



**ADVANCE INFORMATION MARKETING BERHAD**

200401006266 (644769-D)

# 2023

## ANNUAL REPORT



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AIM

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Proxy Form



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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**DATO' IR. LIM SIANG CHAI**  
*Non-Independent Non-Executive  
Chairman*

**MAK SIEW WEI**  
*Executive Director*

**MEJAR DATO' ISMAIL BIN AHMAD**  
*Independent Non-Executive  
Director*

**CHOONG MUN KIT**  
*Independent Non-Executive  
Director*

**KANG TEIK YIH**  
*Independent Non-Executive  
Director*

**ONG POH LIN ABDULLAH**  
*Independent Non-Executive  
Director*

### AUDIT COMMITTEE

Kang Teik Yih (Chairman)  
Mejar Dato' Ismail Bin Ahmad  
Ong Poh Lin Abdullah

### NOMINATING COMMITTEE

Mejar Dato' Ismail Bin Ahmad (Chairman)  
Choong Mun Kit  
Ong Poh Lin Abdullah

### REMUNERATION COMMITTEE

Choong Mun Kit (Chairman)  
Mejar Dato' Ismail Bin Ahmad  
Ong Poh Lin Abdullah

### RISK MANAGEMENT COMMITTEE

Kang Teik Yih (Chairman)  
Mak Siew Wei  
Dato' Ir. Lim Siang Chai

### COMPANY SECRETARY

Adeline Tang Koon Ling (LS0009611)  
SSM PC No. 202008002271  
Wong Yuet Chyn (MAICSA 7047163)  
SSM PC No. 202008002451

### WEBSITE

[www.aim-net.com.my](http://www.aim-net.com.my)

### REGISTERED OFFICE

1-10, Medan Perniagaan Pauh Jaya  
Jalan Baru  
13700 Perai  
Pulau Pinang  
Tel No. : 04-390 8009  
Fax No. : 04-390 8009  
Email : [infosec@wscs.com.my](mailto:infosec@wscs.com.my)

### HEAD OFFICE

No. 18, Jalan Balam  
51100 Kuala Lumpur  
Tel No. : 03-4043 2699  
Fax No. : 03-4043 2690

### SHARE REGISTRAR

Workshire Share Registration Sdn Bhd  
A3-3-8 Solaris Dutamas  
No. 1, Jalan Dutamas 1  
50480 Kuala Lumpur  
Wilayah Persekutuan  
Tel No. : 03-6413 3271  
Fax No. : 03-6413 3270  
Email: [infosr@wscs.com.my](mailto:infosr@wscs.com.my)

### AUDITORS

Messrs. UHY (AF1411)  
Suite 11.05, Level 11  
The Gardens South Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur  
Wilayah Persekutuan  
Tel No. : 03-2279 3088  
Fax No. : 03-2279 3099

### PRINCIPAL BANKERS

Malayan Banking Berhad  
CIMB Bank Berhad  
RHB Bank Berhad

### STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities  
Berhad  
Stock Name : AIM  
Stock Code : 0122

### INVESTOR RELATIONS

Email : [contact@aim-net.com.my](mailto:contact@aim-net.com.my)  
Tel No. : 03-4043 2699

# COMPANY'S PROFILE



**ADVANCE INFORMATION MARKETING BERHAD ("AIM" OR "THE COMPANY") IS A PUBLIC LIMITED LIABILITY COMPANY INCORPORATED AND BASED IN MALAYSIA THAT HAS BEEN LISTED ON ACE MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") SINCE YEAR 2006.**

AIM is an investment holding company with the subsidiaries (collectively known as "the Group") is a diversified organisation, specialised in Business Process Outsourcing ("BPO") solution as its primary business activity. The Group offers a comprehensive range of loyalty management services, including consultation, technology infrastructure, technical support, procurement and logistics. These services are designed to assist clients in establishing and nurturing long-term relationships with their customers. Additionally, AIM has expanded its portfolio to include pharmacy retail business which was incorporated at the end of the prior year.

## **Business Process Outsourcing**

As a BPO solution provider, we leverage our expertise across various industries. In today's highly competitive business environment, our accumulated knowledge and experience have evolved into invaluable business insights and robust marketing tools for our clients. Our holistic approach enables us to offer strategic direction and consultancy, guiding clients on how to effectively customise, implement and manage BPO programs to achieve their objectives. By outsourcing these functions, our clients can rely on our specialist expertise and remain focused on their core businesses.

On the technology front, we primarily focus on developing enterprise solutions for customers' loyalty marketing and management. Years of dedicated research and development have resulted in our sophisticated enterprise marketing management solution, Advance Information Marketing System ("AIMS"). AIMS is seamlessly integrated into our five service components namely Business Intelligence, Integrated Marketing Services, Contact Centre Management, Procurement & Fulfilment and Technology Infrastructure, equipping our clients with the necessary marketing tools and providing complete information and a better understanding of customer behaviour and responses to implement marketing initiatives.

## **Pharmacy retail business**

As part of our commitment to diversification and strategic growth, AIM Group has successfully ventured into the pharmacy retail sector. Operating under the esteemed brand name "CONSTANT", our pharmacy business was incorporated at the end of the prior year, adding a new dimension to our comprehensive suite of services. Our pharmacy retail business aims to deliver accessible and high-quality healthcare products and services to the communities we serve. By blending pharmaceutical expertise with customer-centric practices, CONSTANT strives to become a trusted healthcare partner for individuals, families and corporate partners.

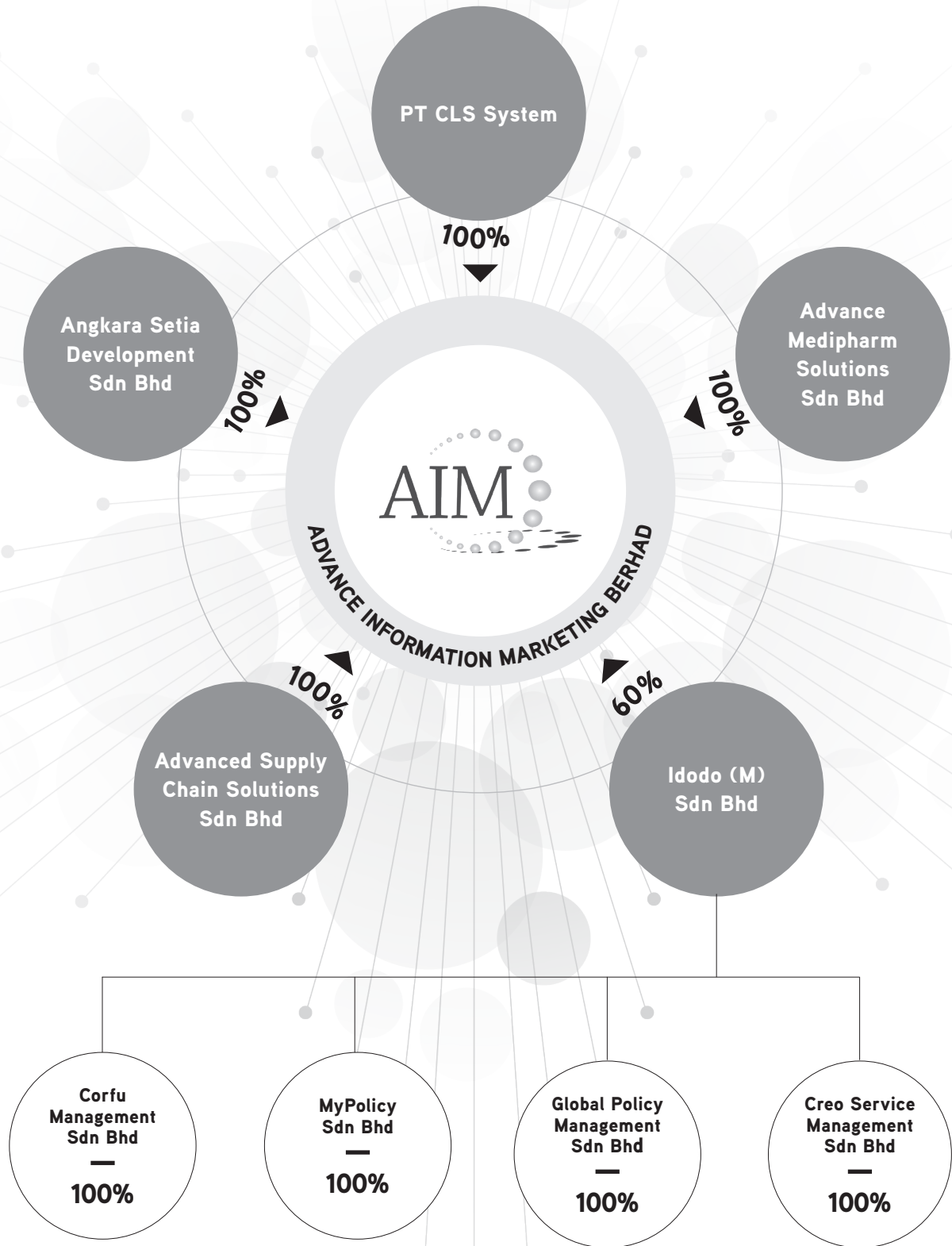
CONSTANT places a strong emphasis on providing personalised and professional healthcare solutions. Our experienced pharmacists and staff are dedicated to offer expert advice, ensuring that customers receive the best possible care. We understand the importance of health and well-being and are committed to contribute positively to the communities where we operate. In addition to traditional pharmacy services, CONSTANT integrates innovative offerings to enhance the customer experience. These includes convenient online prescription refills, health screenings, and wellness programs aimed at promoting a proactive approach to healthcare.

CONSTANT boasts a diverse range of pharmaceutical and wellness products, catering to a wide spectrum of health needs. From prescription medications to over-the-counter remedies and a variety of health and beauty products, our pharmacy is a one-stop destination for all health-related requirements. We carefully curate our product selection to align with the highest standards of quality and efficacy.

## **New business**

On 21 March 2023, the Group had incorporated a new subsidiary, namely Idodo (M) Sdn Bhd ("IDODO") holding 60% interest, to venture into Insurance Agency industry. As of the financial year ended 2023, the company had yet to commence business.

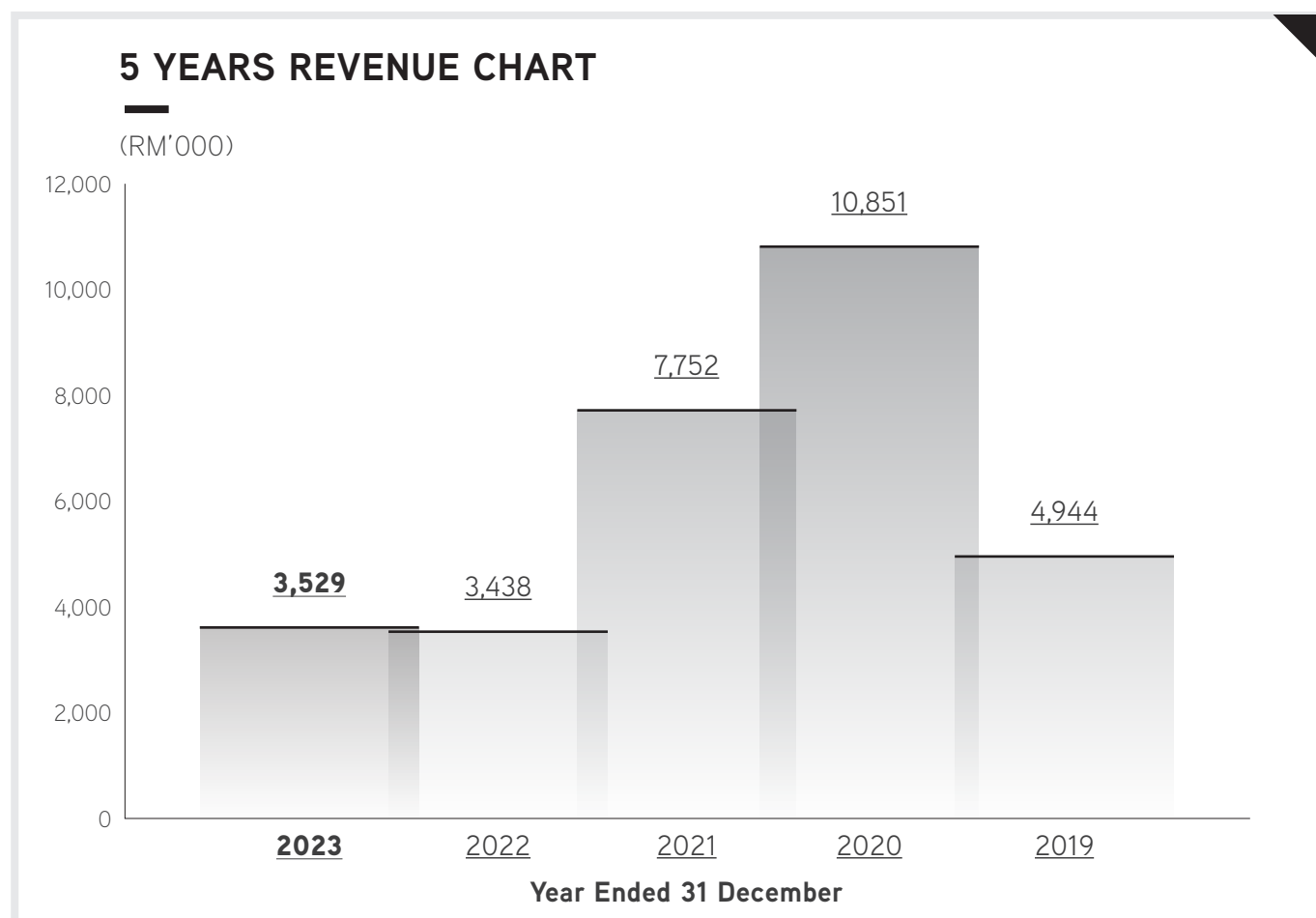
# CORPORATE STRUCTURE



# FIVE YEARS FINANCIAL HIGHLIGHTS

Financial Summary (RM'000)	2023	2022	2021	2020	2019
Revenue	<b>3,529</b>	3,438	7,752	10,851	4,944
Loss Before Tax	<b>(4,747)</b>	(4,434)	(5,187)	(3,821)	(4,098)
Loss Attributable to Shareholders	<b>(4,730)</b>	(4,443)	(5,162)	(3,795)	(4,083)
Paid up Capital	<b>53,511</b>	28,052	28,052	28,052	28,052
Shareholders' Equity	<b>29,864</b>	8,705	12,527	19,567	19,918
Total Assets	<b>40,633</b>	11,396	15,740	22,316	22,508
<b>Per Share</b>					
Loss Per Share (Sen) <sup>(1)</sup>	<b>(4.75)</b>	(5.01)	(5.82)	(4.28)	(4.60)
Net Assets Per Share (Sen) <sup>(1)</sup>	<b>7.65</b>	9.82	14.13	22.06	22.46

<sup>(1)</sup> The Loss Per Share and Net Assets Per Share for FYE 31 December 2019, FYE 31 December 2020, FYE 31 December 2021 and FYE 31 December 2022 have been restated to reflect the retrospective adjustment arising from consolidation of shares which was completed on 20 March 2023.



# DIRECTORS' PROFILE

## DATO' IR. LIM SIANG CHAI

**Non-Independent  
Non-Executive Chairman**

- Member of Risk Management Committee

69 YEARS OF AGE | MALAYSIAN | MALE

**Dato' Ir. Lim** was appointed on 29 May 2015 as an Independent Non-Executive Chairman and was re-designated as an Executive Chairman and Managing Director on 31 July 2015. Subsequently, he was re-designated as a Non-Independent Non-Executive Chairman on 4 October 2017. On 26 March 2021, he has been re-designated as an Executive Chairman of the Company, and subsequently re-designated as an Independent Non-Executive Chairman on 18 October 2021. On 22 July 2022, he was re-designated as a Non-Independent Non-Executive Chairman.

Dato' Ir. Lim is a Chartered Engineer (C. Eng) registered with the Engineering Council, United Kingdom and Professional Engineer (P. Eng) registered with the Board of Engineers, Malaysia. He is a member of the Institution of Engineers Malaysia (MIEM) and Institute of Engineering and Technology of United Kingdom (MIET). Dato' Ir. Lim also holds a Master in Business Administration from Deakin University, Australia. He is an Honorary Fellow of the ASEAN Federation of Engineering Organisation and a member of the Malaysia Institute of Management (MIM). He had also undergone many technical and management training in Japan.

Dato' Ir. Lim had also served the Malaysian Government in various capacities as follows:

2010-2013	Deputy Minister of Finance
2006-2008	Deputy Minister of Tourism
2003-2006	Deputy Minister of Information
1999-2003	Parliamentary Secretary, Ministry of Transport
1995-2008	Member of Parliament (Petaling Jaya South)

Dato' Ir. Lim is actively involved in various non-governmental organisations and has held various key positions such as an Adviser to the Federation of Malaysia Chinese Clans and Guilds Youth Association, Lim Clan Association of Malaysia, Gerakan Belia Bersatu Malaysia, Business and Commerce Association of Petaling District, Association of Hawkers and Small Traders of Petaling Jaya.

Dato' Ir. Lim currently is also the Executive Director of Jiankun International Berhad.

## MAK SIEW WEI

**Executive Director**

- Member of Risk Management Committee

49 YEARS OF AGE | MALAYSIAN | MALE

**Mr Mak** was appointed as an Independent Non-Executive Director on 27 July 2010 and he was re-designated as an Executive Director on 22 September 2010. Subsequently, he was re-designated as a Non-Independent Non-Executive Director on 13 January 2021. He retired upon the conclusion of the 17th Annual General Meeting of the Company on 27 May 2021 and was subsequently re-appointed as an Executive Director of the Company on 8 October 2021.

Mr Mak graduated from University of Nebraska-Lincoln, United States with a Bachelor's Degree in Management Information System. He started his career as a business development manager for Marvic International (NY) Ltd for three years, where he was mainly responsible for expanding the client base of the company.

Mr Mak currently is also the Executive Director of AT Systematization Berhad, Pasukhas Group Berhad, AE Multi Holdings Berhad and Trive Property Group Berhad.



## DIRECTORS' PROFILE

### MEJAR DATO' ISMAIL BIN AHMAD

**Independent**  
**Non-Executive Director**

- Chairman of Nominating Committee
- Member of Audit Committee
- Member of Remuneration Committee

**75 YEARS OF AGE | MALAYSIAN | MALE**

**Mejar Dato' Ismail** was appointed as an Independent Non-Executive Director on 8 October 2021.

Mejar Dato' Ismail had served in the Malaysian Army for 17 years and attended courses both local and overseas.

In 1963, Mejar Dato' Ismail joined Perwira Niaga Malaysia (Pernama), a wholly-owned subsidiary of Lembaga Tabung Angkatan Tentera, a wholesale and international trading company. His last position in Pernama was Deputy General Manager before he left in 1999. He was the Chief Executive Officer of Odasaja Sdn Bhd in its formative years and later became the Group Executive Director of the same. He left Odasaja Sdn Bhd in December 2002. Since then, he has been actively contributing his knowledge and experience to various companies involved in general trading, building and construction including defense and security projects.

Mejar Dato' Ismail currently is also the Non-Independent Non-Executive Director in MLabs Systems Berhad and Independent Non-Executive Chairman in Pasukhas Group Berhad.

### CHOONG MUN KIT

**Independent**  
**Non-Executive Director**

- Chairman of Remuneration Committee
- Member of Nominating Committee

**49 YEARS OF AGE | MALAYSIAN | MALE**

**Mr Choong** was appointed as an Independent Non-Executive Director on 8 October 2021.

Mr Choong is an established Regional Manager in the Asia Pacific region with over 20 years' experience in many multinationals across the Information and Communication Technology (ICT) industry in various regional roles which include business development, branding, operations and financial accounting as well as managing in-country profit and loss and cash flow. He has developed expertise, market knowledge, passion and agility to excel in regional business development role in ASEAN, Japan and Korea region.

Currently, Mr Choong is with AXELOS Global Best Practice UK, as the Regional Brand Manager Asia Pacific overseeing the Asia Pacific region promoting market activities and demand creation on skilling certification products in ITIL4, PRINCE2, PRINCE2Agile, AgileSHIFT, MSP, MoP, MoR, MoV, P30 as part of AXELOS ProPath learning journey; AXELOS Academia/University/Microcredential market segment on upskilling/reskilling of young professionals; as well as AXELOS Consulting Partner (ACP) and P3M3/ITIL Maturity Model Assessment Consultancy Tool.

Mr Choong does not hold directorship in any other public companies and listed issuers.



## DIRECTORS' PROFILE

**KANG TEIK YIH****Independent****Non-Executive Director**

- Chairman of Audit Committee
- Chairman of Risk Management Committee

**49 YEARS OF AGE | MALAYSIAN | MALE**

**Mr Kang** was appointed as an Independent Non-Executive Director on 8 October 2021.

Mr Kang pursued his education at Royal Melbourne Institute of Technology in Australia and graduated with a degree from Royal Melbourne Institute of Technology, Melbourne, Australia majoring in Accountancy. He is a qualified professional Chartered Accountant, who is a member of both the Malaysian Institute of Accountants (MIA) as well as CPA Australia.

Mr Kang has more than 20 years of rich and varied experiences in Accounting, Auditing, Taxation, Company Secretarial, Financial Budgeting as well as Management Consulting across different industries and disciplines. He has assisted in the merger and acquisition process of a multi-million corporation and helped his clients on tax savings and business growth. Currently he is the founding Managing Partner of his management consulting, accounting and company secretarial practice. In addition, he maintains his active participation in his other business endeavours such as outsourcing consultant and a franchised restaurant.

Mr Kang currently is also the Independent Non-Executive Director of Trive Property Group Berhad, Green Ocean Corporation Berhad and D'nonce Technology Bhd.

**ONG POH LIN ABDULLAH****Independent****Non-Executive Director**

- Member of Audit Committee
- Member of Nominating Committee
- Member of Remuneration Committee

**37 YEARS OF AGE | MALAYSIAN | FEMALE**

**Madam Ong** was appointed as an Independent Non-Executive Director on 17 October 2022.

Madam Ong graduated from Universiti Tunku Abdul Rahman ("UTAR") in 2011 with a Bachelor Degree of Engineering (Hons) Biomedical.

Madam Ong started her career working in UTAR as research assistant in 2011. Subsequently, she joined IBG Manufacturing Sdn Bhd as Laboratory Consultant in 2014 and left in 2016. Currently, she is a Senior Admin Manager in Seakyin Holdings (M) Sdn Bhd, who responsible in managing and administrating the processing of invoices, organising and updating internal records accurately and timely as well as training and monitoring new teammates.

Madam Ong currently is also the Independent Non-Executive Director of AE Multi Holdings Berhad, Saudee Group Berhad, AT Systematization Berhad and D'nonce Technology Bhd.

**Notes:**

- 1) None of the Directors has any family relationship with any director and/or major shareholder of the Company.
- 2) None of the Directors has any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
- 3) None of the Directors has been convicted of any offence (other than traffic offences) within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2023.

# PROFILE OF KEY SENIOR MANGEMENT

## YEOH SIOK CHEN

63 YEARS OF AGE | MALAYSIAN | MALE

### Chief Executive Officer

Mr Yeoh was appointed as the Chief Executive Officer of the Group on 1 March 2020.

Mr Yeoh graduated from the University Malaya with a Bachelor Degree in Arts (Economics) in 1985 and he is a member of Malaysian Institute of Accountants (MIA). He has a career spanning over more than 30 years with diversified range of experiences covering consultancy, infrastructure, transportation, oil and gas, forest plantation, manufacturing, innovative technologies and mixed property development.

Mr Yeoh does not have any interest in the securities of the Company and the Group.

## SEE HUI FANG

30 YEARS OF AGE | MALAYSIAN | FEMALE

### Financial Controller

Ms See joined the Company in August 2021 as the Finance Manager and was promoted to Financial Controller in January 2023.

Ms See pursued her education in University Tunku Abdul Rahman (UTAR) and graduated a degree in Bachelor of Commerce (Hons) Accounting. She is also a member of Malaysian Institute of Accountants (MIA) and Malaysian Institute of Certified Public Accountants (MICPA).

She started her career as an external auditor in Deloitte PLT in August 2016 and has experience in various industries such as construction and property development, trading and distributions, manufacturing, pail oil industry, etc. During her service in Deloitte PLT, she was also involved in clients' Initial Public Offering (IPO) exercises.

## IVAN YAP

36 YEARS OF AGE | INDONESIA | MALE

### Director of PT CLS System

Mr Ivan was appointed as General Manager of PT CLS System, a wholly-owned Indonesian subsidiary of the Company on 6 July 2022 and subsequently appointed as a Director of PT CLS System on 1 July 2023.

Mr Ivan holds double major in Bachelor of Information Technology, majoring in Computer Science & Software Development and Multimedia Technology from Deakin University, Melbourne.

After graduated, Ivan stayed in Australia and began his first career as Bureau Operator in LitSupport, Melbourne. Subsequently, he joined Nestle Peter's Ice Cream Melbourne as National Order Management Specialist. Before joining PT CLS System, he was the Senior Representative of Australia Market Development of Borden Company Singapore. He has experience in business operations in Information Technology and Services Industry.

## ANTHONIUS

48 YEARS OF AGE | INDONESIA | MALE

### IT Manager

Mr Anthonius was appointed as IT Manager of the Company since 2011.

He holds Bachelor Degree in Electronic Engineering at Atma Jaya University Jakarta. He has work experience for more than 20 years in IT field and has been working at AIM for 20 years. He began his career as programmer in one of the credit card terminal provider at Jakarta and was then recruited by the Company's subsidiary to work as system specialist which provides services in system infrastructure, system analyst and system optimisation.

#### Notes:

- 1) None of the Key Senior Management has any directorship in public companies and listed issuers.
- 2) None of the Key Senior Management has any family relationship with any director and/or major shareholder of the Company.
- 3) None of the Key Senior Management has any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.
- 4) None of the Key Senior Management has been convicted of any offence (other than traffic offences) within the past five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2023.

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS AND OPERATIONS REVIEW

**FOR THE FINANCIAL YEAR UNDER REVIEW, THE COMPANY AND ITS SUBSIDIARIES (“THE GROUP”) CONTINUED ITS EXISTING BUSINESS OF MANAGED CUSTOMER LOYALTY SERVICES (“MCLS”) AND NEW PHARMACY RETAIL BUSINESS.**

The MCLS sector remained competitive and the Group continued to improve its service delivery of digitalisation for its clients. New system processes were introduced and enhanced to provide our clients a better customer journey with the advent of technology and new web applications.

In Indonesia, the increasing competitiveness of the business required the Group to adopt a more aggressive approach. The realignment of business strategies required the restructuring of the business model with the new management team.

Overall, the above strategies had secured a better footing as the Group prepares to achieve better results for the ensuing year under review. The Indonesian operations continue to be the major contributor of the Group’s business whilst efforts are underway to reduce reliance on the Indonesian subsidiary’s contribution with the Group’s participation in the pharmaceutical retail business.

## FINANCIAL REVIEW

For the Financial Year Ended (“FYE”) 31 December 2023, the Group reported a total revenue of RM3.529 million. This marks a modest 3% improvement compared to the previous year’s revenue of RM3.438 million. Notably, the MCLS sector remained the primary revenue contributor to the Group. The uptick in revenue can be attributed to enhance sales performance within MCLS Malaysia’s subsidiary, driven by increased sales volume from both existing and new customers.

The newly established retail pharmacy business also played a significant role, contributing 19% to the overall group revenue. However, this positive trend was counteracted by a substantial decline in the revenue of the Indonesian subsidiary. The restructuring of the management team led to business disruptions, resulting in a revenue drop in the first half of 2023 compared to 2022. Fortunately, the positive developments in the third quarter can be attributed to the concerted efforts of the new management team, who successfully revitalised confidence among existing customers and attracted new customers, thereby resulting in a noticeable improvement in revenue.

The Group reported a loss before tax of RM4.745 million in FYE 31 December 2023, reflecting an increase of 7% compared to the previous year’s loss before tax of RM4.434 million.

The rise in losses during FYE 31 December 2023 can be primarily attributed to heightened non-operating expenses, largely stemming from the initial operational phase of the newly established retail pharmacy business. Consistent with the typical trajectory of nascent enterprises, the initial operational phase of the newly established retail pharmacy business necessitated the incurrence of significant startup costs. It is inherent in such ventures that a gestation period is required for the business to yield net profits. Despite these challenges, the Group demonstrated resilience by improving gross profit margins in its existing MCLS businesses. Furthermore, the management’s proactive efforts in cost reduction for operating and administrative expenses, without compromising service quality, contributed to mitigating the impact of the new business venture on the overall loss before tax.

The Group’s non-current assets experienced a marginal decrease of approximately RM0.010 million. This decline primarily resulted from fair value loss on the investment in quoted shares by RM0.982 million, partially offset by an increase in property, plant, and equipment. Notably, the Group’s freehold land and building was increased significantly by RM1.205 million, due to the recognition of revaluation surplus arising from the valuation exercise performed by the professional valuers in September 2023.

As at 31 December 2023, the Group’s current assets increased significantly to RM30.409 million as compared to RM1.162 million as of 31 December 2022. This remarkable increase attributed to a rise in short-term investments in money market funds by RM19.788 million and an increase in cash and bank balances by RM9.025 million. These increments were a direct outcome of the proceeds generated from the successful completion of Private Placement and Rights Issue.

# MANAGEMENT DISCUSSION AND ANALYSIS

The Group's non-current liabilities exhibited a slight decrease, declining from RM1.861 million as of 31 December 2022, to RM1.703 million as of 31 December 2023. This reduction was primarily driven by the repayment of loan and lease liabilities during the financial year.

