

Mohammad Sobri Bin Saad *	
Basir Bin Bachik *	
Abdul Fattah Bin Mohamed Yatim	
Choo Seng Choon	
Borhan Bin Abdul Halim	(Appointed on 31 January 2024)
Wong Wan Rou	(Appointed on 9 June 2023)
Dato' Azahar Bin Rasul *	(Resigned on 31 January 2024)

* *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 period to the date of this report are as follows:

Dato' Azahar Bin Rasul
Dato' Cheong Soo Han
Chia Kok Chin
Chong Chee Loong
Chong Nyet Fan
Law Kum Wah
Low Tee Chow
Norma Niza Binti Isa

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 period in shares and warrants of the Company and its related corporations during the financial period were as follows:

	Number of Ordinary Shares			
	At 01.04.2023 Unit	**Acquired Unit**	**Sold Unit**	**At 31.07.2024 Unit**
Name of Directors:				
Ordinary shares in the Company				
Direct interest:				
- Mohammad Sobri Bin Saad [(1)]	1,133,424,300	-	(1,052,000,000)	81,424,300

	Number of Warrants E 2018/2023			
	At 01.04.2023 Unit	**Acquired Unit**	**Expired Unit**	**At 31.07.2024 Unit**
Warrants E 2018/2023				
Direct interest:				
- Mohammad Sobri Bin Saad	133,411,281	-	(133,411,281)	-

Denote 1: As disclosed in Note 36(a) to the financial statements, Mohammed Sobri Bin Saad have lodged a suit against the Company (hereinafter "Suit 535") to recover his shares in the Company and an injunction were obtained from High Court against all the Defendants. As at the date of approval of the Directors' report, the matter is fixed for full trial on 3rd to 6th November 2025 and 10th to 13th November 2025 together with Suit 536 as disclosed in Note 36(b) to the financial statements.

Directors' Report

DIRECTORS' INTERESTS (cont'd)

By virtue of the Directors' interests in the ordinary shares of the Company and pursuant to Section 8 of the Act, Mohammad Sobri Bin Saad is deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

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

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	193,560	-
Salaries, bonuses and allowances	455,800	189,075
Contributions to defined contribution plan	85,083	34,333
Social security contributions	990	620
Total remuneration	735,433	224,028

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 period 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.

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 all known bad debts had been 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 render the amount written off for bad debts or 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.

OTHER STATUTORY INFORMATION (cont'd)

(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 period 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 period.

(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 period, 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 period 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 period 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 period 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 period from the Company and its subsidiaries are disclosed in Note 5 to the financial statements.

(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.

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

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 29 November 2024.

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 40 to 107 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 31 July 2024 and of their financial performance and cash flows for the financial period then ended.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 29 November 2024.

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 Director primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the financial statements as set out on pages 40 to 107 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 29 November 2024

WONG WAN ROU

Before me,

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EA HOLDINGS BERHAD
REGISTRATION NO.: 200901034925 (878041-A) (INCORPORATED IN MALAYSIA)

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 31 July 2024 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 period then ended and notes to the financial statements, including material accounting policy information, as set out on pages 40 to 107.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 July 2024, and of their financial performance and their cash flows for the financial period 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.

Emphasis of Matter

We draw attention to Notes 13 and 36 to the financial statements, which described the action taken arising from the ongoing litigation faced by the Company and the uncertainty of its outcome. Our opinion is not modified in respect of this matter.

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 period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment review of goodwill and investment in subsidiaries

Goodwill

As at 31 July 2024, as shown in Note 10 to the financial statements, the carrying amount of goodwill amounted to RM34,987,337. The goodwill carrying amount is solely derived from Sunland Volonte Agency Sdn. Bhd. ("Sunland") within the food and beverage distribution segment. The Group is required to perform an annual impairment review on the goodwill regardless of whether there is any indication of impairment.

The Group estimated the recoverable amount of the cash generating unit ("CGU") based on value-in-use ("VIU") by using a discounted cash flows of Sunland covering a 5-year period of Sunland. Estimating the VIU of the CGU involved estimates made by the management relating to the future cash inflows and outflows that will be derived from the CGU and discounting them at appropriate rate. The discounted cash flows included a number of significant judgements and estimates such as revenue growth rate, gross profit margin, expected operating costs and discount rate.

We consider this to be an area of focus for our audit as the amount involved is significant, involved significant judgements about the future market and economic conditions and changes in assumptions may lead to a significant change in the recoverable amount of the goodwill.

Independent Auditors' Report
to the members of EA Holdings Berhad

Key Audit Matters (cont'd)

Impairment review of goodwill and investment in subsidiaries (cont'd)

Investment in subsidiaries

As at 31 July 2024, as shown in Note 11 to the financial statements, the carrying amount of the Company's investment in subsidiaries stood at RM80,614,140, of which RM67,072,405 is derived from Sunland within the food and beverage distribution segment.

During the financial period ended 31 July 2024, the Company reversed an impairment loss amounting to RM472,410 within other items of income in the statements of comprehensive income, of which the amount was the reversal of impairment loss relating to Sunland. The Company has also recognised an impairment loss amounting to RM13,600,502 within the item of expense in the statements of comprehensive income, of which the amounts relate to other subsidiaries except for Sunland.

The Company estimated the recoverable amount of Sunland based on VIU. Estimating the VIU involved estimates made by the management relating to the future cash inflows and outflows that will be derived from Sunland and discounting them at appropriate rate. The discounted cash flows included a number of significant judgements and estimates such as revenue growth rate, gross profit margin, expected operating costs and discount rate. The Company estimated the recoverable amounts of other subsidiaries based on net assets of the respective subsidiaries.

We consider this to be an area of focus for our audit as the amount involved is significant, involved significant judgements about the future market and economic conditions and changes in assumptions may lead to a significant change in the recoverable amounts of the investment in subsidiaries.

Our procedures to address the area of focus included, among others, the following:

- We have evaluated the basis of calculating the discounted cash flows by taking into consideration the assessment of management's historical budgeting accuracy;
- We have evaluated whether key assumptions which comprised revenue growth rate, gross profit margin, expected operating costs and discount rate were reasonable, taking into consideration the current and expected outlook of the economic growth;
- We have tested the mathematical accuracy of the discounted cash flows calculation; and
- We have analysed the sensitivity of the key assumptions by assessing the impact of changes to the key assumptions on the recoverable amounts.

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.

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.

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

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
02963/07/2025 J
Chartered Accountant

Petaling Jaya, Selangor
Date: 29 November 2024

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 1 APRIL 2023 TO 31 JULY 2024

	Note	Group 01.04.2023 to 31.07.2024 RM	Group 01.10.2021 to 31.03.2023 RM	Company 01.04.2023 to 31.07.2024 RM	Company 01.10.2021 to 31.03.2023 RM
Revenue	4	61,872,410	87,174,694	18,500,000	-
Other items of income					
Accretion of interest income on amount due from former shareholders of a subsidiary		313,550	284,228	313,550	284,228
Other income		731,323	330,594	277,251	217,414
Reversal of impairment loss on:					
- investment in an associate	12	29,487	33,732	7,173	-
- investments in subsidiaries	11	-	-	472,410	9,205,851
- trade receivables	32	680,837	311,164	-	-
		1,755,197	959,718	1,070,384	9,707,493
Items of expense					
Changes in inventories of trading merchandise		(105,480)	90,209	-	-
Purchases and other direct costs		(51,568,029)	(55,221,329)	-	-
Employee benefit expenses	5(a)	(10,693,292)	(10,955,260)	(251,016)	(389,429)
Directors' remuneration	5(b)	(3,487,010)	(3,251,717)	(735,433)	(655,100)
Depreciation of property, plant and equipment	8	(528,254)	(546,256)	(311,195)	(349,756)
Depreciation of right-of-use assets	9	(219,395)	(235,952)	-	-
Amortisation of intangible assets	10	(180,000)	-	-	-
Bad debts written off	5	(10,622)	-	-	-
Deposits written off	5	(10,600)	-	-	-
Fair value loss on other investment	13	(8,457,085)	(10,680,985)	(8,457,085)	(10,680,985)
Impairment loss on:					
- investments in subsidiaries	11	-	-	(13,600,502)	-
- investment in an associate		-	-	-	(11,510,800)
- trade receivables	32	(341,511)	(587,401)	-	-
- amount due from an associate	32	-	(3,566,025)	-	(3,566,025)
Loss on disposal of:					
- investment in an associate	12	(8,506,173)	-	(8,506,173)	-
- other investment	13	(3,759,739)	-	(3,759,739)	-
Other expenses		(4,886,751)	(4,596,342)	(1,625,853)	(1,478,200)
Loss from operations		(29,126,334)	(1,416,646)	(17,676,612)	(18,922,802)
Finance costs		(645,217)	(758,762)	(289,259)	(410,157)
Share of results of associate, net of tax	12	(22,314)	(11,544,532)	-	-
Loss before tax	5	(29,793,865)	(13,719,940)	(17,965,871)	(19,332,959)
Tax expense	6	(2,610,564)	(3,219,622)	(7,164)	(3,198)
Loss net of tax, representing total comprehensive income for the financial period		(32,404,429)	(16,939,562)	(17,973,035)	(19,336,157)
Loss attributable to:					
- Owners of the Company		(31,936,643)	(17,284,538)	(17,973,035)	(19,336,157)
- Non-controlling interest	11(d)	(467,786)	344,976	-	-
		(32,404,429)	(16,939,562)	(17,973,035)	(19,336,157)
Loss per ordinary share attributable to Owners of the Company:					
Basic and diluted (sen):	7	(0.50)	(0.28)		

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

STATEMENTS OF FINANCIAL POSITION
AS AT 31 JULY 2024

	Note	Group 31.07.2024 RM	Group Restated 31.03.2023 RM	Company 31.07.2024 RM	Company Restated 31.03.2023 RM
ASSETS					
Non-current Assets					
Property, plant and equipment	8	5,127,850	5,209,678	2,474,058	2,778,374
Right-of-use assets	9	199,648	318,470	-	-
Intangible assets	10	34,987,337	34,987,337	-	-
Investment in subsidiaries	11	-	-	80,614,140	82,488,072
Investment in an associate	12	-	9,499,000	-	9,499,000
Other investment	13	-	12,529,015	-	12,529,015
Amounts due from former shareholders of a subsidiary	14	-	1,293,993	-	1,293,993
Deferred tax assets	15	43,091	69,847	-	-
		40,357,926	63,907,340	83,088,198	108,588,454
Current Assets					
Inventories	16	7,578,296	7,084,565	-	-
Trade receivables	17	7,828,063	15,120,241	-	-
Other receivables	18	4,177,005	10,674,519	829,037	5,113,091
Contract assets	19	1,300,195	6,603,241	-	-
Amounts due from subsidiaries	20	-	-	-	3,060,964
Amount due from an associate	21	-	-	-	-
Amounts due from former shareholders of a subsidiary	14	1,896,019	788,476	1,896,019	788,476
Tax recoverable		426,666	55,194	-	-
Fixed deposits placed with licensed banks	22	4,249,263	4,131,019	2,256,460	2,199,004
Short-term money market deposit	22	2,500,000	3,500,000	-	-
Cash and bank balances		21,874,874	19,489,680	17,542,825	14,114,457
		51,830,381	67,446,935	22,524,341	25,275,992
TOTAL ASSETS		**92,188,307**	**131,354,275**	**105,612,539**	**133,864,446**
EQUITY AND LIABILITIES					
Equity					
Share capital	23	136,687,236	136,685,725	136,687,236	136,685,725
Reserves	24	(53,028,858)	(21,092,215)	(41,101,652)	(23,128,617)
Total equity attributable to Owners of the Company		83,658,378	115,593,510	95,585,584	113,557,108
Non-controlling interest		(1,169,090)	(701,304)	-	-
Total Equity		82,489,288	114,892,206	95,585,584	113,557,108
Liabilities					
Non-current Liabilities					
Borrowings	25	1,085,348	1,275,166	1,085,348	1,275,166
Lease liabilities	26	8,819	156,663	-	-
Deferred tax liabilities	15	376,044	392,945	-	-
		1,470,211	1,824,774	1,085,348	1,275,166
Current Liabilities					
Trade payables	27	2,527,792	6,385,183	-	-
Other payables	28	1,411,472	1,548,747	284,479	361,717
Contract liabilities	19	578,594	1,960,808	-	-
Amounts due to subsidiaries	20	-	-	8,030,440	18,048,837
Amounts due to Directors	29	71,468	88,030	-	-
Borrowings	25	3,082,884	3,495,312	620,884	615,814
Lease liabilities	26	152,716	158,358	-	-
Tax payable		403,882	1,000,857	5,804	5,804
		8,228,808	14,637,295	8,941,607	19,032,172
Total Liabilities		9,699,019	16,462,069	10,026,955	20,307,338
TOTAL EQUITY AND LIABILITIES		92,188,307	131,354,275	105,612,539	133,864,446

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 PERIOD FROM 1 APRIL 2023 TO 31 JULY 2024

		<-----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 October 2021		198,035,371	9,938,851	(13,737,745)	(87,181,755)	107,054,722	1,565,543	108,620,265
Loss net of tax, representing total comprehensive income for the financial period		-	-	-	(17,284,538)	(17,284,538)	344,976	(16,939,562)
Transactions with Owners of the Company:								
Issuance of ordinary shares pursuant to:								
- Increase in stake in a subsidiary	23(a)	5,000,000	-	-	(2,388,177)	2,611,823	(2,611,823)	-
- Acquisition of other investment	23(a)	23,210,000	-	-	-	23,210,000	-	23,210,000
- Capital reduction	23(b)	(99,500,000)	-	-	99,500,000	-	-	-
- Exercise of Warrants D	23(c)(i)	1,804	(301)	-	-	1,503	-	1,503
- Expiration of Warrants D	23(c)(i)	9,938,550	(9,938,550)	-	-	-	-	-
Total transactions with Owners of the Company		(61,349,646)	(9,938,851)	-	97,111,823	25,823,326	(2,611,823)	23,211,503
At 31 March 2023		136,685,725	-	(13,737,745)	(7,354,470)	115,593,510	(701,304)	114,892,206
At 1 April 2023		136,685,725	-	(13,737,745)	(7,354,470)	115,593,510	(701,304)	114,892,206
Loss net of tax, representing total comprehensive income for the financial period		-	-	-	(31,936,643)	(31,936,643)	(467,786)	(32,404,429)
Transaction with Owners of the Company:								
Issuance of ordinary shares pursuant to exercise of Warrants E, representing total transaction with Owners of the Company	23(c)(ii)	1,511	-	-	-	1,511	-	1,511
At 31 July 2024		136,687,236	-	(13,737,745)	(39,291,113)	83,658,378	(1,169,090)	82,489,288

