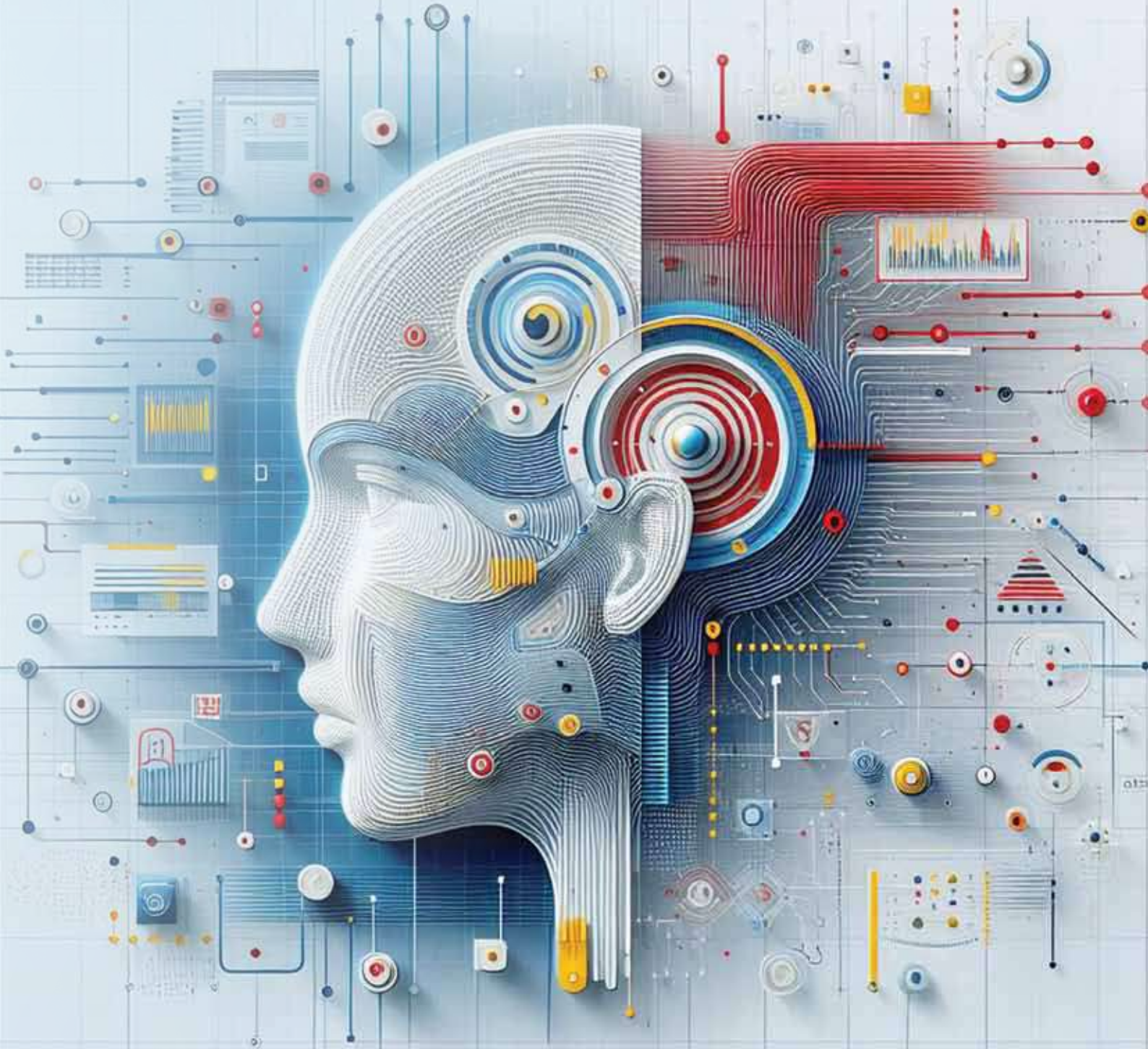
G3 Global

G3 GLOBAL BERHAD
Company No. 200201002733 (570396-D)



ANNUAL REPORT 2023

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CORPORATE **INFORMATION**

BOARD OF **DIRECTORS**

Dato' Sri Alias Bin Ahmad
Independent Non-Executive Director and Chairman

Dato' Sri Aminul Islam Bin Abdul Nor
Executive Director

Mr. Dirk Johann Quinten
Managing Director

Mr. Kunal Tayal
Non-Independent Non-Executive Director

Dr. Salihin Bin Abang
Independent Non-Executive Director

Madam Vasanthi A/P Arumugam
Independent Non-Executive Director
(Appointed on 30 May 2023)

AUDIT COMMITTEE
- Dr. Salihin Bin Abang (Chairman)
- Dato' Sri Alias Bin Ahmad
- Mr. Kunal Tayal

REMUNERATION COMMITTEE
- Dato' Sri Alias Bin Ahmad (Chairman)
- Mr. Kunal Tayal
- Dr. Salihin Bin Abang

RISK MANAGEMENT COMMITTEE
- Mr. Kunal Tayal (Chairman)
- Dato' Sri Alias Bin Ahmad
- Dr. Salihin Bin Abang

NOMINATING COMMITTEE
- Dato' Sri Alias Bin Ahmad (Chairman)
- Mr. Kunal Tayal
- Dr. Salihin Bin Abang

COMPANY SECRETARY

Wong Youn Kim
SSM Practicing Certificate No.
201908000410
(MAICSA 7018778)

Lim Li Heong
SSM Practicing Certificate No.
202008001981
(MAICSA 7054716)

Wong Mee Kiat
SSM Practicing Certificate No.
202008001958
(MAICSA 7058813)

REGISTERED OFFICE

Level 5, Tower 8
Avenue 5, Horizon 2
Bangsar South City
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Tel : +603 2280 6388
Fax : +603 2280 6399
Email : listcomalaysia@acclime.com

BUSINESS ADDRESS

05-05-02, Block 5, Corporate Park,
Star Central
Lingkaran Cyber Point Timur
Cyber 12
63000 Cyberjaya
Selangor Darul Ehsan
Tel : +603 8800 7000
Email : contact@g3global.com.my

WEBSITE

www.g3global.com.my

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
[Registration No. 197701005827
(36869-T)]
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Tel : +603 20849000
Fax : +60 3 20949940
Email : info@sshsb.com.my

AUDITORS

Grant Thornton Malaysia PLT
(201906003682 & No. AF: 0737)
Chartered Accountants
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Tel : +603 2692 4022
Fax : +603 2732 5119