In contrast, the Group's current liabilities recorded an increase of RM8.235 million to RM9.065 million, rising from RM0.831 million as of 31 December 2022. The notable contributor to this surge was the excess subscription of rights issue shares, totaling approximately RM7.703 million. It's important to note that this excess subscription has been fully refunded to the shareholders in January 2024.

## CAPITAL STRUCTURE AND CAPITAL RESOURCES

As an integral component of its comprehensive liquidity management strategy, the Group upholds a prudent level of cash and cash equivalents to meet its capital requirements. As of 31 December 2023, cash and cash equivalents stood at RM9.592 million, a significant increase from RM0.567 million reported as at 31 December 2022. Concurrently, the Group maintained short-term investments with licensed banks, amounting to RM19.816 million, in contrast to the previous year's short-term investments of RM0.028 million.

In adherence to a balanced financial approach, the Group endeavors to align available banking facilities reasonably with its overall debt position. Total borrowings stood at RM2.006 million as of 31 December 2023, whilst RM1.537 million was at the end of 2022, representing an increase of RM0.469 million or by 30% as compared to previous year. This rise can be primarily attributed to the acquisition of a new bank overdraft facility from a licensed bank during the financial year under review.

Maintaining a net cash position as of 31 December 2023, the Group's capital expenditure in FYE 31 December 2023 totaling approximately RM0.013 million.

The Group will continue to source its working capital and capital resources from internally generated funds and proceeds obtained through fundraising initiatives executed by the Company.

## SEGMENTAL REVIEW

The MCLS segment continues to be the cornerstone of the Group's operations, and the ongoing enhancement of margins within this sector serves as a pivotal indicator of business advancement. The Group's strategic focus and endeavors to expand its clientele in this segment, thereby fostering increased profit margins, are imperative to maintaining relevance and sustainability in the evolving market landscape.

In the realm of the pharmacy retail business, the Group relies on the franchisor to propel its pharmacy business forward, leveraging their extensive network. The prevailing market sentiment towards the pharmacy business is generally positive, positioning it favorably for continued growth and success.

## IDENTIFICATION OF RISKS

### Business Risk

The rising costs of the business environment has become more evident coupled by the weakening local currency has both directly and indirectly affected the business.

Thus, MCLS business continues to be competitively challenging, with market players attempting to undercut through lower pricing. The pharmacy retail business growth is dependent on the performance of the franchisor to elevate the industry to a more level platform with existing competitors.

### Operational Risk

The increase in ensuing cost continues to pose a valid concern for the Group's business. The franchisor's group direction of sourcing retail products for the pharmacy retail business at much lower competitive costs is a key factor for our pharmacy retail business.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Competition Risk

The Group's revenue and profitability are subject to the inherent uncertainties associated with fluctuations in the sales volume of MCLS business clients and the prevailing economic conditions impacting the retail pharmacy business. In addition, our market position is continuously challenged by both established and emerging competitors offering similar services and products. While steadfast in our commitment to maintaining competitiveness, it is essential to acknowledge that changes in the competitive environment may significantly affect our business and financial performance.

Despite these challenges, our Group remains unwavering in its pursuit of excellence. We differentiate ourselves by upholding stringent quality assurance procedures to ensure the superior quality of our products and services. Moreover, our proactive approach involves ongoing exploration for new products to diversify our retail offerings and expand our Group customer base. This dynamic strategy aims not only to mitigate competition risks but also to position the Group for sustained growth and resilience in the ever-evolving market landscape.

## Investment Risk

Given the Group's investment in quoted shares, it is exposed to uncertainties arising from fluctuations in both local and global economies, as well as price volatility in its investment portfolio. These external factors, beyond the Group's control, pose potential adverse impacts on its investments. In response to these risks, the Group is dedicated to proactively addressing them through prudent portfolio management and strategic investment planning. This approach reflects the Group's commitment to safeguarding its investment portfolio and navigating the challenges posed by dynamic economic conditions and market fluctuations.

## MOVING FORWARD

The forecast for 2024 is expected to be better than the year before as the Group continues to grow its existing businesses and the growth of the pharmacy business.

The Company's first pharmacy retail outlet chain in Bukit Raja, Klang under the franchisor's brand name "CONSTANT PHARMACY" commenced operation towards the end of the fourth quarter of 2022. The entry of the new business augurs well for the Group, thereby reducing reliance of the Group's existing MCLS business. It is hoped that the new pharmacy retail business contributes positively to the Group's revenue. Growth in the existing business persists albeit at slower pace.

After weathering the adverse implications of 2023, the Indonesian operations under the new team having stabilised shall be poised to achieve positive gains in 2024. This realignment of business strategies for both the Malaysian and Indonesian subsidiaries are believed to be yielding positive results in the year 2024.

The Group shall continue to intensify its search for other new revenue contributor to ensure future sustainability.

## DIVIDEND POLICY

In order to ensure that the Group is able to maintain its momentum of turning around the operating profitability as well as the ability to exploit new business opportunities, we have chosen not to adopt any fixed dividend policy.

The Board did not recommend any dividend payment to the shareholders for FYE 31 December 2023.

# CORPORATE SUSTAINABILITY STATEMENT

**THE BOARD OF DIRECTORS (“THE BOARD”) ACKNOWLEDGES THE IMPORTANCE OF CORPORATE SOCIAL RESPONSIBILITY AND STRIVES TO FULFILL THE EXPECTATION OF ITS STAKEHOLDERS BY ENHANCING ITS SOCIAL, ENVIRONMENTAL AND ECONOMIC PERFORMANCE WHILE ENSURING THE SUSTAINABILITY AND OPERATIONAL SUCCESS OF THE COMPANY AND ITS SUBSIDIARIES (“THE GROUP”).**

## STAKEHOLDERS ENGAGEMENT

Our approach to stakeholder engagement is listed as follows: -

Stakeholder Group	Type of Engagement	Engagement Focus / Objectives
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Annual General Meeting and Extraordinary General Meeting</li> <li>• Announcements to Bursa Malaysia Securities Berhad</li> <li>• Annual report, Circulars and Quarterly reports</li> <li>• Company’s website</li> <li>• Advertisement of notice</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholders’ engagement</li> <li>• Group’s financial performance and overall business prospect</li> </ul>
<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>• Board meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Corporate strategy</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Engagement with sales personnel</li> <li>• Exhibition, events or road show</li> <li>• Quality review</li> <li>• Emails &amp; Feedback</li> <li>• Payment terms and timeline</li> </ul>	<ul style="list-style-type: none"> <li>• Proposals and quotations</li> <li>• Products and service’s quality assurance and deliverability</li> <li>• Customer satisfactions</li> <li>• Customer relations management</li> </ul>
<b>Vendors</b>	<ul style="list-style-type: none"> <li>• Meetings and discussion</li> <li>• Quality review</li> </ul>	<ul style="list-style-type: none"> <li>• Proposals and quotations</li> <li>• Products’ quality</li> <li>• Sound payment practices</li> <li>• Supplier relations management</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Meetings and discussion</li> <li>• Training and development</li> <li>• Annual performance review</li> <li>• Policies and procedures</li> </ul>	<ul style="list-style-type: none"> <li>• Career progression and performance opportunities</li> <li>• Employee development needs</li> <li>• Remuneration and benefits</li> </ul>
<b>Government Regulators</b>	<ul style="list-style-type: none"> <li>• Compliance to law and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Bursa Malaysia Securities Berhad Listing Requirements</li> <li>• Companies’ Act 2016</li> <li>• Labour Law</li> <li>• Taxation</li> <li>• Anti-bribery and corruption</li> <li>• Operational rules and regulations</li> </ul>
<b>Franchisor</b>	<ul style="list-style-type: none"> <li>• Coordination Meetings</li> <li>• Feedbacks</li> </ul>	<ul style="list-style-type: none"> <li>• Business operations and developments</li> <li>• Exchange of promotional ideas</li> </ul>

# CORPORATE SUSTAINABILITY STATEMENT

## KEY SUSTAINABILITY MATTERS

Sustainability is an integral part of our business and the Group's corporate responsibility practices focus on five (5) areas, i.e. Environment, Workplace, Market Place, Employees and Customers, which aim to deliver sustainable value to society at large.

Through our materiality assessment, we have identified the key sustainability matters of the Group and our approach to stakeholder's engagement as outlined below.



## ENVIRONMENT IMPACT

The Group recognises the environmental implications of its day-to-day operations, particularly concerning the corrugated carton paper boxes used in fulfillment services. To address this, the Group remains committed to implementing eco-friendly practices and fostering environmental awareness among its workforce.

### I) Waste management practices

In addition to advocating for a paperless environment and recycling paper, the Group has strategically implemented a waste reduction strategy. This involves reusing and recycling paper boxes from fulfillment services, with the generated funds contributing to staff welfare initiatives. This not only promotes sustainability but also incentivises employees in supporting Group's waste reduction effort.

### II) Energy consumption and efficiency

Mindful of its energy consumption, the Group actively minimised electricity usage by ensuring all electrical equipment is switched off during breaks and after working hours.

### III) Green procurement

In line with sustainable practices, the Group has adopted a green procurement by sourcing environmentally friendly products such as non-toxic cleaning supplies.



# CORPORATE SUSTAINABILITY STATEMENT



## ECONOMIC

### I) Workplace

The Group believes that employees are key resources that drive long-term and sustainable organisation success. As such, the Group continuously strives to create a safe, pleasant and conducive working environment for its employees.

#### Increase job security

Effort to enhance job security continues with a focus on creating a safe and pleasant working environment. A stable workplace environment alleviates financial stress, promotes job satisfaction and contributes to the Group's long-term success.

#### Diversity and improved earning potential

Valuing diversity, the Group fosters an inclusive workplace, providing equal opportunities and promoting diversity. This commitment enhances workforce's skills, leading to increase earning potential and overall job satisfaction.

#### Access to training and development opportunities

To optimise employee talents, various trainings programs, including on-job training, online training, webinar and seminars, are continuously provided, enhancing employees' knowledges, skills, job performance.

#### Better work-life balance

Prioritising a pleasant working environment, the Group actively supports employees in achieving a better work-life balance, positively impacting their health and well-being, reduce stress and boosting job satisfaction.

#### Reduced healthcare costs

Encouraging employees to purchase pharmaceutical and healthcare products from our own pharmacy outlet at special staff price resulted the reduce of healthcare costs, promoting employee health and the Group's economic well-being.

### II) Market place

The Group is committed to ensure that the interests of all its important stakeholders, i.e. shareholders, analysts, bankers, customers, suppliers, authority bodies and public are well taken care of. The Group emphasises good corporate governance practices, transparency and accountability to meet its stakeholders' expectations.

#### Positive impact on the reputation and brand image

Emphasising good corporate governance practices, transparency, and accountability has positively influenced the Group's reputation and brand image. This commitment has increased trust, loyalty and revenue, contributing to a positive economic impact in both Malaysia and Indonesia.

#### Compliance with regulations

Adhering to regulations has not only enhanced the Group's reputation but also prevented costly fines and legal battles, ensuring a stable economic environment in the marketplace.

#### Pest Control

In line with our commitment to maintain a secure and hygienic working environment, safeguarding the stored inventories of our fulfillment clients, and instilling confidence in customers visiting our retail pharmacy outlets, the Group conducts regular and systematic pest control measures. These proactive efforts are aimed at preventing the presence of pests, ensuring the integrity of stored goods, and enhancing the overall cleanliness and safety standards across our operational spaces.

CORPORATE SUSTAINABILITY  
STATEMENT**SOCIAL****I) Our Employees**

The Group continuously strives to provide a healthy and safe working environment for our employees. To enhance the employees' quality of life, the Group is committed in providing opportunities for the employees to stay healthy as we believe that contented and engaged employees will be in a better position to offer exceptional performance to the Group.

Improved physical health and well-being

Creating a healthy and safe working environment has positive impacts on employees' physical health. New health and wellness programs, including health screenings and blood tests, contribute to a more productive and engaged workforce.

Enhanced mental health and well-being

The Group actively supports employees' mental health through counseling and mindfulness practices, promoting a work-life balance and creating a supportive work culture.

Preventing sexual harassment

The Group recognises the importance of fostering a safe and respectful workplace. We are dedicated to maintaining an inclusive and respectful workplace where all employees feel secure and protected. Any complaints or concerns related to harassment are thoroughly investigated, and appropriate actions are taken to ensure a healthy working environment for everyone.

**II) Customers**

The Group places a high value on maintaining positive relationships with its customers. To achieve this, the management team meet up with clients regularly to understand their needs and requirements, gather feedback on the services provided and identify new potential business opportunities.

Fostering trust and loyalty

Maintaining positive relationships with customers through regular meetings and tailored services has built trust and loyalty, resulting in long-term partnerships and positive word-of-mouth recommendations.

Responding to feedback and complaints

The Group's commitment to responding promptly to customer feedback has improved its reputation, increased client satisfaction, and potentially opened up new business opportunities and referrals.

The Group shall continue to focus its corporate responsibility on enhancing community sustainability.

This Statement was approved by the Board on 18 April 2024.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

**THE BOARD OF DIRECTORS (“THE BOARD”) OF ADVANCE INFORMATION MARKETING BERHAD (“AIM” OR “THE COMPANY”) AND ITS SUBSIDIARIES (“THE GROUP”) REMAIN STEADFAST IN THEIR COMMITMENT TO UPHOLDING ELEVATED STANDARDS OF CORPORATE GOVERNANCE. THIS COMMITMENT UNDERSCORES THE FUNDAMENTAL ROLE OF CORPORATE GOVERNANCE IN FULFILLING THE BOARD’S DUTIES, WITH THE OVERARCHING GOAL OF ACHIEVING SUSTAINABLE LONG-TERM SHAREHOLDER VALUE AND SAFEGUARDING SHAREHOLDERS’ INTERESTS, ALL WHILE DULY CONSIDERING THE CONCERNS OF OTHER STAKEHOLDERS.**

This Corporate Governance Overview Statement (“CG Overview Statement”) offers a summary of the Company’s adherence to the governance standards outlined in the ACE Market Listing Requirements (“ACE LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). It also outlines the Company’s commitment to implementing the Principles and recommended best practices outlined in the latest Malaysian Code on Corporate Governance 2021 (“MCCG”) during the FYE 31 December 2023.

Prepared in accordance with Rule 15.25(1) of the ACE LR of Bursa Securities, this CG Overview Statement should be perused alongside the Corporate Governance Report (“CG Report”) 2023. The CG Report details the specific application of each practice outlined in the MCCG by the Group during the FYE 31 December 2023. This report is accessible to the public, along with the current Annual Report, on the Bursa Securities’ website and the Company’s website at <http://www.aim-net.com.my>.

The Board holds the view that, in all material aspects, the Group has adhered to the Principles and embraced the recommended best practices as outlined in the MCCG for the FYE 31 December 2023. Detailed explanations for any deviations from these practices are expounded upon in the CG Report 2023.

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## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

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### Board Responsibilities

The Board’s roles and responsibilities are clearly articulated in the Board Charter, subject to periodic reviews and accessible on the Company’s website.

Clear segregation of roles and responsibilities exists between Independent Non-Executive Directors and the Executive Director (“ED”). Independent Non-Executive Directors maintain independence from the ED, management, and major shareholders, ensuring unbiased judgement. This segregation establishes a robust check-and-balance mechanism within the Board’s deliberations.

The ED holds responsibility for the overall performance, operations, and corporate affairs of the Group. Senior management supports the ED in aligning business activities with Board directives.

Independent Non-Executive Directors contribute impartial perspectives and advice, leveraging their knowledge and experience in policy formulation and decision-making. While all Directors share equal responsibility, Independent Non-Executive Directors play a vital role in scrutinising strategies proposed by the ED, ensuring considerations for the interests of shareholders, employees, customers, suppliers, and the community.

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## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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The Board collectively establishes the Group's goals, strategic directions and oversees Management's performance against set targets. Effective leadership is maintained through the fulfilment of principal duties outlined in the MCCG and the Board Charter, available on the Company's website.

Delegating specific responsibilities to Board Committees—Audit, Nominating, Remuneration, and Risk Management—allows for focused attention on key areas. Each Committee operates within approved terms of reference, and the respective Committee Chairman reports deliberations and recommendations to the Board.

In executing its fiduciary duties, the Board reviews various aspects of Group operations, including:

- Review and approval of strategic business plans
- Oversight of business operations and Group performance
- Assessment of Board, Board Committee and individual Director effectiveness
- Maintaining transparent communication with stakeholders, shareholders and the public

As of the FYE 31 December 2023, the Group has not formalised a sustainability framework. The primary focus during this period was on addressing key priorities. This encompassed managing the operational cash flow of the business, overseeing the newly established pharmacy retail business, and executing corporate initiatives to secure additional funds for both existing and new ventures.

### **Separation of Functions between Chairman and Chief Executive Officer (“CEO”)**

The roles of Chairman and CEO are distinct and held by separate individuals, each with clearly defined responsibilities to provide effective leadership to the Board and the Group. The Board emphasises the importance of maintaining a clear division of responsibilities, as outlined in the Board Charter, to ensure a balanced distribution of power and authority, preventing any single individual from having unrestricted decision-making power.

Dato' Ir. Lim Siang Chai, as Chairman, is tasked with steering the Group towards its strategic vision and leading the Board in collectively overseeing Management. On the other hand, Mr Yeoh Siok Chen, the Group's CEO, focuses on the day-to-day management of the business and executing decisions made by the Board. The CEO regularly updates the Board on business performance, operations, and Management initiatives during quarterly meetings.

The Chairman facilitates unrestricted and timely access to relevant information for all Directors, fostering an environment that encourages active participation and discussion during Board meetings. This approach aims to harness the collective wisdom of the Board members and promote consensus-building.

### **Code of Ethics and Conduct**

The Board has formalised and integrated its Code of Ethics and Conduct (“CEC”) within the Board Charter of the Company. This comprehensive framework offers guidance on ethical considerations and behavioral standards for the Board, Management, and all employees within the Group. Additionally, the Board has instituted and put into practice the Anti-Corruption and Bribery Policy, along with the Whistleblowing Policy and Procedures, both of which have been endorsed by the Group.

The combined implementation of the CEC, Anti-Corruption and Bribery Policy, and Whistleblowing Policy and Procedures serves to instill and communicate the Group's fundamental values and standards across the organisation and to stakeholders. These documents undergo periodic reviews to ensure they remain pertinent and effective. The CEC and the aforementioned policies are readily accessible on the Company's website.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Company Secretary

The Company Secretaries possessing suitable qualifications, experience, and competence and are qualified to act as Company Secretaries under the Companies Act 2016. They play a supportive role by ensuring adherence to the Company's Constitution and compliance with the relevant regulatory requirements, codes or guidance and legislations from time to time. The Company Secretaries will continuously monitor corporate governance developments and regularly update and advise the Board on latest requirements in relation to their duties and responsibilities, to ensure the Board's application of the governance practices to meet the Board's needs and stakeholders' expectations.

### Board Composition

The Board is comprised of professionals and entrepreneurs with diverse industry-specific knowledge and experience. Presently, the Board consists of six (6) members, detailed as follows:-

Name	Directorship
<b>Dato' Ir. Lim Siang Chai</b>	Non-Independent Non-Executive Chairman
<b>Mak Siew Wei</b>	Executive Director
<b>Mejar Dato' Ismail Bin Ahmad</b>	Independent Non-Executive Director
<b>Kang Teik Yih</b>	Independent Non-Executive Director
<b>Choong Mun Kit</b>	Independent Non-Executive Director
<b>Ong Poh Lin Abdullah</b>	Independent Non-Executive Director

This composition aligns with Rule 15.02(1)(a) of the ACE LR of Bursa Securities, which mandates at least one-third (1/3) of the Board to be independent members. Furthermore, the Company adheres to the Practice 5.2 of the MCCG by having at least half of the Board members comprise of independent directors.

The Board conducts discussions on all matters related to the Group without imposing restrictions or limitations on any Director. In instances where discussions involve the interests of a particular Director, they are required to declare their interest and abstain from participating in the deliberations and decision-making process.

The current independent structure of the Board ensures a balanced decision-making process without the dominance of any individual or group. The Board remains committed to monitoring and reviewing its size and composition as necessary.

### Board Diversity

The Board believes that the current composition, with its diverse background and specialisations, provides the necessary mix of skills and experience to fulfil the Board's duties effectively. The diverse ensures a range of viewpoints, fostering optimal decision making and governance. Directors collectively contribute diverse commercial, regulatory, industry and financial experience, enhancing the overall value of the Board. In compliance with Rule 15.02(1)(b) of the ACE LR of Bursa Securities, the Board has appointed a female director, aligning with the implementation date set by Bursa Securities. Furthermore, during the financial year, the Board formalised a Gender Diversity Policy, accessible on the company's website.

As per the Board Charter, an independent director with a cumulative tenure exceeding nine (9) years may continue service upon re-designation as a Non-Independent Director. If the Board wishes to retain such a director as Independent, justification is required, and annual shareholders' approval must be sought at the Annual General Meeting ("AGM"). As of this CG Overview Statement, none of the Independent Directors has served the Company for a cumulative term exceeding nine (9) years, aligning with the MCCG's recommendation on Independent Director tenure.

Independent Directors do not engage in the day-to-day management or daily business operations, providing unbiased, independent perspectives. Their presence is deemed crucial by the Board to offer constructive challenges, contribute to strategy development, scrutinise management performance against approved objectives, and monitor the Group's risk profile.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Appointment and Re-election of Board Members

The Nominating Committee (“NC”), guided by the Directors’ Fit and Proper Policy, holds the responsibility of recommending and assessing the suitability of potential Board member candidates. The appointment procedures are transparent and merit-based. While recommendations from existing Board members, Management, or major shareholders are considered, the NC does not solely rely on them. The Board retains the authority to make the final decision on the appointment of a candidate recommended by the NC.

In identifying suitable candidates, the NC ensures a comprehensive review or search, potentially involving independent third parties, to facilitate informed decision-making. Independent sources are considered when necessary to identify qualified candidates.

Concerning the re-election of Board members, in adherence to the Company’s Constitution, Directors appointed during the financial year hold office until the subsequent AGM following their appointment and are eligible for re-election. The Constitution specifies that one-third of the Directors, or the nearest number to one-third if their total is not divisible by three, retire by rotation at each AGM and are eligible for re-election. This ensures that each Director retires from office at least once every three (3) years.

### Board Meetings

The Board convenes at least quarterly to comprehensively review various aspects, including:

- i) relevant operational reports from management;
- ii) reports on the financial performance;
- iii) reports from the various Board Committees;
- iv) quarterly financial statements for announcement to the authority;
- v) updates on relevant corporate exercises; and
- vi) discussion of other significant matters and potential opportunities for the Group.

Special Board meetings may be convened when urgent direction or decisions are required between regular meetings. Additionally, the Board may pass board resolutions on various matters in between meetings through written resolutions.

For the FYE 31 December 2023, the Board held five (5) meetings. The attendance record of each Director at these Board meetings during their tenure of office is as follows:

<b>Name and Designation of Director</b>	<b>Total No. of Meetings attended during tenure of office</b>
<b>Dato’ Ir. Lim Siang Chai</b> Non-Independent Non-Executive Chairman	5/5
<b>Mak Siew Wei</b> Executive Director	5/5
<b>Mejar Dato’ Ismail Bin Ahmad</b> Independent Non-Executive Director	5/5
<b>Choong Mun Kit</b> Independent Non-Executive Director	5/5
<b>Kang Teik Yih</b> Independent Non-Executive Director	5/5
<b>Ong Poh Lin Abdullah</b> Independent Non-Executive Director	5/5

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

All Directors have met the minimum 50% attendance requirement at Board meetings, as stipulated by the ACE LR of Bursa Securities, during the financial year under review. The attendance record reflects the commitment, resources, and time allocated by the Directors to the Company. The Board expresses satisfaction with the level of dedication demonstrated by each Director in fulfilling their duties and responsibilities.

To ensure the commitment of Directors to allocate sufficient time for their responsibilities, they are obligated to inform the Chairman before accepting any new directorship in another public listed company. The Chairman is also required to notify the Board of any new directorship or significant commitments outside the Group. Presently, all Directors of the Company hold not more than five (5) directorships in public listed companies, adhering to Rule 15.06 of the ACE LR of Bursa Securities.

### Access to Information and Independent Advice

Management and the Company Secretaries ensure that Directors receive comprehensive and timely information before Board and Board Committee meetings. Notice of each meeting, along with relevant Board papers, is sent to each Director at least seven (7) days prior to the meeting. This approach allows Directors to seek clarification or additional explanations from Management and the Company Secretaries in advance. During the meetings, the CEO and other key senior management personnel are also invited to provide supplementary information and explanations.

As part of the integrated risk management initiatives, the Board is apprised of decisions and key issues discussed by Board Committees through the minutes of the respective committees. After Board and Board Committee meetings, draft minutes are circulated to the Board and respective committees for comments/confirmation, ensuring accurate recording of deliberations and decisions.

The Board enjoys unrestricted access to the advice of the Company Secretaries and senior management, as well as all relevant information within the Company, facilitating the discharge of their duties and responsibilities. Information and reports on financial, regulatory, and audit matters are provided to the Board through Board papers in a timely manner to enable informed decision-making.

Moreover, the Board, either collectively or individually, may seek independent professional advice and information at the Company's expense, if deemed necessary, to enhance their understanding and fulfill their duties effectively.

### Director's Training

The Board of AIM acknowledged that new directors must attend the Mandatory Accreditation Program ("MAP") as prescribed by Bursa Securities. Subsequently, Directors are encouraged to participate in continuous training to keep themselves abreast of the latest development and knowledge in line with the changing business environment and enhance their business acumen and professionalism in discharging their duties as Directors of the Company.

Details of seminars/conferences/training programmes attended by the Board members during FYE 31 December 2023 are as listed below:

Name of Directors	Seminars/Conferences/Training Programmes Attended	Date
Dato' Ir. Lim Siang Chai	Proven Tactics to Profitably and Success in Your Business in Any Economy	17 May 2023
Mak Siew Wei	<ul style="list-style-type: none"><li>• AMLA, Understand Anti-Bribery and Corruption Digital Economy and Capital Market Series: Financial Technology (Fintech) and Big Data</li></ul>	26 January 2023 30 June 2023
Mejar Dato' Ismail Bin Ahmad	<ul style="list-style-type: none"><li>• 5G Introduction for Management</li><li>• MACC ACT 2009 &amp; ESC</li></ul>	19 June 2023 13 October 2023



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Name of Directors	Seminars/Conferences/Training Programmes Attended	Date
<b>Kang Teik Yih</b>	• Voluntary Winding-up Procedures and Preparation of Solvency	10 April 2023
	• Comprehensive tax computation for Companies	13 April 2023
	• Building Value with ESG: The Important Role of Accountants	17 May 2023
	• Managing The Bottom Line: Taking the Pain Out of Expense Management	15 June 2023
	• Expense Management - Managing the bottom line	15 June 2023
	• An overview of the game changing of ChatGPT	19 June 2023
	• Real Property Company Taxation Paragraph 34 & 34A	20 June 2023
	• Director Board Readiness - building your online presence	21 June 2023
	• Managing Cyber Risk Program	25 October 2023
	• Latest Development on Public Rulings	29 November 2023
	• Bursa Malaysia – Mandatory Accreditation Program Part 2 – Leading For Impact	12 December 2023
<b>Choong Mun Kit</b>	• Crafting Successful Digital Transformation With ITIL Leader: Digital And IT Strategy	16 March 2023
<b>Ong Poh Lin Abdullah</b>	• The Audit Committee – How to Navigate Financial Reporting Oversight Amidst Potential Landmines of Misreporting?	12 September 2023
	• AML / CFT Typologies And Risk Technical Knowledge	29 September 2023
	• Driving Growth and Value Creation through Effective ESG Strategies	30 November 2023
	• Bursa Malaysia - Mandatory Accreditation Program Part 2 - Leading for Impact	6 - 7 December 2023

All Directors had completed the Mandatory Accreditation Program I as required by Bursa Securities. Additionally, Directors commit to participating in other pertinent education and/or training programs to stay informed about the latest developments and acquire knowledge continuously, aligning with the ACE LR of Bursa Securities.

The Board receives regular updates and guidance from External Auditors, Internal Auditors and Company Secretaries, and independent professionals concerning changes in statutory and regulatory requirements, as well as governance matters. This ensures that Directors are well-equipped to fulfill their responsibilities effectively. The Company Secretaries keep the Board informed about trainings or seminar invitations from entities such as Bursa Securities, Securities Commission Malaysia and other relevant regulatory bodies. Overall, the Board proactively seeks advice and engage with professional experts to enhance their expertise and understanding in specific area.

### Board Committees

The Board has instituted four (4) Board Committees, each entrusted with specific responsibilities outlined below, along with the authority to investigate particular issues and function within their approved Terms of Reference (“TOR”). These Committees are mandated to report their proceedings, deliberations, and recommendations to the Board, contributing to the Board’s effective discharge of its relevant functions. It is crucial to note that the ultimate responsibility for decision-making rests with the Board. The roles and responsibilities of the Board Committees are comprehensively detailed in their respective TOR, which is accessible on the Company’s website.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board Committees for the FYE 31 December 2023 includes:-

(a) Audit Committee (“AC”)

The AC comprises three (3) members, all of whom are Independent Non-Executive Directors.

The composition, attendance for meetings and summary of work of activities of the AC are set out in the AC Report on pages 30 to 34 of this Annual Report.

(b) Risk Management Committee (“RMC”)

The RMC plays a pivotal role in identifying, evaluating, and monitoring significant risks faced by the Group. Meeting as necessary, the RMC is mandated to report its proceedings, deliberations, and recommendations directly to the AC.