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

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 APRIL 2023 TO 31 JULY 2024

	Note	Share Capital RM	Non-Distributable Warrants Reserve RM	Accumulated Losses RM	Total Equity RM
Company					
At 1 October 2021		198,035,371	9,938,851	(103,292,460)	104,681,762
Loss net of tax, representing total comprehensive income for the financial period		-	-	(19,336,157)	(19,336,157)
Transactions with Owners of the Company:					
Issuance of ordinary shares pursuant to:					
- Increase in stake in a subsidiary	23(a)	5,000,000	-	-	5,000,000
- Acquisition of other investment	23(a)	23,210,000	-	-	23,210,000
- Capital reduction	23(b)	(99,500,000)	-	99,500,000	-
- Exercise of Warrants D	23(c)(i)	1,804	(301)	-	1,503
- Expiration of Warrants D	23(c)(i)	9,938,550	(9,938,550)	-	-
Total transactions with Owners of the Company		(61,349,646)	(9,938,851)	99,500,000	28,211,503
At 31 March 2023		136,685,725	-	(23,128,617)	113,557,108
At 1 April 2023		136,685,725	-	(23,128,617)	113,557,108
Loss net of tax, representing total comprehensive income for the financial period		-	-	(17,973,035)	(17,973,035)
Transaction with Owners of the Company:					
Issuance of ordinary shares pursuant to exercise of Warrants E, representing total transaction with Owners of the Company	23(c)(ii)	1,511		-	1,511
At 31 July 2024		136,687,236	-	(41,101,652)	95,585,584

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 PERIOD FROM 1 APRIL 2023 TO 31 JULY 2024

		Group		Company	
	Note	01.04.2023 to 31.07.2024 RM	01.10.2021 to 31.03.2023 RM	01.04.2023 to 31.07.2024 RM	01.10.2021 to 31.03.2023 RM
Cash Flows from Operating Activities					
Loss before tax		(29,793,865)	(13,719,940)	(17,965,871)	(19,332,959)
Adjustments for:					
Depreciation of:					
- property, plant and equipment		528,254	546,256	311,195	349,756
- right-of-use assets		219,395	235,952	-	-
Amortisation of intangible assets		180,000	-	-	-
Bad debts written off		10,622	-	-	-
Deposits written off		10,600	-	-	-
Impairment loss on:					
- investments in subsidiaries		-	-	13,600,502	-
- investment in an associate		-	-	-	11,510,800
- trade receivables		341,511	587,401	-	-
- amount due from an associate		-	3,566,025	-	3,566,025
Interest expense		645,217	758,762	289,259	410,157
Loss on disposal of:					
- investment in associate		8,506,173	-	8,506,173	-
- other investment		3,759,739	-	3,759,739	-
Gain on disposal of:					
- property, plant and equipment		(12,491)	-	(200)	-
- right-of-use assets		(60,000)	-	-	-
Accretion of interest income on amount due from former shareholders of a subsidiary		(313,550)	(284,228)	(313,550)	(284,228)
Interest income		(332,129)	(153,950)	(67,671)	(42,484)
Fair value loss on other investment		8,457,085	10,680,985	8,457,085	10,680,985
Reversal of impairment loss on:					
- investment in an associate		(29,487)	(33,732)	(7,173)	-
- investments in subsidiaries		-	-	(472,410)	(9,205,851)
- trade receivables		(680,837)	(311,164)	-	-
Share of results of associate, net of tax		22,314	11,544,532	-	-
Operating (loss)/profit before changes in working capital		(8,541,449)	13,416,899	16,097,078	(2,347,799)
Changes in working capital:					
Inventories		(493,731)	(965,212)	-	-
Trade and other receivables		14,167,796	(5,898)	4,344,054	1,428,610
Trade and other payables		(3,994,666)	1,492,111	(77,238)	(183,838)
Contract assets		5,303,046	(4,423,325)	-	-
Contract liabilities		(1,382,214)	864,159	-	-
Cash generated from/(used in) operations		5,058,782	10,378,734	20,363,894	(1,103,027)
Tax paid		(3,626,314)	(2,807,603)	(7,164)	-
Tax refund		57,158	-	-	-
Interest paid		(645,217)	(758,762)	(289,259)	(410,157)
Interest received		332,129	153,950	67,671	42,484
Net cash from/(used in) operating activities		1,176,538	6,966,319	20,135,142	(1,470,700)

Statements of Cash Flows

for the financial period from 1 April 2023 to 31 July 2024

	Note	Group 01.04.2023 to 31.07.2024 RM	Group 01.10.2021 to 31.03.2023 RM	Company 01.04.2023 to 31.07.2024 RM	Company 01.10.2021 to 31.03.2023 RM
Cash Flows from Investing Activities					
Advances to subsidiaries		-	-	(8,193,196)	(2,909,996)
Advance to an associate		500,000	500,000	500,000	500,000
Purchase of:					
- right-of-use assets	(i)	-	(16,061)	-	-
- intangible assets		(180,000)	-	-	-
- property, plant and equipment		(449,136)	(85,783)	(6,879)	(2,619)
Proceeds from disposal of:					
- an associate		440,000	-	440,000	-
- other investment		312,191	-	312,191	-
- property, plant and equipment		15,201	-	200	-
- right-of-use assets		60,000	-	-	-
Repayment from former shareholders of a subsidiary		500,000	1,000,000	500,000	1,000,000
Net cash from/(used in) investing activities		1,198,256	1,398,156	(6,447,684)	(1,412,615)
Cash Flows from Financing Activities					
(Repayment to)/Advances					
- from subsidiaries	(iv)	-	-	(10,018,397)	5,075,712
- from Directors	(iv)	(16,562)	72,380	-	-
Payment for the principal portion of lease liabilities	(iii),(iv)	(254,059)	(308,080)	-	-
Proceeds from exercise of warrants to subsidiaries		1,511	1,503	1,511	1,503
Increase in fixed deposits pledged to licensed banks	(ii)	(118,244)	(72,077)	(57,456)	(36,061)
Drawndown of invoice financing	(iv)	2,462,000	-	-	-
Repayment of term loans	(iv)	(183,530)	(120,067)	(183,530)	(120,067)
Net cash from/(used in) financing activities		1,891,116	(426,341)	(10,257,872)	4,921,087
Net increase in cash and cash equivalents		4,265,910	7,938,134	3,429,586	2,037,772
Cash and cash equivalents at beginning of the financial period		19,633,681	11,695,547	13,637,956	11,600,184
Cash and cash equivalents at end of the financial period	(ii)	23,899,591	19,633,681	17,067,542	13,637,956

Statements of Cash Flows

for the financial period from 1 April 2023 to 31 July 2024

Note:

(i) Addition to right-of-use assets satisfied by way of:

	Group 31.07.2024 RM	Group 31.03.2023 RM
Aggregate costs	100,573	440,796
Less: Lease arrangement	(100,573)	(424,735)
Cash payment on addition to right-of-use assets	-	16,061

(ii) Cash and cash equivalents comprise

	Note	Group 31.07.2024 RM	Group 31.03.2023 RM	Company 31.07.2024 RM	Company 31.03.2023 RM
Fixed deposits placed with licensed banks	22	4,249,263	4,131,019	2,256,460	2,199,004
Short-term money market deposit	22	2,500,000	3,500,000	-	-
Cash and bank balances		21,874,874	19,489,680	17,542,825	14,114,457
		28,624,137	27,120,699	19,799,285	16,313,461
Less: Fixed deposits pledged as collaterals		(4,249,263)	(4,131,019)	(2,256,460)	(2,199,004)
Less: Bank overdrafts	25	(475,283)	(3,355,999)	(475,283)	(476,501)
		23,899,591	19,633,681	17,067,542	13,637,956

(iii) Cash outflows for leases as a lessee are as follows:

	Group 01.04.2023 to 31.07.2024 RM	Group 01.10.2021 to 31.03.2023 RM
Included in net cash from/(used in) operating activities:		
- Interest paid in relation to lease liabilities	(16,333)	(22,043)
- Payment relating to short-term leases	(39,572)	(27,200)
- Payment relating to low value assets	(15,022)	(20,062)
Included in net cash from/(used in) financing activities:		
- Payment for the principal portion of lease liabilities	(254,059)	(308,080)
	(324,986)	(377,385)

Note: (cont'd)

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

	Amounts due to Directors RM	Invoice Financing RM	Term Loans RM	Lease Liabilities RM
Group				
31.07.2024				
At 1 April 2023	88,030	-	1,414,479	315,021
New lease	-		-	100,573
Interest expense	-	-	86,710	16,333
Drawdown	-	2,462,000		
Repayment to	(16,562)	-	(270,240)	(270,392)
Net changes in financing cash flows	(16,562)	2,462,000	(183,530)	(254,059)
At 31 July 2024	71,468	2,462,000	1,230,949	161,535
31.03.2023				
At 1 October 2021	15,650	-	1,534,546	198,366
New lease	-	-	-	424,735
Interest expense	-	-	65,724	22,043
Advance from/(Repayment to)	72,380	-	(185,791)	(330,123)
Net changes in financing cash flows	72,380	-	(120,067)	(308,080)
At 31 March 2023	88,030	-	1,414,479	315,021

	Term Loan RM	Amounts Due to Subsidiaries RM
Company		
31.07.2024		
At 1 April 2023	1,414,479	18,048,837
Interest expense	86,710	-
Repayment to	(270,240)	(10,018,397)
Net changes in financing cash flows	(183,530)	(10,018,397)
At 31 July 2024	1,230,949	8,030,440
31.03.2023		
At 1 October 2021	1,534,546	13,560,351
Assignment of debt	-	(587,226)
Interest expense	65,724	-
(Repayment to)/Advances from	(185,791)	5,075,712
Net changes in financing cash flows	(120,067)	5,075,712
At 31 March 2023	1,414,479	18,048,837

NOTES TO THE FINANCIAL STATEMENTS
– 31 JULY 2024

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 period.

The financial year end of the Company was changed from 31 March to 31 July.

The financial statements were authorised for issue in accordance with a Board of Directors' resolution dated 29 November 2024.

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 ("IFRSs") 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	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 MFRSs 2018 – 2020 Cycle	
MFRS 17	Insurance Contracts
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
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
Amendments to MFRS 112	International Tax Reform – Pillar Two Model Rules

The adoption of the above accounting pronouncements did not have any significant effect on the financial statements of the Group and of the Company, except as disclosed in Note 3.

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 2024

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

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121	Lack of Exchangeability

Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
Amendments to MFRS 7	Financial Instruments: Disclosures
Amendments to MFRS 9	Financial Instruments
Amendments to MFRS 9 and MFRS 7	Classification and Measurement of Financial Instruments
Amendments to MFRS 10	Consolidated Financial Statements
Amendments to MFRS 107	Statement of Cash Flows

Effective for financial periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability Disclosures

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.

(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 respective notes.

2. BASIS OF PREPARATION (cont'd)

(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 preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

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 period are set out below:

(i) Revenue recognition - Note 4(c)
(ii) Impairment of goodwill - Note 10(a)
(iii) Carrying value of investment in subsidiaries - Note 11(f)

3. MATERIAL ACCOUNTING POLICIES

The Group and the Company have adopted amendments to MFRS 101, Presentation of Financial Statements and MFRS Practice Statement 2 - Making Materiality Judgements from 1 January 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Although the amendments did not result in any changes to the Group's and the Company's accounting policies, it impacted the accounting policy information disclosed in the financial statements. The material accounting policy information is disclosed in the respective notes to the financial statements where relevant.

Other than the above, the other accounting pronouncements as described in Note 2(a) did not have any significant effect on the financial statements of the Group and of the Company.

4. REVENUE

	Group		Company	
	01.04.2023 to 31.07.2024 RM	01.10.2021 to 31.03.2023 RM	01.04.2023 to 31.07.2024 RM	01.10.2021 to 31.03.2023 RM
Software and system installation, implementation, commissioning and training services	7,660,043	30,445,626	-	-
Maintenance and annual support services	7,719,213	10,622,291	-	-
Sales of goods	46,493,154	46,106,777	-	-
Dividend income	-	-	18,500,000	-
	61,872,410	87,174,694	18,500,000	-
Timing of revenue recognition:				
- Point in time	46,493,154	46,106,777	18,500,000	-
- Over time	15,379,256	41,067,917	-	-
	61,872,410	87,174,694	18,500,000	-

(a) Disaggregation of revenue

The Group reports on the following major segments: information and communication technologies (“ICT”) services, radio frequency identification (“RFID”), surveillance solutions and building automation system and food and beverage (“F&B”) distribution in accordance with MFRS 8 Operating Segments. For the disclosure of disaggregation of revenue from contract with customers, revenue is disaggregated into major goods or services and timing of revenue recognition (i.e., goods transferred at a point in time or services transferred over time).