SOLICITORS

Shook Lin & Bok
Khalif Isaac Lee
Ng, Arlene Tan & Leong

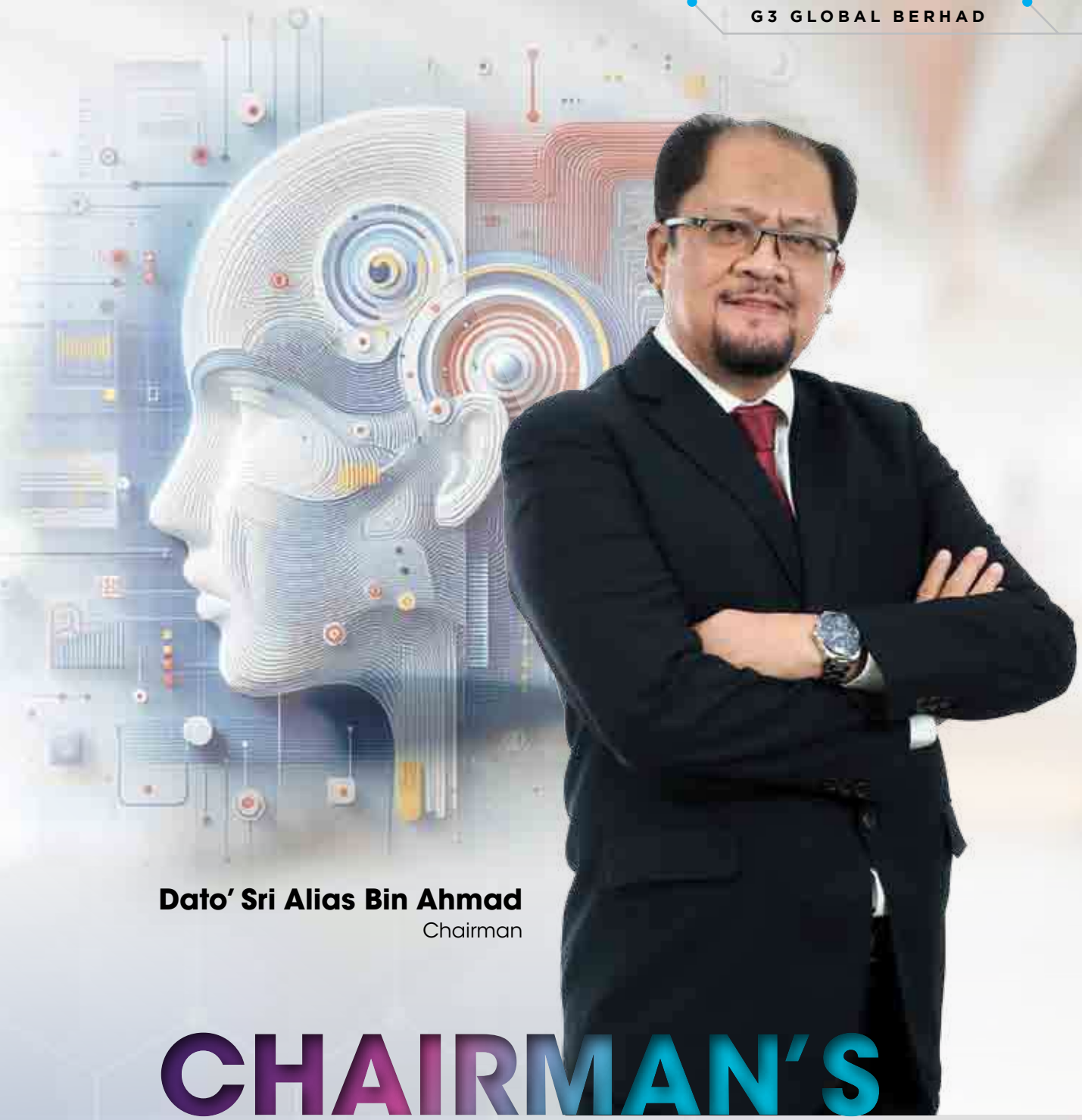
PRINCIPAL BANKERS

Hong Leong Islamic Bank Berhad
Alliance Bank Malaysia Berhad
Maybank Islamic Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Name : G3
Stock Code : 7184

CORPORATE STRUCTURE



Dato' Sri Alias Bin Ahmad
Chairman

CHAIRMAN'S STATEMENT

Dear Shareholders,

As Chairman of G3 Global Berhad (G3 Global or the Group), I am pleased to present to you the Annual Report for the Financial Year Ended 31 December 2023 (FYE2023) on behalf of the Board of Directors (Board).

CHAIRMAN'S STATEMENT (CONT'D)

The past year has been marked by dynamic shifts in the global landscape. Economic fluctuations, geopolitical tensions, and technological disruptions have shaped our operating environment. We remain vigilant and adaptable, acknowledging the challenges as well as the unprecedented demand for Digital Transformation and Artificial Intelligence (AI) solutions.

At G3 Global, we have responded to the evolving landscape by realigning our focus to ensure business sustainability. Recognizing the shifting trends, we continue to direct our attention to our core strength in the ICT sector. Notably, we focused on the implementation of the AIS3 Project for KLIA and KLIA2, reaffirming our commitment to excellence in technology solutions and enabling us to form new partnerships.

Moving forward, we will continue to harness the Group's expertise in Artificial Intelligence and merge it with our System Integrator (SI) and Project Management (PM) capabilities to pursue technology projects. Additionally, we remain attentive to opportunities in the healthcare sector, particularly in medical support services and AI supported screening technologies, aligning with emerging trends and market demands.

BOARD COMPOSITION

In 2023, we have adjusted the composition of the Group's Board to enhance the ratio of independent directors and to introduce gender diversification, reflecting our commitment to best governance practices.

ACKNOWLEDGEMENTS

I extend my appreciation to the entire G3 Global team for their dedication and resilience throughout the year. Their unwavering commitment has been instrumental in maintaining the Group's sustainability and operational continuity. I also express most sincere gratitude to our business partners, shareholders, Board of Directors and customers for their steadfast support. As we continue our transformation journey, we look forward to expanding our business network in Malaysia and furthering the growth of the Group.

Dato' Sri Alias Bin Ahmad
Chairman

CORPORATE MANAGEMENT DISCUSSION **AND ANALYSIS**

BUSINESS OVERVIEW

As previously reported, G3 Global Berhad had in May 2022 secured a RM118 million project to design, supply, install, testing and commissioning for the Airport Integrated Security and Safety System ("AIS3") at KLIA and KLIA2.

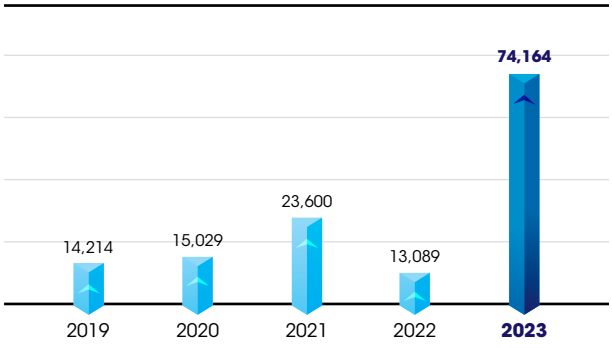
The AIS3 project is progressing well and G3 Global is expected to complete the project by Q3 2024. G3 Group expect the AIS3 project to continue to contribute positively to G3 Group's overall revenue.