As of the date of this CG Overview Statement, the composition of the RMC is as follows:

<b>Designation</b>	<b>Name</b>	<b>Directorship</b>
Chairman	Kang Teik Yih	Independent Non-Executive Director
Member	Dato’ Ir. Lim Siang Chai	Non-Independent Non-Executive Chairman
Member	Mak Siew Wei	Executive Director

(c) Nominating Committee (“NC”)

The NC, comprising three (3) Independent Non-Executive Directors, holds the responsibility of ensuring the Board’s appropriate balance in composition, size and the necessary skills, experience and core competencies.

The NC is entrusted with various responsibilities, including assessing the Board and/or Board Committees’ composition, proposing new candidates to the Board, evaluating existing Directors regularly, and recommending the re-election of Directors due for retirement.

As of the date of this CG Overview Statement, the NC members are as follows:

<b>Designation</b>	<b>Name</b>	<b>Directorship</b>
Chairman	Mejar Dato’ Ismail Bin Ahmad	Independent Non-Executive Director
Member	Choong Mun Kit	Independent Non-Executive Director
Member	Ong Poh Lin Abdullah	Independent Non-Executive Director

The NC convenes as necessary, and during the FYE 31 December 2023, it held one meeting attended by all its members.

The committee leads the nomination process for new Board members and key senior management, making recommendations to the Board for their appointment. In this process, the NC considers recommendations from various sources, including existing Board members, Management, major shareholders, and independent third parties. The criteria for assessing candidates include core competencies, time commitment, potential contribution, past performance history, understanding of the business, market, and industry, as well as knowledge in accounting, finance, and legal matters.

Additionally, the NC oversees the performance evaluation of the Board, Board Committees, and individual Directors, ensuring a mix of skills with different professional backgrounds, knowledge, financial and business expertise, experiences, and qualifications.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Based on the above, the NC was satisfied with the performance and the results of the assessments of the Board as a whole, the Board Committees and each individual Directors. Premised on the aforesaid, the Board is of the view that the Board currently reflects a good mix of skills with different professional backgrounds, knowledge, financial and business expertise, experiences and qualifications to enable the Board to provide clear and effective leadership to the Group.

Key activities of the NC during the financial year under review include:

- (a) Reviewing and confirming the minutes of the NC meeting;
- (b) Assessing the composition, size and skills of the Board
- (c) Evaluating the effectiveness of the Board and respective Board Committees;
- (d) Assessing the contribution and performance of each Director;
- (e) Reviewing the independence of the Independent Directors;
- (f) Evaluating the performance of the ARMC and its members
- (g) Recommending the re-election of the eligible Directors and the appointment of new Directors;
- (h) Recommending the re-designation of Directors and changes in the composition of Board Committees following Director changes.

All NC recommendations are subject to Board approval.

(d) Remuneration Committee (“RC”)

The Board has established an RC, consisting of three (3) Independent Non-Executive Directors, to assist in determining and conducting annual reviews, with subsequent recommendations to the Board regarding the comprehensive remuneration packages for all Directors and the key senior management team. The objective is to ensure that the remuneration aligns with corporate objectives, enhances shareholder value, and is in harmony with the Company’s culture and strategy, aiming to attract, retain, and motivate Directors and key senior management.

As of the date of this CG Overview Statement, the RC members are as follows:

<b>Designation</b>	<b>Name</b>	<b>Directorship</b>
Chairman	Choong Mun Kit	Independent Non-Executive Director
Member	Mejar Dato’ Ismail Bin Ahmad	Independent Non-Executive Director
Member	Ong Poh Lin Abdullah	Independent Non-Executive Director

The RC meets as required, and during the FYE 31 December 2023, it convened once with full attendance.

The RC is empowered by the Board to establish a formal and transparent procedure for developing policies on executive remuneration and fixing remuneration packages for individual Directors. The policy considers skills, performance, and experience for Executive Directors, while knowledge and responsibility levels guide the remuneration for Non-Executive Directors. Additionally, comparisons with remuneration in similar-sized businesses are considered. Directors abstain from discussions on their own remuneration.

The top five (5) senior management members’ remuneration is disclosed in bands of RM50,000 without specific names, emphasising that remuneration aligns with the Company’s performance and aims to attract, retain, and motivate competent senior management.

Directors’ Fees and Directors’ Benefits reviewed by the RC and require approval by the Board and shareholders at AGM. The Board collectively proposes Non-Executive Directors’ remuneration.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The review activities undertaken by the RC during the financial year include:

- (a) Payment of Directors' Fees to Non-Executive Directors;
- (b) Payment of Directors' Benefits to Executive and Non-Executive Directors;
- (c) Remuneration package of the Executive Chairman and ED of the Company; and
- (d) Remuneration package of the CEO.

All RC recommendations are subject to Board approval.

### Details of Remuneration of Directors and Top Five (5) Senior Management

(a) Directors' Remuneration

The Company will present Directors' fee and benefits for shareholders' approval at the upcoming 20<sup>th</sup> AGM. This approval will cover the period from the 20<sup>th</sup> AGM until the next AGM in 2025. The intention is to facilitate the monthly payment of Directors' fees and benefits or as and when incurred, applying to the subsequent financial year thereon.

Details of the remuneration of the respective Directors who served the Company during the FYE 31 December 2023 are as disclosed in Practice 8.1 of the CG Report.

(b) Top Five (5) Senior Management's Remuneration

The determination of remuneration packages for the Group's senior management takes into account factors such as individual responsibilities, skills, expertise, and contributions to the Group's performance. The aim is to ensure that the remuneration packages are competitive, fostering the attraction and retention of executive talents vital for the Group's success.

Due to the confidential and commercially sensitive nature of remuneration matters and the competitive human resource landscape, and recognising the significance of maintaining stability and continuity in the Group's operations with a capable and experienced Management team, the Board believes that disclosing the top five (5) senior management's remuneration on a named basis, as recommended in Practice 8.2 of the MCGG, is not in the best interest of the Company.

Nevertheless, for the FYE 31 December 2023, the remuneration paid to the top five (5) senior management (excluding the Executive Director) categorised in bands of RM50,000 is as follows:

Remuneration Bands	Number of Senior Management
RM50,000 to RM100,000	1
RM100,001 to RM150,000	2
RM250,001 to RM300,000	2

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

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The AC, chaired by Mr. Kang Teik Yih, an Independent Non-Executive Director not serving as the Chairman of the Board, ensures objectivity and independence in its findings and recommendations. All AC members are Independent Non-Executive Directors, and the Chairman is a member of the Malaysian Institute of Accountants. None of the AC members is a former key audit partner of the External Auditors, Messrs UHY. The Board commits to observing a cooling-off period of at least three (3) years before considering any former key audit partner for appointment to the AC, as outlined in Practice 9.2 of the MCCG.

The AC supports the Board in fulfilling its statutory duties by:-

- (i) reviewing audits conducted by the External Auditors to ensure objectivity and independence;
- (ii) assessing the recurring audit related and non-audit services performed by the External Auditors;
- (iii) examining related party transactions and conflict of interest situations;
- (iv) ensuring accurate and timely financial reporting, compliance with applicable financial reporting standards, laws, rules and regulations;
- (v) overseeing the effectiveness of the risk management framework to manage Group impact;
- (vi) ensuring robust internal controls in systems and processes, with effective operation of the internal audit function; and
- (vii) reviewing the terms of engagement provided by the External Auditors before recommending approval to the Board.

The NC annually reviews the performance of the AC and its members to ensure compliance with the AC's TOR. Through an annual Board Committee effectiveness assessment, the Board evaluates the composition and performance of the AC. The Board, via the NC, confirms that AC members fulfil their functions, duties, and responsibilities as outlined in the AC's TOR. The AC conducts an annual review of the effectiveness and performance of the External Auditors.

The AC maintains transparent and professional dealings with both Internal and External Auditors. Further details about the AC's activities, including its role in relation to the Internal and External Auditors, are available in the AC Report on pages 30 to 34 of this Annual Report.

#### Suitability and Independence of External Auditors

The Company maintains a transparent arrangement with its External Auditors to meet professional requirements. The AC, empowered by the Board, is responsible for reviewing matters related to the appointment, re-appointment, resignations, or dismissals of External Auditors. The AC has explicit authority to communicate directly with the External Auditors as needed.

The annual assessment of the suitability and independence of External Auditors by the AC includes considerations such as:

- (i) compliance of the audit firms and partners with the regulatory requirements;
- (ii) adequacy of the experience and resources of the audit team;
- (iii) ability to meet deadlines and respond promptly to issues;
- (iv) nature of the non-audit services provided, along with fees for such services, in addition to the audit fee; and
- (v) safeguard measures to ensure objectivity and independence, considering non-audit services and tenure.

The appointment or re-appointment of the External Auditors is subject to the shareholders' approval at the AGM. External Auditors are invited to attend the AGM to address shareholder inquiries about the Group's statutory audit and audited financial statements.

The AC holds private session(s) with External Auditors annually, without the presence of the Management. External Auditors provide an independent declaration to the AC and the Board, confirming their independence throughout the audit engagement in accordance with professional and regulatory requirements. For the FYE 31 December 2023, the AC had two (2) private sessions with External Auditors.

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## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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The AC reviews both audit and non-audit services provided by External Auditors, ensuring that independence and objectivity are maintained. External Auditors are mainly engaged for the statutory audit of AIM Group's financial statements. Non-audit services for FYE 31 December 2022 included the review of the Statement on Risk Management and Internal Control for inclusion in the Annual Report 2022.

Having assessed the suitability and independence of External Auditors, and reviewed the level of non-audit services, the AC is satisfied with their performance, technical competence, suitability, and independence. The AC recommends the re-appointment of Messrs UHY as External Auditors for the Company and the Group for the ensuing year, subject to shareholders' approval at the upcoming 20<sup>th</sup> AGM.

### **Effective Risk Management and Internal Control**

The Board recognises its overall responsibility for maintaining the Group's robust internal control and risk management practices. The AC and RMC assist the Board in overseeing and evaluating the adequacy and effectiveness of the Group's risk management and internal control system continuously. The system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide reasonable, though not absolute, assurance against material misstatements, errors, fraud, or losses.

The AC periodically reviews the effectiveness of AIM Group's internal control systems. It receives reports from both Internal Auditors and External Auditors on internal control lapses or deficiencies, along with recommendations for improvement. The timeliness of management actions to address audit recommendations is also assessed.

The RMC is tasked with identifying, evaluating, and monitoring significant risks faced by the Group. Additionally, it develops risk mitigation strategies and plans, overseeing their implementation, and ensuring that control practices adhere to established policies and frameworks.

AIM Group's internal audit function, managed by the Internal Auditors, reports functionally to the AC. This function operates independently of other operating units, with unrestricted access to the AC. The Internal Auditors adopt a risk-based approach to planning and conducting audits, consistent with the Group's framework for designing, implementing, and monitoring its internal control system. An Internal Audit Plan, outlining the expected internal audit work, is presented to the AC for consideration and approval annually.

The ED and CEO provided assurance to the Board that, to the best of their knowledge, the Group's risk management and internal control system are operating adequately and effectively in all material aspects. Following the fraud discovery in the subsidiary, Management strengthened internal controls based on deficiencies reported by Forensic Auditors and Internal Auditors.

For further details on the Group's risk management and internal control, refer to pages 35 to 38 of the Statement on Risk Management and Internal Control in this Annual Report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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The Board underscores the importance of keeping stakeholders promptly informed about all significant developments and material information pertaining to the Group. To uphold this commitment, the Company ensures the timely dissemination of announcements via Bursa Securities and publication on its official websites, providing stakeholders with the necessary information for their assessments and decision-making processes.

In adherence to the principle of transparent communication, the Company maintains an open channel for comprehensive, timely, and ongoing disclosure of information to various stakeholders, including the broader investing public.

To encourage an active dialogue, shareholders and stakeholders are encouraged to voice their concerns and queries by reaching out to the AIM Group Management team. Contact details can be found in the Corporate Information section on page 1 of this Annual Report. Furthermore, the Company Secretaries and Share Registrar are readily available to address compliance and administrative matters related to shareholders' interests.

**Leverage on Information Technology for Effective Dissemination of Information**

The Company leverages its online presence through the Investor Relations section on its website, <http://www.aim-net.com.my>. This dedicated section serves as a hub for all governance-related announcements, Company information, and access to Annual Reports and Circulars/Statements to Shareholders. Shareholders are urged to explore both the Company's website and Bursa Securities' platform at [www.bursamalaysia.com](http://www.bursamalaysia.com) for the most recent updates and information. The Company is committed to ongoing enhancements and developments to its website, ensuring a user-friendly and convenient experience for stakeholders seeking information.

**Conduct of General Meetings**

In addition to the dissemination of information through various channels such as announcements, disclosures to Bursa Securities, the Company's website, circulars/statements to shareholders, and press releases, General Meetings, particularly the AGM, stand as pivotal forums providing the Board with a direct avenue for engaging in dialogue and interactions with shareholders.

For the 19<sup>th</sup> AGM, the Notice was circulated 28 days prior, allowing shareholders ample time to review the Annual Report. Due to the ongoing Covid-19 pandemic, the 18<sup>th</sup> AGM was conducted virtually through live streaming from a broadcast venue on 21 June 2023. Electronic voting (e-vote) was employed for all resolutions outlined in the AGM Notice. The virtual setting of the 19<sup>th</sup> AGM enabled shareholders to participate remotely, submit real-time questions to the Chairman and the Board, and engage actively in the meeting.

During general meetings, shareholders are encouraged to partake in the questions and answers session. This provides an opportunity for the shareholders to seek clarification, request additional information, or pose queries related to proposed resolutions. The Chairman ensures sufficient time for shareholders and proxies to raise questions and guarantees that comprehensive responses are provided.

Attendance of all Directors and key senior management at General Meetings is mandated, allowing them to directly engage with shareholders and address queries pertaining to matters within the purview of the relevant Board Committees or Board. External Auditors are also present at the AGM to offer professional and independent clarifications on raised issues.

While the Company strives to furnish shareholders with comprehensive information, it also adheres to the legal and regulatory frameworks governing the release of material and price-sensitive information.

The Company remains committed to leveraging technology for the forthcoming 20<sup>th</sup> AGM, facilitating remote shareholder participation and e-voting for all resolutions through remote participation and voting facilities on 21 June 2024.



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# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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## **FUTURE PRIORITIES IN KEY AREAS OF CORPORATE GOVERNANCE PRACTICES**

In the upcoming financial year of 2024, the Company is poised to effectively implement the enhanced sustainability practices and disclosures mandated by the ACE LR of Bursa Securities, aligning with the guidance provided in the MCGG. A key emphasis will be placed on formulating a sustainability framework that adheres to MCGG standards. The Company's primary objective is to establish a robust sustainable policy, showcasing its commitment to compliance with pertinent regulatory requirements. The Company is unwavering in its dedication to cultivating sustainable business practices that minimise environmental impact and maximise stakeholder value. By embracing the principles outlined in the ACE LR of Bursa Securities and MCGG pertaining to the enhanced sustainability reporting framework, the Company endeavors to ensure the long-term viability of its business operations while championing environmental responsibility.

Furthermore, the Board is steadfast in its commitment to complying with MCGG requirements. Ongoing efforts will be directed towards enhancing corporate governance practices, particularly addressing existing deviations from MCGG Practices. Key areas of focus will include meeting stipulations related to women directors and the adoption of integrated reporting based on globally recognised frameworks. The Board's proactive approach reflects its commitment to upholding the highest standards of corporate governance and sustainability practices.

## **COMPLIANCE STATEMENT**

The Board is in various stages of compliance with the Principles and Practices provided under MCGG. The Board will continue to work towards achieving the key departed practices in the coming financial year.

This CG Overview Statement was approved by the Board on 18 April 2024.

# STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE AUDITED FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the financial statements of the Group and of the Company for each financial year, in accordance with the applicable approved financial reporting standards and the requirements of the Companies Act 2016 (the "Act") in Malaysia.

Additionally, the Directors are tasked with ensuring the establishment of a robust internal control system, facilitating the production of financial statements that present a true and fair view of the Group's and the Company's financial position, devoid of material misstatement due to fraud or error.

In preparing the financial statements of the Group and of the Company for the FYE 31 December 2023, the Directors have observed the following criteria:

- overseeing the overall conduct of the Company's business and that of the Group;
- identifying principal risks and ensuring the presence of an appropriate internal control system to manage these risks;
- reviewing the adequacy and integrity of the internal control system and management information system in the Company and within the Group;
- adopting suitable accounting policies and applying them consistently;
- stating whether the applicable accounting standards have been applied, with any material departures disclosed and explained in the financial statements;
- making reasonable, just and prudent judgements and estimates; and
- assessing the Group's and the Company's ability to continue as going concern and ensuring the necessary disclosure related to going concern matters are prepared in compliance with all applicable approved financial reporting standards in Malaysia, with any material departures disclosed.

Furthermore, the Directors are accountable for maintaining accurate accounting records, providing a reasonably accurate depiction of the financial position of the Group and the Company at any given time, and ensuring compliance with the Act.

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and the Company, as well as to prevent and detect fraud and other irregularities. Moreover, the Directors are entrusted with the maintenance and integrity of the corporate and financial information included on the Company's website.

The Directors express their satisfaction that appropriate accounting policies were consistently used in preparing the financial statements for the FYE 31 December 2023. They affirmed the adoption of new and amendments to Malaysian Financial Reporting Standards where applicable and attest that the relevant approved financial reporting standards were observed in the preparation of these financial statements.

This Statement was approved by the Board of Directors on 18 April 2024.

# AUDIT COMMITTEE REPORT

The Board of Directors (“the Board”) of Advance Information Marketing Berhad (“AIM” or “the Company”) is pleased to present the AC Report for the FYE 31 December 2023.

## COMPOSITION OF THE AUDIT COMMITTEE

The AC comprises the following three (3) members, all of whom are Independent Non-Executive Directors:

Designation	Name	Directorship
Chairman	Kang Teik Yih	Independent Non-Executive Director
Member	Mejar Dato’ Ismail Bin Ahmad	Independent Non-Executive Director
Member	Ong Poh Lin Abdullah	Independent Non-Executive Director

Mr Kang Teik Yih is a qualified professional Chartered Accountant, holding membership in both the Malaysian Institute of Accountants (“MIA”) and Certified Practising Accountants (“CPA”), Australia.

The Board conducts an annual assessment of the composition and performance of the AC and its members through the Board Committee effectiveness assessment. For the FYE 31 December 2023, the Board concluded that the current composition of the AC was deemed appropriate and expressed satisfaction with the AC and its members, affirming that they fulfilled their functions, duties and responsibilities, in accordance with the AC’s Terms of Reference.

## MEETINGS AND ATTENDANCE OF THE AUDIT COMMITTEE MEMBERS

During the FYE 31 December 2023, the AC held five (5) meetings. Details of the attendance of the AC members are as follows:

No.	Name and Designation of the AC Members	No. of Meetings attended
1.	<b>Kang Teik Yih</b> Chairman of AC, Independent Non-Executive Director	5/5
2.	<b>Mejar Dato’ Ismail Bin Ahmad</b> Member, Independent Non-Executive Director	5/5
3.	<b>Ong Poh Lin Abdullah</b> Member, Independent Non-Executive Director	5/5

During the FYE 31 December 2023, the Chief Executive Officer (“CEO”), Financial Controller (“FC”) and representatives of the External Auditors and Internal Auditors of AIM and its subsidiaries (“the Group”) were invited to attend AC meetings to provide insight on specific issues. The Company Secretary was also present at all these meetings. In certain instances, members of the Management team were invited to address and clarify matters raised during these meetings, as deemed necessary.

The External Auditors were actively encouraged to bring forth any significant concerns they deemed important for the AC’s attention. Throughout the FYE 31 December 2023, the External Auditors participated three (3) AC meetings, with two (2) private discussions held between the AC and the External Auditors in the absence of the Management.

Notice of the AC meetings were circulated to all AC members at least seven (7) days before the scheduled meeting date. Subsequently, the Company Secretary compiled and circulated the relevant meeting papers via email, to ensure all AC members were well informed, facilitating effective decision making and the discharge of duties and responsibilities by the AC.

The AC Chairman routinely reported to the Board on matters discussed during each AC meeting and conveyed recommendations put forth by the AC.

# AUDIT COMMITTEE REPORT

## TERMS OF REFERENCE

The Terms of Reference (“TOR”) of the AC is available on the Company’s website at <http://www.aim-net.com.my>.

## Independence of the Audit Committee

To ensure the independence of its External Auditors and prevent any potential conflict of interest, the Company acknowledges the importance of maintaining a separation between its Board members and the AC from former key audit partners of the External Auditors currently engaged by the Group. As of now, none of the Board members or AC members of the Company have previously served as key audit partners for the External Auditors.

The TOR for the AC mandates that any individual who was a former key audit partner of the External Auditors of the Group must observe a cooling-off period of at least three (3) years before becoming eligible for appointment as a member of the AC. This precautionary measure is in place to uphold the independence and objectivity of the AC in its oversight of the audit process.

## SUMMARY OF WORK OF THE AUDIT COMMITTEE

Throughout the FYE 31 December 2023, the AC engaged in various key activities, including:

### 1. Financial Reporting Oversight

- (a) Carefully examined the unaudited quarterly financial results of the Group, ensuring the accuracy of related announcements and recommended them to the Board for approval before submission to Bursa Malaysia Securities Berhad (“Bursa Securities”);
- (b) Scrutinised the draft Directors’ Report and Audited Financial Statements (“AFS”) of both the Group and the Company, collaborating with the External Auditors, and subsequently recommends the approval of the reports to the Board, for inclusion in the Annual Report to be submitted to Bursa Securities; and
- (c) Maintained vigilance over the Group’s adherence to the ACE Market Listing Requirements (“ACE LR”) of Bursa Securities, applicable approved accounting standards and relevant regulatory requirements.

The AC conducted thorough reviews to ensure the truth, fairness and compliance of the Group’s quarterly interim financial statements and associated disclosures with the applicable approved financial reporting standards in Malaysia and the applicable disclosure provisions of the ACE LR of Bursa Securities:

<b>Date of Review/Approval</b>	<b>Review of Quarterly Interim Financial Statements/AFS</b>
23 February 2023	Fourth quarter financial results for the FYE 31 December 2022
14 April 2023	Draft AFS for the FYE 31 December 2022
24 May 2023	First quarter financial results for the FYE 31 December 2023
24 August 2023	Second quarter financial results for the FYE 31 December 2023
21 November 2023	Third quarter financial results for the FYE 31 December 2023

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## AUDIT COMMITTEE REPORT

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### 2. Oversight of External Audit

- (a) Reviewed the External Auditors' audit scope of work, audit plan and Audit Planning Memorandum, as well as their proposed fees for the statutory audit of the Group for the FYE 31 December 2023, and recommending the same for the Board's approval;
- (b) Reviewed and discussed with the External Auditors on their audit findings, areas of concern highlighted, including going concerns issues, significant and unusual events or transactions, as well as audit recommendations for improvement to significant risk areas, internal control and financial matters based on observations made during the interim and final audits and Management's response to those recommendations;
- (c) Discussed with the External Auditors the significant accounting and auditing issues, the impact of new or proposed changes in accounting and financial reporting standards and regulatory requirements applicable to the Group;
- (d) Met with the External Auditors without the presence of the Management to discuss any significant audit issues or concerns arising during their audit of the Group for FYE 31 December 2023;
- (e) Evaluated the performance, effectiveness, suitability, objectivity and independence of the External Auditors in carrying out statutory audit for the Group and prior to the engagement of the External Auditors for ad-hoc non-audit services for the FYE 31 December 2023 and make recommendations to the Board on their re-appointment and remuneration for ensuing year.

The AC received confirmation from the External Auditors, Messrs UHY ("UHY"), that they adhered to the By-Laws (on Professional Ethics, Conduct and Practice) of the MIA ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") in relation to communication of breaches of auditor's independence. They identified no breach or matter impairing their professional independence and confirmed compliance with the independence requirements set out in the By-Laws and the IESBA Code.

The AC undertook an annual assessment of the performance of the External Auditors for the FYE 31 December 2023, covering areas such as scope of work, calibre, quality control processes, audit team, audit scope, audit communication, audit governance, independence, as well as the audit fees of the External Auditors.

Upon completion of the annual assessment and receipt of the above confirmation, the AC was satisfied that UHY was unlikely to create any conflict of interest or impair independence, suitability and performance in terms of technical competency and effectiveness during the financial year under review. Consequently, the AC recommended to the Board to seek shareholders' approval for the re-appointment of UHY as External Auditors for the FYE 31 December 2023 at the AC meeting held on 14 April 2023.

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## AUDIT COMMITTEE REPORT

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### 3. Internal Audit

- (a) Reviewed and assessed the adequacy of the scope and coverage areas within the Group's internal audit plan, along with the proposed internal audit fee for the FYE 31 December 2023. Ensure comprehensive coverage of AIM Group activities and presented necessary recommendations to the Board for approval;
- (b) Examined the internal audit reports presented by the Internal Auditors, considering audit findings on the areas of concern and recommendations aimed at addressing identified weaknesses in the system of internal control or non-compliance issues. Also, reviewed the respective Management responses;
- (c) Reviewed progress updates on the follow-up reviews of the previous internal audit reports. Ensured the proper addressing of all highlighted key risks and control weaknesses.
- (d) Assessed the effectiveness of the Group's risk management and internal control system; and
- (e) Reviewed and assessed the adequacy of the scope, functions, competency and resources of the outsourced Internal Auditors for the FYE 31 December 2023. Ensured that they possessed the necessary authority to carry out their work.

### 4. Recurrent Related Party Transactions and Related Party Transactions

The AC diligently examined the Recurrent Related Party Transactions ("RRPT") and/or Related Party Transactions ("RPT") at each quarterly meeting. The focus was on scrutinising potential conflicts of interest within the Group, assessing any transactions, procedures, or conduct that might raise concerns about management integrity. This comprehensive review aimed to ensure the following:

- (a) Transactions with related parties and/or interested individuals adhered to an arm's length basis, were executed on standard commercial terms, and had adequate internal control procedures. These measures were in place to safeguard the Group's interests and those of its minority shareholders, ensuring terms were generally no more favorable to related parties and/or interested individuals or any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries, as outlined in Chapter 10 of the ACE LR of Bursa Securities; and
- (b) Any transactions, if present, were deemed fair, reasonable and are not detrimental to the minority shareholders.

The AC expressed satisfaction with the robust processes implemented by the Group to identify, evaluate, approve, report and monitor RRPT and/or RPT or any conflict of interest or potential conflict of interest. These measures were deemed sufficient to guarantee that all transactions were conducted at arm's length and on normal commercial terms. Internal control procedures were also confirmed to be non-prejudicial to the Group's interests and those of its minority shareholders, with timely tracking and reporting mechanisms in place.

Nonetheless, the Group did not engaged in any RRPT and RPT or any conflict of interest or potential conflict of interest during the financial year under review.

# AUDIT COMMITTEE REPORT

## 5. Other Activities

- (a) Reviewed the Company's compliance with the ACE LR, applicable approved financial reporting standards and other relevant legal and regulatory requirements;
- (b) Reviewed corporate governance practices adopted by the Group based on the latest Malaysian Code on Corporate Governance issued by the Securities Commission Malaysia;
- (c) Reviewed the Corporate Governance Overview Statement, AC Report and Statement on Risk Management and Internal Control before recommending the same to the Board for approval and inclusion into the Annual Report of the Company; and
- (d) Report to the Board on its other activities as well as significant findings and results.

## INTERNAL AUDIT FUNCTION

The AC is supported by an independent outsourced internal audit function, IA Essential Sdn Bhd ("IA Essential"), to conduct independent assessments on the adequacy, integrity and effectiveness of the Group's overall system of internal controls, risk management and governance. The AC reviews the adequacy of the internal audit function's scope, functions, competency, and resources to ensure that competent and proficient internal auditors adequately resource it.

IA Essential carries out its engagement with reference to the applicable standards of the International Professional Practices Framework of The Institute of Internal Auditors Malaysia. These standards include audit planning, execution, documentation, communication of findings, and consultation with key stakeholders regarding audit concerns.

- (a) Tabled the Internal Audit Plan for the FYE 31 December 2023 for AC's review and endorsement;
- (b) Conducted internal audit reviews based on the approved internal audit plan and performed follow-up reviews on previously reported findings and status updates of the implementation of their recommendations by Management; and
- (c) Issued and presented the internal audit reports incorporating audit recommendations and Management's responses in relation to the audit findings on the areas of improvement in the systems and controls of the Group to the AC and Management.

Further details on the internal audit activities carried out during the financial year are reported in the Statement on Risk Management and Internal Control on pages 35 to 38 of this Annual Report.

For FYE 31 December 2023, the IA Essential engagement team affirmed to the AC that they are free from any relationships or conflicts of interest that could impair their objectivity and independence of the internal audit function and do not have any direct operational responsibility or authority over any activities audited.

The fee for the outsourced internal audit function of the Group for the FYE 31 December 2023 was approximately RM25,000 (FYE 31 December 2022: RM24,000).

The AC Report was presented and approved by the Board on 18 April 2024.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

**THE BOARD OF DIRECTORS (“THE BOARD”) OF ADVANCE INFORMATION MARKETING BERHAD (“THE COMPANY”) IS PLEASED TO PRESENT THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (“SORMIC”) OF THE COMPANY AND ITS SUBSIDIARIES (“THE GROUP”) FOR THE FYE 31 DECEMBER 2023. THIS STATEMENT IS PRESENTED IN ACCORDANCE WITH RULE 15.26(B) OF THE ACE MARKET LISTING REQUIREMENTS (“ACE LR”) OF BURSA MALAYSIA SECURITIES BERHAD (“BURSA SECURITIES”), MALAYSIAN CODE ON CORPORATE GOVERNANCE 2021 (“MCCG”) PRACTICES AND AS GUIDED BY THE STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL: GUIDELINES FOR DIRECTORS OF LISTED ISSUERS (“THE GUIDELINE”) PURSUANT TO GUIDANCE NOTE 11 OF ACE MARKET LISTING REQUIREMENTS.**

## BOARD RESPONSIBILITIES

The Board acknowledges its overall responsibility in identifying the principal risks inherent in the Group’s business operations. It ensures the implementation of appropriate control measures to manage these risks, and reviews the adequacy, integrity and effectiveness of the Group’s internal control system and processes. The Board is dedicated to maintaining a robust system of risk management and internal control to achieve its business objectives and enhance operational efficiency.