Group	ICT Services RM	RFID, Surveillance Solutions and Building Automation System RM	F&B Distribution RM	Total RM
31.07.2024				
Software and system installation, implementation, commissioning and training services	407,140	7,252,903	-	7,660,043
Maintenance and annual support services	7,213,095	506,118	-	7,719,213
Sales of goods	-	4,372,914	42,120,240	46,493,154
	7,620,235	12,131,935	42,120,240	61,872,410
31.03.2023				
Software and system installation, implementation, commissioning and training services	15,002,225	15,443,401	-	30,445,626
Maintenance and annual support services	10,126,311	495,980	-	10,622,291
Sales of goods	-	6,874,502	39,232,275	46,106,777
	25,128,536	22,813,883	39,232,275	87,174,694

4. REVENUE (cont'd)

(b) Material accounting policy information

Nature of goods and services	Timing of recognition or method used to recognise revenue	Significant payment term	Variable element in consideration	Warranty
<u>Software and system installation, implementation, commissioning and training services</u> The Group generates revenue mainly from the provision of: • E-business consultancy and hardware system integration specialist. • hardware system integration, mechanical and engineering services. • installing, testing and commissioning of building automatic system and card access security system. • information technology, consultancy services and software development.	Revenue is allocated to the service obligations and recognised over the period of performance of services to customers, using the input method by reference to the progress towards complete satisfaction of that performance obligation (i.e. by reference to the cost incurred for work performed to-date in relation to the estimated total costs.	Credit period ranged from 30 days to 90 days from invoice date.	Liquidated ascertained damages are charged upon late delivery of services.	Defect liability period of 1 year is granted by the Group.
<u>Maintenance and annual support services</u> The Group provides after sales services such as maintenance and annual support services to its customers, which is on an annual contract basis.	Revenue from a contract to provide the maintenance and annual support is recognised over time, using the output method, which is determined based on the time elapsed, as the customer simultaneously receive and consumes the benefits provided by the Group. The Group generally issue invoice on monthly or quarterly basis based on the agreed payment term as stipulated in the agreement.	Credit period of 30 days	Not applicable.	Not applicable.
<u>Sales of goods</u> The Group generates revenue mainly from supply, install, assembly and distribution of radio frequency identification ("RFID") integrated products, building automation products, surveillance solutions products, which including the security alarm system and access control system and sale of food and beverages products.	Revenue from sales of goods in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good to the customer. The amount of revenue recognised is the amount of the transaction price which is the fixed amount of consideration in the contract.	Credit period ranged from 30 days to 60 days from invoice date.	Not applicable.	Not applicable.
<u>Dividend income</u> The Company recognises dividend income when the right to receive payment is established.	Dividend income is recognised at point in time, when the dividend is declared, and the Company have established the right to receive.	Immediate.	Not applicable.	Not applicable.

4. REVENUE (cont'd)

(c) Significant accounting estimates and judgements

Revenue from software and system installation, implementation, commissioning and training services is recognised over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation (i.e. by reference to the cost incurred for work performed to-date in relation to the estimated total costs).

(d) Unsatisfied performance obligations contracts

The following table shows unsatisfied performance obligations resulting from software and system installation, implementation, commissioning and training services and Maintenance and annual support services contracts.

(i) Software and system installation, implementation, commissioning and training services

	Group	
	01.04.2023 31.07.2024 RM	01.10.2021 to 31.03.2023 RM
Total contract revenue	80,986,274	66,116,166
Less: Cumulative revenue recognised		
- on-going projects	(3,466,415)	(53,035,646)
- completed projects	(28,314,268)	(1,215,800)
- terminated projects	(28,915,006)	-
Aggregate amount of transaction price allocated to software and system installation, implementation, commissioning and training services revenue that are partially or fully unsatisfied as at reporting date	20,290,585	11,864,720

The remaining unsatisfied performance obligations are expected to be recognised as revenue within the next 12 to 24 months (31.03.2023: 12 months).

(ii) Maintenance and annual support services

	Group	
	01.04.2023 31.07.2024 RM	01.10.2021 to 31.03.2023 RM
Total contract revenue	23,586,241	19,973,221
Less: Cumulative revenue recognised		
- on-going projects	(3,234,548)	(9,254,248)
- completed projects	(13,738,913)	(3,872,623)
Aggregate amount of transaction price allocated to maintenance and annual support services revenue that are partially or fully unsatisfied as at reporting date	6,612,780	6,846,350

The remaining unsatisfied performance obligations are expected to be recognised as revenue within the next 12 to 48 months (31.03.2023: 12 to 24 months).

The contract assets and liabilities related to contracts with customers are disclosed in Note 19.

5. LOSS BEFORE TAX

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

	Note	Group 01.04.2023 to 31.07.2024 RM	Group 01.10.2021 to 31.03.2023 RM	Company 01.04.2023 to 31.07.2024 RM	Company 01.10.2021 to 31.03.2023 RM
Auditors' remuneration					
- statutory audit		280,000	273,000	95,000	95,000
- underprovision in prior period		-	500	-	-
- other services		5,000	5,000	5,000	5,000
Realised loss on foreign exchange		42,043	129,879	-	-
Rental income	(c)	(190,180)	(153,330)	(209,380)	(174,930)
Interest income	(d)	(332,129)	(153,950)	(67,671)	(42,484)
Interest expense on:	(e)				
- bank overdrafts		386,864	670,995	202,549	344,433
- invoice financing		155,310	-	-	-
- term loans		86,710	65,724	86,710	65,724
- lease liabilities		16,333	22,043	-	-
Lease of:					
- short-term leases		39,572	27,200	-	-
- low value assets		15,022	20,062	-	-
Gain on disposal of:					
- property, plant and equipment		(12,491)	-	(200)	-
- right-of-use assets		(60,000)	-	-	-

(a) The employee benefit expenses comprise:

	Group 01.04.2023 to 31.07.2024 RM	Group 01.10.2021 to 31.03.2023 RM	Company 01.04.2023 to 31.07.2024 RM	Company 01.10.2021 to 31.03.2023 RM
Salaries, overtime, wages, allowances and bonus	8,867,688	8,702,282	181,892	277,154
Contributions to defined contribution plan	1,303,002	1,480,403	20,856	36,414
Social security contributions	121,973	134,093	1,194	1,705
Other benefits	400,629	638,482	47,074	74,156
	10,693,292	10,955,260	251,016	389,429

5. LOSS BEFORE TAX (cont'd)

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

(b) The Directors' remuneration comprises:

	Group		Company	
	01.04.2023 to 31.07.2024 RM	**01.10.2021 to 31.03.2023 RM**	**01.04.2023 to 31.07.2024 RM**	**01.10.2021 to 31.03.2023 RM**
Directors of the Company:				
Executive:				
Salaries, bonuses and allowances	644,875	547,620	455,800	390,120
Contributions to defined contribution plan	119,416	96,893	85,083	68,393
Social security contributions	1,610	207	990	207
	765,901	644,720	541,873	458,720
Non-Executive:				
Directors' fee	193,560	196,380	193,560	196,380
	959,461	841,100	735,433	655,100
Directors of the subsidiaries:				
Executive:				
Directors' fee	45,000	37,500	-	-
Salaries, bonuses and allowances	2,212,674	2,123,490	-	-
Contributions to defined contribution plan	264,906	243,918		-
Social security contributions	4,809	5,238	-	-
Other emolument	160	471	-	-
	2,527,549	2,410,617	-	-
Total	3,487,010	3,251,717	735,433	655,100
Analysis excluding benefits-in-kind:				
Total executive Directors' remuneration	3,293,450	3,055,337	541,873	458,720
Total non-executive Directors' remuneration	193,560	196,380	193,560	196,380
	3,487,010	3,251,717	735,433	655,100

(c) 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.

(d) Interest income

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

(e) Borrowings 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.

Notes to the Financial Statements
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6. TAX EXPENSE

	Group		Company	
	01.04.2023 to 31.07.2024 RM	**01.10.2021 to 31.03.2023 RM**	**01.04.2023 to 31.07.2024 RM**	**01.10.2021 to 31.03.2023 RM**
Income tax:				
- Current period	2,308,282	3,159,242	-	-
- Underprovision in prior period	292,427	77,650	7,164	3,198
	2,600,709	3,236,892	7,164	3,198
Deferred tax (Note 15):				
- Origination/(Reversal) of temporary differences	7,914	(8,851)	-	-
- Under/(Over) provision in prior period	1,941	(8,419)	-	-
	9,855	(17,270)	-	-
Tax expense for the financial period	2,610,564	3,219,622	7,164	3,198

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (31.03.2023: 24%) of the estimated assessable results for the financial period.

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	
	01.04.2023 to 31.07.2024 RM	**01.10.2021 to 31.03.2023 RM**	**01.04.2023 to 31.07.2024 RM**	**01.10.2021 to 31.03.2023 RM**
Loss before tax	(29,793,865)	(13,719,940)	(17,965,871)	(19,332,959)
Tax at the Malaysian statutory income tax rate of 24% (31.03.2023: 24%)	(7,150,529)	(3,292,786)	(4,311,809)	(4,639,910)
Tax effect on share of results of associate	5,355	2,770,688	-	-
Income not subject to tax	(195,131)	(68,215)	(4,630,400)	(2,277,619)
Expenses not deductible for tax purposes	6,083,965	4,275,449	8,942,209	6,917,529
Utilisation of previously unrecognised deferred tax assets	-	(534,745)	-	-
Deferred tax assets not recognised	3,572,536	-	-	-
Under/(over) provision in prior period:				
- income tax	292,427	77,650	7,164	3,198
- deferred tax	1,941	(8,419)	-	-
Tax expense for the financial period	2,610,564	3,219,622	7,164	3,198

6. TAX EXPENSE (cont'd)

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	
		Restated
	31.07.2024	31.03.2023
	RM	RM
Unutilised tax losses	39,911,703	23,821,485
Unabsorbed capital allowances	574,819	537,341
	40,486,522	24,358,826

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

The availability of the unutilised tax losses will be subject to Inland Revenue Board discretion and approval to offset against future taxable profit. The unutilised tax losses will be allowed to be carried forward for 10 consecutive years of assessment ("YA") deemed to be effective from YA 2019.

(a) Material accounting policy information

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 period, using tax rates enacted or substantively enacted by the reporting date, and any adjustments recognised for prior years' tax.

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 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.

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7. LOSS PER ORDINARY SHARE

(a) Basic

Basic loss per ordinary share for the financial 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 period.

	Group	
	31.07.2024 RM	**31.03.2023 RM**
Basic loss per share:		
Loss after tax attributable to Owners of the Company (RM)	(31,936,643)	(17,284,538)
Weighted average number of ordinary shares:		
Number of ordinary shares at beginning of the period (unit)	6,451,720,230	5,072,360,564
Effect of new ordinary shares issued (unit)	-	1,209,137,697
Effect of exercise of warrants (unit)	42,807	8,959
	6,451,763,037	6,281,507,220
Basic loss per share (sen)	(0.50)	(0.28)

(b) Diluted

Diluted loss per share is not presented as there were no potential dilutive ordinary shares outstanding during the financial period as the warrants have expired during the financial period and in the previous period, the average market price of the ordinary share was lower than the exercise price of the unexpired warrants as disclosed in Note 23(c).

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									
31.07.2024									
Cost									
At 1 April 2023	2,876,437	4,608,783	349,997	247,249	2,473,763	546,349	2,213,199	177,033	13,492,810
Additions	-	-	5,369	6,809	40,657	-	389,301	7,000	449,136
Disposal	-	-	-	-	(7,335)	-	(60,583)	-	(67,918)
Written off	-	-	-	-	-	-	88,861	-	88,861
At 31 July 2024	2,876,437	4,608,783	355,366	254,058	2,507,085	546,349	2,630,778	184,033	13,962,889
Accumulated Depreciation									
At 1 April 2023	607,634	1,836,747	302,958	187,290	2,314,598	537,724	2,213,199	156,666	8,156,816
Charge for the financial period	88,622	307,252	5,527	5,131	57,135	2,854	54,810	6,923	528,254
Disposal	-	-	-	-	(4,625)	-	(60,583)	-	(65,208)
Written off	-	-	-	-	-	-	88,861	-	88,861
At 31 July 2024	696,256	2,143,999	308,485	192,421	2,367,108	540,578	2,296,287	163,589	8,708,723

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									
31.07.2024 (cont'd)									
Accumulated Impairment Loss									
At 1 April 2023/ 31 July 2024	-	-	25,430	59,934	35,181	5,771	-	-	126,316
Net Carrying Amount									
At 31 July 2024	2,180,181	2,464,784	21,451	1,703	104,796	-	334,491	20,444	5,127,850
31.03.2023									
Cost									
At 1 October 2021	2,876,437	4,608,783	341,401	247,054	2,401,415	546,349	2,213,199	172,389	13,407,027
Additions	-	-	8,596	195	72,348	-	-	4,644	85,783
At 31 March 2023	2,876,437	4,608,783	349,997	247,249	2,473,763	546,349	2,213,199	177,033	13,492,810
Accumulated Depreciation									
At 1 October 2021	507,933	1,491,089	298,268	179,841	2,247,408	532,585	2,204,273	149,163	7,610,560
Charge for the financial period	99,701	345,658	4,690	7,449	67,190	5,139	8,926	7,503	546,256
At 31 March 2023	607,634	1,836,747	302,958	187,290	2,314,598	537,724	2,213,199	156,666	8,156,816
Accumulated Impairment Loss									
At 1 October 2021/ 31 March 2023	-	-	25,430	59,934	35,181	5,771	-	-	126,316
Net Carrying Amount									
At 31 March 2023	2,268,803	2,772,036	21,609	25	123,984	2,854	-	20,367	5,209,678

	Freehold office units RM	Office equipment RM	Furniture and fittings RM	Computers RM	Renovation RM	Motor vehicles RM	Total RM
Company							
31.07.2024							
Cost							
At 1 April 2023	4,608,783	21,384	23,306	43,020	153,572	392,180	5,242,245
Additions	-	-	-	6,879	-	-	6,879
Disposal	-	-	-	(3,555)	-	-	(3,555)
At 31 July 2024	4,608,783	21,384	23,306	49,899	153,572	392,180	5,249,124
Accumulated Depreciation							
At 1 April 2023	1,836,747	21,383	23,305	36,685	153,572	392,179	2,463,871
Charge for the financial period	307,252	-	-	3,943	-	-	311,195
Disposal	-	-	-	(3,555)	-	-	(3,555)
At 31 July 2024	2,143,999	21,383	23,305	40,628	153,572	392,179	2,775,066
Net Carrying Amount							
At 31 July 2024	2,464,784	1	1	9,271	-	1	2,474,058

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							
31.03.2023							
Cost							
At 1 October 2021	4,608,783	21,384	23,306	40,401	153,572	392,180	5,239,626
Additions	-	-	-	2,619	-	-	2,619
At 31 March 2023	4,608,783	21,384	23,306	43,020	153,572	392,180	5,242,245
Accumulated Depreciation							
At 1 October 2021	1,491,089	21,383	23,305	32,587	153,572	392,179	2,114,115
Charge for the financial period	345,658	-	-	4,098	-	-	349,756
At 31 March 2023	1,836,747	21,383	23,305	36,685	153,572	392,179	2,463,871
Net Carrying Amount							
At 31 March 2023	2,772,036	1	1	6,335	-	1	2,778,374

(a) Assets pledged as security

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 25) granted to the Group and the Company as at reporting date is as follows:

	Group and Company 31.07.2024 RM	31.03.2023 RM
Freehold office units	1,591,630	1,790,587

(b) Material accounting policy information

Property, plant and equipment

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

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 as follows:

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.