CORPORATE MANAGEMENT DISCUSSION **AND ANALYSIS** (CONT'D)

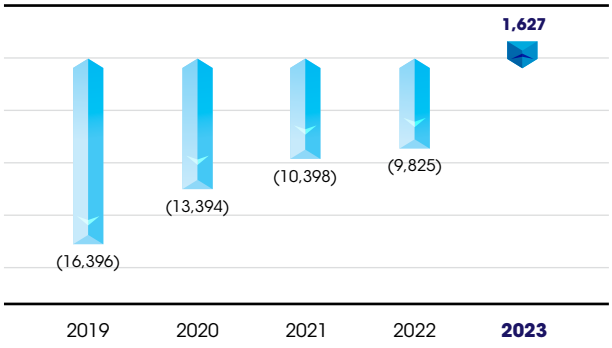
5-YEAR GROUP FINANCIAL HIGHLIGHTS

	2019	2020	2021	2022	2023
A. OPERATING RESULTS (RM'000)					
Revenue - ICT	14,214	15,029	2,162	1,892	74,164
Revenue – Healthcare	–	–	21,438	11,197	–
Profit /(Loss) after tax	(16,396)	(13,394)	(10,398)	(9,825)	1,627
B. KEY STATEMENTS OF FINANCIAL POSITION (RM'000)					
Total Assets	46,210	28,936	29,352	48,241	107,227
Total Liabilities	6,368	2,475	5,832	7,741	46,162
Shareholders' Funds	39,806	26,431	22,564	40,612	61,440
C. SHARE INFORMATION					
Basic earning /(loss) per share (sen)	(3.90)	(0.65)	(0.53)	(0.34)	0.05
Net assets per share (sen)	0.09	0.06	0.01	0.01	1.62

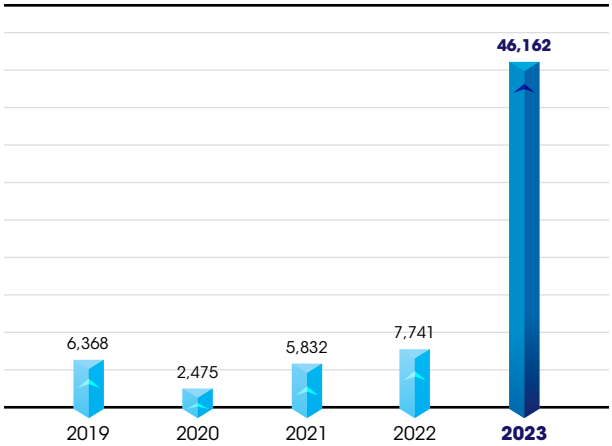
REVENUE (RM'000)



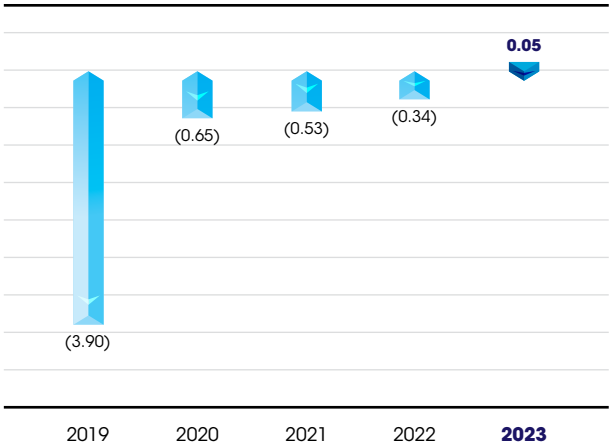
PROFIT / (LOSS) AFTER TAXATION (RM'000)



TOTAL LIABILITIES (RM'000)



BASIC EARNINGS / (LOSS) PER SHARE (SEN)



CORPORATE MANAGEMENT DISCUSSION **AND ANALYSIS** (CONT'D)

Financial Performance

The overall favourable financial performance for the FY2023 is driven by G3 Global's ICT Division with a revenue of RM74.2 million through the AIS3 Project. The project itself have propel significant increase in G3 Group's revenue by surpassing the Group revenue reported in FY2022.

The Group register an overall profit after taxation of RM1.6 million, a significant improvement from an overall loss after taxation of RM9.8 million in FY2022 and the past 3 years prior to that.

Apart from the continuous initiative to maintain a lean cost structure, the positive contribution from the AIS3 project has driven the improvement in the Group's profitability.

The improvement from the losses position in FY2022 to the profitability in FY2023 has contributed to an improvement to basic earnings per share of 0.05 sen as compared to a basic loss per share of 0.34 sen.

With the expected completion of the AIS3 project in Q3 2024, G3 Global expects the AIS3 Project will continue to contribute positively to the overall revenue of G3 Global in FY2024.

Segmental Outlook

ICT Division

The ICT services industry is expected to growth in line with the market demand for ICT services as business and government continue their respective digital transformation plan in their efforts to improve and exceeding their respective stakeholders' expectation.

In Malysia, the ICT sector contributed to almost 23.2% of the Malaysian Gross Domestic Product ("GDP") and projected to rise to 25.5% in 2025. To support this nationwide vision, the Malaysian government launched the MyDIGITAL initiative as part of the Malaysia Economy Digital Economy Blueprint. This initiative is part of the government's plans to transform Malaysia into a digitally driven, high-income nation and a regional leader in the digital economy by 2030.

The ICT service industry is forecasted to expand at a compound annual growth rate ("CAGR") of 7.2% from RM103.9 billion in 2022 to RM146.85 billion in 2027.

Enterprise IT services generally refers to a combination of IT consulting services, and the provision of hardware, software, strategy and support services. The growing demand for IoT, AI, and cloud computing is expected to auger well for the Enterprise IT services industry moving forward. In addition, the Enterprise IT services industry is likely to benefit from a high broadband penetration rate in Malaysia. The implementation of the Jalinan Digital Negara (JENDELA) plan, which is a plan to provide wider coverage and better quality of broadband experience for the nation whilst preparing the country for 5G technology is expected to drive the usage of broadband in the future, which would in turn drive the growth of the Enterprise IT services industry.

In view of growth in ICT sector, G3 Global will continue to pursue in growing its presence in Malaysia especially as one of the leading AI solutions providers. The ICT division under G3 Global is expected to contribute positively to overall revenue of G3 Global.

CORPORATE MANAGEMENT DISCUSSION **AND ANALYSIS** (CONT'D)

Risk Management

As of Q4,2023, the Group has no borrowings or debt securities except bank guarantee of RM11.8 million issued for the AIS3 Project as performance bond and have no outstanding capital commitments.

The completion of AIS3 Project would represent a strong reference for G3 Global to expand its capabilities in AI for Airport Security to the other airports locally and regionally. G3 Global's senior management plays an active role to ensure the success of AIS3 Project with competent vendors selected to ensure completed works are of the quality desired by the client.

G3 Global also strives to improve current revenue through securing potential ICT projects which are currently at discussion stage.

Dividend Policy

The Board has not adopted any fixed dividend policy. The Board does not recommend payment of any dividend for FYE2023.

Outlook

The AIS3 Project is expected to contribute positively to G3 Global's revenue performance and also an important milestone achieved for G3 Global moving towards profitability. Completion of AIS3 Project will allow G3 Global to expand its AI offering to other airports within Malaysia as well as regionally. Thus, the G3 Global's Board of Directors placed priority and focus to ensure that AIS3 Project is completed.

The Board will continuously review the strategy and future business direction of the Group in order to remain competitive and improve the Group's financial performance.

DIRECTORS' PROFILE

Dato' Sri Alias Bin Ahmad

(Independent Non-Executive Director and Chairman)

Nationality	Gender	Age
		66

Dato' Sri Alias Bin Ahmad is the Non-Executive Director and Chairman of the Company since 4 January 2022. Dato' Sri Alias is also the Chairman of the Nomination Committee and the Remuneration Committee, as well as a member of the Audit Committee and the Risk Management Committee.