Through its AC and RMC, the Board has established an ongoing process to identify, evaluate and manage the significant risks faced by the Group. This includes determining the risk appetite aligned with the pursuit of business and strategic objectives and continually improving the risk management and internal control system in response to changes in the business environment and regulatory requirements. as and when there are changes to the business environment and regulatory requirements. The AC, RMC, and the Board periodically review the process and assess the adequacy and effectiveness of the risk management and internal control system.

Recognising the dynamic nature of the business and operating environment, the Board acknowledges the need for continuous improvement and refinement of the risk management and internal control system. However, it is crucial to note that the Group’s system is designed to manage, rather than eliminate, the risks of not adhering to achieve the policies and business objectives and goals. It provides reasonable, though not absolute, assurance against material misstatements of financial information, errors, losses, fraud, or unforeseen emerging risks. Therefore, while a sound system of internal control can significantly reduce risks, it cannot eliminate the possibility of poor judgment, human error, intentional circumvention of controls, management override, and unforeseeable circumstances.

The Board remains regularly updated on the effectiveness of the risk management and internal control system, affirming its soundness and adequacy to safeguard the stakeholders’ interest and the Group’s assets.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT AND INTERNAL CONTROL

The Board has endorsed the Group Risk Management Policy, delineating the principles governing risk management, the respective responsibilities of the Board and Management, and the objectives sought through the establishment of a formal, structured and documented integrated risk management framework for the Group.

At present, the risk management process encompassing identification, evaluation, monitoring and management of significant risks faced by the Group, is seamlessly integrated into the Group's operational and business processes. Executed by the Executive Director ("ED"), Chief Executive Officer ("CEO") and Management team as part of their daily responsibilities, these processes aim to institute appropriate risk response strategies and controls until risks are managed to a tolerance level deemed acceptable by the Board. The ED, CEO and Management are entrusted with identifying and managing risks within their respective spheres of responsibility, ensuring the implementation of adequate control systems to mitigate risks faced by the Group. Key risks and mitigating controls are deliberated during periodic management meetings. Risks are prioritised based on likelihood and impact, leading to the design and implementation of risk control actions. Risks significantly impacting on the Group's strategic and business plans are escalated to the Board during scheduled meetings.

The Board affirms that the abovementioned risk management process was in operation during the financial year under review and remains effective up to the issuance of this SORMIC.

The Board relies on the following key controls, processes, information and review mechanisms established within the Group to monitor the progress of management actions and to ensure adherence to the Group's policies, guidelines, and procedures, thereby fostering a robust system of internal control and risk management:

- The RMC is continually engaged in identifying, evaluating, and monitoring significant risks faced by the Group, including the development of risk mitigation strategies and plans;
- Board discussions with Management during board meetings encompassing the Group's business and operational issues, as well as measures taken by Management to mitigate and manage associated risks;
- Delegation and separation of responsibilities between the Board and Management with the ED and CEO reporting to the Board on the Group's business and operations, and the Board scrutinising Management's performance for effectiveness and objectivity;
- Periodic meetings between the ED and CEO to discuss and review the Group's cash flows, financial and business units' performances, funding and operational issues, ensuring timely and appropriate responses in addressing of challenges and risks;
- Regular internal audit reviews to identify areas of improvement and to ensure compliance with internal control best practices, guidelines and objectives, thereby effectively administering and monitoring the system of internal control;
- The AC reviews and discusses with Management the unaudited quarterly financial results and audited financial statements, monitors the Group's performance, and recommends to the Board for approval;
- Discussions between AC and External Auditors on key concerns and findings related to financial and internal control matters during the audit planning, interim, and final stages, as well as follow-up actions by Management; and
- Seeking legal advice to ensure contractual risks are appropriately addressed and managed before entering into material contracts or agreements.

The structured system of internal control provides reasonable assurance that the likelihood of a significant adverse impact on the Group's objectives arising from a future event or situation is at an acceptable level through a combination of preventive, detective, and corrective measures.

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# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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## INTERNAL AUDIT FUNCTIONS

The Company has entrusted its internal audit function to IA Essential Sdn Bhd (“IA Essential”), an independent consulting company specialising in internal audit services. The Internal Auditors report directly to the AC. The AC reviews and endorses the internal audit plan in each financial year. This ensures the alignment of the audit work scope with business activities in the Group.

During the financial year, the Internal Auditors conducted an audit review on the retail pharmacy business of Advance Medipharm Solutions Sdn Bhd (“AMS”), a wholly-owned subsidiary of the Company incorporated in Malaysia. The scope of the review encompassed the following areas:

- Inventory management and physical control
- Sales, receipts, & collection
- Purchase & payment
- Petty cash and safekeeping
- Vouchers & coupons management; and
- Staff training

In addition, the Internal Auditor conducted follow-up audit reviews on PT CLS System (“PT CLS”), a wholly-owned subsidiary of the Company operating in Jakarta, Indonesia and Angkara Setia Development Sdn Bhd (“ASD”), a wholly-owned subsidiary of the Company operating in Malaysia. The reviews noted that Management had addressed the areas of improvement reported previously.

## MANAGEMENT RESPONSIBILITIES AND ASSURANCE

Management plays a crucial role in supporting the Board by identifying risks pertinent to the Group’s business and operations. Their responsibilities include implementing Board policies and strategies, maintaining a robust system of risk management and internal control, and providing oversight by reporting significant control deficiencies and changes in risks that may impact the Group’s objectives and performance.

Management’s responsibilities regarding risk management encompass, but are not limited to:

- identifying the risks relevant to the Group’s business and the achievement of its objectives and strategies;
- designing, implementing and monitoring the risk management framework aligned with the Group’s strategic vision and overall risk appetite; and
- recognising changes to risk or emerging risks, taking appropriate actions, and promptly notifying the RMC, AC and the Board.

The Board has received assurance from the ED and CEO that, to the best of their knowledge, the Group’s risk management and internal control system have operated adequately and effectively in all material aspects to meet the Group’s objectives throughout the financial year under review and up to the date of issuance of this SORMIC.

## REVIEW OF SORMIC BY THE EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Listing Requirements, the external auditors have reviewed this SORMIC for the inclusion in this Annual Report for FYE 31 December 2023. Their limited assurance review was performed in accordance with the Audit and Assurance Practice Guide (“AAPG”) 3: *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report* issued by the Malaysian Institute of Accountants.

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# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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AAPG 3 does not require the external auditors to consider whether this SORMIC covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Directors and management thereon.

Based on their review, the external auditors have reported to the Board that nothing has come to their attention that caused them to believe that this SORMIC is not prepared in all material aspects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Guideline, nor is factually inaccurate.

## CONCLUSION

For the financial year under review up to the date of approval of this SORMIC, the Board, with the assurance from the ED and CEO, is content that the existing risk management and internal control system is adequate and effective in safeguarding the Group's interests and mitigating identified risks, facilitating the Group in achieving its business objectives. Notably, there were no material losses stemming from any significant control weaknesses necessitating additional disclosure in the Annual Report.

Collaborating with Management, the Board has been actively involved in:

- Establishing the Group's risk appetite and tolerance, ensuring appropriate communication of these parameters;
- Assessing and ensuring the sufficiency of risk management practices;
- Reviewing current risk levels in relation to the established risk appetite, integral to performance monitoring; and
- Ensuring timely actions are taken when risks exceed tolerable limits.

In evaluating the adequacy and effectiveness of the Group's risk management and internal control system, the Board ensures scrutiny of the following:

- Processes for setting both long-term and short-term objectives and strategies, examining their consideration of risk;
- Procedures for determining and appropriately communicating the Group's risk appetite;
- Effectiveness of the Group's risk policies and procedures;
- Adequacy of Management's processes for identifying, analysing, evaluating, and treating risks, including the communication of risk and control information across the business;
- Monitoring processes for internal control and risk management, providing reasonable assurance of continuous effective operation, and adapting to changes in business conditions or risks; and
- Management's reporting of risks, offering the Board sufficient visibility across the Group, and evaluating whether necessary actions are promptly taken to address significant failings or weaknesses.

The Board acknowledges that the evolution of the risk management and internal control system is an ongoing process, aligned with efforts to manage the risks facing the Group in an ever-changing and challenging business environment. As such, the Board commits to regular review and continuous enhancement of the control environment within the Group.

This SORMIC was presented and approved by the Board on 18 April 2024.

# ADDITIONAL COMPLIANCE INFORMATION

## 1. AUDIT AND NON-AUDIT FEES PAID TO EXTERNAL AUDITORS

The amount of audit and non-audit fees paid/payable to UHY, the External Auditors, by the Company and by the Group respectively for the FYE 31 December 2023 were as follows:

	Company (RM)	Group (RM)
Audit Fee for Services Rendered by UHY		
- UHY	60,000	83,500
- member firm of UHY International	-	23,967
Non-Audit Fee for Services Rendered by UHY	45,000	45,000

## 2. MATERIAL CONTRACTS AND/OR CONTRACTS RELATING TO LOAN INVOLVING DIRECTORS, CHIEF EXECUTIVE AND MAJOR SHAREHOLDERS

There were no other material contracts and/or contracts relating to loan entered into by the Company and/or its subsidiaries involving any Directors, Chief Executive and Major Shareholders' interests during the FYE 31 December 2023.

## 3. UTILISATION OF PROCEEDS

### Private Placement

On 23 March 2021, the Company proposed to undertake a Private Placement ("PP") of ordinary shares, representing not more than twenty percent (20%) of the total number of issued shares of the Company.

On 21 February 2023, the Company completed the said PP exercise which involved the issuance of a 26,605,000 new ordinary shares, raising a total proceeds of RM2,045,925.

The status of utilisation of proceeds raised from the PP is as follows:

Details of utilisation	Proposed utilisation RM'000	Amount utilised RM'000	Balance Utilised RM'000	Expected timeframe for utilisation of proceeds (from the listing date of the Placement Shares)
Working capital	967	967	-	Within 24 months
Upgrade the information technology- related equipment and systems	1,017	47	970	Within 24 months
Expenses for the PP	62	62	-	Immediately
Total	2,046	1,076	970	

### Renounceable Right Issues

On 21 November 2022, the Company announced its intention to undertake the Proposed Share Consolidation, Proposed Rights Issue ("RI") and Proposed Diversification (collectively referred as "Proposal").

On 20 March 2023, the consolidation of the Company's existing 292,663,666 ordinary shares ("Shares") into 97,554,209 consolidated Shares has been completed.

## ADDITIONAL COMPLIANCE INFORMATION

On 29 November 2023, the Company had issued the Abridged Prospectus in relation to the renounceable right issue of up to 292,662,627 new ordinary shares in the Company (“Rights Shares”) on the basis of 3 Right Shares for every 1 existing Share at an issue price of RM0.08 per Rights Share, together with up to 195,108,418 free detachable warrants (“Warrants”) on the basis of 2 Warrants for every 3 Rights Shares subscribed for (“Rights Issue”).

On 28 December 2023, the Rights Issue has been completed with the listing of and quotation for 292,662,513 Rights Shares together with 195,108,290 Warrants on the ACE Market of Bursa Securities.

The status of utilisation of proceeds raised from the RI is as follows:

<b>Details of utilisation</b>	<b>Proposed utilisation RM'000</b>	<b>Amount utilised RM'000</b>	<b>Balance Utilised RM'000</b>	<b>Expected timeframe for utilisation of proceeds (from the listing date of the Rights Shares)</b>
Expansion of pharmacy business	5,220	5,220	-	Within 12 months
Working capital of the pharmacy business	15,979	5,648	10,331	Within 24 months
Repayment of borrowings	1,484	1,456	28	Within 3 months
Expenses for the RI	730	730	-	Immediately
<b>Total</b>	<b>23,413</b>	<b>13,055</b>	<b>10,358</b>	

#### 4. EMPLOYEES' SHARE OPTION SCHEME (“ESOS”)

The ESOS of the Company for eligible Directors and employees of the Group is in force for a period of five (5) years commencing 22 July 2022 and is governed by its By-Laws approved by the shareholders of the Company at the Extraordinary General Meeting held on 23 June 2022.

There was no ESOS options granted, exercised and outstanding since its commencement up to FYE 31 December 2023.

#### 5. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE NATURE

During the financial year under review, the Group has not entered into any recurrent related party transactions of a revenue or trading nature.

# FINANCIAL STATEMENTS

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# DIRECTORS' REPORT

The Directors hereby present their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2023.

## Principal Activities

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

## Financial Results

	Group RM	Company RM
Loss for the financial year, attributable to:		
- Owners of the parent	4,730,208	4,386,018
- Non-controlling interests	12,607	-
	4,742,815	4,386,018

## Reserves and Provisions

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

## Dividend

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the current financial year.

## Issue of Shares and Debentures

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM28,051,999 to RM53,510,924 by way of the followings:

- (a) On 21 February 2023, the Company issued 26,605,000 new ordinary shares pursuant to private placement at an issue price of RM0.0769 per placement share for a total cash consideration of RM2,045,924.
- (b) The Company undertook Share Consolidation involving the consolidation of every 3 existing shares in the Company into 1 ordinary share ("Consolidated Shares"), resulting in the reduction in the number of shares from 292,663,666 ordinary shares to 97,554,209 Consolidated Shares. The Share Consolidation has been completed following the listing of and quotation for 97,554,209 Consolidated Shares on the ACE Market of Bursa Malaysia Securities Berhad on 20 March 2023.
- (c) On 28 December 2023, the Company issued 292,622,513 new ordinary shares ("Rights Shares") pursuant to the renounceable rights issue with free detachable warrants exercise ("Rights Issue") at an issue price of RM0.08 per Rights Shares and raised a total consideration of RM23,413,001.

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

There was no issuance of debentures during the financial year.

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## DIRECTORS' REPORT

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### Warrants 2023/2028

On 20 December 2023, the Company issued 195,108,290 ("Warrants") pursuant to Rights Issue.

The warrants are constituted under a Deed Poll executed on 15 November 2023 and each warrant entitles the registered holder the right at any time during the exercise period from 20 December 2023 to 19 December 2028 to subscribe in cash for one new ordinary share of the Company at an exercise price of RM0.08 each.

The new ordinary shares to be issued upon exercise of the warrants, shall upon issuance and allotment, rank pari passu with the then existing ordinary shares, save and except that they shall not be entitled to dividends, rights, allotments, and/or other distributions, at the entitlement date of which is prior to the date of allotment of the new ordinary shares arising from the exercise of the warrants.

Any warrant which is not exercise by the expiry of the exercise period will be lapse thereafter and cease to be valid for all purposes.

As at 31 December 2023, the total number of warrants that remained unexercised were 195,108,290 units.

### Options Granted Over Unissued Shares

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

### Directors

The Directors in office since the beginning of the current financial year until the date of this report are as follows:

Dato' Ir Lim Siang Chai\*  
Mak Siew Wei\*  
Choong Mun Kit\*  
Kang Teik Yih  
Mejar Dato' Ismail Bin Ahmad  
Ong Poh Lin Abdullah

\* *Director of the Company and of its subsidiaries*

The Directors who held office in the subsidiaries (excluding Directors who are also Directors of the Company) since the beginning of the current financial year until the date of this report are as follows:

Yeoh Siok Chen  
Chan Cheng Hui (appointed on 27 March 2023)  
Tan Kim Yew (appointed on 27 March 2023)

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 is deemed incorporated herein by such reference to the financial statements of the respective subsidiaries and made a part hereof.



## DIRECTORS' REPORT

### Directors' Interests in Shares

The interests and deemed interests in the shares and warrants of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			At 31.12.2023
	At 1.1.2023	Bought	Share consolidation	
<b>Interests in the Company</b>				
<b>Direct Interests</b>				
Mak Siew Wei	71,743,416	71,743,416	47,828,944	95,657,888
Choong Mun Kit	30,000	-	20,000	10,000

	Number of Warrants 2023/2028			At 31.12.2023
	At 1.1.2023	Grant	Sold	
<b>Interests in the Company</b>				
<b>Direct Interests</b>				
Mak Siew Wei	-	47,828,944	-	47,828,944

By virtue of his interests in the shares of the Company, Mak Siew Wei is also deemed to have interests in the shares of all the subsidiaries to the extent that the Company has an interest under Section 8 of the Companies Act 2016.

None of the other Directors in office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

### Directors' Benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was to enable the Directors to acquire by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## DIRECTORS' REPORT

### Directors' Remuneration

The details of the Directors' remuneration of the Group and of the Company during the financial year ended 31 December 2023 are as follows:

	Group RM	Company RM
<b>Executive Directors</b>		
- Salaries and other emoluments	360,000	180,000
- Defined contribution plans	43,200	21,600
- Social security contributions	2,318	1,159
	405,518	202,759
<b>Non-Executive Directors</b>		
- Fees	288,000	288,000
- Salaries	35,950	-
- Other benefits	35,000	35,000
	358,950	323,000
<b>Total</b>	764,468	525,759

### Indemnity and Insurance Costs

During the financial year, the total amount of indemnity coverage and insurance premium paid for the Directors and certain officers of the Company were RM3,000,000 and RM7,000 respectively. No indemnity was given to or insurance effected for auditors of the Company.

### Other Statutory Information

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
  - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

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# DIRECTORS' REPORT

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## Other Statutory Information (Cont'd)

- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
  - (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or
  - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the Directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
  - (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
  - (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

## Subsidiaries

The details of the subsidiaries are disclosed in Note 7 to the financial statements.

## Significant Events

The details of the significant events during the financial year are disclosed in Note 36 to the financial statements.

## Subsequent Events

The details of the subsequent events after the financial year are disclosed in Note 37 to the financial statements.

## DIRECTORS' REPORT

### Auditors' Remuneration

The details of the auditors' remuneration for the financial year ended 31 December 2023 are as follows:

	Group RM	Company RM
Auditors' remuneration		
- Statutory audit:		
- UHY	83,500	60,000
- member firm of UHY International	23,967	-
- Non-statutory audits	45,000	45,000
	152,467	105,000

### Auditors

The Auditors, Messrs. UHY, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 18 April 2024.

**DATO' IR LIM SIANG CHAI**

**MAK SIEW WEI**

KUALA LUMPUR

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# STATEMENT BY DIRECTORS

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

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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 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 December 2023 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 18 April 2024.

**DATO' IR LIM SIANG CHAI**

**MAK SIEW WEI**

KUALA LUMPUR

# STATUTORY DECLARATION

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

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I, See Hui Fang (MIA Membership No: 48601), being the officer primarily responsible for the financial management of Advance Information Marketing Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements are 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 18 April 2024                     )

Before me,

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**SEE HUI FANG**

NO. W790  
ZAINUL ABIDIN BIN AHMAD

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**COMMISSIONER FOR OATHS**

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ADVANCE INFORMATION MARKETING BERHAD  
[Registration No.: 200401006266 (644769-D)] (Incorporated in Malaysia)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Advance Information Marketing Berhad, which comprise the statements of financial position as at 31 December 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 52 to 123.

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

### Basis for Opinion

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

### Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. We have determined that there are no key audit matters to communicate in our report.

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

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

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

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

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

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ADVANCE INFORMATION MARKETING BERHAD  
Registration No.: 200401006266 (644769-D)] (Incorporated in Malaysia)

## 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:

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

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# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ADVANCE INFORMATION MARKETING BERHAD  
Registration No.: 200401006266 (644769-D)] (Incorporated in Malaysia)

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

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

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

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

## **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, are disclosed in Note 7 to the financial statements.

## **Other Matters**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purposes. We do not assume responsibility to any other person for the content of this report.

UHY  
Firm Number: AF 1411  
Chartered Accountants

YEOH AIK CHUAN  
Approved Number: 02239/07/2024 J  
Chartered Accountant

KUALA LUMPUR  
18 April 2024



# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4	5,499,283	4,364,765	1,338	1,912
Right-of-use assets	5	1,460,896	1,551,469	-	-
Intangible assets	6	92,604	130,148	-	-
Investment in subsidiaries	7	-	-	8	2
Other investments	8	3,155,224	4,137,400	3,155,224	4,137,400
Deferred tax assets	9	16,285	50,039	-	-
		<b>10,224,292</b>	10,233,821	<b>3,156,570</b>	4,139,314
<b>Current assets</b>					
Inventories	10	179,319	227,712	-	-
Contract assets	11	14,326	-	-	-
Trade receivables	12	519,914	173,073	-	-
Other receivables	13	286,821	166,482	6,340	11,340
Amount due from subsidiaries	14	-	-	6,234	479,121
Liquid investments	15	19,816,019	28,184	19,816,019	28,184
Cash and bank balances		9,592,317	566,952	9,474,647	154,754
		<b>30,408,716</b>	1,162,403	<b>29,303,240</b>	673,399
<b>Total assets</b>		<b>40,633,008</b>	11,396,224	<b>32,459,810</b>	4,812,713
<b>EQUITY</b>					
Share capital	16	53,510,924	28,051,999	53,510,924	28,051,999
Reserves	17	(23,634,093)	(19,347,296)	(29,002,308)	(23,634,114)
Equity attributable to owners of the parent		29,876,831	8,704,703	24,508,616	4,417,885
Non-controlling interests		(12,603)	-	-	-
<b>Total equity</b>		<b>29,864,228</b>	8,704,703	<b>24,508,616</b>	4,417,885
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Lease liabilities	18	148,197	217,245	-	-
Bank borrowings	19	1,404,346	1,471,853	-	-
Employee benefits	20	18,318	171,747	-	-
Deferred tax liabilities	9	132,512	-	-	-
		<b>1,703,373</b>	1,860,845	-	-
<b>Current liabilities</b>					
Trade payables	21	217,340	198,233	-	-
Other payables	22	8,177,288	504,917	7,951,194	394,828
Lease liabilities	18	69,048	62,050	-	-
Bank borrowings	19	601,731	65,476	-	-
		<b>9,065,407</b>	830,676	<b>7,951,194</b>	394,828
<b>Total liabilities</b>		<b>10,768,780</b>	2,691,521	<b>7,951,194</b>	394,828
<b>Total equity and liabilities</b>		<b>40,633,008</b>	11,396,224	<b>32,459,810</b>	4,812,713

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Revenue	23	<b>3,528,650</b>	3,438,165	<b>360,000</b>	-
Cost of sales		<b>(3,098,813)</b>	(3,075,937)	-	-
Gross profit		<b>429,837</b>	362,228	<b>360,000</b>	-
Other income		<b>20,621</b>	74,358	<b>840,954</b>	536,212
Distribution costs		<b>(76,164)</b>	(34,317)	-	-
Administrative expenses		<b>(4,997,713)</b>	(4,643,699)	<b>(1,901,395)</b>	(2,939,781)
Other expenses		<b>(4,354)</b>	(43,010)	-	-
Net loss on impairment of financial instruments		-	-	<b>(3,685,577)</b>	(2,691,178)
<b>Loss from operations</b>		<b>(4,627,773)</b>	(4,284,440)	<b>(4,386,018)</b>	(5,094,747)
Finance costs	24	<b>(118,920)</b>	(149,131)	-	-
<b>Loss before tax</b>	25	<b>(4,746,693)</b>	(4,433,571)	<b>(4,386,018)</b>	(5,094,747)
Taxation	26	<b>3,878</b>	(9,033)	-	-
<b>Loss for the financial year</b>		<b>(4,742,815)</b>	(4,442,604)	<b>(4,386,018)</b>	(5,094,747)
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified subsequently to profit or loss</b>					
Fair value (loss)/gain on equity instruments designated at fair value through other comprehensive income		<b>(982,176)</b>	654,784	<b>(982,176)</b>	654,784
Remeasurement of defined benefit liability		<b>178,652</b>	48,812	-	-
Income tax relating to remeasurement of defined benefit liability		<b>(39,303)</b>	(10,739)	-	-
Revaluation of freehold land and building, net of tax		<b>1,198,586</b>	-	-	-
		<b>355,759</b>	692,857	<b>(982,176)</b>	654,784
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Exchange translation differences for foreign operations		<b>87,652</b>	(72,399)	-	-
		<b>87,652</b>	(72,399)	-	-
<b>Other comprehensive income/(loss) for the financial year</b>		<b>443,411</b>	620,458	<b>(982,176)</b>	654,784
<b>Total comprehensive loss for the financial year</b>		<b>(4,299,404)</b>	(3,822,146)	<b>(5,368,194)</b>	(4,439,963)
<b>Loss for the financial year attributable to:</b>					
Owners of the parent		<b>(4,730,208)</b>	(4,442,604)	<b>(4,386,018)</b>	(5,094,747)
Non-controlling interests		<b>(12,607)</b>	-	-	-
		<b>(4,742,815)</b>	(4,442,604)	<b>(4,386,018)</b>	(5,094,747)
<b>Total comprehensive loss attributable to:</b>					
Owners of the parent		<b>(4,286,797)</b>	(3,822,146)	<b>(5,368,194)</b>	(4,439,963)
Non-controlling interests		<b>(12,607)</b>	-	-	-
		<b>(4,299,404)</b>	(3,822,146)	<b>(5,368,194)</b>	(4,439,963)
<b>Loss per share (sen)</b>					
- Basic	27(a)	<b>(4.75)</b>	(5.01)		
- Diluted	27(b)	<b>(2.25)</b>	(5.01)		

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Attributable to owners of the parent				
	Non-distributable				Total Equity RM
	Share Capital RM	Fair Value Reserve RM	Foreign Currency Translation Reserve RM	Accumulated Losses RM	
At 1 January 2022	28,051,999	(1,409,522)	(724,373)	(13,391,255)	12,526,849
Loss for the financial year	-	-	-	(4,442,604)	(4,442,604)
Other comprehensive income/(loss) for the financial year	-	654,784	(72,399)	38,073	620,458
Total comprehensive income/(loss) for the financial year	-	654,784	(72,399)	(4,404,531)	(3,822,146)
At 31 December 2022	28,051,999	(754,738)	(796,772)	(17,795,786)	8,704,703

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Group	Attributable to owners of the parent											Total Equity RM
	Non-Distributable										Non-Controlling Interests RM	
	Share Capital RM	Fair Value Reserve RM	Translation Reserve RM	Revaluation Reserve RM	Other Reserve RM	Warrant Reserve RM	Accumulated Losses RM	Total RM	Total Equity RM			
At 1 January 2023	28,051,999	(754,738)	(796,772)	-	-	-	(17,795,786)	8,704,703	-	-	8,704,703	8,704,703
Loss for the financial year	-	-	-	-	-	-	(4,730,208)	(4,730,208)	(12,607)	-	(12,607)	(4,742,815)
Other comprehensive (loss)/ income for the financial year	-	(982,176)	87,652	1,198,586	-	-	139,349	443,411	-	-	443,411	443,411
Total comprehensive (loss)/ income for the financial year	-	(982,176)	87,652	1,198,586	-	-	(4,590,859)	(4,286,797)	(12,607)	-	(12,607)	(4,299,404)
<b>Transactions with owners:</b>												
Incorporation of a subsidiary [Note 7(a)]	-	-	-	-	-	-	-	-	-	-	-	4
Issuance of ordinary shares pursuant to:												
- Private placement [Note 16(a)]	2,045,924	-	-	-	-	-	-	2,045,924	-	-	2,045,924	2,045,924
- Rights issue [Note 16(c)]	23,413,001	-	-	-	(14,769,698)	14,769,698	-	23,413,001	-	-	23,413,001	23,413,001
	25,458,925	-	-	-	(14,769,698)	14,769,698	-	25,458,925	4	-	25,458,929	25,458,929
At 31 December 2023	53,510,924	(1,736,914)	(709,120)	1,198,586	(14,769,698)	14,769,698	(22,386,645)	29,876,831	(12,603)	-	29,864,228	29,864,228

## STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Company	Attributable to owners of the parent			
	Non-distributable			Total Equity RM
	Share Capital RM	Fair Value Reserve RM	Accumulated Losses RM	
At 1 January 2022	28,051,999	(1,409,522)	(17,784,629)	8,857,848
Loss for the financial year	-	-	(5,094,747)	(5,094,747)
Other comprehensive income for the financial year	-	654,784	-	654,784
Total comprehensive income/(loss) for the financial year	-	654,784	(5,094,747)	(4,439,963)
At 31 December 2022	28,051,999	(754,738)	(22,879,376)	4,417,885

Company	Attributable to owners of the parent					
	Non-distributable					Total Equity RM
	Share Capital RM	Fair Value Reserve RM	Other Reserve RM	Warrant Reserve RM	Accumulated Losses RM	
At 1 January 2023	<b>28,051,999</b>	<b>(754,738)</b>	-	-	<b>(22,879,376)</b>	<b>4,417,885</b>
Loss for the financial year	-	-	-	-	<b>(4,386,018)</b>	<b>(4,386,018)</b>
Other comprehensive loss for the financial year	-	<b>(982,176)</b>	-	-	-	<b>(982,176)</b>
Total comprehensive loss for the financial year	-	<b>(982,176)</b>	-	-	<b>(4,386,018)</b>	<b>(5,368,194)</b>
<b>Transactions with owners:</b>						
Issuance of ordinary shares pursuant to:						
- Private placement [Note 16(a)]	<b>2,045,924</b>	-	-	-	-	<b>2,045,924</b>
- Rights issue [Note 16(c)]	<b>23,413,001</b>	-	<b>(14,769,698)</b>	<b>14,769,698</b>	-	<b>23,413,001</b>
	<b>25,458,925</b>	-	<b>(14,769,698)</b>	<b>14,769,698</b>	-	<b>25,458,925</b>
At 31 December 2023	<b>53,510,924</b>	<b>(1,736,914)</b>	<b>(14,769,698)</b>	<b>14,769,698</b>	<b>(27,265,394)</b>	<b>24,508,616</b>