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

(b) Material accounting policy information (cont'd)

Impairment of non-financial assets

The carrying amounts of non-financial assets comprise of property, plant and equipment, right-of-use assets, intangible assets, investments in subsidiaries and an associate (except for inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, 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.

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.

9. RIGHT-OF-USE ASSETS

	Lease of premises RM	Motor vehicles RM	Total RM
Group			
31.07.2024			
Cost			
At 1 April 2023	301,734	778,778	1,080,512
Additions	100,573	-	100,573
Disposal	-	(299,354)	(299,354)
At 31 July 2024	402,307	479,424	881,731
Accumulated Depreciation			
At 1 April 2023	92,196	669,846	762,042
Charge for the financial period	182,312	37,083	219,395
Disposal	-	(299,354)	(299,354)
At 31 July 2024	274,508	407,575	682,083
Net Carrying Amount			
At 31 July 2024	127,799	71,849	199,648

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

	Lease of premises RM	Motor vehicles RM	Total RM
Group			
31.03.2023			
Cost			
At 1 October 2021	435,003	639,716	1,074,719
Additions	301,734	139,062	440,796
Expiry of leases	(435,003)	-	(435,003)
At 31 March 2023	301,734	778,778	1,080,512
Accumulated Depreciation			
At 1 October 2021	345,074	616,019	961,093
Charge for the financial period	182,125	53,827	235,952
Expiry of leases	(435,003)	-	(435,003)
At 31 March 2023	92,196	669,846	762,042
Net Carrying Amount			
At 31 March 2023	209,538	108,932	318,470

The Group lease office properties and motor vehicles for a lease term range from 3 to 5 years (31.03.2023: 3 to 5 years). The leases of premises with option to renew for another 1 year (31.03.2023: 1 year) as stipulated in the lease agreement.

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

	Group	
	01.04.2023 to 31.07.2024 RM	01.10.2021 to 31.03.2023 RM
Depreciation of right-of-use assets	219,395	235,952
Gain on disposal of right-of-use assets	(60,000)	-
Interest expense on lease liabilities	16,333	22,043
Short-term leases	39,572	27,200
Lease of low value assets	15,022	20,062

(a) Material accounting policy information

As a lessee

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 of 3 years
Motor vehicles	5 years

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.

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

(a) Material accounting policy information (cont'd)

As a lessee (cont'd)

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.

As a lessor

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".

10. INTANGIBLE ASSETS

	Goodwill on consolidation RM	License RM	Total RM
Group			
31.07.2024			
Cost			
At 1 April 2023	99,555,619	-	99,555,619
Addition	-	180,000	180,000
Written off	-	(180,000)	(180,000)
At 31 July 2024	99,555,619	-	99,555,619
Accumulated Amortisation			
At 1 April 2023	-	-	-
Amortisation charge for the financial period	-	180,000	180,000
Written off	-	(180,000)	(180,000)
At 31 July 2024	-	-	-
Accumulated Impairment Loss			
At 1 April 2023/ 1 July 2024	64,568,282	-	64,568,282
Net Carrying Amount			
At 31 July 2024	34,987,337	-	34,987,337

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10. INTANGIBLE ASSETS (cont'd)

	Goodwill on consolidation RM	Intellectual property rights RM	Development costs RM	Total RM
Group				
31.03.2023				
Cost				
At 1 October 2021	99,555,619	3,500,000	15,460,180	118,515,799
Written off	-	(3,500,000)	(15,460,180)	(18,960,180)
At 31 March 2023	99,555,619	-	-	99,555,619
Accumulated Amortisation				
At 1 October 2021	-	831,250	7,483,982	8,315,232
Written off	-	(831,250)	(7,483,982)	(8,315,232)
At 31 March 2023	-	-	-	-
Accumulated Impairment Loss				
At 1 October 2021	64,568,282	2,668,750	7,976,198	75,213,230
Written off	-	(2,668,750)	(7,976,198)	(10,644,948)
At 31 March 2023	64,568,282	-	-	64,568,282
Net Carrying Amount				
At 31 March 2023	34,987,337	-	-	34,987,337

(a) Impairment testing for 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.

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")

As at 31 July 2024, the carrying amount of goodwill allocated to Sunland is RM34,987,337 (31.03.2023: RM34,987,337). In prior years, the goodwill allocated to MTSB, CSS MSC, DDSB, EA MSC and EASS respectively had been fully impaired.

10. INTANGIBLE ASSETS (cont'd)

(a) Impairment testing for goodwill (cont'd)

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. 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% (31.03.2023: 4%) 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 five 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 9.16% (31.03.2023: 11.26%) 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.

Based on the impairment assessment, the recoverable amount of Sunland's CGU was estimated to be higher than the carrying amount of the asset, and accordingly no impairment loss was recognised in the financial period ended 31 July 2024 and in the previous financial period.

The management believes there are no reasonably foreseeable changes in the above key assumptions that would cause the carrying values of the CGU to materially exceed the recoverable amount, thus the sensitivity analysis is not presented.

(b) Intellectual property rights

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

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

In prior years, the intellectual property rights allocated to MTSB had been fully impaired. The intellectual property rights were fully impaired in prior years as there was 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.

(c) 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.

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. Development costs are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

In prior years, the development costs allocated to CSS MSC, DDSB and EA MSC respectively had been fully impaired.

10. INTANGIBLE ASSETS (cont'd)

(d) License

The license relates to cost to acquire a license to authorise a subsidiary of the Company to engage in the money lending business. The money lending license are amortised over a period of 2 years in accordance with the lifespan of the license.

License is stated at cost less accumulated amortisation and impairment losses, if any and assessed for impairment whenever there is an indication that the intangible asset may be impaired. During the financial period, the license was written off at expiry date.

(e) Significant accounting estimates and judgement

The Group is required to perform an annual impairment test or more frequently 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, expected operating costs and discount rate used. If the expectation is different from the estimation, such difference will impact the carrying value of goodwill.

11. INVESTMENTS IN SUBSIDIARIES

	Company	
	31.07.2024 RM	31.03.2023 RM
Unquoted Shares, at cost		
At beginning of the financial period	155,131,000	150,131,000
Addition (Note (a))	-	5,000,000
At end of the financial period	155,131,000	155,131,000
Capital Contribution to Subsidiaries (Note (b))		
At beginning of the financial period	39,654,006	39,654,006
Addition	11,254,160	-
At end of the financial period	50,908,166	39,654,006
Accumulated Impairment Losses		
At beginning of the financial period	112,296,934	121,502,785
Addition (Note (c))	13,600,502	-
Reversal (Note (c))	(472,410)	(9,205,851)
At end of the financial period	125,425,026	112,296,934
Net Carrying Amount		
At end of the financial period	80,614,140	82,488,072

11. INVESTMENTS IN SUBSIDIARIES (cont'd)

The details of the subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation/ Principal place of business	Principal Activities	Effective Equity Interest 31.07.2024 %	31.03.2023 %
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	100	90
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) Change in group composition

On 6 January 2022, the Company acquired the remaining 10% of equity interest from the non-controlling interest by way of allotment of 279,329,600 new ordinary shares at RM0.0179 per ordinary share, thereupon Sunland Volonte Agency Sdn. Bhd. became a wholly-owned subsidiary of the Company.

The effect of acquisition of shares from NCI is presented as follows:-

	Group 31.03.2023 RM
Carrying amount of non-controlling interest acquired	2,611,823
Consideration paid to non-controlling interest	(5,000,000)
Decrease in parent's equity	(2,388,177)

(b) Capital contribution

Capital contribution to subsidiaries represents amounts due from subsidiaries which are non-trade in nature, unsecured and interest-free and the settlement of the amount is neither planned nor likely to occur in the foreseeable future. As this amount is in substance, a part of the Company's net investments in the subsidiaries, it is stated at cost less accumulated impairment losses.

11. INVESTMENTS IN SUBSIDIARIES (cont'd)

(c) Impairment loss on investments in subsidiaries

At each reporting date, the Company carries out a review of the recoverable amounts of its investment in subsidiaries arising from subsidiaries which have been loss-making, with significant accumulated losses position, shortfall of net assets and accumulated impairment loss on investment in subsidiaries recognised in prior periods.

The Company recognised an impairment loss of RM13,600,502 in the statement of comprehensive income arising from six subsidiaries as there is a shortfall of net assets.

The Company has also reversed an impairment loss amounting to RM472,410 within other items of income in the statement of comprehensive income as the VIU of a subsidiary exceeded the net carrying amount of the investment in subsidiary. In the previous financial period, the Company reversed an impairment loss amounting to RM9,205,851 within other items of income in the statements of comprehensive income arising from five subsidiaries as the net assets have exceeded the net carrying amounts of investments in subsidiaries.

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 net assets of the respective subsidiaries. The key assumptions used in VIU are disclosed in Note 10.

(d) Non-controlling interests in subsidiaries

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

	Sunland RM	DDSB RM	Total RM
31.07.2024			
NCI percentage of ownership and voting interest	*	14%	
Carrying amount to NCI (RM)	-	(1,169,090)	(1,169,090)
Loss allocated to NCI (RM)	-	(467,786)	(467,786)
31.03.2023			
NCI percentage of ownership and voting interest	*	14%	
Carrying amount to NCI (RM)	-	(701,304)	(701,304)
Profit allocated to NCI (RM)	116,479	228,497	344,976

* *Being acquisition of all the remaining equity interest from NCI as disclosed in Note 11(a).*

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		DDSB	
	31.07.2024 RM	**31.03.2023 RM**	**31.07.2024 RM**	**31.03.2023 RM**
Assets and liabilities:				
Non-current assets	-	-	44,521	89,620
Current assets	-	-	1,128,473	3,472,097
Non-current liabilities	-	-	(8,931)	(54,850)
Current liabilities	-	-	(2,081,428)	(1,589,894)
Net (liabilities)/assets	-	-	(917,365)	1,916,973
Less: Capital contribution	-	-	(7,433,275)	(6,926,278)
Adjusted net liabilities	-	-	(8,350,640)	(5,009,305)

11. INVESTMENTS IN SUBSIDIARIES (cont'd)

(d) 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		DDSB	
	01.04.2023 to 31.07.2024 RM	**01.10.2021 to 31.03.2023 RM**	**01.04.2023 to 31.07.2024 RM**	**01.10.2021 to 31.03.2023 RM**
Results:				
Revenue	-	6,255,155	797,818	7,767,259
Profit/(Loss) for the financial period	-	1,164,788	(3,341,334)	1,632,118
Total comprehensive income	-	1,164,788	(3,341,334)	1,632,118
Cash flows:				
Cash flows used in operating activities	-	-	(1,360,864)	(46,427)
Cash flows from investing activities	-	-	-	240,043
Cash flows from financing activities	-	-	1,327,417	28,279
	-	-	(33,447)	221,895

(e) Material accounting policy information

<u>Consolidation</u>

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.

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.

11. INVESTMENTS IN SUBSIDIARIES (cont'd)

(e) Material accounting policy information (cont'd)

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.

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.

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 statement 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.

Subsidiaries

In the Company's separate financial statements, investments 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.

(f) Significant accounting estimates and judgements

Investments in subsidiaries are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable or an impairment loss recognised in prior periods no longer exist or may be decreased.

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.

12. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	31.07.2024 RM	**31.03.2023 RM**	**31.07.2024 RM**	**31.03.2023 RM**
Unquoted shares, at cost				
At beginning of the financial period	47,040,000	47,040,000	47,040,000	47,040,000
Disposal	(47,040,000)	-	(47,040,000)	-
At end of the financial period	-	47,040,000	-	47,040,000
Add: Share of post- acquisition results				
At beginning of the financial period	6,033,523	17,578,055	-	-
Share of results	(22,314)	(11,544,532)	-	-
Disposal	(6,011,209)	-	-	-
At end of the financial period	-	6,033,523	-	-
Less: Accumulated impairment loss				
At beginning of the financial period	43,574,523	43,608,255	37,541,000	26,030,200
Addition	-	-	-	11,510,800
Reversal	(29,487)	(33,732)	(7,173)	-
Disposal	(43,545,036)	-	(37,533,827)	-
At end of the financial period	-	43,574,523	-	37,541,000
	-	9,499,000	-	9,499,000

(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 place of business	Principal Activities	Proportion of Ownership Interest 31.07.2024	Proportion of Ownership Interest 31.03.2023
Cekap Air Sdn. Bhd. (“Cekap”) #	Malaysia	Provision of hydraulic mechanical and electrical engineering services for water supply and treatment plant	-	20%

Not audited by Moore Stephens Associates PLT.

(c) Disposal of an associate

On 10 August 2023, the Company entered into a Shares Sale Agreement (“SSA”) with a purchaser to dispose the equity interest held in Cekap for a cash consideration of RM1,000,000 as approved by the Directors of the Company.

The disposal of an associate was made after taking into account the following factors:

(i) substantial share of loss in financial period ended 2023 in the associate, which was attributable to the cost and budget over-run in their water supply project,
(ii) decreasing margin from on-going projects of an associate due to rising costs,
(iii) lack of new projects and weak outlook attributable to the decrease in government and private fundings,
(iv) the original plans of creating a sustainable income stream via the acquisition of the associate had not achieve the desired tangible results, and
(v) potential compliance risks due to limited influence, oversight and control in the associate, as the Group and the Company only held 20% of the equity in the associate.

The disposal of the associate was deemed necessary to mitigate any further erosion of the Group’s investment, and to mitigate any further risks and complications that may arise from the lack of influence, oversight and control that the Group and the Company had in the associate. In furtherance, the disposal had enabled the Group and the Company to recoup RM1 million cash from its initial investment in the associate.