Dato' Sri Alias graduated from Universiti Malaya with a Bachelor (Hons) of Arts and Social Sciences in 1981 and a Masters of Strategic and Defence Studies in 2001. He also holds various diplomas and certificates in public management, intelligence and security, emergency responses and advanced management and leadership from other institutions such as the University of Oxford, United Kingdom and Military College, Taipei, Taiwan.

Over the last 34 years between 1984 and 2018, Dato' Sri Alias served the country and the Malaysian government in various capacities and departments which included the Ministry of Education ("MOE"), Prime Minister's Office, Ministry of Home Affairs (MOHA), State Security Department, Immigration Department, National Security Council ("NSC"), among others.

Some of the notable positions which he had held includes Director General of the Department of Immigration, Malaysia from 2010 until 2014, Secretary General of Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) from 2014 until 2016, Secretary of NSC in 2016 before he retired as the Secretary General of the MOE in May 2018.

Besides that, he had held many directorships and council memberships in a number of private and public listed companies, board of government agencies, institutions, foundations and etc. He was a board member of Bank Rakyat Malaysia from 2015 until 2019, the Chairman of the Companies Commission of Malaysia from 2014 till 2016, and was also a Council Member of the Ministry of Science, Technology and Innovation from 2017 until 2018.

Save as disclosed above, he does not hold any other directorship in any other public companies or public listed companies.

Dato' Sri Alias does not have any conflict of interest or potential conflict of interest, including interest in any competing business, in any business arrangement involving the Company and its subsidiaries.

Dato' Sri Alias does not hold any shares directly or indirectly in the Company. Dato' Sri Alias does not have any family relationship with any other director and/or substantial shareholders of the Company.

DIRECTORS' **PROFILE** (CONT'D)

Dato' Sri Aminul Islam Bin Abdul Nor

(Executive Director)

Nationality	Gender	Age
		57

Dato' Sri Aminul Islam Bin Abdul Nor was appointed as Executive Director of the Company on 26 November 2021.

He holds a Bachelor of Arts degree in Business Management from the University of Chittagong, Bangladesh.

Dato' Sri Aminul Islam is the Founder and Group President of Bestinet Sdn. Bhd., a leading technology company which has been awarded with over 15 awards till date locally and internationally including its most prestigious award as 'The World's Best Digital Content Solutions' under the Government and Citizen Engagement category by The World Summit Award (WSA), a framework of the United Nations (UN) Sustainable Development Goals (UN SDG), in the year 2017, for its system called Foreign Workers Centralized Management System ("FWCMS"). FWCMS is a key tool which is being used by the Malaysian government to effectively manage, monitor and control all processes related to foreign workers management in the country and is integrated and used by all relevant stakeholders in Malaysia and labour sending countries.

He has more than 30 years of experience in managing service-oriented businesses and is firmly guided by the "Customer Is the Most Important" approach of doing business. With his vast experience as the Managing Director and Chief Executive Officer of several companies, Dato' Sri Aminul Islam is well-versed in project management, marketing, financial management, client retention, implementing policies, cost control and others.

Presently, Dato' Sri Aminul Islam does not hold any other directorship in any other public companies or public listed companies.

Dato' Sri Aminul has declared his interest in the Tenancy Agreement entered into between G3 Global Berhad ("the Company") and Bestinet Sdn. Bhd. ("Bestinet") in respect of the rental of a demised premises for use as the Company's office. His interest in the Tenancy Agreement gives rise to an actual/ potential conflict of interest with his duties or interests as Director by virtue of his direct shareholdings in Bestinet.

Save as disclosed above, Dato' Sri Aminul Islam does not have any other conflict of interest or potential conflict of interest, including interest in any competing business, in any business arrangement involving the Company and its subsidiaries.

As of 26 April 2024, Dato' Sri Aminul Islam holds 74,237,000 ordinary shares in the Company. He has deemed interest on 517,888,900 ordinary shares in the Company by virtue of his shareholdings in Dream Life Travels Sdn Bhd, Databliss Sdn Bhd and Instacloud Sdn Bhd pursuant to Section 8 of the Companies Act 2016; and through Greenfield Hills Sdn Bhd via his spouse and his son.

Dato' Sri Aminul Islam is the father of Encik Muhammad Qhailiz Norman Aminul Islam, who is a substantial shareholder of the Company.

DIRECTORS' **PROFILE** (CONT'D)

Mr. Dirk Johann Quinten

(Managing Director)

Nationality	Gender	Age
		55

Mr. Dirk Quinten was appointed as the Executive Director of G3 Global Berhad on 19 February 2020 and was re-designated as the Managing Director on 30 July 2020.

He holds a Masters Degree in Electrical Engineering & Automation from the University of Applied Science, Trier, Germany and underwent the Harvard Business School Senior Management Development Program.

Born, raised and educated in Germany, Mr Dirk Quinten began his career in 1995 with a multinational material handling company as a project manager, where he was responsible for the commissioning of various turnkey projects around the globe, most notably in Jordan and Venezuela. In 2000, he came to Malaysia and shifted his focus towards large industrial projects and corporate management. He was Chief Operating Officer of Melewar Integrated Engineering Sdn. Bhd., a turnkey provider of industrial plants, as well as Director of Maveric Ltd. Singapore. After 11 years, he joined Gryphon Energry Group in 2014 as Chief Corporate Officer, where he spearheaded the offshore O&M, ISO accreditations and restructured the company to qualify for IPO in Europe. He was also Group Chief Executive Officer at Terra Technologies Sdn. Bhd. in 2016 and oversaw securing a stable market position and leading the Group's international expansion plans. From 2017 to 2023 he served as Director of AGA Global Associate Holdings Sdn. Bhd., a state-of-the-art Big Data solutions company. At present, he is also the Chief Executive Officer & co-founder of Body For Life Sdn. Bhd., a provider for a wide range of health, fitness and nutrition-related services & courses in Malaysia.

He had cooperated with several companies including FLSmith, Conoco, Siemens, Alstom, TNB, SMS, Vale, Ferrostaal, Pertamina and MAHB, delivering complex projects, corporate turnarounds and capital market structures.

He is a conscious corporate manager and director with more than 28 years of experience in the fields of engineering, automation, industrial plants, O&G, infrastructure and IT for various size start-ups, multinationals and public-listed companies. His core competencies include change & transformation management, strategy & business development, and ethical business acumen as well as risk management. With his ability to engage teams and to merge various company departments into a cohesive organisation, he is driven to improve corporate governance and business structures in order to achieve stability and growth. He strongly believes in transparent and ethical business conduct.

He is a member of the Harvard Alumni Club as well as the German Embassy's Round Table business forum in Malaysia.

He does not hold any other directorship in any other public companies or public listed companies.

Mr. Dirk Quinten does not have any conflict of interest or potential conflict of interest, including interest in any competing business, in any business arrangement involving the Company and its subsidiaries.

He does not hold any shares directly or indirectly in the Company. He does not have any family relationship with any other director and/or substantial shareholders of the Company.

DIRECTORS' **PROFILE** (CONT'D)

Mr. Kunal Tayal was appointed as Non-Independent Non-Executive Director of G3 Global Berhad on 26 November 2021. He is the Chairman of the Risk Management Committee and is also a member of the Nomination Committee, the Remuneration Committee and the Audit Committee.