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Operating Activities</b>				
Loss before tax	<b>(4,746,693)</b>	(4,433,571)	<b>(4,386,018)</b>	(5,094,747)
Adjustments for:				
Amortisation of intangible assets	<b>42,291</b>	41,429	-	-
Defined benefit obligations	<b>(20,955)</b>	(5,053)	-	-
Depreciation of:				
- property, plant and equipment	<b>212,978</b>	222,895	<b>574</b>	586
- right-of-use assets	<b>163,426</b>	115,926	-	-
Fair value gain on money market fund	<b>(14,519)</b>	(26,159)	<b>(14,519)</b>	(26,159)
Finance costs	<b>118,920</b>	149,131	-	-
Impairment loss on:				
- amount due from subsidiaries	-	-	<b>3,685,577</b>	2,691,178
- investment in subsidiaries	-	-	-	541,693
Gain on disposal of property, plant and equipment	-	(11,723)	-	-
Interest income	<b>(2,890)</b>	(8,304)	<b>(597,378)</b>	(509,296)
Unrealised (gain)/loss on foreign exchange	<b>(136)</b>	(161)	<b>(229,058)</b>	181,746
Operating loss before working capital changes	<b>(4,247,578)</b>	(3,955,590)	<b>(1,540,822)</b>	(2,214,999)
Changes in working capital:				
Inventories	<b>48,393</b>	(130,180)	-	-
Contract assets	<b>(14,326)</b>	-	-	-
Receivables	<b>(467,061)</b>	750,800	<b>5,000</b>	98,778
Payables	<b>7,692,424</b>	(54,226)	<b>7,556,366</b>	15,475
Cash generated from/(used in) operations	<b>3,011,852</b>	(3,389,196)	<b>6,020,544</b>	(2,100,746)
Employee benefits paid	<b>(6,422)</b>	(36,007)	-	-
Interest received	<b>2,890</b>	8,304	<b>2,260</b>	4,481
Interest paid	<b>(118,920)</b>	(149,131)	-	-
Tax paid	-	(17,515)	-	-
Exchange fluctuation adjustment	<b>56,373</b>	-	-	-
Net cash from/(used in) operating activities	<b>2,945,773</b>	(3,583,545)	<b>6,022,804</b>	(2,096,265)

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Investing Activities</b>				
Acquisition of:				
- intangible assets	-	(72,889)	-	-
- property, plant and equipment	(12,855)	(199,938)	-	-
- investment in subsidiary	-	-	(6)	(1)
Advances to subsidiaries	-	-	(2,388,650)	(1,556,412)
Capital contribution from non-controlling interests [Note 7(a)]	4	-	-	-
Net changes in deposits not for short-term funding requirement	-	1,309,437	-	1,309,437
Proceeds from disposal of property, plant and equipment	-	66,551	-	-
Proceeds from redemption of money market fund	1,028,607	1,000,369	1,028,607	1,000,369
Investment in money market fund	(20,801,923)	-	(20,801,923)	-
Net cash (used in)/from investing activities	(19,786,167)	2,103,530	(22,161,972)	753,393
<b>Financing Activities</b>				
Proceeds from issuance of shares pursuant to:				
- private placement	2,045,924	-	2,045,924	-
- rights issue	23,413,001	-	23,413,001	-
Repayment of term loan	(64,559)	(666,802)	-	-
Payment of lease liabilities	(62,050)	(23,824)	-	-
Net cash from/(used in) financing activities	25,332,316	(690,626)	25,458,925	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>8,491,922</b>	<b>(2,170,641)</b>	<b>9,319,757</b>	<b>(1,342,872)</b>
<b>Cash and cash equivalents at the beginning of the financial year</b>	<b>566,952</b>	<b>2,765,389</b>	<b>154,754</b>	<b>1,497,626</b>
Effect of exchange translation differences on cash and cash equivalents	136	(27,796)	136	-
<b>Cash and cash equivalents at the end of the financial year</b>	<b>9,059,010</b>	<b>566,952</b>	<b>9,474,647</b>	<b>154,754</b>
<b>Cash and cash equivalents at the end of the financial year comprises:</b>				
Cash and bank balances	9,592,317	566,952	9,474,647	154,754
Bank overdraft	(533,307)	-	-	-
	<b>9,059,010</b>	<b>566,952</b>	<b>9,474,647</b>	<b>154,754</b>

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

## Note to statements of cash flows

### Cash flows for leases as a lessee

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
<b>Including in operating activities:</b>					
Interest paid in relation to lease liabilities	24	15,950	4,676	-	-
Payment relating to short-term leases	25	18,285	16,074	2,943	2,811
<b>Including in financing activities:</b>					
Payment of lease liabilities		62,050	23,824	-	-
<b>Total cash outflows for leases</b>		<b>96,285</b>	<b>44,574</b>	<b>2,943</b>	<b>2,811</b>

The accompanying notes form an integral part of the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 1. Corporate Information

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

The principal place of business of the Company was located at No. 18, Jalan Balam, 51100 Kuala Lumpur.

The registered office of the Company was located at A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur. With effective from 16 June 2023, the registered office is relocated to 1-10, Medan Perniagaan Pauh Jaya, Jalan Baru, 13700 Perai, Pulau Pinang.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 7.

## 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 ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policies below.

### Adoption of new and amended standards

During the financial year, the Group and the Company have adopted the following new standards and amendments to standards issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

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	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules

The adoption of the new standards and amendments to standards did not have any significant impact on the financial statements of the Group and of the Company except as disclosed below:

#### Amendments to MFRS 101 *Disclosure of Accounting Policies*

The Group and the Company adopted Amendments to MFRS 101 *Disclosure of Accounting Policies* from 1 January 2023. The amendments require the disclosure of material accounting policy information 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.

Accordingly, the Group and the Company disclosed their material accounting policy information in these financial statements. However, the amendments did not result in any material changes to the accounting policies of the Group and of the Company.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**2. Basis of Preparation (Cont'd)**

- (a) Statement of compliance (Cont'd)

**Adoption of new and amended standards (Cont'd)**Amendments to MFRS 112 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The Group has adopted Amendments to MFRS 112 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* from 1 January 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences - e.g. leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date.

The Group previously accounted for deferred tax on leases applying the “integrally linked” approach, resulting in a similar outcome to the amendments, except that the deferred tax asset or liability was recognised on a net basis. Following the amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statements of financial position because the balances qualify for offset under paragraph 74 of MFRS 112. The key impact for the Group relates to disclosure of the deferred tax assets and liabilities recognised as disclosed Note 9.

**Standards issued but not yet effective**

The Group and the Company have not applied the following new standards and amendments to standards that have been issued by the MASB but are not yet effective for the Group and for the Company:

		<b>Effective dates for financial periods beginning on or after</b>
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above new standards and amendments to standards, if applicable, when they become effective.

The initial application of the above-mentioned new standards and amendments to standards are not expected to have any significant impacts on the financial statements of the Group and of the Company.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 2. Basis of Preparation (Cont'd)

### (b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

### (c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's and of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

### Judgements

There are no significant areas of critical judgement in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

### Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation 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 reporting period are set out below:

#### Depreciation and useful lives of property, plant and equipment and right-of-use ("ROU") assets

The Group reviews the residual values, useful lives and depreciation methods at the end of each reporting period. Judgements are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment and ROU assets may differ from the estimates applied and therefore, future depreciation charges could be revised. The carrying amounts of the Group's and of the Company's property, plant and equipment and ROU assets are disclosed in Notes 4 and 5 respectively.

#### Impairment of investment in subsidiaries

The Company reviews its investment in subsidiaries when there are indicators of impairment. Impairment is measured by comparing the carrying amount of an investment with its recoverable amount. Significant judgement is required in determining the recoverable amount. Estimating the recoverable amount requires the Company to make an estimate of the expected future cash flows from the cash-generating units and also to determine a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amount at the reporting date for investment in subsidiaries are disclosed in Note 7.

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# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

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## 2. Basis of Preparation (Cont'd)

- (c) Significant accounting judgements, estimates and assumptions (Cont'd)

### **Key sources of estimation uncertainty (Cont'd)**

#### Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The details of carrying amount of recognised and unrecognised of deferred tax assets are disclosed in Note 9.

#### Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimates the net realisable value of inventories based on an assessment of expected sales prices. Demand levels and pricing competition could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of its inventories. Details of inventories are disclosed in Note 10.

#### Provision for expected credit loss of financial assets at amortised cost

The Group uses a provision matrix to calculate expected credit loss for trade receivables. The provision rates are based on number of days past due.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may not be representative of customer's actual default in the future. Information about the expected credit loss is disclosed in Note 12.

#### Discount rate used in leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation, particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 2. Basis of Preparation (Cont'd)

- (c) Significant accounting judgements, estimates and assumptions (Cont'd)

### Key sources of estimation uncertainty (Cont'd)

#### Defined benefit liability

Management estimates the defined benefit liability annually with the assistance of independent actuaries. However, the actual outcome may vary due to estimation uncertainties. The estimate is based on standard rates of inflation, medical cost trends and mortality. It also takes into account the Group's specific anticipation of future salary increases. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. Estimation uncertainties exist particularly with regard to medical cost trends, which may vary significantly in future appraisals of the Group's defined benefit obligations. The defined benefit liability of the Group at the reporting date is disclosed in Note 20.

#### Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these tax matters is different from the amounts that were initially recognised, such differences will impact the income tax and/or deferred tax provisions in the period in which such determination is made.

## 3. Material Accounting Policies

The Group and the Company apply the material accounting policies set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

- (a) Basis of consolidation

- (i) Subsidiaries

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

In the Company's separate financial statements, investment in subsidiaries are stated at cost less any accumulated impairment losses. On disposal of such investment, the difference between net disposal proceeds and their carrying amounts are recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**3. Material Accounting Policies (Cont'd)**

## (a) Basis of consolidation (Cont'd)

## (i) Subsidiaries (Cont'd)

**Business combination - Acquisition method**

The Group applies the acquisition method to account for business combinations from the acquisition date, which is the date on which the control is transferred to the Group. Under the acquisition method, the identifiable assets acquired and liabilities assumed are measured at their fair values at the acquisition date. The cost of an acquisition is measured as the aggregate of the fair value of the consideration transferred. Non-controlling interests are stated either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

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

The Group measures goodwill as the excess of the cost of an acquisition, as defined above, and the fair values of any previously held interest in the acquiree, over the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, all intra-group balances, income and expenses and unrealised gains or losses resulting from intra-group transactions are eliminated in full. Uniform accounting policies are applied to like transactions and events in similar circumstances.

## (ii) Changes in ownership interests in subsidiaries without change of control

The Group treats all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's proportionate share of net assets before and after the change, and any fair value of consideration received or paid, is recognised directly in equity as transactions with shareholders.

## (iii) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity accounted investee or at fair value through other comprehensive income depending on the level of influence retained.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 3. Material Accounting Policies (Cont'd)

### (b) Foreign currency translation

#### (i) Foreign currency transactions and balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

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

#### (ii) Foreign operations

The assets and liabilities of foreign operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at the rate of exchange prevailing at the reporting date, except for goodwill and fair value adjustments arising from business combinations before 1 January 2012 (the date of transition to MFRS) which are treated as assets and liabilities of the Company. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve ("FCTR") in equity. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the FCTR related that foreign operations reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**3. Material Accounting Policies (Cont'd)**

## (c) Property, plant and equipment

## (i) Recognition and measurement

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

Subsequent to initial recognition, property, plant and equipment are stated at cost less any accumulated depreciation and 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 profit or loss.

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised after the date of the revaluation. Valuations are performed with sufficient regularity, usually every five years, to ensure that the carrying amount does not differ materially from the fair value of the land and buildings at the end of the reporting period.

## (ii) Depreciation

Depreciation is recognised in the profit or loss on straight-line basis to write off the cost of each asset to its residual value over its estimated useful life. Freehold land is not depreciated.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Freehold buildings	10 - 50 years
Furniture and fittings	10 years
Computer system	5 years
Office equipment	4 -8 years
Motor vehicles	4 -8 years
Plant and machinery	4 -8 years
Renovation	10 years

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



# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 3. Material Accounting Policies (Cont'd)

### (d) Leases

#### As lessee

The Group recognises a ROU asset and a lease liability at the lease commencement date. The ROU 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 ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the ROU asset reflects that the Group will exercise a purchase option. In that case the ROU asset will be depreciated over the useful life of the underlying asset, which determined on the same basis as those of property, plant and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurement of lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the respective Group entities' incremental borrowing rate is used. Generally, the Group entities use their incremental borrowing rate as the discount rate.

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 rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The Group will reassess whether it is reasonably certain to exercise the extension option if there is a significant change in circumstances within its control.

#### *Short-term leases and leases of low-value assets*

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. Low value assets are those assets valued at less than RM20,000 each when purchased new.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**3. Material Accounting Policies (Cont'd)**

## (e) Intangible assets

## (i) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

The cost of computer software and franchise fee are amortised on a straight-line basis over the estimated useful life of 4 years and 5 years respectively.

## (ii) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

## (f) Financial assets

Recognition and initial measurement

Financial assets are recognised in the statements of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss ("FVTPL"), directly attributable transaction costs.

Financial asset categories and subsequent measurement

The Group and the Company determine the classification of financial assets at initial recognition and are not reclassified subsequent to their initial recognition unless the Group and the Company change its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 3. Material Accounting Policies (Cont'd)

### (f) Financial assets (Cont'd)

#### Financial asset categories and subsequent measurement (Cont'd)

The Group and the Company classify their financial assets as follows:

#### (i) Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost include trade and other receivables, amount due from subsidiaries and cash and bank balances.

#### (ii) Financial assets at fair value through other comprehensive income

##### Debt instruments

A debt security is measured at fair value through other comprehensive income ("FVTOCI") if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

##### Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group and the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income on an investment-by-investment basis.

Financial assets categorised as FVTOCI are subsequently measured at fair value, with unrealised gains and losses recognised directly in other comprehensive income and accumulated under fair value adjustment reserve in equity. For debt instruments, when the investment is derecognised or determined to be impaired, the cumulative gain or loss previously recorded in equity is reclassified to the profit or loss. For equity instruments, the gains or losses are never reclassified to profit or loss.

The Group's and the Company's financial assets at FVTOCI comprise other investments.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**3. Material Accounting Policies (Cont'd)**

## (f) Financial assets (Cont'd)

Financial asset categories and subsequent measurement (Cont'd)

The Group and the Company classify their financial assets as follows: (Cont'd)

## (iii) Financial assets at fair value through profit or loss

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

Financial assets categorised as FVTPL are subsequently measured at their fair value with gains or losses recognised in the profit or loss.

The Group's and the Company's financial assets at FVTPL comprise liquid investments.

All financial assets, except for those measured at FVTPL and equity investments measured at FVTOCI, are subject to impairment.

Regular way purchase or sale of financial assets

Regular way purchase or sale are purchase or sale of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchase and sale of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to receive cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial assets and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

## (g) Financial liabilities

Recognition and initial measurement

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 3. Material Accounting Policies (Cont'd)

### (g) Financial liabilities

#### Financial liability categories and subsequent measurement

The Group and the Company classify their financial liabilities as follows:

#### (i) Financial liabilities at amortised cost

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

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

The Group's and the Company's financial liabilities designated at amortised cost comprise trade and other payables, lease liabilities and bank borrowings.

#### (ii) Financial liabilities at fair value through profit or loss

The Group and the Company have not designated any financial liabilities at FVTPL.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

### (h) Offsetting of financial instruments

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

### (i) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs when the guaranteed debtor fails to make payment when due.

Financial guarantee contracts are recognised initially as financial liabilities at fair value, net of transaction costs. Subsequently, the liability is measured at the higher of:

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

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

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# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

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### 3. Material Accounting Policies (Cont'd)

(j) Inventories

Merchandise and trading goods are stated at the lower of cost and net realisable value.

Cost of merchandise and trading goods comprise cost of purchase and other costs incurred in bringing it to their present location and condition are determined on a weighted average basis.

(k) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdrafts and short-term highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(l) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets 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, the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. 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 or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in 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 in the revaluation surplus for the same asset.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed, if and only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 3. Material Accounting Policies (Cont'd)

### (l) Impairment of assets (Cont'd)

#### (ii) Financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default ("a lifetime ECL").

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

### (m) Share capital

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

Dividend distribution to the Company's shareholders is recognised as a liability in the period they are approved by the Board of Directors except for the final dividend which is subject to approval by the Company's shareholders.

### (n) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**3. Material Accounting Policies (Cont'd)**

## (o) Employee benefits

## (i) Short-term employee benefits

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

## (ii) Defined contribution plans

As required by law, companies in Malaysia contribute to the state pension scheme, the Employee Provident Fund ("EPF"). Some of the Group's foreign subsidiaries also make contributions to their respective countries' statutory pension schemes. Such contributions are recognised as an expense in the profit or loss as incurred. Once the contributions have been paid, the Group has no further payment obligations.

## (iii) Defined benefits plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Defined benefit plan is an approved fund independent of the Group's finances and defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability in respect of a defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for actuarial gains/losses and unrecognised past service cost. The Group determines the present value of the defined benefit obligation and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of reporting period.

The defined benefit obligation, calculated annually using the Projected Unit Credit Method, is determined by independent actuaries, considering the estimated future cash outflows using market yields at statements of financial position date of Government securities which have currency and terms to maturity approximating the terms of the related liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. The actuarial gains and losses are not subsequently reclassified to profit or loss in subsequent period.

Past-service costs are recognised immediately in profit or loss.

The Group recognises gains and losses on the settlement of a defined benefit plan when settlement occurs.



# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 3. Material Accounting Policies (Cont'd)

(p) Revenue and other income

(i) Revenue from contracts with customers

Revenue is recognised when the Group satisfied a performance obligation ("PO") by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

The Group recognises revenue from the following major sources:

(1) Sale of goods

Revenue is measured at the fair value of consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue from sale of goods is recognised when the transfer of significant risk and rewards of ownership of the goods to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(2) Rendering of services

Revenue from rendering of services and management fees are recognised in the reporting period in which the services are rendered, which simultaneously received and consumes the benefits provided by the Group, and the Group has a present right to payment for the services.

(ii) Interest income

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

(q) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of qualifying assets are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that the Group and the Company incurred in connection with the borrowing of funds.

(r) Income taxes

Tax expense in profit or loss comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**3. Material Accounting Policies (Cont'd)**

## (r) Income taxes (Cont'd)

Deferred tax is recognised using the liability method for all temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for the temporary differences arising from the initial recognition of goodwill, the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, at the end of the reporting year. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting year and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## (s) Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments and make overall strategic decisions. The Group's operating segments are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

## (t) Contingencies

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

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# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

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### 3. Material Accounting Policies (Cont'd)

(u) Fair value measurement

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

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

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

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

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

Level 3: Unobservable inputs for the asset or liability.

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

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 4. Property, Plant and Equipment

	At valuation				At cost				Total RM
	Freehold land RM	Freehold buildings RM	Furniture and fittings RM	Computer system RM	Office equipment RM	Motor vehicles, plant and machinery RM	Work-in- progress RM	Renovation RM	
<b>Group 2023</b>									
At 1 January 2023	2,400,000	1,029,000	122,220	778,187	458,038	334,580	1,011	1,523,320	6,646,356
Additions	-	-	-	6,760	2,332	-	-	3,763	12,855
Revaluation surplus	1,000,000	331,762	-	-	-	-	-	-	1,331,762
Elimination of accumulated depreciation due to revaluation	-	(100,762)	-	-	-	-	-	-	(100,762)
Reclassification	-	(160,000)	-	-	1,011	-	(1,011)	160,000	-
Exchange differences	-	-	-	-	19,809	-	-	2,085	21,894
At 31 December 2023	3,400,000	1,100,000	122,220	784,947	481,190	334,580	-	1,689,168	7,912,105
<b>Accumulated depreciation</b>									
At 1 January 2023	-	141,175	15,675	750,267	416,315	334,580	-	623,579	2,281,591
Charge for the financial year	-	34,920	11,233	7,269	22,065	-	-	137,491	212,978
Elimination of accumulated depreciation due to revaluation	-	(100,762)	-	-	-	-	-	-	(100,762)
Reclassification	-	(68,000)	-	-	-	-	-	68,000	-
Exchange differences	-	-	-	-	18,555	-	-	460	19,015
At 31 December 2023	-	7,333	26,908	757,536	456,935	334,580	-	829,530	2,412,822
<b>Carrying amount</b>									
At 31 December 2023	3,400,000	1,092,667	95,312	27,411	24,255	-	-	859,638	5,499,283

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 4. Property, Plant and Equipment (Cont'd)

Group 2022	Freehold land		Furniture and fittings		Computer system	Office equipment	Motor vehicles, plant and machinery	Work-in-progress	Renovation	Total
	RM	RM	RM	RM						
<b>Cost</b>										
At 1 January 2022	2,400,000	1,029,000	16,700	760,201	471,172	439,211	1,011	1,466,494	6,583,789	
Additions	-	-	105,520	17,986	18,580	-	-	57,852	199,938	
Disposals	-	-	-	-	(19,072)	(100,830)	-	-	(119,902)	
Exchange differences	-	-	-	-	(12,642)	(3,801)	-	(1,026)	(17,469)	
At 31 December 2022	2,400,000	1,029,000	122,220	778,187	458,038	334,580	1,011	1,523,320	6,646,356	
<b>Accumulated depreciation</b>										
At 1 January 2022	-	107,795	11,862	744,340	402,388	381,039	-	491,069	2,138,493	
Charge for the financial year	-	33,380	3,813	5,927	45,896	1,018	-	132,861	222,895	
Disposals	-	-	-	-	(19,457)	(45,617)	-	-	(65,074)	
Exchange differences	-	-	-	-	(12,512)	(1,860)	-	(351)	(14,723)	
At 31 December 2022	-	141,175	15,675	750,267	416,315	334,580	-	623,579	2,281,591	
<b>Carrying amount</b>										
At 31 December 2022	2,400,000	887,825	106,545	27,920	41,723	-	1,011	899,741	4,364,765	

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 4. Property, Plant and Equipment (Cont'd)

Company 2023	Computer system RM	Furniture and fittings RM	Office equipment RM	Motor vehicles RM	Renovation RM	Total RM
<b>Cost</b>						
At 1 January 2023/ 31 December 2023	688,633	960	12,889	249,950	150,000	1,102,432
<b>Accumulated depreciation</b>						
At 1 January 2023	687,589	239	12,742	249,950	150,000	1,100,520
Charge for the financial year	330	97	147	-	-	574
At 31 December 2023	687,919	336	12,889	249,950	150,000	1,101,094
<b>Carrying amount</b>						
At 31 December 2023	714	624	-	-	-	1,338

Company 2022	Computer system RM	Furniture and fittings RM	Office equipment RM	Motor vehicles RM	Renovation RM	Total RM
<b>Cost</b>						
At 1 January 2022/ 31 December 2022	688,633	960	12,889	249,950	150,000	1,102,432
<b>Accumulated depreciation</b>						
At 1 January 2022	687,259	143	12,582	249,950	150,000	1,099,934
Charge for the financial year	330	96	160	-	-	586
At 31 December 2022	687,589	239	12,742	249,950	150,000	1,100,520
<b>Carrying amount</b>						
At 31 December 2022	1,044	721	147	-	-	1,912

- (a) The carrying amount of the property, plant and equipment of the Group pledged as securities for bank borrowings as disclosed in Note 19(a) are as follows:

	Group	
	2023 RM	2022 RM
Freehold land	3,400,000	2,400,000
Freehold buildings	1,092,667	887,825
	4,492,667	3,287,825

# NOTES TO THE FINANCIAL STATEMENTS

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## 4. Property, Plant and Equipment (Cont'd)

- (b) During the financial year, the Group adopted valuation model for its freehold land and buildings. The freehold land and buildings of the Group were revalued in September 2023 by an independent firm of professional valuers, Laurelcap Sdn. Bhd., with appropriate professional qualifications and recent experience in the location and category of property being valued.

The fair value of the freehold land and buildings is within level 2 of the fair value hierarchy. The fair value was determined based on comparison approach that entails analysis of recent evidence of value of comparable properties in the neighbourhood and making adjustments for differences.

There were no transfers between levels during the financial year.

- (c) Had the revalued freehold land and buildings been included in the financial statements at cost less accumulated depreciation and accumulated impairment losses, the carrying amount of the revalued freehold land and buildings of the Group would be RM2,400,000 and RM762,445 respectively.

## 5. Right-of-Use Assets

Group 2023	Leasehold land and building RM	Office equipment and motor vehicle RM	Total RM
<b>Cost</b>			
At 1 January 2023	2,048,024	-	2,048,024
Exchange differences	96,000	-	96,000
At 31 December 2023	2,144,024	-	2,144,024
<b>Accumulated depreciation</b>			
At 1 January 2023	496,555	-	496,555
Charge for the financial year	163,426	-	163,426
Exchange differences	23,147	-	23,147
At 31 December 2023	683,128	-	683,128
<b>Carrying amount</b>			
At 31 December 2023	1,460,896	-	1,460,896

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 5. Right-of-Use Assets (Cont'd)

Group 2022	Leasehold land and building RM	Office equipment and motor vehicle RM	Total RM
<b>Cost</b>			
At 1 January 2022	1,813,821	39,783	1,853,604
Addition	294,203	-	294,203
Disposal	-	(39,783)	(39,783)
Exchange differences	(60,000)	-	(60,000)
At 31 December 2022	2,048,024	-	2,048,024
<b>Accumulated depreciation</b>			
At 1 January 2022	405,332	31,135	436,467
Charge for the financial year	107,278	8,648	115,926
Disposal	-	(39,783)	(39,783)
Exchange differences	(16,055)	-	(16,055)
At 31 December 2022	496,555	-	496,555
<b>Carrying amount</b>			
At 31 December 2022	1,551,469	-	1,551,469

The leasehold land and building with carrying amount of RM1,258,632 (2022: RMNil) of the Group are pledged as securities for bank borrowings as disclosed in Note 19(c).

## 6. Intangible Assets

Group 2023	Computer software RM	Franchise fees RM	Total RM
<b>Cost</b>			
At 1 January 2023	140,268	50,000	190,268
Exchange differences	7,844	-	7,844
At 31 December 2023	148,112	50,000	198,112
<b>Accumulated amortisation</b>			
At 1 January 2023	57,620	2,500	60,120
Amortisation for the financial year	32,291	10,000	42,291
Exchange differences	3,097	-	3,097
At 31 December 2023	93,008	12,500	105,508
<b>Carrying amount</b>			
At 31 December 2023	55,104	37,500	92,604



# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 6. Intangible Assets (Cont'd)

Group 2022	Computer software RM	Franchise fees RM	Total RM
<b>Cost</b>			
At 1 January 2022	121,470	-	121,470
Additions	22,889	50,000	72,889
Exchange differences	(4,091)	-	(4,091)
At 31 December 2022	140,268	50,000	190,268
<b>Accumulated amortisation</b>			
At 1 January 2022	21,298	-	21,298
Amortisation for the financial year	38,929	2,500	41,429
Exchange differences	(2,607)	-	(2,607)
At 31 December 2022	57,620	2,500	60,120
<b>Carrying amount</b>			
At 31 December 2022	82,648	47,500	130,148

## 7. Investment in Subsidiaries

	Company	
	2023 RM	2022 RM
<b>In Malaysia:</b>		
<b>At cost</b>		
Unquoted shares	<b>3,888,429</b>	3,888,423
Less: Accumulated impairment losses	<b>(3,888,421)</b>	(3,888,421)
	<b>8</b>	2
<b>Outside Malaysia:</b>		
<b>At cost</b>		
Unquoted shares	<b>871,610</b>	871,610
Less: Accumulated impairment losses	<b>(871,610)</b>	(871,610)
	<b>-</b>	-
	<b>8</b>	2

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**7. Investment in Subsidiaries (Cont'd)**

Movements in allowance for impairment losses of investment in subsidiaries is as follows:

	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
At 1 January	<b>4,760,031</b>	4,218,338
Impairment losses recognised	-	541,693
At 31 December	<b>4,760,031</b>	4,760,031

The Company carried out review of recoverable amount of certain subsidiary for the financial year. An impairment loss of RMNil (2022: RM541,693) was recognised in the statements of profit or loss and other comprehensive income.

Details of the subsidiaries are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
Angkara Setia Development Sdn. Bhd.	Malaysia	<b>100</b>	100	Providing outsourced procurement and fulfilment services through local suppliers and mail order programmes, including warehousing and distribution services.
PT CLS System*	Indonesia	<b>100</b>	100	Providing outsourcing procurement fulfillment on project and direct-based services for varied products.
Advanced Supply Chain Solutions Sdn. Bhd.	Malaysia	<b>100</b>	100	Providing outsourced procurement and fulfilment services through local suppliers and mail order programmes, including warehousing and distribution services. The Company has ceased its business operations and remain dormant.
Advance Medipharm Solutions Sdn. Bhd.	Malaysia	<b>100</b>	100	Providing retail sales of pharmaceuticals, medical, orthopedic goods and other food products.
Idodo (M) Sdn. Bhd.	Malaysia	<b>60</b>	-	Dormant

# NOTES TO THE FINANCIAL STATEMENTS

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## 7. Investment in Subsidiaries (Cont'd)

Details of the subsidiaries are as follows: (Cont'd)

Name of company	Place of business/ Country of incorporation	Effective interest (%)		Principal activities
		2023	2022	
<b>Indirect interest:</b>				
<b>Held through Idodo (M) Sdn. Bhd.</b>				
Corfu Management Sdn. Bhd.	Malaysia	60	-	Dormant
Creo Service Management Sdn. Bhd.	Malaysia	60	-	Dormant
Global Policy Management Sdn. Bhd.	Malaysia	60	-	Dormant
MyPolicy Sdn. Bhd.	Malaysia	60	-	Dormant

\* Subsidiary audited by a member firm of UHY in Indonesia

(a) Incorporation of a subsidiary

### Financial year ended 31 December 2023

The Company had on 27 March 2023 incorporated a new subsidiary in Malaysia under the name of Idodo (M) Sdn. Bhd. ("IDODO") with an initial paid-up share capital of RM10 comprising of 10 ordinary shares. The Company subscribed 6 ordinary shares in IDODO for an initial consideration of RM6. Consequently, IDODO became a 60%-owned subsidiary of the Company.