12. INVESTMENT IN AN ASSOCIATE (cont'd)

(c) Disposal of an associate (cont'd)

The conditions precedent as stated in the SSA was completed at the date of the SSA. For accounting purposes, the cut off for the derecognition of the associate resulting from the disposal of equity interest was taken on 10 August 2023.

The summary of the effect of disposal of an associate to the Group and the Company is as follows:

	Group and Company 31.07.2024 RM
Total consideration	1,000,000
Less: Net carrying amount of investment in an associate	(9,506,173)
Loss on disposal of an associate	(8,506,173)
Total consideration	1,000,000
Less: Consideration receivable from vendor (Note 18(a))	(560,000)
Net cash inflow arising from disposal of an associate	440,000

The result of the disposed associate that has been included in the statements of comprehensive income and in the statements of cash flows are as follows:

	Group 31.07.2024 RM
Results	
Share of results of associate, net of tax	(22,314)
Cash flows from disposed associate:	
Net cash from operating activities	22,314

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

	31.07.2024 RM	**31.03.2023 RM**
Assets and liabilities:		
Non-current assets	12,719,233	10,646,645
Current assets	126,185,204	131,935,790
Non-current liabilities	-	(290,687)
Current liabilities	(91,373,571)	(94,649,258)
Net assets	47,530,866	47,642,490

	01.04.2023 to 31.07.2024 RM	**01.10.2021 to 31.03.2023 RM**
Results:		
Revenue	11,313,151	35,145,849
Loss for the financial period	(111,572)	(57,722,661)
Total comprehensive income	(111,572)	(57,722,661)
Cash flows:		
Cash flows from operating activities	22,314	52,976,868
Cash flows used in investing activities	-	(28,573,357)
Cash flows used in financing activities	-	(1,060,933)
	22,314	23,342,578

12. INVESTMENT IN AN ASSOCIATE (cont'd)

(e) Impairment loss

The Group and the Company performed impairment assessment on the recoverable amount of its investment in Cekap. The recoverable amount was derived based on fair value less costs of disposal which was measured based on net assets of Cekap. Accordingly, the Group and the Company reversed an impairment loss of RM29,487 (31.03.2023: RM33,732) and RM7,173 (31.03.2023: Additional impairment loss of RM11,510,800) respectively, due to the net assets of the associate exceeding the net carrying amount and the reversal is stated as a separate line item in the statements of comprehensive income during the financial period.

In the previous financial period, the Company recognised an impairment loss of RM11,510,800 due to net carrying amount exceeding the net assets of the associate.

(f) Material accounting policy information

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.

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.

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13. OTHER INVESTMENT

	Group and Company	
	31.07.2024	31.03.2023
	RM	RM
At fair value through profit or loss		
Quoted shares		
At beginning of the financial period	12,529,015	-
Addition	-	23,210,000
Disposal	(4,071,930)	-
Fair value loss on other investment	(8,457,085)	(10,680,985)
At end of the financial period	-	12,529,015
At market value	-	12,529,015

On 30 November 2021, the Company had subscribed 62,645,075 new ordinary shares in VinVest Capital Holdings Berhad ("VinVest") at an issue price of RM0.3705 per VinVest Share.

On 11 July 2023, Group and the Company have disposed all ordinary shares held in VinVest by way of a direct business transaction for a cash consideration of RM312,191 as approved by the Directors of the Company.

Vinvest Capital Holdings Berhad ("Vinvest") shares held by the Company were acquired by way of a share subscription exercise ("Exercise"), completed on 30 November 2021. The purpose of the Exercise was to create a strategic partnership between the Company and Vinvest, and to allow the Company to leverage on the potential integration synergy with Vinvest for their current and upcoming development projects ("Purpose"). On the completion of the Exercise, the Company held 62,645,075 Vinvest shares, or approximately 6.46% of the issued share capital of Vinvest.

Consequent to the unauthorised sale of shares wherein the Company's shares belonging to Vinvest and En. Mohammad Sobri bin Saad ("En. Sobri") in the Company had been fraudulently sold by See Jovin without the knowledge and or authorisation of Vinvest or En. Sobri, the Company had decided to relinquish its substantial stake in Vinvest by way of disposal on 11 July 2023, as the Purpose of the Exercise can no longer be pursued consequent of the unauthorised sale aforementioned, and exposure of the Company from the hostile actions to usurp control in the Company and its subsidiaries, which in turn would then allow the external party to gain a substantive foothold shareholding in Vinvest. The details of the on-going material litigation case are disclosed in Note 36.

The disposal of the Company's shares in Vinvest is to safeguard the interests of the Company.

The summary of the effect of disposal of other investment to the Group and the Company are as follows:

	Group and Company
	1.07.2024
	RM
Total consideration	312,191
Less: Net carrying amount of other investment at date of disposal	(4,071,930)
Loss on disposal of other investment	(3,759,739)
Total cash consideration, representing net cash inflow arising from disposal of other investment	312,191

14. AMOUNTS DUE FROM FORMER SHAREHOLDERS OF A SUBSIDIARY

	Group and Company	
	31.07.2024 RM	31.03.2023 RM
Non-current	-	1,293,993
Current	1,896,019	788,476
	1,896,019	2,082,469

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

	Group and Company	
	31.07.2024 RM	31.03.2023 RM
Present value of amounts due from former shareholders of a subsidiary		
- Repayable within one year	1,896,019	788,476
- Repayable more than 1 year but not more than 5 years	-	1,293,993
	1,896,019	2,082,469
Future minimum payments:		
- Repayable within one year	1,968,640	1,000,000
- Repayable more than 1 year but not more than 5 years	-	1,468,640
	1,968,640	2,468,640
Less: Unamortised interest	(72,621)	(386,171)
	1,896,019	2,082,469

The effective interest rate is the weighted average cost of capital of the Company of 10.15% (31.03.2023: 10.15%) per annum.

<u>Income from shortfall in profit guarantee arising from acquisition of Sunland</u>

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.

During the financial year ended 30 September 2020, the Board of Directors of the Company had jointly agreed with the vendors on the shortfall in profit of RM4,468,640, which will be repaid over 9 instalments. A fair value adjustment of RM1,020,625 was recognised in the “income from shortfall in profit guarantee” in the previous financial year.

During the financial period, an amount of RM313,550 (31.03.2023: RM284,228) has been added back being the accretion of interest on the instalment received in current financial period in which was recognised as “accretion of interest income on amount due from former shareholders of a subsidiary” line item in the statements of comprehensive income for the financial period ended 31 July 2024.

15. DEFERRED TAX ASSETS/(LIABILITIES)

	Group 31.07.2024 RM	Group 31.03.2023 RM
At beginning of the financial period	(323,098)	(340,368)
Recognised in profit or loss (Note 6)	(9,855)	17,270
At end of the financial period	(332,953)	(323,098)
Presented after appropriate offsetting:		
- Deferred tax assets	121,787	116,989
- Deferred tax liabilities	(454,740)	(440,087)
	(332,953)	(323,098)
Represented by:		
- Deferred tax assets	43,091	69,847
- Deferred tax liabilities	(376,044)	(392,945)
	(332,953)	(323,098)

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

	Unutilised tax losses RM	Right-of-use assets RM	Other deductible temporary differences RM	Total RM
Group				
Deferred tax assets:				
31.07.2024				
At 1 April 2023	4,242	(6,876)	119,623	116,989
Recognised in profit or loss	2,606	(15,258)	17,450	4,798
At 31 July 2024	6,848	(22,134)	137,073	121,787
31.03.2023				
At 1 October 2021	817	19,566	83,744	104,127
Recognised in profit or loss	3,425	(26,442)	35,879	12,862
At 31 March 2023	4,242	(6,876)	119,623	116,989

	Property, plant and equipment RM	Fair value adjustment in respect of acquisition of a subsidiary RM	Total RM
Group			
Deferred tax liabilities:			
31.07.2024			
At 1 April 2023	(34,466)	(405,621)	(440,087)
Recognised in profit or loss	(31,554)	-	(31,554)
Crystalisation of fair value adjustment	-	16,901	16,901
At 31 July 2024	(66,020)	(388,720)	(454,740)

15. DEFERRED TAX ASSETS/(LIABILITIES) (cont'd)

	Property, plant and equipment RM	Fair value adjustment in respect of acquisition of a subsidiary RM	Total RM
Group			
Deferred tax liabilities:			
31.03.2023			
At 1 October 2021	(19,861)	(424,634)	(444,495)
Recognised in profit or loss	(14,605)	-	(14,605)
Crystalisation of fair value adjustment	-	19,013	19,013
At 31 March 2023	(34,466)	(405,621)	(440,087)

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

	Group	
	31.07.2024 RM	31.03.2023 RM
Unutilised tax losses	39,883,169	23,800,897
Unabsorbed capital allowances	574,819	537,341
Other deductible temporary differences	1,668,495	2,902,680
	42,126,483	27,240,918

16. INVENTORIES

	Group	
	31.07.2024 RM	31.03.2023 RM
At cost:		
- RFID integrated products	144,326	249,807
- Food and beverages	7,433,970	6,834,758
	7,578,296	7,084,565

The Group recognised inventories as purchases and other direct costs amounted to RM 36,120,792 (31.03.2023: RM31,958,056).

(a) Material accounting policy information

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 other 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.

17. TRADE RECEIVABLES

	Group	
	31.07.2024 RM	31.03.2023 RM
Third parties	8,471,266	20,203,319
Retention sum	1,534	2,113,923
	8,472,800	22,317,242
Less: Allowance for impairment loss		
- Third parties	(644,737)	(6,923,084)
- Retention sum	-	(273,917)
	(644,737)	(7,197,001)
	7,828,063	15,120,241

The normal credit terms of the trade receivables of the Group range from 30 to 90 days (31.03.2023: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

18. OTHER RECEIVABLES

		Group		Company	
	Note	31.07.2024 RM	31.03.2023 RM	31.07.2024 RM	31.03.2023 RM
Other receivables, gross	(a)	854,040	9,287,466	810,637	9,194,363
Less: Allowance for impairment loss		-	(4,164,242)	-	(4,099,672)
Other receivables, net		854,040	5,123,224	810,637	5,094,691
Deposits	(b)	2,889,181	5,374,782	18,400	18,400
Prepayments	(c)	433,784	176,513	-	-
		4,177,005	10,674,519	829,037	5,113,091

(a) Included in other receivables of the Group and the Company consist of:

- an advance of RM220,583 (31.03.2023: RM5,075,759) to a customer of a subsidiary for purchase of materials; and

- an amount of RM560,000 (31.03.2023: Nil) being the remaining consideration receivable from a Vendor as disclosed in Note 12(c) and collected subsequent to year end.

(b) Included in deposits of the Group is a security deposit of RM2,740,000 (31.03.2023: RM5,233,045) paid for mechanical and engineering projects ("the Project") secured, which is refundable upon the completion of the project.

(c) Including in prepayments of the Group is an amount of RM432,885 (31.03.2023: RM170,579) being the advance payment to suppliers for purchase of merchandise goods.

19. CONTRACT ASSETS/(LIABILITIES)

	Group	
	31.07.2024	**31.03.2023**
	RM	**RM**
Contract assets:		
- Software and system installation, implementation, commissioning and training contract	748,945	4,857,341
- Maintenance and annual support contract	551,250	1,745,900
	1,300,195	6,603,241
Contract liabilities:		
- Software and system installation, implementation, commissioning and training contract	-	(1,746,829)
- Maintenance and annual support contract	(578,594)	(213,979)
	(578,594)	(1,960,808)

Movement of contract assets/(liabilities) are as follows:

	Group	
	31.07.2024	**31.03.2023**
	RM	**RM**
At beginning of the financial period	4,642,433	7,674,233
Revenue recognised during the financial period (Note 4)	15,054,888	40,276,897
Progress billing during the financial period	(18,975,720)	(43,308,697)
At end of the financial period	721,601	4,642,433

Set out below is the amount of revenue recognised from:

	Group	
	31.07.2024	**31.03.2023**
	RM	**RM**
Amount included in contract liabilities at the beginning of the financial period	(1,960,808)	(1,096,649)

Contract assets primarily relate to the Group's right to consideration for work completed on service contract but not yet billed as at the reporting date. Typically, the amount will be billed within 30 days to 90 days and payment is expected within 30 days to 90 days.

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 primarily relate to the amount billed to customers in advance prior to satisfaction of performance obligation for the service contracts, where the Group has billed or has collected the payment before the goods are delivered or services are provided to the customers.

20. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

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

21. AMOUNT DUE FROM AN ASSOCIATE

	Group		Company	
	31.07.2024 RM	31.03.2023 RM	31.07.2024 RM	31.03.2023 RM
Amount due from an associate	-	3,566,025	-	3,566,025
Less: Allowance for impairment loss	-	(3,566,025)	-	(3,566,025)
	-	-	-	-

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

22. 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 2.25% to 2.70% (31.03.2023: 1.30% to 2.45%) per annum. The fixed deposits have maturity periods of 12 months (31.03.2023: ranging from 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 25.

(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 2.10% (31.03.2023: 1.85%) per annum. The short-term money market deposit has maturity periods ranging from 1 to 3 days (31.03.2023: 1 to 3 days).

23. SHARE CAPITAL

	Group and Company			
	Number of shares		Amount	
	31.07.2024 Units	31.03.2023 Units	31.07.2024 RM	31.03.2023 RM
Ordinary shares				
Issued and fully paid:				
At beginning of the financial period	6,451,720,230	5,072,360,564	136,685,725	198,035,371
Issued during the period	-	1,379,329,600	-	28,210,000
Capital Reduction	-	-	-	(99,500,000)
Exercise of Warrants D [Note 23(c)(i)]	-	30,066	-	1,804
Expiration of Warrants D [Note 23(c)(i)]	-	-	-	9,938,550
Exercise of Warrants E [Note 23(c)(ii)]	43,191	-	1,511	-
At end of the financial period	6,451,763,421	6,451,720,230	136,687,236	136,685,725

23. SHARE CAPITAL (cont'd)

(a) Ordinary Shares

During the financial period, the Company increased its issued and paid-up capital from RM136,685,725 to RM136,687,236 by the following:

(a) conversion of 42,066 units of Warrants E 2018/2023 ("Warrants E") to ordinary shares on 5 April 2023 at an exercise price of RM0.035 per warrant amounting to RM1,472; and

(b) conversion of 1,125 units of Warrants E to ordinary shares on 18 April 2023 at an exercise price of RM0.035 per warrant amounting to RM39.