He received his Bachelor of Commerce from Delhi University, India, in 2009 and his MBA in Finance from Mahatma Gandhi University in 2011. He is a Chartered Accountant and has been a member of the Institute of Chartered Accountants of India since 2012. He is also a member of the Malaysian Institute of Accountants.

He is presently the Chief Financial Officer of Bestinet Sdn. Bhd. ("Bestinet"), based in Kuala Lumpur where he oversees the full spectrum of financial operations for the entire group and ensuring sound finance governance and statutory reporting.

Throughout his tenure with Bestinet since 2015, he has been responsible in managing the company's financial planning, budgeting and forecasting, financials preparation and accounts finalisation in line with accounting standards. In addition to that, he is also tasked with developing commercial proposals and strategic plans to acquire as well as grow new businesses and leading due diligence activities for acquisition exercises, liabilities and investments analysis, and risk management.

Prior to that, Mr. Kunal Tayal served as an External Audit Senior with SR Batliboi & Co LLP (Ernst & Young) in Gurgaon, India where he led end-to-end statutory and internal audits, financial statement analysis as well as procedure reviews for large MNCs and many private limited companies across the pharmaceuticals, manufacturing, retail, healthcare as well as services industries.

Throughout his career, he has had the opportunity to work with companies across the manufacturing & retail, healthcare, services, BPO & KPO, logistics, travel & tourism, education, pharmaceuticals, NGO and banking sectors.

He is also one of the founding members of the Malaysian Chapter of The Institute of Chartered Accountants of India (MICAI).

Presently, Mr. Kunal Tayal is also a director of another public listed company, namely Green Packet Berhad.

Mr. Kunal Tayal has declared his actual/potential conflict of interest with his duties or interests as Director in relation to the Tenancy Agreement entered into between G3 Global Berhad and Bestinet Sdn. Bhd. ("Bestinet") for the rental of a demised premises for use as the Company's office due to his position as a Chief Financial Officer in Bestinet.

Save as disclosed above, Mr. Kunal Tayal does not have any other conflict of interest or potential conflict of interest, including interest in any competing business, in any business arrangement involving the Company and its subsidiaries.

Mr. Kunal Tayal does not hold any shares directly or indirectly in the Company. He also does not have any family relationship with any other director and/or substantial shareholders of the Company.

Mr Kunal Tayal

(Non-Independent Non-Executive Director)

Nationality	Gender	Age
		36

DIRECTORS' **PROFILE**
(CONT'D)

Dr Salihin Bin Abang

(Independent Non-Executive Director)

Nationality	Gender	Age
		51

Dr. Salihin Bin Abang was appointed as an Independent Non-Executive Director of the Company on 22 November 2019. He is the Chairman of the Audit Committee, and member of the Nomination Committee, Remuneration Committee, and Risk Management Committee.

Dr. Salihin obtained his Master of Science in Accounting and Bachelor of Accounting from International Islamic University Malaysia in 2008 and 1997 respectively and completed Harvard Business School Alumni Club of Malaysia's Senior Management Development Program (SMPD) in 2011. He also contributes to academia as an industry advisor to universities covering bachelor, master, and doctoral levels. He led the establishment of Teaching Accountancy Firm (TAF) in some local universities with UMT being the pioneer in an effort to further bridge the gap between theory and practice of accountancy. He was conferred the Honorary Doctorate Degree in Management by UMT during their 16th Convocation Ceremony on 11 November 2018. This is in recognition of his leadership and national and international contributions to both industry and academia in the areas of audit, assurance, accounting, taxation, and business advisory.

Dr. Salihin is the Group Managing Partner of SALIHIN and a former president of the Malaysian Institute of Accountants (MIA), the sole regulatory body of the accounting profession in Malaysia. He founded SALIHIN and its group of independent professional services firms offering audit and assurance, taxation, Shariah advisory, corporate advisory, and digital consulting services. Apart from managing SALIHIN, he also contributes his expertise in the governance and management of public listed and non-public listed companies, as well as government and state statutory bodies.

Dr. Salihin has over 20 years of experience in the corporate world, assuming Board and committee membership responsibilities in audit, risk, transformation, sustainability and corporate reporting. He is also the Vice President of the Malaysian Islamic Chamber of Commerce (DPIM).

His professional qualifications include Chartered Accountant (C.A.(M)), Certified Public Accountant (CPA (M)), ASEAN Chartered Professional Accountant (ACPA), Fellow member of the Association of International Accountants (FAIA, UK), Fellow member of Chartered Tax Institute of Malaysia (FCTIM), a member of the Financial Planning Association of Malaysia (FPAM), Malaysian Association of Tax Accountants (MATA), an honorary member of the Institute of Cooperative and Management Auditors (ICMA) and a professional member of the Institute of Management Accountants (IMA, USA). He is also a Qualified Risk Director with The Institute of Enterprise Risk Practitioners (IERP).

Currently, Dr. Salihin holds directorship in another public company, namely Wassiyah Shoppe Berhad (2017/2023; 31 July) and Boustead Plantations Berhad (not listed) and public listed companies, namely Bintulu Port Holdings Berhad and Boustead Heavy Industries Corporation Berhad. He also holds directorship in Hornbill Skyways Sdn. Bhd. and Sarawak Economic Development Corporation.

Save as disclosed above, Dr. Salihin does not hold any other directorship in any other public companies or public listed companies.

Dr. Salihin does not have any conflict of interest or potential conflict of interest, including interest in any competing business, in any business arrangement involving the Company and its subsidiaries.

Dr. Salihin does not hold any shares directly or indirectly in the Company. He also does not have any family relationship with any other director and/or substantial shareholders of the Company.

DIRECTORS' **PROFILE** (CONT'D)

Madam Vasanthi A/P Arumugam was appointed as an Independent Non-Executive Director of the Company on 30 May 2023.

Madam Vasanthi Arumugam received her Bachelor of Laws from the University Malaya in 1990 and her Masters in Law from the University Malaya in 2001.

She is the founder of Messrs Vas & Co, a boutique law firm that was established in 2006 and is presently the Managing Partner. In a sterling career spanning over 3 decades in the legal industry, Vasanthi's accolades are widely recognised throughout the nation, specifically in her holistic approach towards resolving complex issues in the area of corporate and commercial law. She is also a member of the Honourable Society of the Middle Temple in London, UK.

She does not hold any other directorship in any other public companies or public listed companies.

Madam Vasanthi Arumugam does not have any conflict of interest or potential conflict of interest, including interest in any competing business, in any business arrangement involving the Company and its subsidiaries.

She does not hold any shares directly or indirectly in the Company. She does not have any family relationship with any other director and/or substantial shareholders of the Company.

Vasanthi A/P Arumugam

(Independent Non-Executive Director)

Nationality	Gender	Age
		59

Notes to Directors' Profiles:

None of the Directors has any conviction for offences within the past five (5) years other than traffic offences, and there are no public sanction and/or penalty imposed by the relevant regulatory bodies on the Directors during the financial year.

Board Meeting attendance in 2023:
The details of the Directors' attendance at the Board Meetings are disclosed in the Corporate Overview Statement on page 40 of this Annual Report.

The composition of the Board of Directors complies with Paragraph 15.02 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad whereby one-third (1/3) of the Board are Independent Directors.

KEY SENIOR **MANAGEMENT**

Mr Farisan Moktar

(Chief Financial Officer)

Nationality	Gender	Age
		52

Mr. Farisan Moktar was appointed as Chief Financial Officer of G3 Global Berhad on 29 January 2024.