### Financial year ended 31 December 2022

The Company had on 7 September 2022 incorporated a new subsidiary in Malaysia under the name of Advance Medipharm Solutions Sdn. Bhd. ("AMS") with an initial paid-up share capital of RM1 comprising of 1 ordinary share. The Company subscribed 1 ordinary share in AMS for an initial consideration of RM1. Consequently, AMS became a wholly-owned subsidiary of the Company.

## NOTES TO THE FINANCIAL STATEMENTS

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## 8. Other Investments

	Group and Company	
	2023 RM	2022 RM
<b>At fair value</b>		
<b>Financial assets measured at fair value through other comprehensive income</b>		
Quoted shares in Malaysia	<b>3,110,224</b>	4,092,400
<b>At cost</b>		
Golf club membership	<b>45,000</b>	45,000
	<b>3,155,224</b>	4,137,400
Market value of quoted shares	<b>3,110,224</b>	4,092,400

The fair value of the listed equity securities was determined by reference to the quoted price in an active market.

## 9. Deferred Tax Assets

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
At 1 January	<b>50,039</b>	70,864	-	-
Recognised in profit or loss	<b>3,878</b>	(9,033)	-	-
Recognised in other comprehensive income	<b>(172,479)</b>	(10,739)	-	-
Exchange differences	<b>2,335</b>	(1,053)	-	-
At 31 December	<b>(116,227)</b>	50,039	-	-

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Deferred tax assets	<b>16,285</b>	50,039	-	-
Deferred tax liabilities	<b>(132,512)</b>	-	-	-
	<b>(116,227)</b>	50,039	-	-

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 9. Deferred Tax Assets (Cont'd)

The components and movements of deferred tax assets and liabilities are as follows:

Group	Unutilised capital allowances RM	Lease liabilities RM	Others RM	Total RM
<b>Deferred tax assets</b>				
<b>2023</b>				
At 1 January 2023	27,300	-	50,039	77,339
Recognised in profit or loss	(4,033)	(14,892)	3,214	(15,711)
Under provision in prior year	6,128	67,031	-	73,159
Recognised in other comprehensive income	-	-	(39,303)	(39,303)
Exchange differences	-	-	2,335	2,335
At 31 December 2023 (before offsetting)	<b>29,395</b>	<b>52,139</b>	<b>16,285</b>	<b>97,819</b>
Less: Offsetting				<b>(81,534)</b>
At 31 December 2023 (after offsetting)				<b>16,285</b>
<b>2022</b>				
At 1 January 2022	10,662	-	70,864	81,526
Recognised in profit or loss	(4,607)	-	(9,033)	(13,640)
Under provision in prior year	21,245	-	-	21,245
Recognised in other comprehensive income	-	-	(10,739)	(10,739)
Exchange differences	-	-	(1,053)	(1,053)
At 31 December 2022 (before offsetting)	<b>27,300</b>	<b>-</b>	<b>50,039</b>	<b>77,339</b>
Less: Offsetting				<b>(27,300)</b>
At 31 December 2022 (after offsetting)				<b>50,039</b>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**9. Deferred Tax Assets (Cont'd)**

The components and movements of deferred tax assets and liabilities are as follows:

Group	Accelerated capital allowances RM	Right-of-use assets RM	Revaluation of assets RM	Total RM
<b>Deferred tax liabilities</b>				
<b>2023</b>				
At 1 January 2023	(27,300)	-	-	(27,300)
Recognised in profit or loss	1,273	17,652	664	19,589
Recognised in other comprehensive income	-	-	(133,176)	(133,176)
Under provision in prior year	(6,963)	(66,196)	-	(73,159)
At 31 December 2023 (before offsetting)	<b>(32,990)</b>	<b>(48,544)</b>	<b>(132,512)</b>	<b>(214,046)</b>
Less: Offsetting				<b>81,534</b>
At 31 December 2023 (after offsetting)				<b>(132,512)</b>
<b>2022</b>				
At 1 January 2023	(10,662)	-	-	(10,662)
Recognised in profit or loss	4,607	-	-	4,607
Under provision in prior year	(21,245)	-	-	(21,245)
At 31 December 2023 (before offsetting)	<b>(27,300)</b>	<b>-</b>	<b>-</b>	<b>(27,300)</b>
Less: Offsetting				<b>27,300</b>
At 31 December 2023 (after offsetting)				<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 9. Deferred Tax Assets (Cont'd)

The components and movements of deferred tax assets and liabilities are as follows: (Cont'd)

Company	2023 RM	2022 RM
<b>Deferred tax asset</b>		
<b>Unutilised capital allowances</b>		
At 1 January	459	599
Recognised in profit or loss	(140)	(140)
Under provision in prior year	3,184	-
At 31 December (before offsetting)	3,503	459
Less: Offsetting	(3,503)	(459)
At 31 December (after offsetting)	-	-
<b>Deferred tax liability</b>		
<b>Accelerated capital allowances</b>		
At 1 January	(459)	(599)
Recognised in profit or loss	140	140
Under provision in prior year	(3,184)	-
At 31 December (before offsetting)	(3,503)	(459)
Less: Offsetting	3,503	459
At 31 December (after offsetting)	-	-

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Unutilised capital allowances	657,971	600,022	505,800	505,217
Unused tax losses	11,569,967	9,618,557	2,727,433	2,727,433
Other deductible temporary differences	60,888	-	-	-
	<b>12,288,826</b>	10,218,579	<b>3,233,233</b>	3,232,650

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiaries that have a recent history of losses.

## NOTES TO THE FINANCIAL STATEMENTS

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**9. Deferred Tax Assets (Cont'd)**

For Malaysian entities, pursuant to Section 8 of the Finance Act 2021 (Act 833) and the amendment to Section 44(5F) of the Income Tax Act 1967, effective from year of assessment 2019 onwards, the time limit on the carried forward unused tax losses has been extended to maximum of ten (10) consecutive years of assessment. Any unused tax losses accumulated up to the year of assessment (ie: from year of assessment 2019 to 2028) under the current tax legislation.

The unrecognised unused tax losses shall be disregarded after the end of the year of assessment as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
2028	7,664,206	7,664,206	2,727,433	2,727,433
2029	493,920	493,920	-	-
2030	205,943	205,943	-	-
2031	359,730	359,730	-	-
2032	894,758	894,758	-	-
2033	1,951,410	-	-	-
	<b>11,569,967</b>	9,618,557	<b>2,727,433</b>	2,727,433

**10. Inventories**

	Group	
	2023 RM	2022 RM
Merchandise and trading goods	179,319	227,712
<b>Recognised in profit or loss:</b>		
Inventories recognised as cost of sales	<b>2,237,519</b>	2,533,958

**11. Contract Assets**

	Group	
	2023 RM	2022 RM
Contract assets	14,326	-

The contract assets primarily relate to the Group's rights to consideration for service performed but not yet billed at the reporting date. The contract assets will be transferred to trade receivables when the rights become unconditional.



# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 12. Trade Receivables

	Group	
	2023 RM	2022 RM
Trade receivables	522,137	175,177
Less: Accumulated impairment losses	(2,223)	(2,104)
	<b>519,914</b>	173,073

Trade receivables are non-interest bearing and are generally on 14 to 60 days (2022: 30 to 90 days) term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Movements in the allowance for impairment losses of trade receivables are as follows:

	Group	
	2023 RM	2022 RM
At 1 January	2,104	2,179
Exchange differences	119	(75)
At 31 December	<b>2,223</b>	2,104

The loss allowance account in respect of trade receivables is used to record loss allowance. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

The ageing analysis of trade receivables at the end of the reporting period are as follows:

Group	Gross Amount RM	Loss Allowance RM	Net Amount RM
<b>2023</b>			
Not past due	221,675	-	221,675
Past due			
Less than 30 days	257,045	(1,941)	255,104
31 to 60 days	43,417	(282)	43,135
	<b>300,462</b>	<b>(2,223)</b>	<b>298,239</b>
	<b>522,137</b>	<b>(2,223)</b>	<b>519,914</b>
<b>2022</b>			
Not past due	75,035	(303)	74,732
Past due			
Less than 30 days	65,070	(689)	64,381
31 to 60 days	35,072	(1,112)	33,960
	100,142	(1,801)	98,341
	175,177	(2,104)	173,073

Trade receivables that are not past due nor individually impaired are creditworthy debtors with good payment records with the Group.

As at 31 December 2023, gross trade receivables of RM300,462 (2022: RM100,142) were past due but not individually impaired. These relate to a number of independent customers from whom there is no recent history of default.

## NOTES TO THE FINANCIAL STATEMENTS

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**13. Other Receivables**

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Other receivables	57,573	72,684	-	-
Refundable deposits	179,147	45,420	6,340	6,340
Prepayments	50,101	48,378	-	5,000
	<b>286,821</b>	166,482	<b>6,340</b>	11,340

**14. Amount Due from Subsidiaries**

	2023 RM	2022 RM
Amount due from subsidiaries		
- Trade related	780,000	780,000
- Non-trade related	15,557,868	12,345,178
	<b>16,337,868</b>	13,125,178
Less: Accumulated impairment losses	(16,331,634)	(12,648,057)
	<b>6,234</b>	479,121

This represents unsecured, non-interest bearing advances and repayable on demand except for RM1,099,932 (2022: RM504,815) which bear interest at a rate of 4% (2022: 4%) per annum.

Movements in the allowance for impairment losses of amount due from subsidiaries are as follows:

	2023 RM	2022 RM
At 1 January	12,646,057	9,954,879
Impairment loss recognised	3,685,577	2,691,178
At 31 December	<b>16,331,634</b>	12,646,057

The Company carried out a review of the recoverable amounts of certain subsidiaries. An impairment losses on the amount due from subsidiaries amounting to RM3,685,577 (2022: RM2,691,178) was recognised in the statements of profit or loss and other comprehensive income.

# NOTES TO THE FINANCIAL STATEMENTS

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## 15. Liquid Investments

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Financial assets at fair value through profit or loss</b>				
Short-term funds				
- Investment in fixed income trust funds in Malaysia	<b>19,816,019</b>	28,184	<b>19,816,019</b>	28,184

The fair value of the trust funds was determined by reference to the quoted prices provided by financial intermediaries.

## 16. Share Capital

	Note	Group and Company			
		Number of shares		Amount	
		2023 Units	2022 Units	2023 RM	2022 RM
Issued and fully paid ordinary shares					
At 1 January		<b>266,058,666</b>	266,058,666	<b>28,051,999</b>	28,051,999
Share consolidation	(b)	<b>(195,109,457)</b>	-	-	-
Issuance of shares pursuant to:					
- Private placement	(a)	<b>26,605,000</b>	-	<b>2,045,924</b>	-
- Rights issue	(c)	<b>292,662,513</b>	-	<b>23,413,001</b>	-
At 31 December		<b>390,216,722</b>	266,058,666	<b>53,510,924</b>	28,051,999

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM28,051,999 to RM53,510,924 by way of the followings:

- On 21 February 2023, the Company issued 26,605,000 new ordinary shares pursuant to private placement at an issue price of RM0.0769 per placement share for a total cash consideration of RM2,045,924.
- The Company undertook Share Consolidation involving the consolidation of 3 existing shares in the Company into 1 ordinary share, resulting in the reduction in the number of shares from 292,663,666 ordinary shares to 97,554,209 Consolidated Shares. The Share Consolidation has been completed following the listing and quotation for 97,554,209 Consolidated Shares on the ACE Market of Bursa Malaysia Securities Berhad on 20 March 2023.
- On 28 December 2023, the Company issued 292,622,513 new ordinary shares pursuant to the rights issue at an issue price of RM0.08 per right share for a total consideration of RM23,413,001.

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

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meeting of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 17. Reserves

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
<b>Non-distributable</b>					
Fair value reserve	(a)	<b>(1,736,914)</b>	(754,738)	<b>(1,736,914)</b>	(754,738)
Foreign currency translation reserve	(b)	<b>(709,120)</b>	(796,772)	-	-
Revaluation reserve	(c)	<b>1,198,586</b>	-	-	-
Other reserve	(d)	<b>(14,769,698)</b>	-	<b>(14,769,698)</b>	-
Warrant reserve	(e)	<b>14,769,698</b>	-	<b>14,769,698</b>	-
		<b>(1,247,448)</b>	(1,551,510)	<b>(1,736,914)</b>	(754,738)
Accumulated losses		<b>(22,386,645)</b>	(17,795,786)	<b>(27,265,394)</b>	(22,879,376)
		<b>(23,634,093)</b>	(19,347,296)	<b>(29,002,308)</b>	(23,634,114)

The nature of reserves of the Group and of the Company are as follows:

## (a) Fair value reserve

Fair value reserve represents the cumulative net change in the fair value of investment in securities measured at FVTOCI until they are derecognised or impaired.

## (b) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

## (c) Revaluation reserve

The revaluation reserve represents increases in the fair value of freehold land and buildings, net of tax.

## (d) Other reserve

Other reserve represents fair value of warrants issued amounting to RM14,769,698.

## (e) Warrant reserve

Warrant reserve represents fair value of warrants issued and is non-distributable.

On 27 December 2023, the Company issued 195,108,290 ("Warrants") pursuant to renounceable rights issue with free detachable warrants to all entitled shareholders of the Company on the basis of 2 warrants for every 3 rights shares held in the Company.

The warrants are constituted under a Deed Poll executed on 15 November 2023 and each warrant entitles the registered holder the right at any time during the exercise period from 20 December 2023 to 19 December 2028 to subscribe in cash for one new ordinary share of the Company at an exercise price of RM0.08 each.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 17. Reserves (Cont'd)

The nature of reserves of the Group and of the Company are as follows: (Cont'd)

### (e) Warrant reserve (Cont'd)

The new ordinary shares to be issued upon exercise of the warrants, shall upon issuance and allotment, rank pari passu with the then existing ordinary shares, save and except that they shall not be entitled to dividends, rights, allotments, and/or other distributions, at the entitlement date of which is prior to the date of allotment of the new ordinary shares arising from the exercise of the warrants.

Any warrant which is not exercise by the expiry of the exercise period will be lapse thereafter and cease to be valid for all purposes.

As at 31 December 2023, the total number of warrants that remain unexercised were 195,108,290 units.

## 18. Lease Liabilities

	Group	
	2023 RM	2022 RM
At 1 January	279,295	8,916
Addition	-	294,203
Accretion of interest	15,950	4,676
Payments	(78,000)	(28,500)
At 31 December	217,245	279,295
Represented by:		
Non-current	148,197	217,245
Current	69,048	62,050
	217,245	279,295

The maturity analysis of lease liabilities of the Group at the end of the reporting period are as follows:

	Group	
	2023 RM	2022 RM
Within one year	80,925	78,000
Later than one year and not later than two years	89,700	80,925
Later than two years and not later than five years	67,275	156,975
	237,900	315,900
Less: Future finance charges	(20,655)	(36,605)
Present value of lease liabilities	217,245	279,295

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**18. Lease Liabilities (Cont'd)**

The Group leases various building and equipment. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The weighted average incremental borrowing rate applied to lease liabilities at the reporting date is 6.35% (2022: 6.35%).

**19. Bank Borrowings**

	Group	
	2023 RM	2022 RM
<b>Secured</b>		
Bank overdraft	533,307	-
Term loan	1,472,770	1,537,329
	<b>2,006,077</b>	1,537,329
<b>Non-current</b>		
Term loan	1,404,346	1,471,853
<b>Current</b>		
Bank overdraft	533,307	-
Term loan	68,424	65,476
	<b>601,731</b>	65,476
	<b>2,006,077</b>	1,537,329

The bank overdraft and term loan are secured by the followings:

- (a) Legal charge over the freehold land and building of the Group as disclosed in Note 4(a).
- (b) Corporate guarantee by the Company as disclosed in Note 29.
- (c) Legal charge over the leasehold land and building of the Group as disclosed in Note 5.

The average effective interest rates per annum are as follows:

	Group	
	2023 %	2022 %
Bank overdraft	8.25	-
Term loan	6.85	6.60

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 20. Employee Benefits

	Group	
	2023 RM	2022 RM
<b>Retirement benefits plans</b>		
Present value of unfunded defined benefit obligations	<b>18,318</b>	171,747

The Group recognises liabilities for employee benefits in respect of its overseas subsidiary, PT CLS System in accordance with the *Law of the Republic of Indonesia No. 11 of 2020 on Job Creation*. The employee benefits will be borne by PT CLS System in term of severance pay, service pay, and compensation pay, in the event of termination of employment of the employee due to resignation, disability, death, and reaching retirement age. The latest actuarial valuation of the plan was carried out on 15 February 2024.

The movements in the present value of defined benefits obligations are as follows:

	Group	
	2023 RM	2022 RM
At 1 January	<b>171,747</b>	266,405
Recognised in profit or loss	<b>(20,955)</b>	(5,053)
Benefits paid by the plan	<b>(6,422)</b>	(36,007)
Remeasurement recognised in other comprehensive income:		
- Effects of changes in financial assumptions	<b>(177,706)</b>	(48,812)
- Exchange differences	<b>51,654</b>	(4,786)
At 31 December	<b>18,318</b>	171,747

### Actuarial assumptions

The principal actuarial assumptions at the end of the reporting period are as follows:

	Group	
	2023 %	2022 %
Discount rate	<b>7.04</b>	7.26
Future average salary increases	<b>5.00</b>	5.00

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**20. Employee Benefits (Cont'd)**Sensitivity analysis

The effect of changes in the principal actuarial assumptions on the present value of unfunded obligations as at 31 December 2023 are as follows:

	Group	
	+1% RM	-1% RM
<b>2023</b>		
Increase/(Decrease) of present value of the unfunded obligations		
- Discount rate	(17,031)	19,820
- Expected salary	19,814	(17,003)
<b>2022</b>		
Increase/(Decrease) of present value of the unfunded obligations		
- Discount rate	(36,059)	45,824
- Expected salary	45,747	(36,035)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

**21. Trade Payables**

Credit terms of trade payables of the Group ranged from 30 to 60 days (2022: 30 to 60 days) depending on the terms of the contracts.

**22. Other Payables**

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Other payables	7,860,640	290,533	7,748,452	253,460
Accruals	306,238	206,040	202,742	141,368
Sales and Service Tax payable	10,410	8,344	-	-
	<b>8,177,288</b>	504,917	<b>7,951,194</b>	394,828

During the financial year, included in other payables of the Group and of the Company is the excess subscription of rights issue shares amounting to RM7,703,465. This excess subscription has been fully refunded to the shareholders in January 2024.



# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 23. Revenue

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Revenue from contracts with customers</b>				
Sales and services	<b>2,863,688</b>	3,436,577	<b>360,000</b>	-
Retail sales	<b>664,962</b>	1,588	-	-
	<b>3,528,650</b>	3,438,165	<b>360,000</b>	-

Set below is the disaggregation of the Group's revenue from contracts with customers:

Group	Managed customer loyalty services RM	Retail RM	Total RM
<b>2023</b>			
<b>Timing of revenue recognition</b>			
At a point in time	<b>2,863,688</b>	<b>664,962</b>	<b>3,528,650</b>
<b>Type of goods and services</b>			
Sales and services	<b>2,863,688</b>	-	<b>2,863,688</b>
Retail sales	-	<b>664,962</b>	<b>664,962</b>
	<b>2,863,688</b>	<b>664,962</b>	<b>3,528,650</b>
<b>Geographical market</b>			
Malaysia	<b>1,115,826</b>	<b>664,962</b>	<b>1,780,788</b>
Indonesia	<b>1,747,862</b>	-	<b>1,747,862</b>
	<b>2,863,688</b>	<b>664,962</b>	<b>3,528,650</b>
<b>2022</b>			
<b>Timing of revenue recognition</b>			
At a point in time	3,436,577	1,588	3,438,165
<b>Type of goods and services</b>			
Sales and services	3,436,577	-	3,436,577
Retail sales	-	1,588	1,588
	3,436,577	1,588	3,438,165
<b>Geographical market</b>			
Malaysia	619,903	1,588	621,491
Indonesia	2,816,674	-	2,816,674
	3,436,577	1,588	3,438,165

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**24. Finance Costs**

	Group	
	2023 RM	2022 RM
<b>Interest expenses on:</b>		
Bank overdraft	1,309	-
Lease liabilities	15,950	4,676
Term loan	101,661	144,455
	<b>118,920</b>	149,131

**25. Loss Before Tax**

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

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Auditors' remuneration:				
- statutory audit				
- UHY	83,500	61,000	60,000	50,000
- member firm of UHY International	23,967	24,593	-	-
- under provision in prior year	15,556	-	2,000	-
- non-audit services	45,000	30,000	45,000	30,000
Amortisation of intangible assets	42,291	41,429	-	-
Defined benefit obligations	(20,955)	(5,053)	-	-
Depreciation of:				
- property, plant and equipment	212,978	222,895	574	586
- right-of-use assets	163,426	115,926	-	-
Fair value gain on money market fund	(14,519)	(26,159)	(14,519)	(26,159)
Gain on disposal of property, plant and equipment	-	(11,723)	-	-
Lease expenses relating to short-term leases				
- car park	6,455	5,417	2,943	2,811
- office equipment	3,792	2,212	-	-
- premises	8,038	8,445	-	-
Non-Executive Directors' remuneration				
- fees	288,000	289,161	288,000	289,161
- salaries	35,950	14,993	-	-
- other benefits	35,000	35,000	35,000	35,000
Foreign exchange loss/(gain)				
- realised	3,376	19,259	3,376	19,259
- unrealised	(136)	(161)	(229,058)	181,746
Interest income from:				
- amount due from subsidiaries	-	-	(595,118)	(504,815)
- licensed banks	(2,665)	(7,562)	(2,260)	(3,739)
- others	(225)	(742)	-	(742)
Impairment loss on:				
- amount due from subsidiaries	-	-	3,685,577	2,691,178
- investment in subsidiaries	-	-	-	541,693

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 26. Taxation

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Tax expense recognised in profit or loss</b>				
<b>Deferred tax (Note 9)</b>				
- Origination and reversal of temporary differences	<b>(3,878)</b>	9,033	-	-
<b>Income tax relating to items of other comprehensive income that will not be reclassified to profit or loss</b>				
Income tax relating to gain on remeasurement of defined benefit liability	<b>39,303</b>	10,739	-	-
Revaluation of assets	<b>133,176</b>	-	-	-
	<b>172,479</b>	10,739	-	-

Malaysian income tax is calculated at the statutory tax rate of 24% (2022: 24%) of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdiction.

A reconciliation of income tax expenses applicable to loss before tax at the statutory income tax rate to income tax expenses at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Loss before tax	<b>(4,746,693)</b>	(4,433,571)	<b>(4,386,018)</b>	(5,094,747)
At Malaysian statutory tax rate of 24% (2022: 24%)	<b>(1,139,206)</b>	(1,064,057)	<b>(1,052,644)</b>	(1,222,739)
Effects of different tax rates in other jurisdictions	<b>(19,115)</b>	(28,923)	-	-
Income not subject to tax	<b>(16,236)</b>	(6,315)	<b>(58,458)</b>	(6,278)
Expenses not deductible for tax purposes	<b>674,487</b>	929,095	<b>1,110,962</b>	1,228,876
Crystallisation of revaluation surplus	<b>(664)</b>	-	-	-
Deferred tax assets not recognised	<b>496,856</b>	179,233	<b>140</b>	141
Tax expense for the financial year	<b>(3,878)</b>	9,033	-	-

The Group and the Company have estimated unutilised capital allowances and unused tax losses carry forward, available for offset against future taxable profits as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Unutilised capital allowances	<b>780,448</b>	739,304	<b>520,395</b>	520,395
Unused tax losses	<b>11,569,967</b>	9,618,557	<b>2,727,433</b>	2,727,433
	<b>12,350,415</b>	10,357,861	<b>3,247,828</b>	3,247,828

## NOTES TO THE FINANCIAL STATEMENTS

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**27. Loss Per Share**

## (a) Basic loss per share

The basic loss per share is calculated based on the consolidated loss for the financial year attributable to the owners of the parent and the weighted average number of shares in issue during the financial year.

	Group	
	2023	2022 Restated
Loss attributable to owners of the parent (RM)	<b>(4,730,208)</b>	(4,442,604)
Weighted average number of ordinary shares in issue (in units)		
- Ordinary shares in issue at 1 January	<b>266,058,666</b>	266,058,666
- Effect of share consolidation	<b>(192,631,135)</b>	(177,372,444)*
- Effect of private placement	<b>22,887,589</b>	-
- Effect of rights issue	<b>3,207,206</b>	-
Weighted average number of ordinary shares in issue at 31 December	<b>99,522,326</b>	88,686,222
Basic loss per share (sen)	<b>(4.75)</b>	(5.01)

\* The weighted average number of ordinary shares issued as at 31 December 2022 has been restated to reflect the retrospective adjustment arising from share consolidation which was completed during the financial year ended 31 December 2023 as disclosed in Note 16.

## (b) Diluted loss per share

Diluted loss per share is calculated based on the adjusted consolidated loss for the financial year attributable to the owners of the parent and the adjusted weighted average number of ordinary shares in issue during the financial year have been adjusted for the dilutive effects of all potential ordinary shares as follows:

	Group	
	2023	2022 Restated
Loss attributable to owners of the parent	<b>(4,730,208)</b>	(4,442,604)
Weighted average number of ordinary shares used in calculation of basic loss per share	<b>99,522,326</b>	88,686,222
Adjusted for:		
Effect of conversion of warrants	<b>111,115,484</b>	-
Weighted average number of ordinary shares (diluted)	<b>210,637,810</b>	88,686,222
Diluted loss per share (sen)	<b>(2.25)</b>	(5.01)

# NOTES TO THE FINANCIAL STATEMENTS

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## 28. Staff Costs

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Salaries, wages and other emoluments	<b>2,301,214</b>	2,142,404	<b>638,750</b>	624,634
Defined contribution plans	<b>165,704</b>	131,611	<b>63,576</b>	60,303
Social security contributions	<b>60,805</b>	71,566	<b>4,219</b>	3,649
Other benefits	<b>55,238</b>	42,167	<b>7,413</b>	7,923
Defined benefit obligations	<b>(20,955)</b>	(5,053)	-	-
	<b>2,562,006</b>	2,382,695	<b>713,958</b>	696,509

Included in staff costs is aggregate amount of remuneration received/receivable by the Executive Directors of the Group and of the Company during the financial year as below:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Executive Directors of the Company</b>				
Salaries and other emoluments	<b>360,000</b>	360,000	<b>180,000</b>	180,000
Defined contribution plans	<b>43,200</b>	43,200	<b>21,600</b>	21,600
Social security contributions	<b>2,318</b>	2,004	<b>1,159</b>	1,002
	<b>405,518</b>	405,204	<b>202,759</b>	202,602

## 29. Financial Guarantee

	Company	
	2023 RM	2022 RM
<b>Unsecured</b>		
Corporate guarantee given to a licensed bank for banking facilities granted to a subsidiary		
- Limit of guarantees	<b>1,600,000</b>	1,600,000
- Amount utilised	<b>1,472,770</b>	1,537,329

## NOTES TO THE FINANCIAL STATEMENTS

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**30. Reconciliation of Liabilities Arising from Financing Activities**

The table below show the details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

Group	At 1 January RM	Financing cash flows RM	New lease (Note 5) RM	At 31 December RM
<b>2023</b>				
Lease liabilities (Note 18)	279,295	(62,050)	-	217,245
Bank borrowings (Note 19)	1,537,329	(64,559)	-	1,472,770
	<b>1,816,624</b>	<b>(126,609)</b>	-	<b>1,690,015</b>
<b>2022</b>				
Lease liabilities (Note 18)	8,916	(23,824)	294,203	279,295
Bank borrowings (Note 19)	2,204,131	(666,802)	-	1,537,329
	2,213,047	(690,626)	294,203	1,816,624

The financing cash flows represent payment of lease liabilities and net proceeds from/repayment of term loans in the statements of cash flows.

**31. Related Party Disclosures**

## (a) Identifying related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

## (b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Company are as follows:

	Company	
	2023 RM	2022 RM
<b>Transactions with subsidiaries:</b>		
Management fee received/receivable	360,000	-
Interest income received/receivable	595,118	504,815

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 31. Related Party Disclosures (Cont'd)

(c) Compensation of key management personnel

Remuneration of Directors and other members of key management are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Salaries and other emoluments	<b>1,028,446</b>	866,312	<b>737,000</b>	596,829
Defined contribution plans	<b>71,280</b>	66,900	<b>49,680</b>	45,300
Social security contributions	<b>3,477</b>	3,006	<b>2,318</b>	2,004
	<b>1,103,203</b>	936,218	<b>788,998</b>	644,133

## 32. Segment Information

For management purposes, the Group is organised into business units based on their products and services, and has three (2022: two) reportable segments as follows:

- Managed customer loyalty services
- Sales and marketing services.
  - Client relationship management.
  - Outsourced contact centre management.
- Retail \*
- Retail sales of pharmaceuticals products.
- Others #
- Outsourced procurement services, investment holding and corporate level activities.