In the previous financial period, the Company recorded a net decrease in its issued and paid-up capital from RM198,035,371 to RM136,685,725 arising from the following transactions:

(i) issuance of 1,100,000,000 new ordinary shares on 30 November 2021 at RM0.0211 per share totalling RM23,210,000 pursuant to subscription of other investment as disclosed in Note 13;

(ii) issuance of 279,329,600 new ordinary shares on 6 January 2022 at RM0.0179 per share totalling RM5,000,000 pursuant to acquisition of the remaining 10% equity interest in subsidiary, Sunland as disclosed in Note 11(a);

(iii) completion of capital reduction exercise via the reduction and cancellation of the share capital of the Company amounted to RM99,500,000 pursuant to Section 116 of the Companies Act 2016 on 23 February 2022; and

(iv) conversion of 30,066 units of Warrants D 2017/2022 to ordinary shares on 20 October 2022 at an exercise price of RM0.05 per warrant totalling RM1,503.

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

The ordinary shares have no par value. 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 regard to the Company's residual assets.

(b) Capital Reduction

On 23 February 2022, the Company announced that the sealed copy of the order obtained from the High Court of Malaya at Kuala Lumpur confirming the capital reduction has been lodged with the Registrar, marking the effective date and completion of the capital reduction. Accordingly, the issued and paid-up share capital of the Company was reduced from RM226,245,371 to RM126,745,371 via the reduction and cancellation of the share capital of the Company which is lost or unrepresented by available assets to the extent of RM99,500,000 pursuant to Section 115(a) and Section 116 of the Companies Act 2016.

As such, the amount equal to RM99,500,000, being the credit arising from the cancellation of the share capital of the Company, was applied towards writing-off of the accumulated losses. The capital reduction did not result in any adjustment in the number of ordinary shares.

23. SHARE CAPITAL (cont'd)

(c) Detachable Warrants

(i) Warrants D 2017/2022 ("Warrant D")

In 2017, 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. The fair value of the Warrants D was determined as RM0.01.

The movement in this warrant is as follows:

	Group and Company	
	31.07.2024 Units	31.03.2023 Units
Balance as at beginning of the financial period	-	993,885,016
Exercised	-	(30,066)
Expired	-	(993,854,950)
Balance as at end of the financial period	-	-

On 20 October 2022, 30,066 units of Warrants D were exercised at an exercise price of RM0.05 per warrant. The total number of Warrants D that remained unexercised of 993,854,950 units had expired on 25 October 2022. The total warrants reserve of RM9,938,550 was transferred to share capital as disclosed in Note 24(a).

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;

(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; 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.

23. SHARE CAPITAL (cont'd)

(c) Detachable Warrants (cont'd)

(ii) Warrants E 2018/2023 ("Warrants E")

In 2018, 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	
	31.07.2024	31.03.2023
	Units	Units
Balance as at beginning of the financial period	1,087,061,194	1,087,061,194
Exercised	(43,191)	-
Lapsed	(1,087,018,003)	-
Balance as at end of the financial period	-	1,087,061,194

During the financial period, 43,191 units of Warrants E 2018/2023 ("Warrants E") were exercised at an exercise price of RM0.035 per warrant. The total number of Warrants E that remained unexercised amounted to 1,087,018,003 units expired on 22 April 2023.

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; 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.

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24. RESERVES

	Note	Group		Company	
		31.07.2024 RM	31.03.2023 RM	31.07.2024 RM	31.03.2023 RM
Non-distributable reserve:					
Warrants reserve	(a)	-	-	-	-
Other reserve	(b)	(13,737,745)	(13,737,745)	-	-
		(13,737,745)	(13,737,745)	-	-
Accumulated losses		(39,291,113)	(7,354,470)	(41,101,652)	(23,128,617)
		(53,028,858)	(21,092,215)	(41,101,652)	(23,128,617)

(a) Warrants reserve

	Group and Company	
	31.07.2024 RM	31.03.2023 RM
At beginning of the financial period	-	9,938,851
Exercise of Warrants D	-	(301)
Transfer to share capital	-	(9,938,550)
At end of the financial period	-	-

This reserve comprises the recognition of fair value of the Company's warrants arising from the additional shares 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.

25. BORROWINGS

	Note	Group		Company	
		31.07.2024 RM	Restated 31.03.2023 RM	31.07.2024 RM	Restated 31.03.2023 RM
Non-current:					
Term loans	(a)	1,085,348	1,275,166	1,085,348	1,275,166
Current:					
Term loans	(a)	145,601	139,313	145,601	139,313
Bank overdrafts		475,283	3,355,999	475,283	476,501
Invoice financing		2,462,000	-	-	-
		3,082,884	3,495,312	620,884	615,814
Total		4,168,232	4,770,478	1,706,232	1,890,980

25. BORROWINGS (cont'd)

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

	Group		Company	
	31.07.2024 RM	31.03.2023 RM	31.07.2024 RM	31.03.2023 RM
On demand or within 1 year	3,082,884	3,495,312	620,884	615,814
More than:				
- 1 year but not more than 2 years	152,793	145,905	152,793	145,905
- 2 years but not more than 5 years	505,165	480,461	505,165	480,461
- 5 years	427,390	648,800	427,390	648,800
	4,168,232	4,770,478	1,706,232	1,890,980

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

	Group		Company	
	31.07.2024 %	31.03.2023 %	31.07.2024 %	31.03.2023 %
Bank overdrafts	7.07 - 8.32	6.14 - 8.07	7.39 - 8.32	6.14 - 8.07
Invoice financing	8.32	-	-	-
Term loans	4.89	4.65	4.89	4.65

(a) Term loans

	Group and Company	
	31.07.2024 RM	31.03.2023 RM
Current:		
Payable within one year	145,601	139,313
Non-current:		
Payable more than 1 year but not more than 2 years	152,793	145,905
Payable more than 2 years but not more than 5 years	505,165	480,461
Payable more than 5 years	427,390	648,800
	1,085,348	1,275,166
	1,230,949	1,414,479

Term loans, bank overdrafts and invoice financing are secured by the following:

(i) Freehold office units as disclosed in Note 8(a); and
(ii) A legal assignment over the rights and interest to the rental income under the Tenancy Agreement between the Company and the tenants.
(iii) A charge by the Group and the Company on fixed deposits as disclosed in Note 22(a); and
(iv) A guarantee of RM8,500,000 by a Director of the Company.

The Group and the Company are required to maintain a gearing ratio of not more than 1 time.

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26. LEASE LIABILITIES

	Motor vehicles RM	Lease of premises RM	Total RM
Group			
31.07.2024			
Minimum lease payments:			
Payable within one year	63,176	93,000	156,176
Payable more than 1 year but not more than 2 years	-	9,000	9,000
	63,176	102,000	165,176
Less: Future finance charges	(1,171)	(2,470)	(3,641)
Present value of future minimum lease payments	62,005	99,530	161,535
Present value of lease liabilities:			
Payable within one year	62,005	90,711	152,716
Payable more than 1 year but not more than 2 years	-	8,819	8,819
	62,005	99,530	161,535
Analysed as:			
Current	62,005	90,711	152,716
Non-current	-	8,819	8,819
	62,005	99,530	161,535
Group			
31.03.2023			
Minimum lease payments:			
Payable within one year	61,191	108,000	169,191
Payable more than 1 year but not more than 2 years	43,776	117,000	160,776
	104,967	225,000	329,967
Less: Future finance charges	(3,927)	(11,019)	(14,946)
Present value of future minimum lease payments	101,040	213,981	315,021
Present value of lease liabilities:			
Payable within one year	58,244	100,114	158,358
Payable more than 1 year but not more than 2 years	42,796	113,867	156,663
	101,040	213,981	315,021
Analysed as:			
Current	58,244	100,114	158,358
Non-current	42,796	113,867	156,663
	101,040	213,981	315,021

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

	31.07.2024 %	31.03.2023 %
Motor vehicles	4.66 - 5.53	5.04-6.54
Lease of premises	4.68	4.68

27. TRADE PAYABLES

	Group	
	31.07.2024 RM	31.03.2023 RM
Trade payables	2,527,792	5,179,136
Retention sum	-	1,206,047
	2,527,792	6,385,183

The normal credit terms granted by the trade creditors to the Group range from 30 to 90 days (31.03.2023: 30 to 90 days).

28. OTHER PAYABLES

	Group		Company	
	31.07.2024 RM	31.03.2023 RM	31.07.2024 RM	31.03.2023 RM
Other payables	538,227	748,126	133,432	188,238
Accruals	869,145	796,521	151,047	173,479
Deposits received	4,100	4,100	-	-
	1,411,472	1,548,747	284,479	361,717

29. AMOUNTS DUE TO DIRECTORS

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

30. 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.

(b) Related party transactions

The related party balances are shown in Notes 14, 20, 21 and 29 respectively. The related party transactions of the Group and of the Company are shown below.

	Group		Company	
	01.04.2023 to 31.07.2024 RM	01.10.2021 to 31.03.2023 RM	01.04.2023 to 31.07.2024 RM	01.10.2021 to 31.03.2023 RM
Transactions with subsidiaries:				
- Dividend received	-	-	(18,500,000)	-
- Advances to	-	-	(8,193,196)	(2,909,996)
- Advances from	-	-	(10,018,397)	5,075,712
- Capital contribution	-	-	11,254,160	-
- Assignment of debts	-	-	-	587,226

30. RELATED PARTIES DISCLOSURES (cont'd)

(b) Related party transactions (cont'd)

	Group		Company	
	01.04.2023 to 31.07.2024 RM	01.10.2021 to 31.03.2023 RM	01.04.2023 to 31.07.2024 RM	01.10.2021 to 31.03.2023 RM
Transactions with an associate:				
- Advance to	500,000	500,000	500,000	500,000
- Assignment of debts	-	(587,226)	-	(587,226)
Transaction with Directors:				
- (Repayment to)/Advances from	(16,562)	72,380	-	-
Transaction with former shareholders of a subsidiary:				
- Repayment from	500,000	1,000,000	500,000	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 period has been disclosed in Note 5(b).

31. 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 services	Provision of E-business software application, business intelligence software and development, IT service management consultancy and system integration
ii.	RFID system	Hardware system integration, mechanical and engineering services, access control system and building automation system
iii.	F&B distribution	Sales and distribution of food and beverages products
iv.	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

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.

31. SEGMENT INFORMATION (cont'd)

(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.

	Note	ICT Consultancy RM	RFID System RM	F&B Distribution RM	Investment Holding RM	Total RM	Elimination RM	Total RM
31.07.2024								
Revenue:								
Total revenue	A	7,066,999	12,131,935	42,120,240	-	61,319,174	553,236	61,872,410
Results:								
Depreciation of property, plant and equipment		46,734	4,863	95,042	311,195	457,834	70,420	528,254
Depreciation of right-of-use assets		126,526	136,956	-	-	263,482	(44,087)	219,395
Impairment loss on:								
- trade receivables		-	341,511	-	-	341,511	-	341,511
Fair value loss on other investment		-	-	-	8,457,085	8,457,085	-	8,457,085
Realised loss on foreign exchange		42,043	-	-	-	42,043	-	42,043
Lease of:								
- short-term leases		6,800	-	32,772	-	39,572	-	39,572
- low value assets		2,272	12,750	-	-	15,022	-	15,022
Accretion of interest income on amount due from former shareholders of a subsidiary		-	-	-	(313,550)	(313,550)	-	(313,550)
Interest income		(44,668)	(23,818)	(195,973)	(67,670)	(332,129)	-	(332,129)
Income from corporate support services		(1,106,444)	-	-	-	(1,106,444)	1,106,444	-
Interest expense on:								
- Bank overdraft		-	(184,315)	-	(202,549)	(386,864)	-	(386,864)
- Invoice financing		-	(155,310)	-	-	(155,310)	-	(155,310)
- Term loans		-	-	-	(86,710)	(86,710)	-	(86,710)
- Lease liabilities		(10,750)	(9,729)	(17)	-	(20,496)	4,163	(16,333)
Rental income		-	(28,800)	-	(209,380)	(238,180)	48,000	(190,180)
Reversal of impairment loss on:								
- investment in an associate		-	-	-	(29,487)	(29,487)	-	(29,487)
- investments in subsidiaries		(2,237,868)	-	-	(472,410)	(2,710,278)	2,710,278	-
Bad debts wriiten off		-	10,622	-	-	10,622	-	10,622
Deposit written off		10,600	-	-	-	10,600	-	10,600
Gain on disposal of								
- property, plant and equipment		(12,491)	-	-	-	(12,491)	-	(12,491)
- right-of-use assets		(60,000)	-	-	-	(60,000)	-	(60,000)
Loss on disposal of:								
- other investment		-	-	-	3,759,739	3,759,739	-	3,759,739
- investment in an associate		-	-	-	8,506,173	8,506,173	-	8,506,173