He is a Chartered Certified Accountant by training and was admitted as a Fellow of the Chartered Association of Certified Accountants (ACCA) in 2005. Mr. Farisan is an alumnus of Alliance Manchester Business School, Manchester and a holder of a Master Degree in Business Administration from the University of Manchester, United Kingdom. Further to that, Mr. Farisan has under his belt a Bachelor of Arts Degree in Combines Studies with Accounting from De Montfort University, Leicester, United Kingdom as well as a Diploma in Accountancy from Institut Teknologi MARA (currently known as Universiti Teknologi MARA).

Prior to his current position, Mr. Farisan was the Acting Group Chief Executive Officer ("Acting Group CEO") and Group Chief Financial Officer ("CFO") of UiTM Holdings Sdn. Bhd. ("UHSB"), a wholly owned investment holding company of Universiti Teknologi MARA, the biggest public university in Malaysia. As the Acting Group CEO and Group CFO, Mr. Farisan was responsible for all corporate, operational, financial reporting, corporate finance, corporate strategy, corporate transformation, legal and corporate secretarial matters of eight (8) active companies involved in renewable power generation, healthcare, technology and creative sectors.

Mr. Farisan started his career in 1997 with Coopers & Lybrand (the predecessor firm of PricewaterhouseCoopers) where he spent some 5 years in the Audit and Business Assurance Division. There, he was exposed to the realm of business economic fundamental, auditing, taxation, internal controls, corporate finance and corporate advisory.

He further developed his expertise in corporate finance in 2002 when he joined the Group Corporate Finance and Advisory Division of DRB-HICOM Berhad, a Malaysian diversified group of companies listed on the Bursa Malaysia. In DRB-HICOM Berhad, Mr. Farisan was exposed to various corporate finance activities particularly debt restructuring, fund raising, merger and acquisition and investment appraisals exercises undertaken by the Group.

Mr. Farisan was later head-hunted in January 2007 and was appointed as the Vice President / Head of Finance of Bank Muamalat Malaysia Berhad, one of the pioneering Islamic banks in Malaysia. In Bank Muamalat Malaysia Berhad, Mr. Farisan developed his managerial and strategic management skills in leading the bank's finance function and assist the Senior Management / Board of Directors in the strategic direction of the Bank.

KEY SENIOR **MANAGEMENT** (CONT'D)

Mr. Farisan was responsible for the management of the finance division as well as the operational efficiency and effectiveness of the Bank's finance function ensuring timely, complete and accurate financial processing and reporting to the Board of Directors, the Central Bank and other stakeholders. Mr. Farisan left the bank in 2008 to pursue his career in higher management.

Mr. Farisan had a corporate stint in the Middle East during the economic boom of Dubai in 2008 and was holding the position of Financial Director of a niche investment holding company based in Dubai, United Arab Emirates with business exposure in construction, and financial advisory in various countries throughout South East Asia, Middle East, Central Asia, Europe and Africa.

Mr. Farisan's skills and global knowledge in the financial sector made him the first choice candidate to be appointed as a pioneer in PEMANDU in early 2010 where he was appointed as an Associate Director at Performance Management and Delivery Unit ("PEMANDU") in the Malaysian Prime Minister's Department. PEMANDU was a unit set-up by the then Prime Minister himself to spearhead transformation in the Malaysian Government services to the people of Malaysia which was later known as Malaysia Government Transformation Programme ("GTP") as well as the Malaysian Economic Transformation Programme ("ETP") designed to catapult Malaysia to a high income nation by facilitating private sectors investment over 12 economic areas.

As one of the pioneer members of PEMANDU, Mr. Farisan was actively involved in the GTP which covers transformation work on Government policies and standard operation procedures. In the ETP, Farisan was involved from the very beginning from identifying the 12 National Key Economic Activities ("NKEA"), facilitating and managing the laboratory particularly the Financial Services in developing the key initiatives to be implemented by the Central Bank, Securities Commission, the Stock Exchange Authorities, the Ministry of Finance and other stakeholders including banks, insurance companies and other financial institutions.

Mr. Farisan was responsible in overseeing the implementation of initiatives under NKEA Financial Services covering the Equity Market, Bond Market, Developmental Financial Institutions, Payment EcoSystem, Insurance, Private Pension, Wealth Management, Assets Management, Creating Regional Champions and Islamic Finance.

Mr. Farisan was also involved in reviewing the Government Roles in Business in Malaysia and embarked in an exercise that will rationalize and change the landscape of Malaysia's business where the Government through its various corporations will exit the business scene in a well-managed manner.

Due to Mr. Farisan's contribution in PEMANDU especially in the Financial Services sector and Government Role in Business, Mr. Farisan was invited to join FGV Holdings Berhad in 2013 where he was appointed as the Senior Vice President for Group Development & Acquisition, reporting directly to the Group Chief Executive Officer. In the said post, Mr. Farisan was responsible for all the Group's merger & acquisition exercises, corporate divestment, corporate strategy and fund raising exercises in line with the then Strategic Blueprint of FGV Holding Berhad.

Mr. Farisan was later involved in Group Finance activities covering the financial reporting, budgeting and forecasting, group cash flow management, taxation and fund raising exercises for the Group. Mr. Farisan left FGV in December 2017 to pursue his career in corporate advisory.

Since 2018, Mr. Farisan was appointed and retained by several Malaysian public listed companies as their independent corporate advisor. Mr. Farisan's role was to provide a third party view on various corporate proposals including merger and acquisition, privatization proposals, corporate collaboration both local and cross border as well as review of financial projection for a water concession project in one of the State in Malaysia.

In late 2021, Mr. Farisan was identified and invited to join UHSB as the Group CFO and was eventually appointed as the Acting Group CEO for UHSB Group.

Mr. Farisan does not have family relationship with any Director and/or major shareholder of the Company. He does not have any conflict of interest or potential conflict of interest, including interest in any competing business, in any business arrangement involving the Company and its subsidiaries. He does not hold any directorship in any public companies or public listed companies. He has not been convicted of any offence within the past five (5) years other than traffic offence, if any, as well as any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

SUSTAINABILITY **STATEMENT**

VISION

To lead in the development of sustainable Artificial Intelligence ("AI"), positioning itself as a socially responsible and environmentally conscious entity.

MISSION

To make a tangible impact on the world through its innovative solutions, all while being dedicated to nurturing a more sustainable future for generations to come.

Our Commitment to Business Sustainability

In presenting this Sustainability Statement, the Group aims to provide stakeholders with an overview of its Economic, Environmental, and Social ("EES") performance. This statement delves into pertinent sustainability issues for the Group on how they are being addressed and managed, along with the specific activities undertaken to tackle these concerns.

At G3 Global, we hold the belief that sustainability initiatives should go beyond mere compliance with standards; they should genuinely add value to our stakeholders. Our sustainability endeavours are carefully crafted to not only project an image of adherence to applicable standards but also to generate authentic value for our stakeholders, thereby aiding the Group in achieving a positive EES performance.