\* reporting segment in financial year ended 31 December 2023

# reporting segment in financial year ended 31 December 2022 inclusive of retail sales of pharmaceuticals products

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

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

## NOTES TO THE FINANCIAL STATEMENTS

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## 32. Segment Information (Cont'd)

(a) Business segment

2023	Managed customer loyalty services RM	Retail RM	Others RM	Consolidated RM
<b>Revenue</b>				
Total revenue	2,863,688	665,968	360,000	3,889,656
Inter-segment revenue	-	(1,006)	(360,000)	(361,006)
Total revenue - external customers	2,863,688	664,962	-	3,528,650
<b>Results</b>				
Segment results	(1,473,309)	(1,173,887)	(1,564,772)	(4,211,968)
Amortisation of intangible assets	(32,291)	(10,000)	-	(42,291)
Depreciation of property, plant and equipment	(192,650)	(19,565)	(763)	(212,978)
Depreciation of right-of-use assets	(89,875)	(73,551)	-	(163,426)
Finance income	630	-	2,260	2,890
Finance costs	(102,970)	(15,950)	-	(118,920)
Loss before tax	(1,890,465)	(1,292,953)	(1,563,275)	(4,746,693)
Taxation	3,878	-	-	3,878
Loss for the financial year	(1,886,587)	(1,292,953)	(1,563,275)	(4,742,815)
<b>Assets and liabilities</b>				
Segment assets	7,405,622	768,709	32,458,677	40,633,008
Included in the measurement of segment assets are:				
Capital expenditure relating to:				
- property, plant and equipment	4,468	8,387	-	12,855
Segment liabilities	2,972,024	2,196,720	5,600,036	10,768,780
<b>Non-cash income</b>				
Defined benefit obligations	20,955	-	-	20,955
Fair value gain on money market fund	-	-	14,519	14,519
Unrealised gain on foreign exchange	-	-	136	136



# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 32. Segment Information (Cont'd)

(a) Business segment (Cont'd)

<b>2022</b>	<b>Managed customer loyalty services RM</b>	<b>Others RM</b>	<b>Consolidated RM</b>
<b>Revenue</b>			
Total revenue	3,436,577	1,632	3,438,209
Inter-segment revenue	-	(44)	(44)
Total revenue - external customers	3,436,577	1,588	3,438,165
<b>Results</b>			
Segment results	(1,496,072)	(2,416,422)	(3,912,494)
Depreciation of property, plant and equipment	(215,953)	(6,942)	(222,895)
Depreciation of right-of-use assets	(97,538)	(18,388)	(115,926)
Amortisation of intangible assets	(38,929)	(2,500)	(41,429)
Finance income	3,823	4,481	8,304
Finance costs	(144,539)	(4,592)	(149,131)
Loss before tax	(1,989,208)	(2,444,363)	(4,433,571)
Taxation	(9,033)	-	(9,033)
Loss for the financial year	(1,998,241)	(2,444,363)	(4,442,604)
<b>Assets and liabilities</b>			
Segment assets	6,286,704	5,109,520	11,396,224
Included in the measurement of segment assets are:			
Capital expenditure relating to:			
- property, plant and equipment	22,358	177,580	199,938
- intangible assets	22,889	50,000	72,889
	45,247	227,580	272,827
Segment liabilities	1,810,451	881,070	2,691,521
<b>Non-cash income</b>			
Defined benefit obligations	5,053	-	5,053
Fair value gain on money market fund	-	26,159	26,159
Gain on disposal of property, plant and equipment	11,723	-	11,723
Unrealised gain on foreign exchange	161	-	161

### Adjustments and elimination

Inter-segment revenue are eliminated on consolidation.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**32. Segment Information (Cont'd)**

## (b) Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2023 RM	2022 RM	2023 RM	2022 RM
Malaysia	<b>1,780,788</b>	621,491	<b>8,862,039</b>	8,790,643
Indonesia	<b>1,747,862</b>	2,816,674	<b>1,362,253</b>	1,443,178
	<b>3,528,650</b>	3,438,165	<b>10,224,292</b>	10,233,821

Non-current assets for this purpose consists of property, plant and equipment, right-of-use assets and intangible assets.

## (c) Major customers

Revenue from transactions with major customers who individually accounted for 10 percent or more of Group's revenue are summarised below:

	Revenue		Segment
	2023 RM	2022 RM	
Customer A	<b>675,165</b>	341,103	Managed customer loyalty services
Customer B	<b>444,784</b>	264,872	Managed customer loyalty services
Customer C	<b>348,788</b>	-	Managed customer loyalty services
Customer D	<b>4,103</b>	1,446,256	Managed customer loyalty services
Customer E	-	553,409	Managed customer loyalty services
Customer F	-	367,533	Managed customer loyalty services

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 33. Financial Instruments

### (a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

Group	At amortised cost RM	At FVTPL RM	At FVTOCI RM	Total RM
<b>2023</b>				
<b>Financial assets</b>				
Other investments	45,000	-	3,110,224	3,155,224
Trade receivables	519,914	-	-	519,914
Other receivables *	236,720	-	-	236,720
Liquid investments	-	19,816,019	-	19,816,019
Cash and bank balances	9,592,317	-	-	9,592,317
	<b>10,393,951</b>	<b>19,816,019</b>	<b>3,110,224</b>	<b>33,320,194</b>
<b>Financial liabilities</b>				
Trade payables	217,340	-	-	217,340
Other payables #	8,166,878	-	-	8,166,878
Lease liabilities	217,245	-	-	217,245
Bank borrowings	2,006,077	-	-	2,006,077
	<b>10,607,540</b>	<b>-</b>	<b>-</b>	<b>10,607,540</b>
<b>2022</b>				
<b>Financial assets</b>				
Other investments	45,000	-	4,092,400	4,137,400
Trade receivables	173,073	-	-	173,073
Other receivables *	118,104	-	-	118,104
Liquid investments	-	28,184	-	28,184
Cash and bank balances	566,952	-	-	566,952
	903,129	28,184	4,092,400	5,023,713
<b>Financial liabilities</b>				
Trade payables	198,233	-	-	198,233
Other payables #	496,573	-	-	496,573
Lease liabilities	279,295	-	-	279,295
Bank borrowings	1,537,329	-	-	1,537,329
	2,511,430	-	-	2,511,430

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**33. Financial Instruments (Cont'd)**

## (a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (Cont'd)

Company	At amortised cost RM	At FVTPL RM	At FVTOCI RM	Total RM
<b>2023</b>				
<b>Financial assets</b>				
Other investments	45,000	-	3,110,224	3,155,224
Other receivables	6,340	-	-	6,340
Amount due from subsidiaries	6,234	-	-	6,234
Liquid investments	-	19,816,019	-	19,816,019
Cash and bank balances	9,474,647	-	-	9,474,647
	<b>9,532,221</b>	<b>19,816,019</b>	<b>3,110,224</b>	<b>32,458,464</b>
<b>Financial liability</b>				
Other payables	7,951,194	-	-	7,951,194
<b>2022</b>				
<b>Financial assets</b>				
Other investments	45,000	-	4,092,400	4,137,400
Other receivables *	6,340	-	-	6,340
Amount due from subsidiaries	479,121	-	-	479,121
Liquid investments	-	28,184	-	28,184
Cash and bank balances	154,754	-	-	154,754
	685,215	28,184	4,092,400	4,805,799
<b>Financial liability</b>				
Other payables	394,828	-	-	394,828

\* Exclude prepayments

# Exclude Sales and Service Tax payable

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 33. Financial Instruments (Cont'd)

### (b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operation whilst managing its credit, liquidity, foreign currency and interest rate risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group'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 a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from trade and other receivables and deposits with banks. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries and deposits with banks. There are no significant changes as compared to previous financial year.

The Group has adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposits with banks with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured advances to subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

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

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

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the reporting period represents the Group's and the Company's maximum exposure to credit risk.

### Financial guarantees

The Company provides unsecured financial guarantees to licensed banks for credit facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

The Company's maximum exposure to credit risk is RM1,472,770 (2022: RM1,537,329), representing the outstanding credit facilities of the subsidiary at the end of the reporting period. There was no indication that any subsidiary would default on repayment at the end of the reporting period.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**33. Financial Instruments (Cont'd)**

## (b) Financial risk management objectives and policies (Cont'd)

## (i) Credit risk (Cont'd)

Credit risk concentration

The Group's credit exposures are concentrated mainly on 3 customers (2022: 2 customers) which accounted for approximately 61% (2022: 83%) of total trade receivables balance at the end of the reporting period. The Company has no significant concentration of credit risk except for advances to its subsidiaries where risks of default have been assessed to be low.

## (ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. 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 funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group finances its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

Group	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	After 5 years RM	Total contractual cash flows RM	Total carrying amount RM
<b>2023</b>						
<u>Non-derivative financial liabilities</u>						
Trade payables	217,340	-	-	-	217,340	217,340
Other payables	8,155,257	-	-	-	8,155,257	8,166,878
Lease liabilities	80,925	89,700	67,275	-	237,900	217,245
Bank borrowings	700,767	167,460	502,380	1,425,263	2,795,870	2,006,077
	<b>9,154,289</b>	<b>257,160</b>	<b>569,655</b>	<b>1,425,263</b>	<b>11,406,367</b>	<b>10,607,540</b>
<b>2022</b>						
<u>Non-derivative financial liabilities</u>						
Trade payables	198,233	-	-	-	198,233	198,233
Other payables	480,753	-	-	-	480,753	496,573
Lease liabilities	78,000	80,925	156,975	-	315,900	279,295
Bank borrowings	167,460	167,460	502,380	1,592,728	2,430,028	1,537,329
	924,446	248,385	659,355	1,592,728	3,424,914	2,511,430

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 33. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

Company	On demand or within 1 year RM	Total contractual cash flows RM	Total carrying amount RM
<b>2023</b>			
<u>Non-derivative financial liabilities</u>			
Other payables	7,951,194	7,951,194	7,951,194
Financial guarantee*	1,472,770	1,472,770	-
	<b>9,423,964</b>	<b>9,423,964</b>	<b>7,951,194</b>
<b>2022</b>			
<u>Non-derivative financial liabilities</u>			
Other payables	394,828	394,828	394,828
Financial guarantee*	1,537,329	1,537,329	-
	<b>1,932,157</b>	<b>1,932,157</b>	<b>394,828</b>

\* Based on the maximum amount that can be called for under the financial guarantee.

(iii) Market risks

(a) Foreign currency risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily United States Dollar (USD), Singapore Dollar (SGD), Japanese Yen (JPY) and Indonesia Rupiah (IDR).

The Group has not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**33. Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

(a) Foreign currency risk (Cont'd)

The carrying amounts of the Group's and of the Company's foreign currency denominated monetary assets at the end of the reporting period are as follows:

Group	Denominated in			Total RM
	USD RM	SGD RM	JPY RM	
<b>2023</b>				
Cash and bank balances	3,144	20	23	3,187
<b>2022</b>				
Cash and bank balances	3,007	20	23	3,050

Company	Denominated in				Total RM
	USD RM	SGD RM	JPY RM	IDR RM	
<b>2023</b>					
Cash and bank balances	3,144	20	23	-	3,187
Amount due from a subsidiary	-	-	-	5,126,899	5,126,899
	3,144	20	23	5,126,899	5,130,086
<b>2022</b>					
Cash and bank balances	3,007	20	23	-	3,050
Amount due from a subsidiary	-	-	-	4,417,323	4,417,323
	3,007	20	23	4,417,323	4,420,373



# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 33. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

(a) Foreign currency risk (Cont'd)

### Foreign currency sensitivity analysis

Foreign currency risk arises from Group entities which have a RM functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

The following table demonstrates the sensitivity of the Group's and of the Company's loss before tax to a reasonably possible change in the USD, SGD, JPY, IDR and others exchange rates against RM, with all other variables held constant.

	Change in currency rate	2023 Effect on loss before tax RM	2022 Effect on loss before tax RM
<b>Group</b>			
USD	Strengthened 5% (2022: 5%)	157	150
	Weakend 5% (2022: 5%)	(157)	(150)
SGD	Strengthened 5% (2022: 5%)	1	1
	Weakend 5% (2022: 5%)	(1)	(1)
JPY	Strengthened 5% (2022: 5%)	1	1
	Weakend 5% (2022: 5%)	(1)	(1)
<b>Company</b>			
USD	Strengthened 5% (2022: 5%)	157	150
	Weakend 5% (2022: 5%)	(157)	(150)
SGD	Strengthened 5% (2022: 5%)	1	1
	Weakend 5% (2022: 5%)	(1)	(1)
JPY	Strengthened 5% (2022: 5%)	1	1
	Weakend 5% (2022: 5%)	(1)	(1)
IDR	Strengthened 5% (2022: 5%)	256,345	220,866
	Weakend 5% (2022: 5%)	(256,345)	(220,866)

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**33. Financial Instruments (Cont'd)**

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risks (Cont'd)

(b) Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

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

<b>Group</b>	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
<b>Fixed rate instrument</b>		
Lease liabilities	<b>217,245</b>	279,295
<b>Floating rate instrument</b>		
Bank borrowings	<b>2,006,077</b>	1,537,329

**Interest rate risk sensitivity analysis**Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have (increased)/decreased the Group's loss before tax by RM20,006 (2022: RM15,373) respectively, arising mainly as a result of higher/lower interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 33. Financial Instruments (Cont'd)

### (c) Fair value of financial instruments

The carrying amount of short-term receivables and payables, cash and cash equivalents and short-term borrowings approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

It was not practicable to estimate the fair value of investment in unquoted equity due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

The table below analyses financial instruments carried at fair value for which fair value is disclosed, together with their fair value and carrying amount shown in the statements of financial position.

	Fair value of financial instruments carried at fair value			Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	
<b>Group/Company 2023</b>				
<b>Financial assets</b>				
Liquid Investments	<b>19,816,019</b>	-	-	<b>19,816,019</b>
Quoted shares	<b>3,110,224</b>	-	-	<b>3,110,224</b>
<b>2022</b>				
<b>Financial assets</b>				
Liquid Investments	28,184	-	-	28,184
Quoted shares	4,092,400	-	-	4,092,400

The fair value above has been determined using the following basis:

- The fair value of liquid investments and quoted shares were determined by reference to the quoted market price in an active market and/or provided by financial intermediaries.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**34. Capital Management**

The Group's and the Company's objective when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group and the Company monitor capital using a gearing ratio. The Group and the Company include within net debt, lease liabilities and bank borrowings less cash and bank balances. The Group's and the Company's policy are to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at the end of the reporting period are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Lease liabilities	<b>217,245</b>	279,295	-	-
Bank borrowings	<b>2,006,077</b>	1,537,329	-	-
	<b>2,223,322</b>	1,816,624	-	-
Less: Cash and bank balances	<b>(9,592,317)</b>	(566,952)	<b>(9,474,647)</b>	(154,754)
(Excess funds)/Net debt	<b>(7,368,995)</b>	1,249,672	<b>(9,474,647)</b>	(154,754)
Total equity	<b>29,864,228</b>	8,704,703	<b>24,508,616</b>	4,417,885
Gearing ratio	*	0.14	#	#

\* The gearing ratio is not applicable as the Group has sufficient cash and bank balances to settle the liabilities as at 31 December 2023.

# The gearing ratio is not applicable as the Company has no borrowings as at 31 December 2023 and 31 December 2022.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 35. Material Litigations

(d) Customer Loyalty Solutions Sdn Bhd vs Advance Information Marketing Berhad & 2 others

The Company had, on 20 January 2017, been served with a Writ (Kuala Lumpur High Court Suit No.: WA-22NCC-17-01/2017) issued by Customer Loyalty Solutions Sdn. Bhd. (in liquidation) (“the Plaintiff”, hereby known as “CLS”) claiming that the payment of RM6,524,652 from the Plaintiff to the Company are void or voidable. The Claim included two (2) other defendants i.e. a current and a former director of the Company to be jointly and severally liable to pay the Plaintiff the sum of RM6,524,652. On 7 July 2011, the Plaintiff was no longer a subsidiary of the Company.

The trial was concluded on 16 January 2019. The Court fixed 20 February 2019 for oral submissions and had fixed 4 March 2019 for further submissions. The Court had on 4 March 2019 heard further submissions by the Defendants and then fixed 10 May 2019 for further clarification/decision and it was then postponed to 30 September 2019 for decision.

On 30 September 2019, the Court dismissed the Plaintiff’s claim against all the Defendants with costs of RM15,000 to each Defendant (subject to allocatur fee of 4%). On 29 October 2019, the Plaintiff filed a Notice of Appeal against the decision of the Kuala Lumpur High Court. The Court of Appeal had fixed the next case management on 24 May 2021 pending the grounds of judgment from the Kuala Lumpur High Court.

The Court of Appeal had fixed case management dates on 19 December 2019, 27 February 2020, 29 April 2020, 7 July 2020, 3 September 2020, 8 October 2020, 14 December 2020, 25 February 2021, 24 May 2021, 25 August 2021, 30 November 2021, 27 January 2022, 30 March 2022, 31 May 2022, 5 August 2022, 27 December 2022 and 19 January 2023.

The Court of Appeal has fixed 28 February 2023 to update the status of the Grounds of Judgement, 27 March 2023 to ensure compliance of Court’s decisions and 11 April 2023 for hearing of appeal.

On 27 March 2023 via the Court’s electronic filing system, the Appellant informed the Court that the Grounds of Judgment had not been obtained. The Court then vacated the hearing date on 11 April 2023 and fixed 17 August 2023 for hearing of the Appeal.

The Court further direct parties to file Written Submissions on or before 19 July 2023 and Written Submission in Reply on or before 2 August 2023. Case Management has been fixed on 2 August 2023 to ensure compliance with case management directions.

On 16 August 2023 via the Court’s EFS system, the Appellant solicitors informed the Court that the Appellant is withdrawing the Appeal. The Appellant solicitors on even date sent the Notice of Discontinuance dated 16 August 2023 (“NOD”) for the Respondents’ approval. The Company thereafter had duly approved the NOD.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**35. Material Litigations (Cont'd)**(e) Advance Information Marketing Berhad vs former Executive Director- Chean Meng Hee

The Company had, on 18 May 2023, filed an Originating Summons (Kuala Lumpur High Court Originating Summons No: WA-22NCC-279-05/2023) against the former Executive Director, Chean Meng Hee ("the Defendant") ("Originating Summons") alleging, amongst others, breach of fiduciary duties that resulted in damages amounting to RM2,597,665.71 from the disposal of 24,090,500 units of Treasury shares on 5 October 2021.

During the case management on 7 June 2023, the solicitors representing the Company informed the Court that the sealed Originating Summons and Affidavit in Support have been served on the Defendant. The Defendant was absent and was not represented. The next case management was fixed on 26 June 2023.

On 26 June 2023, the High Court gave parties directions on filing of affidavits and submissions. The hearing of the matter was fixed on 26 October 2023.

Vide letter dated 17 October 2023, the High Court vacated the hearing on 26 October 2023 and converted the hearing into a case management.

At the case management on 26 October 2023, the hearing of the matter was fixed on 6 February 2024.

On 6 February 2024, the Court had granted the following orders:

- (a) A declaration that the Defendant has breached its fiduciary duties, duty of care and statutory duties to the Plaintiff;
- (b) A declaration that the Defendant has breached the terms of the Director's Circular Resolution dated 1 October 2011;
- (c) Special damages of RM2,597,665.71;
- (d) Interest at 5% per annum on RM2,597,665.71 from the judgement date to the date of full payment;
- (e) An order that the Defendant indemnify the Plaintiff against any and/or all liability, costs and damages in respect of the breach of the ACE Market Listing Requirements pertaining to the sale of the treasury shares by the Defendant; and
- (f) Costs of RM3,000,000 in favour of the Plaintiff subject to allocator.

# NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

## 36. Significant Events During the Financial Year

On 21 November 2022, the Company announced its intention to undertake the followings:

- (a) Proposed consolidation of every 3 existing ordinary shares in the Company into 1 ordinary share (“Consolidated Share”) (“Proposed Share Consolidation”);
- (b) Proposed renounceable rights issue of up to 319,268,664 new shares (“Rights Shares”) on the basis of 3 rights shares for every 1 Consolidated Share held on an entitlement date to be determined, together with up to 212,845,776 free detachable warrants (“Warrants”) on the basis of 2 warrants for every 3 Rights Shares subscribed for (“Proposed Rights Issue”); and
- (c) Proposed diversification of the principal activities of the Company and its subsidiaries to include the operation of pharmacies including retailing of pharmaceutical, healthcare and personal care products (“Proposed Diversification”).

Proposed Share Consolidation, Proposed Rights Issue and Proposed Diversification (collectively referred as “Proposals”).

On 18 January 2023, the Company has obtained approval from Bursa Malaysia Securities Berhad (“Bursa Securities”) for the Proposals. On 31 March 2023, the Company has obtained approval from its shareholders at an extraordinary general meeting for the Proposals.

The Share Consolidation has completed on 20 March 2023 following the listing of and quotation for 97,554,209 Consolidated Shares on the ACE Market of Bursa Securities.

The Rights Issue has been completed on 28 December 2023 following the listing of and quotation for 292,662,513 Rights Shares together with 195,108,290 Warrants on the ACE Market of Bursa Securities.

## 37. Subsequent Events After the Financial Year

- (a) On 23 February 2024, Advance Medipharm Solutions Sdn Bhd (“AMS”), a wholly-owned subsidiary of the Company, entered a letter of intent with Mediconstant Holdings Sdn. Bhd. (“Mediconstant”), being granted to operate a new “Constant Pharmacy” franchise at the location L2-117, Level 2, Terminal KLIA2, KL International Airport, Jalan KLIA 2/1, 64000 KLIA, Sepang, Selangor Darul Ehsan. A payment of RM1,600,000 had been made by AMS to Mediconstant as franchise deposit.
- (b) On 6 March 2024, AMS entered second letter of intent with Mediconstant to operate six new franchises at the following locations:
  - (i) 89, Ground Floor, Lorong Mamanda 1, Ampang Point, Jalan Ampang, 68000 Ampang, Selangor;
  - (ii) 145, Ground Floor, Jalan Susur, Off Jalan Meru, 41050 Klang, Selangor;
  - (iii) 2984, Ground Floor, Persiaran Raja Muda Musa, 41100 Klang, Selangor;
  - (iv) F-01-04, Pusat Perdagangan Puchong Prima, Blok F, Jalan Prima 5/3, Taman Puchong Prima, 47100 Selangor;
  - (v) No. 88-GF, Jalan PUJ 3/2, Taman Puncak Jalil, Bandar Putra Permai, 43300 Seri Kembangan, Selangor; and
  - (vi) 33, Ground Floor, Jalan 45A/26, Taman Sri Rampai, Setapak, 53300 Kuala Lumpur.

A payment of RM4,500,000 had been made by AMS to Mediconstant as franchise deposits.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

**38. Comparative Information**

The following reclassification were made to the financial statements of prior year to be consistent with current year presentation.

**Statements of Financial Position**

Group	As previously reported RM	Reclassification RM	As restated RM
<b>Current Assets</b>			
Other receivables	102,825	63,657	166,482
Tax recoverable	39,493	(39,493)	-
<b>Current Liabilities</b>			
Other payables	480,753	24,164	504,917

**39. Date of Authorisation for Issue of Financial Statements**

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 18 April 2024.



# LIST OF PROPERTIES

AS AT 31 DECEMBER 2023

The summary of information of the properties owned by AIM Group is as follows:-

<b>Postal Address</b>	<b>Description of Property / Existing Use</b>	<b>Status / Registered Owner</b>	<b>Audited Net Book Value as at 31 December 2023 (RM)</b>	<b>Approximate age of Building (Years) / Date of Acquisition</b>	<b>Type of Land / Tenure (Year of Expiry for Leasehold)</b>	<b>Approximate Land Area / Approximate Total Build-up Area (Sq metre)</b>
Ruko Hayam Wuruk Jalan Kebon Jeruk VII No.2 E Rt.010 RW 004 Maphar, Tamansari Jakarta Barat, Indonesia	Four-storey shophouse building without a lift / Office unit	Owned / PT CLS System	1,258,632	7 / 20 December 2017	20 years Leasehold / 29 November 2037	112 / 366
No. 18, Jalan Balam, 51100 Kuala Lumpur	Four-storey shop office with a lift / Office unit	Owned / Angkara Setia Development Sdn Bhd	4,584,668	45 / 30 October 2017	Freehold	312 / 1136

# ANALYSIS OF SHAREHOLDINGS

AS AT 1 APRIL 2024

Total Number of Issued Shares : 390,216,722  
 Class of Shares : Ordinary Shares  
 Voting Rights : One (1) vote per ordinary share

## DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Shares	%
Less than 100	424	27.53	9,937	0.00
100 – 1,000	138	8.96	63,149	0.02
1,001 – 10,000	378	24.55	1,816,569	0.47
10,001 – 100,000	422	27.40	16,840,061	4.32
100,001 – Less than 5% of issued shares	173	11.23	168,824,131	43.26
5% and above of issued shares	5	0.33	202,662,875	51.93
<b>Total</b>	<b>1,540</b>	<b>100.00</b>	<b>390,216,722</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS

(As per Register of Substantial Shareholders)

No.	Name of Substantial Shareholders	No. of Shares held		No. of Shares held	
		Direct	%	Indirect	%
1.	Mak Siew Wei	95,657,888	24.51	-	-
2.	Chong Loong Men	30,529,584	7.82	-	-
3.	H'ng Bok Chuan	22,755,399	5.83	-	-

## DIRECTORS' SHAREHOLDINGS

(As per Register of Directors' Shareholdings)

No.	Name of Directors	No. of Shares held		No. of Shares held	
		Direct	%	Indirect	%
1.	Dato' Ir. Lim Siang Chai	-	-	-	-
2.	Mak Siew Wei	95,657,888	24.51	-	-
3.	Mejar Dato' Ismail Bin Ahmad	-	-	-	-
4.	Kang Teik Yih	-	-	-	-
5.	Choong Mun Kit	10,000	^0.00	-	-
6.	Ong Poh Lin Abdullah	-	-	-	-

^ Negligible

# ANALYSIS OF SHAREHOLDINGS

AS AT 1 APRIL 2024

## LIST OF THIRTY LARGEST REGISTERED SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	%
1.	M & A NOMINEE (ASING) SDN BHD - EXEMPT AN FOR SANSTON FINANCIAL GROUP LIMITED (ACCOUNT CLIENT)	61,352,400	15.72
2.	KENANGA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR MAK SIEW WEI	47,914,472	12.28
3.	MAK SIEW WEI	47,743,416	12.23
4.	CHONG LOONG MEN	22,897,188	5.87
5.	H'NG BOK CHUAN	22,755,399	5.83
6.	CG ASSETS PTE LTD	15,792,940	4.05
7.	M & A NOMINEE (TEMPATAN) SDN BHD - EXEMPT AN FOR SANSTON FINANCIAL GROUP LIMITED (ACCOUNT CLIENT)	14,010,000	3.59
8.	SEIK THYE KONG	13,779,600	3.53
9.	CITIGROUP NOMINEES (ASING) SDN BHD - EXEMPT AN FOR CLSA LIMITED (CUST-NON RES)	10,609,500	2.72
10.	KENANGA NOMINEES (TEMPATAN) SDN BHD - TAN POW CHOO @ WONG SENG ENG (EM1-CN)	8,400,000	2.15
11.	M & A NOMINEE (TEMPATAN) SDN BHD - SANSTON FINANCIAL GROUP LIMITED FOR CHONG LOONG MEN	7,632,396	1.96
12.	KENANGA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR KOH BOON POH (008)	7,540,700	1.93
13.	CITIGROUP NOMINEES (ASING) SDN BHD - CBLDN FOR UNION BANCAIRE PRIVEE	6,048,800	1.55
14.	APEX NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR SEIK YEE KOK	6,000,000	1.54
15.	HSBC NOMINEES (ASING) SDN BHD - EXEMPT AN FOR MORGAN STANLEY & CO. INTERNATIONAL PLC (IPB CLIENT ACCT)	4,515,478	1.16
16.	AFFIN HWANG NOMINEES (ASING) SDN BHD - DBS VICKERS SECS (S) PTE LTD FOR KGI SECURITIES (SINGAPORE) PTE. LTD.	3,700,000	0.95
17.	QUEK JIA YI	3,266,664	0.84
18.	G RUBBER SDN BHD	3,215,800	0.82
19.	TAN YOKE THENG	2,712,800	0.69
20.	HLIB NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR NG KIM GUAN (CCTS)	2,260,000	0.58
21.	KENANGA NOMINEES (TEMPATAN) SDN BHD - PANG MEI CHEA @ SEE KIEW	2,200,000	0.56
22.	LAI TZE JIN	1,920,000	0.49
23.	TAI YOK YEN	1,906,664	0.49
24.	CHUNG SHAN HUI	1,900,000	0.49
25.	TAN YOKE CHEONG	1,890,064	0.48
26.	LAI SIYONG SIN	1,760,000	0.45
27.	MAYBANK NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR WONG INN LAI	1,388,008	0.36
28.	QUEK YONG WAH	1,371,164	0.35
29.	PANG KIM LUAN	1,220,000	0.31
30.	TAN YOKE WU	1,200,000	0.31
	<b>Total</b>	<b>328,903,453</b>	<b>84.28</b>

# ANALYSIS OF WARRANTS A HOLDINGS

AS AT 1 APRIL 2024

Class of Securities	: <b>Warrants A</b>
Number of Warrants A	: 195,108,290
Number of Warrants A holder	: 419
Exercise Price of Warrants A	: RM0.08
Exercise Period of Warrants A	: 20 December 2023 to 19 December 2028
Exercise Rights	: Each Warrant A entitles its registered holder to subscribe for one new ordinary share in the Company at any time during the Exercise Period
Voting Rights in the meeting of warrant holder	: One vote per warrant holder