Notes to the Financial Statements
– 31 July 2024

31. SEGMENT INFORMATION (cont'd)

	Note	ICT Consultancy RM	RFID System RM	F&B Distribution RM	Investment Holding RM	Total RM	Elimination RM	Total RM
31.07.2024 (cont'd)								
Segment results		(5,512,539)	(8,900,386)	9,490,619	(17,696,955)	(22,619,261)	(6,507,073)	(29,126,334)
Interest expense		(10,750)	(349,354)	(17)	(289,259)	(649,380)	4,163	(645,217)
Share of results of associate, net of tax		-	-	-	-	-	(22,314)	(22,314)
(Loss)/profit before tax		(5,523,289)	(9,249,740)	9,490,602	(17,986,214)	(23,268,641)	-	(29,793,865)
Tax expense		(41,314)	(3,655)	(2,545,317)	(7,164)	(2,597,450)	(13,114)	(2,610,564)
(Loss)/profit for the financial period		(5,564,603)	(9,253,395)	6,945,285	(17,993,378)	(25,866,091)	-	(32,404,429)
Segment assets:	B	13,761,925	5,772,046	21,769,031	105,613,540	146,916,542	(55,197,992)	91,718,550
Segment liabilities	C	3,186,396	3,367,174	2,335,583	10,050,708	18,939,861	(10,020,768)	8,919,093
Other information:								
Additions to non-current assets excluding deferred tax assets and financial assets		85,812	34,699	422,319	6,879	549,709	-	549,709
31.03.2023								
Revenue:								
Total revenue		25,128,536	22,813,883	39,232,275	-	87,174,694	-	87,174,694
Results:								
Depreciation of property, plant and equipment		60,396	1,163	55,718	349,756	467,033	79,223	546,256
Depreciation of right-of-use assets		111,950	150,756	23,697	-	286,403	(50,451)	235,952
Impairment loss on:								
- investment inassociate		-	-	-	11,510,800	11,510,800	(11,510,800)	-
- trade receivables		-	567,822	19,579	-	587,401	-	587,401
- amount due from anassociate		-	-	-	3,566,025	3,566,025	-	3,566,025
Fair value loss on other investment		-	-	-	10,680,985	10,680,985	-	10,680,985
Realised loss on foreign exchange		129,319	560	-	-	129,879	-	129,879
Lease of:								
- short-term leases		27,200	-	-	-	27,200	-	27,200
- low value assets		4,762	15,300	-	-	20,062	-	20,062
Accretion of interest income on amount due from former shareholders of a subsidiary		-	-	-	(284,228)	(284,228)	-	(284,228)
Interest income		(37,589)	(17,235)	(56,642)	(42,484)	(153,950)	-	(153,950)
Income from corporate support services		(1,495,122)	-	-	-	(1,495,122)	1,495,122	-
Interest expenses on:								
- Bank overdraft		-	326,562	-	344,433	670,995	-	670,995
- Term loans		-	-	-	65,724	65,724	-	65,724
- Lease liabilities		11,558	12,218	1,160	-	24,936	(2,893)	22,043
Rental income		-	(32,400)	-	(174,930)	(207,330)	54,000	(153,330)
Reversal of impairment loss on:								
- investment in anassociate		-	-	-	-	-	(33,732)	(33,732)
- investment in subsidiaries		-	-	-	(9,205,851)	(9,205,851)	9,205,851	-
- trade receivables		(304,958)	(6,206)	-	-	(311,164)	-	(311,164)

31. SEGMENT INFORMATION (cont'd)

	Note	ICT Consultancy RM	RFID System RM	F&B Distribution RM	Investment Holding RM	Total RM	Elimination RM	Total RM
31.03.2023 (cont'd)								
Segment results		5,205,838	(537,457)	10,595,534	(18,936,470)	(3,672,555)	2,255,909	(1,416,646)
Interest expense		(11,558)	(338,780)	(1,160)	(410,157)	(761,655)	2,893	(758,762)
Share of results of associate, net of tax		-	-	-	-	-	(11,544,532)	(11,544,532)
(Loss)/profit before tax		5,194,280	(876,237)	10,594,374	(19,346,627)	(4,434,210)		(13,719,940)
Tax expense		(586,540)	-	(2,648,897)	(3,198)	(3,238,635)	19,013	(3,219,622)
(Loss)/profit for the financial period		4,607,740	(876,237)	7,945,477	(19,349,825)	(7,672,845)		(16,939,562)
Segment assets:								
Investment in associate		-	-	-	9,499,000	9,499,000	-	9,499,000
Other segment assets		20,626,824	20,092,646	33,735,225	124,366,447	198,821,142	(77,090,908)	121,730,234
Total assets	B	20,626,824	20,092,646	33,735,225	133,865,447	208,320,142		131,229,234
Segment liabilities	C	4,186,962	19,842,548	1,929,950	20,337,706	46,297,166	(31,228,899)	15,068,267
Other information:								
Additions to non-current assets excluding deferred tax assets and financial assets		5,293,797	317,943	12,844	2,619	5,627,203	(5,100,624)	526,579

Operating segments

A Inter-segment revenues are eliminated on consolidation.

B Reconciliation of segment assets

	Group 31.07.2024 RM	31.03.2023 RM
Segment assets	146,916,542	208,320,142
Adjustment on consolidation	(48,035,673)	(47,500,737)
Fair value adjustment on property, plant and equipment	1,566,849	1,716,492
Elimination of inter-segment balances and transactions	(8,729,168)	(31,306,663)
Segment total assets	91,718,550	131,229,234

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

	Group 31.07.2024 RM	31.03.2023 RM
Segment total assets	91,718,550	131,229,234
Deferred tax assets	43,091	69,847
Tax recoverable	426,666	55,194
Total assets	92,188,307	131,354,275

31. SEGMENT INFORMATION (cont'd)

Operating segments (cont'd)

C Reconciliation of segment liabilities

	Group	
	31.07.2024	**31.03.2023**
	RM	**RM**
Segment liabilities	18,939,861	46,297,166
Adjustment on consolidation	(1,291,600)	77,764
Elimination of inter-segment balances and transactions	(8,729,168)	(31,306,663)
Segment total liabilities	8,919,093	15,068,267

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

	Group	
	31.07.2024	**31.03.2023**
	RM	**RM**
Segment total liabilities	8,919,093	15,068,267
Deferred tax liabilities	376,044	392,945
Tax payable	403,882	1,000,857
Total liabilities	9,699,019	16,462,069

Geographical information

All of the segments are operated within Malaysia.

Major customer information

The Group has 2 customers which contributed approximately RM10.5 million or 17% (31.03.2023: 2 customers, RM25.2 million or 29%) of the Group's revenue during the financial period.

32. FINANCIAL INSTRUMENTS

Categories of financial instruments

The Group's and the Company's financial assets and financial liabilities are all categorised as amortised costs except for other investment categorised as fair value through profit or loss.

Material Accounting Policy Information

Recognition and measurement of financial instruments

Financial assets

(a) 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 profit or loss. Any gain or loss on derecognition is recognised in profit or loss. Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets.

32. FINANCIAL INSTRUMENTS (cont'd)

Material Accounting Policy Information (cont'd)

Recognition and measurement of financial instruments (cont'd)

Financial assets (cont'd)

(b) Financial assets at Fair value through profit or loss ("FVTPL")

All the financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL. This includes derivative financial assets (except for a derivative that is designated and effective hedging instrument). On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised at FVTPL are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at FVTPL are subject to impairment assessment as disclosed in Note 32(i).

Financial liabilities

The financial liabilities of the Group and the Company are initially recognised as 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.

Offsetting of financial instruments

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

Regular way purchase or sale of financial assets

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

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

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

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

Derecognition of financial instruments

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 the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. 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 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 profit or loss.

32. FINANCIAL INSTRUMENTS (cont'd)

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, liquidity risk and equity price 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. For other financial assets (including cash and cash equivalents), the Group and the Company minimises credit risk by dealing exclusively with high credit rating counterparties. There are no significant changes as compared to prior years.

Trade receivables and contract assets

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 assesses whether any of the trade receivables and contract assets are credit impaired.

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 and the Company determine 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 31 July 2024, the Group has significant concentration of credit risk arising from the amounts owing from 4 customers (31.03.2023: 5 customers) constituting 30% (31.03.2023: 45%) 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. The Group assesses impairment of trade receivables on individual and collective basis.

32. 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 (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 past due more than 90 days (31.03.2023: 90 days) with loss given default rate of 10% (31.03.2023: 10%) 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.

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 Group considers 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 Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is past due more than 90 days.

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

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 past due more than 180 or 365 days from different customer profiles because historical experience has indicated that these receivables are generally not recoverable.

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.

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.

32. 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)

Impairment losses

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 July 2024 and 31 March 2023

F&B distribution segment

	Gross RM	Loss Allowance RM	Net RM
Group			
31.07.2024			
Trade receivables			
Not past due	2,651,013	(17,426)	2,633,587
Past due:			
- 1 to 30 days	1,775,789	(18,316)	1,757,473
- 31 to 60 days	935,759	(22,964)	912,795
- 61 to 90 days	216,118	(43,404)	172,714
	2,927,666	(84,684)	2,842,982
	5,578,679	(102,110)	5,476,569
Credit impaired			
- More than 90 days	273,788	(34,093)	239,695
Trade receivables, net	5,852,467	(136,203)	5,716,264
31.03.2023			
Trade receivables			
Not past due	1,816,802	(17,426)	1,799,376
Past due:			
- 1 to 30 days	1,486,674	(18,316)	1,468,358
- 31 to 60 days	883,918	(22,964)	860,954
- 61 to 90 days	411,795	(43,404)	368,391
	2,782,387	(84,684)	2,697,703
	4,599,189	(102,110)	4,497,079
Credit impaired			
- More than 90 days	323,453	(34,093)	289,360
Trade receivables, net	4,922,642	(136,203)	4,786,439

32. 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			
31.07.2024			
Trade receivables			
Not past due	1,166,697	-	1,166,697
Past due:			
- 1 to 30 days	551,065	-	551,065
- 31 to 60 days	37,104	-	37,104
- 61 to 90 days	149,182	-	149,182
- 90 to 180 days	170,616	-	170,616
	907,967	-	907,967
	2,074,664	-	2,074,664
Credit impaired			
- More than 180 or 365 days	544,135	(508,534)	35,601
Retention sum	1,534	-	1,534
Trade receivables, net	2,620,333	(508,534)	2,111,799
Contract assets	1,300,195	-	1,300,195
	3,920,528	(508,534)	3,411,994
31.03.2023			
Trade receivables			
Not past due	5,639,310	-	5,639,310
Past due:			
- 1 to 30 days	1,124,929	-	1,124,929
- 31 to 60 days	748,720	-	748,720
- 61 to 90 days	890,855	-	890,855
- 90 to 180 days	89,982	-	89,982
	2,854,486	-	2,854,486
	8,493,796	-	8,493,796
Credit impaired			
- More than 180 or 365 days	6,786,881	(6,786,881)	-
Retention sum	2,113,923	(273,917)	1,840,006
Trade receivables, net	17,394,600	(7,060,798)	10,333,802
Contract assets	6,603,241	-	6,603,241
	23,997,841	(7,060,798)	16,937,043

32. 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 and 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 but 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 past due 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 past due more than 180 or 365 days from different customer profiles. These receivables are not secured by any collateral or credit enhancements.

The movement in the allowance for impairment loss on trade receivables are as follows:

	31.07.2024 RM	31.03.2023 RM
Group		
At beginning of the financial period	7,197,001	6,920,764
Addition	341,511	587,401
Reversal	(680,837)	(311,164)
Written off	(6,212,938)	-
At end of the financial period	644,737	7,197,001

32. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

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 relates to the refund pertaining to the shortfall of profit guarantee net of fair value adjustment as disclosed in Note 14.

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 18.

Credit risk on deposits mainly arose from deposits paid as security deposits (performance bond) which are refundable upon the satisfactory completion of the contract.

As at the end of the reporting period, the deposits as disclosed in Note 18 are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the deposits since initial recognition.

The movement in the allowance for impairment loss on other receivables are as follows:

	Group		Company	
	31.07.2024 RM	31.03.2023 RM	31.07.2024 RM	31.03.2023 RM
At beginning of the financial period	4,164,242	4,164,242	4,099,672	4,099,672
Written off	(4,164,242)	-	(4,099,672)	-
At end of the financial period	-	4,164,242	-	4,099,672

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.

32. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(i) Credit risk (cont'd)

Inter-company loans and advances (cont'd)

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

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 end of the reporting period, the Group and the Company have assessed amount due from an associate as credit impaired. As such, the Group and the Company have provided allowances for expected credit losses on these amounts due from an associate as disclosed in Note 21.

The movement in the allowance for impairment loss on amount due from an associate is as follows:

	31.07.2024 RM	31.03.2023 RM
Group and Company		
At beginning of the financial period	3,566,025	-
Addition	-	3,566,025
Written off	(3,566,025)	-
At end of the financial period	-	3,566,025

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 indication of impairment loss in respect of amounts due from subsidiaries.

32. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(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 22 and 25 respectively.

Exposure in interest rate risk

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group		Company	
	31.07.2024 RM	**31.03.2023 RM**	**31.07.2024 RM**	**31.03.2023 RM**
Floating rate instruments:				
Financial assets:				
- Fixed deposit placed with licensed banks	4,249,263	4,131,019	2,256,460	2,199,004
- Short-term money market deposit	2,500,000	3,500,000	-	-
	6,749,263	7,631,019	2,256,460	2,199,004
Financial liabilities:				
- Bank overdrafts	(475,283)	(3,355,999)	(475,283)	(476,501)
- Invoice financing	(2,462,000)	-	-	-
- Term loans	(1,230,949)	(1,414,479)	(1,230,949)	(1,414,479)
	(4,168,232)	(4,770,478)	(1,706,232)	(1,890,980)
Net financial assets	2,581,031	2,860,541	550,228	308,024

A 50 basis points (31.03.2023: 50 basis points) increase/decrease of the interest rate at the end of the reporting period would have immaterial impact on the Group's profit 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").

Foreign exchange exposures in transactional currencies other than functional currency of the Group are kept to an acceptable level.

32. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(iii) Foreign currency risk (cont'd)

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:

	Group	
	31.07.2024	**31.03.2023**
	RM	**RM**
Payables		
EUR	(1,433,908)	(1,532,522)
USD	(10,500)	(121,739)
	(1,444,408)	(1,654,261)

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.

(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.