Reporting Framework

This Sustainability Statement has been prepared in accordance with the best practice sustainability guidelines, standards and frameworks as follows:

- **Practice Note 9 of the Main Market Listing Requirements**
- **Sustainability Reporting Guide, 3rd Edition ("SRG")**

- **Malaysia Code of Corporate Governance ("MCCG"), Updated April 2021**

- **Global Reporting Initiative ("GRI"), 2021**

SUSTAINABILITY **STATEMENT** (CONT'D)

Reporting Scope and Boundary

This Sustainability Statement covers the sustainability activities and performance of G3 Global and its seven subsidiaries based in Malaysia, with focus on Atilze Digital Sdn Bhd for the financial year from 1 January 2023 to 31 December 2023. The corporate structure of the Group is detailed in the Group Structure section of the annual report.

Feedback

We welcome your input on this report and any aspects discussed within it. Your feedback is highly valued, and we appreciate your engagement. Please do not hesitate to reach out with inquiries, comments, or suggestions about the content at contact@g3global.com.my.

Sustainability Governance

The Group recognises the paramount importance of a robust sustainability governance and leadership structure in spearheading the sustainability agenda. The governance framework of the Group is specifically crafted to facilitate the seamless integration of sustainability into both business operations and decision-making processes. This strategic design ensures a steadfast commitment to creating value for stakeholders through the implementation of sustainable practices.

Board of Directors

- Consists of Non-Executive Directors, Executive Director, Managing Director and Non-Independent Non-Executive Director.
- Oversees the organisation's sustainability strategy and performance based on key sustainability pillars.
- Delegates the responsibility to the Senior Management to ensure implementation of sustainability strategies and initiatives.

Senior Management

- Lead by the Chief Financial Officer.
- Creates awareness on sustainability concepts and principles amongst internal stakeholders.
- Responsible for overseeing the execution of the sustainability strategy and evaluating performance.
- Improves the Group's sustainability governance and performance.

Operational

- Consists of Operational Level Managers.
- Implements sustainability programme by ensuring adequate resources are in place, data compilation, and report the Group's sustainability performance.

SUSTAINABILITY **STATEMENT** (CONT'D)

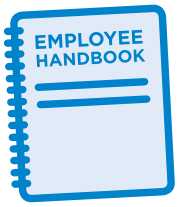
Policies and Procedures for Excellent Governance

The Group has instituted several policies to bolster sustainable business practices and seamlessly incorporate them into day-to-day operations. The outlined policies below set forth guidelines and standards, ensuring that the Group adheres to the highest ethical principles, governs its business activities with effectiveness, and showcases the integrity of its operations:

Anti-Bribery and Anti-Corruption Policy

Whistleblowing Policy

Code of Conduct



Employee Handbook

Health and Safety Policy

The Group's policies and Code of Conduct are available on our website: https://www.g3global.com.my/index.html

Stakeholder Engagement

The Group is fully aware of the crucial role stakeholders play in its sustainability journey and is dedicated to enhancing engagement with them. Through active collaboration with stakeholders and the steadfast pursuit of sustainable practices in its business operations, the Group is confident in its ability to generate enduring value for both the business itself and the communities it serves. This commitment underscores the Group's recognition of the symbiotic relationship between sustainable business practices and the positive impact on stakeholders and broader communities.

SUSTAINABILITY **STATEMENT** (CONT'D)

Stakeholder Engagement (Cont'd)

The following table provides a concise summary of our primary stakeholders, the communication channels utilised for engagement, the sustainability areas of interest or concerns raised by each group and the frequency of these interactions:

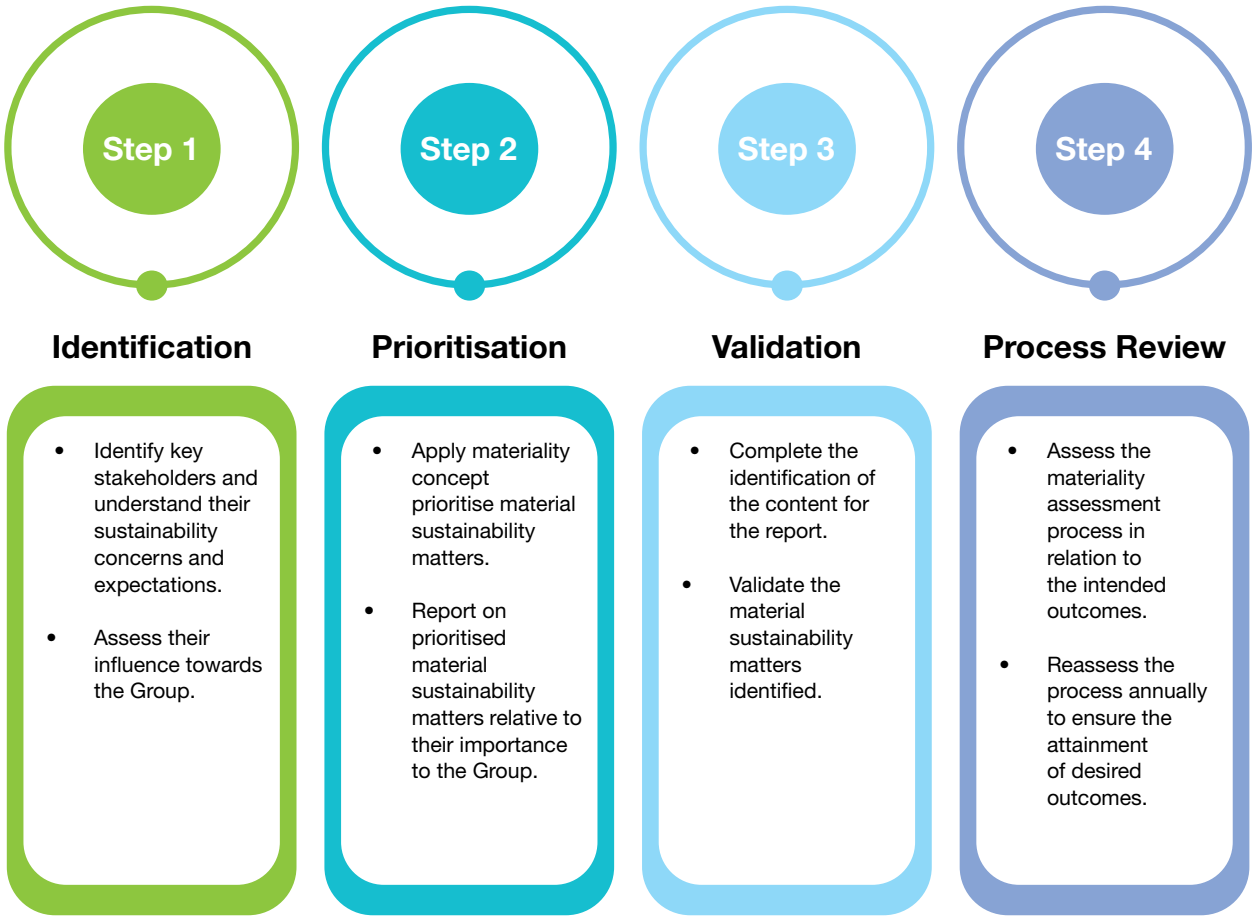
Stakeholder Group	Engagement Platform	Areas of Interest or Concern	Engagement Frequency	Our Response
Shareholders & Investors	• Financial and Corporate announcement and reporting • General meeting • Corporate website	• Financial and operational performance • Corporate governance • Internal control and risk management	• Annually • Quarterly	• Economic Performance, page 26 • Anti-Bribery and Anti-Corruption, page 27 • Corporate Governance, pages 26-27
Customers	• Corporate website • Direct engagement	• Product and service quality and pricing • Customer service • Product and service innovation	• As and when required • Quarterly	• Innovation and Digital Transformation, page 28 • Cybersecurity, pages 28-29 • Customer Privacy, page 35
Vendors & Suppliers	• Direct engagement • Meetings and discussions	• Business continuity • Prompt payment of invoices	• Periodically • As and when required	• Procurement, page 29 • Occupational Health and Safety, page 33
Employees	• Performance appraisals • Social events with employees • Meetings and discussions • Trainings	• Job security and competitive remuneration package • Employee Health and Safety • Career development and advancement	• Annually • Periodically • Quarterly	• Diversity and Equal Opportunity, pages 31-33 • Employment, page 34 • Occupational Health and Safety, page 35 • Training & Development, page 35 • Employee Engagement, page 36
Government & Regulatory Bodies	• Meetings and consultations • Dialogues • Audit and verification	• Regulatory compliance • Approvals and permits	• Annually • Quarterly	• Anti-Bribery and Anti-Corruption, page 27 • Corporate Governance, pages 26-27 • Environmental Compliance, page 31
Local Communities	• Internship programme	• Good corporate citizenship	• Annually	• Environmental Compliance, page 31 • Energy Usage and Water Management, pages 30-31 • Local Community Engagement, page 36