## DISTRIBUTION SCHEDULE OF WARRANTS A HOLDERS

Size of Holdings	No. of Holders	%	No. of Warrants	%
Less than 100	28	6.69	1,549	0.00
100 – 1,000	21	5.01	9,193	0.00
1,001 – 10,000	61	14.56	404,422	0.21
10,001 – 100,000	170	40.57	8,209,199	4.21
100,001 – Less than 5% of issued warrants	133	31.74	68,799,536	35.26
5% and above of issued warrants	6	1.43	117,684,391	60.32
<b>Total</b>	<b>419</b>	<b>100.00</b>	<b>195,108,290</b>	<b>100.00</b>

## DIRECTORS' WARRANTS A HOLDING

(As per Register of Directors' Warrants A Holdings)

No.	Name of Directors	No. of Warrants held		No. of Warrants held	
		Direct	%	Indirect	%
1.	Dato' Ir. Lim Siang Chai	-	-	-	-
2.	Mak Siew Wei	47,828,944	24.51	-	-
3.	Mejar Dato' Ismail Bin Ahmad	-	-	-	-
4.	Kang Teik Yih	-	-	-	-
5.	Choong Mun Kit	-	-	-	-
6.	Ong Poh Lin Abdullah	-	-	-	-

# ANALYSIS OF WARRANTS A HOLDINGS

AS AT 1 APRIL 2024

## LIST OF THIRTY LARGEST WARRANTS A HOLDERS

No.	Name of Shareholders	No. of Warrants Held	%
1.	MAK SIEW WEI	31,828,944	16.31
2.	M & A NOMINEE (ASING) SDN BHD - EXEMPT AN FOR SANSTON FINANCIAL GROUP LIMITED (ACCOUNT CLIENT)	28,118,289	14.41
3.	KENANGA NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR MAK SIEW WEI	16,000,000	8.20
4.	CHONG LOONG MEN	15,264,792	7.82
5.	H'NG BOK CHUAN	15,170,266	7.78
6.	TAN WAH KIONG	11,302,100	5.79
7.	TAN YOUNG TAT	4,950,000	2.54
8.	M & A NOMINEE (TEMPATAN) SDN BHD - EXEMPT AN FOR SANSTON FINANCIAL GROUP LIMITED (ACCOUNT CLIENT)	4,283,244	2.20
9.	CITIGROUP NOMINEES (ASING) SDN BHD - CBLDN FOR UNION BANCAIRE PRIVEE	3,024,400	1.55
10.	G RUBBER SDN. BHD.	2,143,866	1.10
11.	TANG HEE CHHAI	2,000,000	1.03
12.	NGIAM AI JEE	1,959,000	1.00
13.	HSBC NOMINEES (ASING) SDN BHD - EXEMPT AN FOR MORGAN STANLEY & CO. INTERNATIONAL PLC (IPB CLIENT ACCT)	1,659,806	0.85
14.	QUEK JIA YI	1,633,332	0.84
15.	MAYBANK NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TAN CHOON PING	1,589,500	0.81
16.	TAN YOKE THENG	1,356,400	0.70
17.	WONG YAN CHIEW	1,325,500	0.68
18.	KUEK CHOON SENG	1,300,000	0.67
19.	SYED ADELI BIN SYED AMIR	1,125,000	0.58
20.	KENANGA NOMINEES (TEMPATAN) SDN BHD - PANG MEI CHEA @ SEE KIEW	1,100,000	0.56
21.	CHONG PEI FONG	1,000,000	0.51
22.	MAYBANK NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR MUHAMMAD NIZAM BIN MOHD ARIF	1,000,000	0.51
23.	TAI YOK YEN	953,332	0.49
24.	DAN YOKE PYNG	946,600	0.48
25.	YANTI BINTI SAMSURI	936,000	0.48
26.	LAI SIYONG SIN	905,400	0.46
27.	QUEK YONG WAH	802,532	0.41
28.	IFAST NOMINEES (TEMPATAN) SDN BHD - TAN BENG HOCK	800,000	0.41
29.	TAN YOKE WU	724,000	0.37
30.	TAN BEE YOOK	700,900	0.36
	<b>Total</b>	<b>155,903,203</b>	<b>79.90</b>

# NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twentieth (“20<sup>th</sup>”) Annual General Meeting of ADVANCE INFORMATION MARKETING BERHAD (“AIM” or “the Company”) will be conducted on virtual basis through live streaming from the Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan (“Broadcast Venue”) on Friday, 21 June 2024 at 11:00 a.m. to transact the following businesses:-

## AGENDA

### Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon. **(Please refer to Note 3)**
2. To approve the payment of Directors’ Fees and Benefits up to an amount of RM350,000 to be divided amongst the Directors in such manner as the Directors may determine for the period from the 20<sup>th</sup> Annual General Meeting until the next Annual General Meeting of the Company. **(Ordinary Resolution 1)**
3. To re-elect the following Directors who retire pursuant to Clause 105 of the Company’s Constitution as Director of the Company:
  - (i) Mejar Dato’ Ismail Bin Ahmad **(Ordinary Resolution 2)**
  - (ii) Mr Kang Teik Yih **(Ordinary Resolution 3)**
4. To re-appoint Messrs UHY as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 4)**

### Special Business

To consider and if thought fit, to pass the following resolutions, with or without modifications as Ordinary Resolutions of the Company:-

5. **Authority to Issue and Allot Shares of the Company Pursuant to Sections 75 and 76 of the Companies Act 2016 (“Proposed General Mandate”)** **(Ordinary Resolution 5)**

“THAT subject always to Sections 75 and 76 of the Companies Act 2016, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the approval of the relevant regulatory authorities, the Directors of the Company be and are hereby authorised to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued, pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at the time of issuance and such authority under this resolution shall continue to be in force until the conclusion of the next Annual General Meeting or when it is required by law to be held, whichever is earlier.

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

THAT the existing shareholders of the Company hereby waive their pre-emptive rights to be offered new shares ranking equally to the existing issued shares in the Company pursuant to Section 85 of the Companies Act 2016 read together with Clause 61 of the Constitution of the Company arising from any issuance of new shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016.

# NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

AND THAT the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

6. **Proposed Renewal of Shareholders’ Mandate for the Authority to the Company to Purchase Its Own Shares up to Ten Per Centum (10%) of the Total Number of Issued Shares (“Proposed Renewal of Share Buy-Back”)** **(Ordinary Resolution 6)**

“THAT subject always to the Companies Act 2016 (“the Act”), the Constitution of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- (i) the aggregate number of ordinary shares in the Company which may be purchased and/or held by the Company as treasury shares does not exceed ten per centum (10%) of the total number of its issued shares of the Company at any point in time; and
- (ii) the maximum funds to be allocated by the Company for the purpose of purchasing the shares shall not exceed the total available retained profits of the Company based on its latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

(“Proposed Share Buy-Back”).

THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company following the general meeting at which such resolution was passed, at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required by law to be held; or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is the earliest but shall not as to prejudice the completion of purchase by the Company of its own shares before the aforesaid expiry date and, in any event, in accordance with the Listing Requirements and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

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## NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

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- (i) To cancel all or part of the Purchased Shares;
- (ii) To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- (iii) To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- (iv) To resell all or part of the treasury shares;
- (v) To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- (vi) To transfer all or part of the treasury shares as purchase consideration;
- (vii) To sell, transfer or otherwise use the shares for such other purposes as the Minister charged with the responsibility for companies may by order prescribe; and/or
- (viii) To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND THAT the Directors of the Company be and are authorised to take all such steps as are necessary or expedient [including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties] to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities."

- 7. To consider any other business of which due notice shall be given in accordance with the Companies Act 2016.

BY ORDER OF THE BOARD  
**ADELINE TANG KOON LING**  
(LS0009611)  
SSM PC NO. 202008002271

**WONG YUET CHYN**  
(MAICSA 7047163)  
SSM PC No. 202008002451

Company Secretaries

Pulau Pinang

Date: 29 April 2024



# NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

## NOTES:-

### 1. IMPORTANT NOTICE

The Broadcast Venue is **strictly for the purpose of complying with Section 327(2) of the Companies Act 2016** which requires the Chairman of the Meeting to be present at the main venue of the meeting.

Shareholders/proxies **WILL NOT BE ALLOWED** to attend the 20<sup>th</sup> Annual General Meeting (“AGM”) in person at the Broadcast Venue on the day of the meeting. Shareholders who wish to participate remotely at the meeting will therefore have to register via the Remote Participation and Voting (“RPV”) facilities operated by InsHub Sdn Bhd at <https://rebrand.ly/AIM-AGM>.

**Please read these Notes carefully and follow the procedures in the Administrative Guide for the 20<sup>th</sup> AGM in order to participate remotely via RPV facilities.**

### 2. APPOINTMENT OF PROXY

- (a) For the purpose of determining who shall be entitled to participate the 20<sup>th</sup> AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 14 June 2024. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV.
- (b) A member entitled to participate in the 20<sup>th</sup> AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his place. A proxy may but need not be a member of the Company.
- (c) A member of the Company who is entitled to participate and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate and vote instead of the member at the AGM.
- (d) If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (e) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“Central Depositories Act”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (f) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- (g) Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (h) The instrument appointing a proxy and any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company’s Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

# NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

- (i) Please ensure ALL the particulars as required in the proxy form is completed, signed and dated accordingly.
- (j) Last date and time for lodging the proxy form is Wednesday, 19 June 2024 at 11:00 a.m.
- (k) For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative executed in the manner as stated in the proxy form with the Company's Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan.

### 3. Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 December 2023

The Audited Financial Statements in Agenda 1 is meant for discussion only as the approval of the shareholders is not required pursuant to the provisions of Sections 248(2) and 340(1)(a) of the Companies Act 2016. Hence, this Agenda is not put forward for voting by shareholders.

### 4. Ordinary Resolution 1 – Directors' Fees and Benefits

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors shall be approved at a general meeting.

The proposed Resolution 1 for the Directors' Fees and Benefits are calculated based on the current Board size and number of scheduled Board and Board Committee meetings to be held from the 20<sup>th</sup> AGM until the date of the next AGM. This resolution is to facilitate payment of Directors' Fees and Benefits on a current financial year basis. In the event the proposed amount is insufficient, (e.g. due to more meetings or enlarged Board size), approval will be sought at the next AGM for the shortfall.

### 5. Ordinary Resolutions 2 and 3 – Re-election of Directors

Mejar Dato' Ismail Bin Ahmad and Mr Kang Teik Yih are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 20<sup>th</sup> AGM.

The Board had through the Nominating Committee carried out the assessment on the Directors and agreed that all Directors meet the criteria as prescribed by Rule 2.20A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time to effectively discharge their role as Directors.

The Board had also through the Nominating Committee carried out assessment on the independence of Mejar Dato' Ismail Bin Ahmad and Mr Kang Teik Yih and is satisfied that they met the criteria of independence as prescribed in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

### 6. Ordinary Resolution 4 – Re-appointment of Auditors

The Board has through the Audit Committee assessed the suitability and independence of the External Auditors, Messrs UHY and considered the re-appointment of Messrs UHY as Auditors of the Company. The Board and Audit Committee collectively agreed and satisfied that Messrs UHY has the relevant criteria prescribed by Rule 15.21 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

# NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

## 7. Explanatory Notes on Special Business

### (i) Ordinary Resolution 5 – Authority to Issue and Allot Shares of the Company Pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 5 is for the renewal of the general mandate obtained from the shareholders at the last AGM and empowering the Directors of the Company to issue and allot shares in the Company from time to time and to grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being (“Proposed General Mandate”).

The authority for the Proposed General Mandate will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

The Proposed General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders’ approval so as to avoid incurring additional cost and time. The purpose of this Proposed General Mandate is for possible fund-raising exercises including but not limited to further placement of shares for purpose of funding current and/or future investment project(s), working capital, repayment of bank borrowings, operational expenditure and acquisition(s).

By approving the issuance and allotment of shares pursuant to Sections 75 and 76 of the Companies Act 2016 and the Constitution of the Company, the shareholders having agreed to irrevocably waive their statutory pre-emptive rights pursuant to Section 85 of the Companies Act 2016 read together with Clause 61 of the Constitution of the Company, which will result in a dilution to their shareholding percentage in the Company.

As at the date of this notice, 292,662,513 new ordinary shares have been issued pursuant to the general mandate granted to the Directors by the shareholders at the 19th AGM held on 21 June 2023 which will lapse at the conclusion of the 20<sup>th</sup> AGM.

### (ii) Ordinary Resolution 6 – Proposed Renewal of Share Buy-Back Mandate

The proposed Ordinary Resolution 6, if passed, will give the Company the authority to purchase its own ordinary shares of up to ten per centum (10%) of the total number of issued shares of the Company. Please refer to the Statement to Shareholders dated 29 April 2024 for further information.

## Personal Data Privacy

By registering for the meeting via remote participation and electronic voting and/or submitting an instrument appointing proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the processing of the member’s personal data by the Company (or its agents): (a) for processing and administration of proxies and representatives appointed for the AGM; (b) for preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (which includes any adjournments thereof); and (c) for the Company’s (or its agents’) compliance with any applicable laws, listing rules, regulations and/or guidelines (collectively “the Purpose”); (ii) warrants that he/she has obtained such proxy(ies)’ and/or representative(s)’ prior consent for the Company’s (or its agents’) processing of such proxy(ies)’ and/or representative(s)’ personal data for the Purposes; and (iii) agrees that the member will indemnify the Company for any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

Note: The term “processing” and “personal data” shall have the meaning as defined in the Personal Data Protection Act, 2010.

# ADMINISTRATIVE GUIDE FOR THE 20<sup>TH</sup> ANNUAL GENERAL MEETING (“AGM”)

<b>Day &amp; Date</b>	: Friday, 21 June 2024
<b>Time</b>	: 11:00 a.m.
<b>Broadcast Venue</b>	: Lot 4.1, 4 <sup>th</sup> Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan
<b>Online Meeting Platform</b>	: The 20 <sup>th</sup> AGM will be conducted on virtual basis using the Remote Participation and Voting facilities operated by InsHub Sdn. Bhd. in Malaysia via <a href="https://rebrand.ly/AIM-AGM">https://rebrand.ly/AIM-AGM</a>

## 1. MODE OF MEETING

The Broadcast Venue of the 20<sup>th</sup> AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, whereby the main venue of the meeting shall be in Malaysia and the Chairman of the Meeting shall be present at the main venue of the meeting. Shareholder(s)/ proxy(ies) WILL NOT BE ALLOWED to attend the 20<sup>th</sup> AGM in person at the Broadcast Venue on the day of the meeting.

## 2. SHAREHOLDERS’ PARTICIPATION AT THE 20<sup>TH</sup> AGM VIA REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES

Shareholders are to attend, speak (including posing questions to the Board via real time submission of typed texts) and vote (collectively, “participate”) remotely at the 20<sup>th</sup> AGM using the RPV facilities via <https://rebrand.ly/AIM-AGM>.

A shareholder who has appointed a proxy or attorney or authorised representative to participate at the 20<sup>th</sup> AGM via RPV facilities must request his/her proxy or attorney or authorised representative to register himself/herself for RPV at <https://rebrand.ly/AIM-AGM>.


We strongly encourage you to participate in the 20<sup>th</sup> AGM via the RPV facilities. You may also consider appointing the Chairman of the Meeting as your proxy to attend and vote on your behalf at the 20<sup>th</sup> AGM.

Kindly refer to the Procedures for RPV as set out below for the requirements and procedures.

# ADMINISTRATIVE GUIDE FOR THE 20<sup>TH</sup> ANNUAL GENERAL MEETING (“AGM”)

## 3. PROCEDURES FOR RPV VIA RPV FACILITIES

Please read and follow the requirements and procedures below to engage in remote participation through live streaming and online remote voting at the 20<sup>th</sup> AGM using the RPV facilities:-

Procedure	Action
BEFORE THE 20 <sup>TH</sup> AGM DAY	
<p>(a) Register as a participant in the virtual 20<sup>th</sup> AGM</p> <div style="text-align: center;">  </div>	<ul style="list-style-type: none"> <li>Using your computer, access to the website at <a href="https://rebrand.ly/AIM-AGM">https://rebrand.ly/AIM-AGM</a>. Click on the <b>REGISTER</b> link to register as a participant for the 20<sup>th</sup> AGM.</li> <li>If you are using mobile devices, you can also scan the QR code provided on the left to access the registration page.</li> <li>Click <b>REGISTER</b> and enter your email, followed by <b>NEXT</b> to fill in your details to register for the 20<sup>th</sup> AGM.</li> <li>Upon submission of your registration, you will receive an email notifying you that your registration has been received and is pending verification.</li> <li>The event is powered by Cisco Webex. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android, and iOS). Refer to the tutorial guide posted on the same page for assistance.</li> </ul>
<p>(b) Submit your online registration</p>	<ul style="list-style-type: none"> <li>Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) who wish to participate and vote remotely at the 20<sup>th</sup> AGM via RPV facilities are required to register prior to the meeting. The registration will open from <b>Monday, 29 April 2024 at 5:00 p.m.</b> and the registration will be closed on <b>Wednesday, 19 June 2024 at 11:00 a.m.</b></li> <li>Clicking on the link mention in item (a) will redirect you to the 20<sup>th</sup> AGM event page. Click on the <b>REGISTER</b> link for the online registration form.</li> <li>Complete your particulars in the registration page. Your name <b>MUST</b> match your CDS account name [not applicable to proxy(ies) or corporate representative(s) or attorney(s)].</li> <li>Insert your CDS account number and indicate the number of shares you hold.</li> <li>Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>Please review your registration and ensure all information given is accurate before you proceed to click <b>SUBMIT</b> to register for your remote participation. Failure to do so will result in your registration being rejected.</li> <li>System will send an e-mail to notify that your registration for remote participation is received and will be verified.</li> <li>After verification of your registration against the Record of Depositors as at 14 June 2024, the system will send you an e-mail to notify you if your registration is approved or rejected <b>after 15 June 2024</b>.</li> <li>If your registration is rejected, you can contact the Company’s Poll Administrator for clarifications or to appeal.</li> </ul>

# ADMINISTRATIVE GUIDE FOR THE 20<sup>TH</sup> ANNUAL GENERAL MEETING (“AGM”)

Procedure	Action
<b>ON THE DAY OF THE 20<sup>TH</sup> AGM</b>	
(a) Attending the 20 <sup>th</sup> AGM	<ul style="list-style-type: none"> <li>Two reminder e-mails will be sent to your inbox. First e-mail will be sent one day before the 20<sup>th</sup> AGM day, while the second e-mail will be sent 1 hour before the commencement of the 20<sup>th</sup> AGM.</li> <li>Click <b>JOIN EVENT</b> in the reminder email to participate the RPV.</li> </ul>
(b) Participate through live streaming	<ul style="list-style-type: none"> <li>You will be given a short briefing about the system.</li> <li>Your microphone will be muted throughout the whole session.</li> <li>If you have any question for the Chairman/ Board of Directors, you may use the <b>Q&amp;A PANEL</b> to send your questions. The Chairman/ Board of Directors will endeavour to respond to relevant questions if time permits. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.</li> <li>The meeting session will be recorded.</li> <li>Please note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at your location.</li> </ul>
(c) Online remote voting	<ul style="list-style-type: none"> <li>The Chairman of the Meeting will announce the commencement of the voting session and the duration allowed at the 20<sup>th</sup> AGM.</li> <li>The list of resolutions for voting will appear at the right-hand side of your computer screen under the “Slido” panel. You are required to indicate your votes for the resolutions that are tabled for voting within the given time frame. Click the <b>SUBMIT</b> button when you have completed.</li> <li>Votes cannot be changed once it is submitted.</li> </ul>
(d) End of RPV facility	<ul style="list-style-type: none"> <li>Upon the announcement by the Chairman on the closure of the 20<sup>th</sup> AGM, the live streaming session will end.</li> </ul>

#### 4. ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY

Only members whose names appear on the Record of Depositors as at 14 June 2024 shall be eligible to participate in the 20<sup>th</sup> AGM or appoint proxy(ies) or corporate representative(s) or attorney(s) and/or the Chairman of the Meeting to participate and vote on his/her behalf.

The hard copy of the proxy forms and/or documents relating to the appointment of proxy(ies) or corporate representative(s) or attorney(s) for the 20<sup>th</sup> AGM must be deposited by hand or post with the Company’s Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan, no later than **Wednesday, 19 June 2024** at **11:00 a.m.**

# ADMINISTRATIVE GUIDE FOR THE 20<sup>TH</sup> ANNUAL GENERAL MEETING (“AGM”)

All members are strongly encouraged to participate and vote remotely at the 20<sup>th</sup> AGM using the RPV facilities. The procedures and requisite documents to be submitted by the respective members to facilitate RPV are summarised below:-

## (I) **For Individual Members**

If an individual member is unable to participate the 20<sup>th</sup> AGM, he/she is encouraged to appoint proxy(ies) or the Chairman of the Meeting as his/her proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

## (II) **For Corporate Members**

Corporate members [through the appointment of Corporate Representative(s) or proxy(ies)] who wish to participate and vote remotely at the 20<sup>th</sup> AGM must contact the Company’s Share Registrar with the details set out below for assistance and is required to deposit the following documents to the Company’s Share Registrar no later than **Wednesday, 19 June 2024 at 11:00 a.m.**:

- (a) Certificate of appointment of its Corporate Representative or Proxy Form under the seal of the corporation;
- (b) Copy of the Corporate Representative’s or proxy’s MyKad (front and back)/ Passport; and
- (c) Corporate Representative’s or proxy’s email address and mobile phone number.

If a corporate member [through the appointment of Corporate Representative(s) or proxy(ies)] is unable to participate the 20<sup>th</sup> AGM, the corporate member is encouraged to appoint the Chairman of the Meeting as its proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

## (III) **For Institutional Members**

The beneficiaries of the shares under a Nominee Company’s CDS account [“Institutional member(s)”] who wish to participate and vote remotely at the 20<sup>th</sup> AGM may request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the 20<sup>th</sup> AGM. The Nominee Company must then contact the Company’s Share Registrar with the details set out below for assistance and is required to deposit the following documents to the Company’s Share Registrar no later than **Wednesday, 19 June 2024 at 11:00 a.m.**:

- (a) Proxy Form under the seal of the Nominee Company;
- (b) Copy of the proxy’s MyKad (front and back)/ Passport; and
- (c) Proxy’s email address and mobile phone number.

If an institutional member is unable to participate the 20<sup>th</sup> AGM, the institutional member is encouraged to appoint the Chairman of the Meeting as its proxy and indicate the voting instructions in the Proxy Form in accordance with the notes and instructions printed therein.

## 5. **REVOCATION OF PROXY**

Please note that if a Shareholder has submitted his/her Proxy Form prior to the 20<sup>th</sup> AGM and subsequently decides to personally participate in the 20<sup>th</sup> AGM via RPV facilities, the Shareholder must contact the Company’s Share Registrar to revoke the appointment of his/her proxy no later than Wednesday, 19 June 2024 at 11:00 a.m.

# ADMINISTRATIVE GUIDE FOR THE 20<sup>TH</sup> ANNUAL GENERAL MEETING (“AGM”)

## 6. POLL VOTING

The voting at the 20<sup>th</sup> AGM will be conducted on a poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The Company has appointed Workshire Share Registration Sdn. Bhd. as the Poll Administrator to conduct the poll voting electronically and Symphony Corporate Services Sdn. Bhd. as Independent Scrutineers to verify the poll results.

Shareholders can proceed to vote on the resolutions before the end of the voting session which will be announced by the Chairman of the meeting and submit your votes at any time from the commencement of the voting session announced by the Chairman of the meeting. Kindly refer to the “**Procedures for RPV via RPV Facilities**” provided above for guidance on how to vote remotely via the RPV facilities. The Scrutineers will verify and announce the poll results followed by the Chairman’s declaration whether the resolution tabled for voting is duly passed or otherwise.

## 7. RESULTS OF THE VOTING

The resolutions proposed at the 20<sup>th</sup> AGM and the results of the voting for the same will be announced at the 20<sup>th</sup> AGM and subsequently via an announcement made by the Company through Bursa Securities at [www.bursamalaysia.com](http://www.bursamalaysia.com).

## 8. NO RECORDING OR PHOTOGRAPHY

By participating at the 20<sup>th</sup> AGM, you agree that no part of the 20<sup>th</sup> AGM proceedings may be recorded, photographed, stored in any retrieval systems, reproduced, transmitted or uploaded in any form, platform or social media or by any means whether it is mechanical, electronic, photocopying, recording or otherwise without the prior written consent of the Company. The Company reserves the rights to take appropriate legal actions against anyone who violates this rule.

## 9. NO DOOR GIFT/ FOOD PACKS/ ANY VOUCHER

There will be NO distribution of door gifts or food packs or any vouchers to the shareholders or proxy(ies) who participate in the 20<sup>th</sup> AGM.

## 10. ENQUIRY

If you have any enquiries on the above, please contact the following designated persons during office hours from 9:00 a.m. to 6:00 p.m. on Monday to Friday (except on public holidays):-

### (i) **For Registration, logging in and system related:**

#### **InsHub Sdn. Bhd.**

Name : Ms. Eris/ Mr. Calvin  
Contact No. : 03-7688 1013  
Email : vgm@mlabs.com

### (ii) **For Proxy Form and other matters:**

#### **Workshire Share Registration Sdn. Bhd.**

Name : Mr. Vemalan a/l Naraynan / Mr. Tee Yee Loon  
Contact No. : 03-6413 3271  
Email : infosr@wscs.com.my



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**ADVANCE INFORMATION MARKETING BERHAD**  
Registration No. 200401006266 (644769-D)  
(Incorporated in Malaysia)

# PROXY FORM

<b>No. of Shares Held:</b>	
<b>CDS Account No.:</b>	

I/We \_\_\_\_\_ NRIC/ Passport/ Registration No. \_\_\_\_\_  
[Full name in block as per NRIC/ Passport]

of \_\_\_\_\_  
[Address]

Email Address: \_\_\_\_\_ Contact No.: \_\_\_\_\_

being member(s) of **Advance Information Marketing Berhad**, hereby appoint:-

Full Name (in Block as per NRIC/ Passport)	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address:	Contact No.:		

and/or^

Full Name (in Block as per NRIC/ Passport)	NRIC/ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address:	Contact No.:		

or failing him/her, the Chairman of the Meeting, as ^my/our proxy to vote for ^me/us and on ^my/our behalf at the Twentieth ("20<sup>th</sup>") Annual General Meeting of the Company, which will be conducted on virtual basis through live streaming from the Broadcast Venue at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan ("Broadcast Venue") on **Friday, 21 June 2024 at 11:00 a.m.** or any adjournment thereof, and to vote as indicated below:-

Resolution	Description of Resolution	For	Against
1	Approval on the payment of Directors' Fees and Benefits up to an amount of RM350,000 for the period from the 20 <sup>th</sup> Annual General Meeting until the next Annual General Meeting of the Company.		
2	Re-election of Mejar Dato' Ismail Bin Ahmad as Director of the Company pursuant to Clause 105 of the Company's Constitution.		
3	Re-election of Mr. Kang Teik Yih as Director of the Company pursuant to Clause 105 of the Company's Constitution.		
4	Re-appointment of Messrs UHY as Auditors of the Company and to authorise the Directors to fix their remuneration.		
5	Authority to Issue and Allot Shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016.		
6	Proposed Renewal of Share Buy-Back up to 10% of the total number of issued shares.		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Signature\*  
Member

^ Delete whichever is not applicable

\* Manner of execution:

- If you are an individual member, please sign where indicated.
- If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
  - at least two (2) authorised officers, of whom one shall be a director; or
  - any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:-

## 1. IMPORTANT NOTICE

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the Meeting to be present at the main venue of the meeting.

Shareholder(s)/proxy(ies) WILL NOT BE ALLOWED to attend the 20<sup>th</sup> Annual General Meeting ("AGM") in person at the Broadcast Venue on the day of the meeting. Shareholders who wish to participate remotely at the meeting will therefore have to register via the Remote Participation and Voting ("RPV") facilities operated by InsHub Sdn. Bhd. at <https://rebrand.ly/AIM-AGM>.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the 20<sup>th</sup> AGM in order to participate remotely via RPV facilities.

## 2. APPOINTMENT OF PROXY

- For the purpose of determining who shall be entitled to participate the 20<sup>th</sup> AGM via RPV, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 14 June 2024. Only a member whose name appears on this Record of Depositors shall be entitled to participate in this AGM via RPV.
- A member entitled to participate in the 20<sup>th</sup> AGM via RPV is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his place. A proxy may but need not be a member of the Company.
- A member of the Company who is entitled to participate and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate and vote instead of the member at the AGM.

- (d) If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (e) Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (f) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
- (g) Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
- (h) The instrument appointing a proxy and any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- (i) Please ensure ALL the particulars as required in the proxy form is completed, signed and dated accordingly.
- (j) Last date and time for lodging the proxy form is Wednesday, 19 June 2024 at 11:00 a.m.
- (k) For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment of authorised representative executed in the manner as stated in the proxy form with the Company's Share Registrar at Workshire Share Registration Sdn. Bhd. of A3-3-8, Solaris Dutamas, No. 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Wilayah Persekutuan.

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AFFIX  
STAMP

The Share Registrar of  
**ADVANCE INFORMATION MARKETING BERHAD**  
Registration No. 200401006266 (644769-D)

**c/o Workshire Share Registration Sdn. Bhd.**  
A3-3-8, Solaris Dutamas  
No. 1, Jalan Dutamas 1  
50480 Kuala Lumpur  
Wilayah Persekutuan

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[www.aim-net.com.my](http://www.aim-net.com.my)



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