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	**On Demand/ Within 1 year**	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
	RM	**RM**	**RM**	**RM**	**RM**	**RM**
31.07.2024						
Group						
Financial liabilities:						
- Trade payables	2,527,792	2,527,792	-	-	-	2,527,792
- Other payables	1,411,472	1,411,472	-	-	-	1,411,472
- Amounts due to Directors	71,468	71,468	-	-	-	71,468
- Term loans	1,230,949	202,680	202,680	608,040	449,483	1,462,883
- Bank overdrafts	475,283	475,283	-	-	-	475,283
- Invoice financing	2,462,000	2,462,000	-	-	-	2,462,000
- Lease liabilities	161,535	156,176	9,000	-	-	165,176
	8,340,499	7,306,871	211,680	608,040	449,483	8,576,074

32. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (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**
31.07.2024						
Company						
Financial liabilities:						
- Other payables	284,479	284,479	-	-	-	284,479
- Amounts due to subsidiaries	8,030,440	8,030,440	-	-	-	8,030,440
- Term loans	1,230,949	202,680	202,680	608,040	449,483	1,462,883
- Bank overdrafts	475,283	475,283	-	-	-	475,283
	10,021,151	8,992,882	202,680	608,040	449,483	10,253,085
31.03.2023						
Group						
Financial liabilities:						
- Trade payables	6,385,183	6,385,183	-	-	-	6,385,183
- Other payables	1,548,747	1,548,747	-	-	-	1,548,747
- Amounts due to Directors	88,030	88,030	-	-	-	88,030
- Term loans	1,414,479	202,680	202,680	608,040	719,723	1,733,123
- Bank overdrafts	3,355,999	3,355,999	-	-	-	3,355,999
- Lease liabilities	315,021	169,191	160,776	-	-	329,967
	13,107,459	11,749,830	363,456	608,040	719,723	13,441,049
Company						
Financial liabilities:						
- Other payables	361,717	361,717	-	-	-	361,717
- Amounts due to subsidiaries	18,048,837	18,048,837	-	-	-	18,048,837
- Term loans	1,414,479	202,680	202,680	608,040	719,723	1,733,123
- Bank overdrafts	476,501	476,501	-	-	-	476,501
	20,301,534	19,089,735	202,680	608,040	719,723	20,620,178

32. FINANCIAL INSTRUMENTS (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(v) Equity price risk

Equity price risk arises from the Group's and the Company's equity investment.

Risk management objectives, policies and processes for managing the risk

The management of the Group and of the Company monitors the equity investment on an individual basis. All buy and sell decisions are approved by the Board of Directors of the Company.

Equity price risk sensitivity analysis

The following table details the sensitivity analysis on the equity investment to a reasonably possible change in the equity price as at the end of the reporting period:

	Group and Company	
	31.07.2024	**31.03.2023**
	RM	**RM**
Effect on results after tax/equity:		
50% strengthening in market price	-	4,761,026
50% weakening in market price	-	(4,761,026)

33. FAIR VALUES INFORMATION

Financial instrument carried at fair value

The fair value measurement hierarchy used to measure the fair value of quoted shares investment is disclosed below.

Level 1:

The fair value of other investment at fair value through profit or loss is determined by reference to the quoted closing bid price at the end of the financial period as disclosed in Note 13.

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. As permitted by MFRS 7, the fair value of lease liabilities is not presented.

The carrying amount of long-term floating rate term 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 period.

34. 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 period ended 31 July 2024 and 31 March 2023.

The Group and the Company are required to maintain a gearing ratio of not more than 1.00 time. The Group and the Company are in compliance with all the externally imposed capital requirements.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt/(cash). Net debt/(cash) includes borrowings and lease liabilities, less fixed deposits placed with licensed bank, short-term money market deposit and cash and bank balances 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 period.

The gearing ratio as at 31 July 2024 and 31 March 2023, which are within the Group's and the Company's objective of capital management are as follows:

	Group		Company	
	31.07.2024 RM	31.03.2023 RM	31.07.2024 RM	31.03.2023 RM
Borrowings	4,168,232	4,770,478	1,706,232	1,890,980
Lease liabilities	161,535	315,021	-	-
	4,329,767	5,085,499	1,706,232	1,890,980
Less:				
- Fixed deposits placed with licensed banks	4,249,263	4,131,019	2,256,460	2,199,004
- Short-term money market deposit	2,500,000	3,500,000	-	-
- Cash and bank balances	21,874,874	19,489,680	17,542,825	14,114,457
	28,624,137	27,120,699	19,799,285	16,313,461
Net cash	(24,294,370)	(22,035,200)	(18,093,053)	(14,422,481)
Equity attributable to the Owners of the Company, representing total capital	83,658,378	115,593,510	95,585,584	113,557,108
Capital and net cash	59,364,008	93,558,310	77,492,531	99,134,627
Gearing ratio	*	*	*	*

* As at 31 July 2024 and 31 March 2023, the Group and the Company are at net cash position, thus the gearing ratio is not presented.

35. OPERATING LEASES

Leases as lessor

The Group and the Company have entered into leases on the properties. The Group and the Company classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

The following table sets out the maturity analysis of lease receivables, showing the undiscounted lease receivables after the reporting date.

	Group		Company	
	31.07.2024 RM	31.03.2023 RM	31.07.2024 RM	31.03.2023 RM
Within one year	117,792	90,003	126,792	126,003
More than 1 year but not more than 2 years	7,000	90,950	7,000	111,950
More than 2 years but not more than 5 years	-	22,738	-	22,738
	124,792	203,691	133,792	260,691

36. MATERIAL LITIGATION

(a) Kuala Lumpur High Court Suit No.WA-22NCC-535-07/2023 (“Suit 535”)

<u>Legal Suit between Mohammad Sobri Bin Saad Vs See Jovin (1st Defendant), EA Holdings Berhad (2nd Defendant) and Ng Cheng Shin (3rd Defendant)</u>

This is a suit by En. Mohammad Sobri to recover his shares in the Company which were fraudulently disposed off. En. Mohammad Sobri has obtained an injunction against all the Defendants that the shares of the 3rd Defendant (majority new shareholder) may not be dealt with, pending the Hearing of the matter. This matter was managed together with suit 536 as stated below on 30 October 2024. The matter is fixed for full trial on 3rd to 6th November 2025 and 10th to 13th November 2025 together with Suit 536 as disclosed in Note 36(b) below.

(b) Kuala Lumpur High Court Suit No.WA-22NCC-536-07/2023 hereinafter referred to as Suit 536 (Suit”536”)

(i) Legal suit between VinVest Capital Holdings Berhad VS See Jovin (1st Defendant), EA Holdings Berhad (2nd Defendant) and Ng Cheng Shin (3rd Defendant)

(ii) Counterclaim by Ng Cheng Shin Against the Plaintiff, EA Holdings Berhad and Others

(iii) Court of Appeal in Civil Appeal No. W-02(IM)(NCC)-1396-08/2024

This is a suit by Vinvest Capital Holdings Berhad (“Vinvest”) to recover their shares in EA Holdings Berhad which were fraudulently disposed.

36. MATERIAL LITIGATION (cont'd)

(b) Kuala Lumpur High Court Suit No.WA-22NCC-536-07/2023 hereinafter referred to as Suit 536 (Suit"536") (cont'd)

The Court had on 13 November 2024 granted the following:

1. Pending full and final disposal of the action filed herein, an injunction is granted to restraint and prohibit 3rd Defendant (whether by themselves or their agents, representatives, nominees and/or whosoever) from:

   i) Dealing with 656,184,000 shares of the 3rd Defendant in the 1st Defendant;
   ii) Exercising any rights in connection with 656,184,000 shares of 3rd Defendant in the 1st Defendant.

2. Vinvest to pay a sum of RM1,000,000-00 within 30 days from the order into the Plaintiff's solicitors' interest-bearing stakeholder's account and shall only be released upon the order of the Court, for the purpose of fortification of the Plaintiff's undertaking.

3. Costs in the cause.

Vinvest had submitted an appeal against the above judgement on 15 November 2024.

Meanwhile Ng Cheng Shin (the new majority shareholder) instituted a counterclaim against EAH for conspiracy and the tort of collateral abuse of process. There was no monetary value stated in the counterclaim. The counterclaim was struck out against EA Holdings Berhad on 22 July 2024. Ng Cheng Shin has filed an appeal against this decision to the Court of Appeal in civil appeal no. W-02(IM)(NCC)-1396-08/2024. The hearing date for the appeal has been fixed on 29 September 2025.

37. COMPARATIVE FIGURES

(a) The comparatives relating to the statements of comprehensive income, statements of changes in equity, statements of cash flows and related notes are made up of financial period from 1 October 2021 to 31 March 2023 and therefore are not comparable with the current financial period from 1 April 2023 to 31 July 2024.

(b) Certain comparative figures have been reclassified to conform with current period's presentation as follows:

	Group		Company	
	As previously disclosed RM	As restated RM	As previously disclosed RM	As restated RM
31.03.2023				
Statements of Comprehensive Income				
Purchases and other direct costs	(56,716,451)	(55,221,329)	-	-
Employee benefit expenses	(9,460,138)	(10,955,260)	-	-
Statements of Financial Position:				
Current Assets				
Cash and bank balances	19,505,684	19,489,680	14,130,461	14,114,457
Current liabilities				
Borrowings	3,511,316	3,495,312	631,818	615,814

LIST OF PROPERTIES

TITLE / LOCATION	DESCRIPTION / EXISTING USE	REGISTERED OWNER	AGE OF BUILDINGS (Years)	BUILT-UP AREA (Sq feet)	TENURE	CARRYING AMOUNT @ 31.07.2024 (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	9 years	3,148	Freehold	873,154	1,624,472
No. 22-3A Oval Damansara No. 685, Jalan Damansara 60000 Kuala Lumpur	Office Unit/ Tenanted	EA Holdings Bhd	10 years	1,579	Freehold	404,484	758,412
No. 22-5 Oval Damansara No. 685, Jalan Damansara 60000 Kuala Lumpur	Office Unit/ Tenanted	EA Holdings Bhd	10 years	1,579	Freehold	408,740	766,389
No. 28-2 Oval Damansara No. 685, Jalan Damansara 60000 Kuala Lumpur	Office Unit/ Office Use	EA Holdings Bhd	10 years	1,504	Freehold	389,203	729,755
No. 29-2 Oval Damansara No. 685, Jalan Damansara 60000 Kuala Lumpur	Office Unit/ Tenanted	EA Holdings Bhd	10 years	1,504	Freehold	389,203	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	27 years	11,141	Freehold	2,180,181	2,876,437
					Total	**4,644,965**	**7,485,220**

ANALYSIS OF SHAREHOLDINGS
AS AT 6 NOVEMBER 2024

Total Number of Issued Shares	:	6,451,763,421
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per share

DISTRIBUTION OF SHAREHOLDINGS

	No. of holders	%	No. of Shares	%
Less Than 100	253	2.8	12,362	0.0
101 - 1,000	246	2.7	109,963	0.0
1,001 - 10,000	687	7.6	4,530,499	0.1
10,001 - 100,000	3,612	39.9	201,923,983	3.1
100,001 and below 5%	4,247	47.0	5,589,002,614	86.6
5% and above	1	0.0	656,184,000	10.2
Total	**9,046**	**100.0**	**6,451,763,421**	**100.0**

SUBSTANTIAL SHAREHOLDINGS

	Direct Interest		Deemed Interest	
Name	**No. of holders**	**%**	**No. of Shares**	**%**
Ng Cheng Shin*	656,184,000	10.2%	-	-

DIRECTORS' SHAREHOLDINGS

	Direct Interest		Deemed Interest	
Name	**No. of holders**	**%**	**No. of Shares**	**%**
Mohammad Sobri bin Saad	81,424,300	1.3%	-	-
Borhan bin Abdul Halim	1,600,000	0.0%	-	-
Basir bin Bachik	492,000	0.0%	-	-
Abdul Fattah bin Mohamed Yatim	18	0.0%	-	-
Choo Seng Choon	-	0.0%	-	-

* *The EAH shares acquired by Ng Cheng Shin are part of the EAH shares being disputed by En. Mohammad Sobri bin Saad and Vinvest Capital Holdings Berhad vide Kuala Lumpur High Court Suit No. WA-22NCC-535-07/2023 and No. WA-22NCC-536-07-2023 respectively, as disclosed in Note 36 (a) and Note 36 (b) to the financial statements.*

Analysis of Shareholdings

As at 6 November 2024

LIST OF 30 LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	NG CHENG SHIN *	656,184,000	10.2%
2	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR CHU KERD YEE (M01))	208,721,000	3.2%
3	TAN YUN QUAN	140,000,000	2.2%
4	TA NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR KEH CHUAN CHOON)	100,000,000	1.6%
5	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR TAN YUN QUAN)	90,000,000	1.4%
6	KENANGA NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR MOHAMMAD SOBRI BIN SAAD)	81,424,300	1.3%
7	LEE WEI KOK	79,794,500	1.2%
8	CGS INTERNATIONAL NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR KEH CHUAN YEE (MP0558))	75,000,000	1.2%
9	TA SECURITIES HOLDINGS BERHAD (PLEDGED SECURITIES ACCOUNT FOR IVT (PO2) QUAH CHOON WAH)	74,003,200	1.2%
10	OOI CHEN SENG	68,480,000	1.1%
11	TAN GUEK HUNG	67,000,000	1.0%
12	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR KEH CHUAN CHOON)	66,000,000	1.0%
13	TA NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR TAN YEE LI)	63,750,000	1.0%
14	GAN SIONG PIEU	60,000,400	0.9%
15	TAN BOON LING	50,000,000	0.8%
16	CARMEN QUAH	45,000,000	0.7%
17	PHILLIP NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR KEH CHUAN SENG)	42,000,000	0.7%
18	LIM CHIA PING	40,187,200	0.6%
19	PHILLIP NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR KEH CHUAN CHOON)	40,000,000	0.6%
20	PUBLIC NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR CHAN CHEE WAI (E-BPJ))	40,000,000	0.6%
21	ANDREW TEOH JIT SENG	38,000,000	0.6%
22	FOO CHEE KOON	36,100,000	0.6%
23	TA NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR LOO WOEI JYE)	33,500,000	0.5%
24	CGS INTERNATIONAL NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR TAY HOCK SOON (MY1055))	31,790,100	0.5%
25	FOO FOOK MIN	31,633,000	0.5%
26	ADRIAN QUAH	28,871,100	0.5%
27	SIM MUI KHEE	26,495,100	0.4%
28	LIM YUEN SING	25,000,000	0.4%
29	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR LEONG KIM FONG)	24,500,000	0.4%
30	MAYBANK NOMINEES (TEMPATAN) SDN BHD (PLEDGED SECURITIES ACCOUNT FOR THONG KOK WAN)	24,000,000	0.4%

* *The EAH shares acquired by Ng Cheng Shin are part of the EAH shares being disputed by En. Mohammad Sobri bin Saad and Vinvest Capital Holdings Berhad vide Kuala Lumpur High Court Suit No. WA-22NCC-535-07/2023 and No. WA-22NCC-536-07-2023 respectively, as disclosed in Note 36 (a) and Note 36 (b) to the financial statements.*

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