SUSTAINABILITY **STATEMENT** (CONT'D)

Materiality Assessment

The Group is deeply committed to effectively managing sustainability matters that hold significance to the Group's overarching strategy and its day-to-day business operations. We firmly believe that integrating materiality considerations into our decision-making processes can not only yield positive impacts but also contribute meaningfully to fostering a more sustainable future. The materiality assessment process serves as a crucial tool in pinpointing and evaluating key risks and opportunities associated with EES issues, specifically those that carry the most relevance and impact for both the Group and its diverse stakeholders.

This meticulous assessment process adheres to the guidelines set forth in Bursa Malaysia's SRG 3rd Edition. It encompasses the systematic identification and active engagement of key stakeholders to discern and prioritise the most substantial EES factors influencing the business and its stakeholders. The valuable insights derived from this assessment play an instrumental role in shaping the Group's overall sustainability strategy and decision-making processes.



SUSTAINABILITY **STATEMENT** (CONT'D)

Materiality Assessment (Cont'd)

In FY2023, the Group conducted a review of the existing materiality matters to gauge the significance of key sustainability matters identified for both our Group and stakeholders. Our methodology involved garnering perspectives from a broad spectrum, incorporating insights from both internal and external stakeholders.

This matrix highlights the importance of each aspect, taking into account both its relevance to our Group and its perceived significance to our stakeholders.

ECONOMIC		ENVIRONMENT		SOCIAL	
1	Economic Performance	7	Environmental Compliance	9	Diversity and Equal Opportunities
2	Anti-Bribery and Anti-Corruption	8	Energy Usage and Water Management	10	Employment
3	Corporate Governance			11	Customer Privacy
4	Innovation and Digital Transformation			12	Occupational Health and Safety
5	Cybersecurity			13	Training and Development
6	Procurement1			14	Employee Engagement
				15	Local Community Engagement

Note:

1. *Supply chain management is managed under "Procurement".*
2. *We have removed "Market Presence" from our materiality matters as it was deemed to be immaterial to the* Group.

SUSTAINABILITY **STATEMENT** (CONT'D)

Risk Management

The material assessment helped to identify significant sustainability issues, prioritise actions, manage risks, capitalise on opportunities, and create long-term value for stakeholders while contributing to sustainable development to achieve its goals and thrive in the long run.

Material Topics	Risks	Opportunities
Economic Performance	• Challenges in securing projects • Liquidity risk	• Cost savings initiative
Anti-Bribery and Anti-Corruption	• Integrity risk	• Increased governance compliance
Corporate Governance	• Non-compliance to business operating rules and regulations	• Improved transparency and stakeholders' confidence
Innovation and Digital Transformation	• Technology landscape risk	• New business opportunities
Cybersecurity	• Cybersecurity threat	• Increase in cybersecurity awareness and compliance
Supply Chain Management	• Disruption in the supply chain leading to delays • Quality issues • Increased costs	• Strengthening supplier relationships • Identifying alternative suppliers
Environmental Compliance	• Non-compliance to business operating rules and regulations	• Cost savings initiatives
Diversity and Equal Opportunity	• Legal risks • Loss of key staff	• Better customer and market understanding • Brand and reputation enhancement
Employment	• Loss of key staff	• Increased productivity
Customer Privacy	• Cybersecurity threat	• New business opportunities
Occupational Health and Safety	• Non-compliance to business operating rules and regulations	• Increased productivity
Training and Development	• Technology landscape risk • Loss of key staff	• Increased productivity
Employee Engagement	• Loss of key staff	• Increased productivity
Local Community Engagement	• Community dissatisfaction • Negative impact on brand reputation	• Enhanced brand image, • Increased community support • Access to local talent pool

SUSTAINABILITY **STATEMENT** (CONT'D)

Sustainability Key Performance Indicators ("KPIs")

The key performance indicators provide a directive and motivation to achieve sustainable goals. Measuring our performance against our target also helps us to monitor our progress and take corrective actions to manage risks to ensure continuity of the business.

Material Topics	FY2023 Achievements	FY2024 Targets
Economic Performance	• Achieved a significant increase in revenue resulting in a reported net profit.	• Achieve an improvement of 10% more net profit margin.
Anti-Bribery and Anti-Corruption	• Declaration statement on zero cases.	• Maintain zero incidents.
Corporate Governance	• Achieved 16% gender diversity on the board.	• Increase gender diversity to 30% on the board.
Innovation & Digital Transformation	• Maintained collaboration with SenseTime.	• To explore opportunities to collaborate with other partners.
Cybersecurity	• Declaration statement on zero cases of cybersecurity breach. • Reduced incident response time to 24 hours.	• Maintain zero incidents. • Maintain incident response time at 24 hours or less.
Procurement	• Achieved 94% of local suppliers.	• Maintain 94% of local suppliers.
Environmental Compliance	• Achieved 100% compliance rate with environmental regulations.	• Maintain 100% compliance rate.
Diversity and Equal Opportunity	• Local workforce represented 99% of the total workforce.	• Maintain the current representation of local talent in the workforce.
Employment	• Implemented initiatives that resulted in a 20% increase in employee retention rates.	• Maintain the employee retention rate compared to the previous year.
Customer Privacy	• Zero reported data breaches.	• Maintain zero reported data breaches and unauthorised access incidents.
Occupational Health and Safety	• Achieved zero workplace accidents and incidents.	• Maintain zero workplace accidents and incidents.
Training & Development	• Achieved total of 135.5 hours of training completed by employees with average of 22.6 hours per employee. • Invested total of RM19,005 into employee training and skill certification.	• Increase the total hours of training completed and average hours per employee by 50%. • Increase the amount invested by 25%.
Employee Engagement	• Achieved an overall employee satisfaction score of 90%.	• Improve satisfaction scores to 95%.
Local Community Engagement	• Completed 1 community engagement project.	• To organise at least 4 Corporate Social Responsibility ("CSR") activities that benefit local residents. • To contribute to charities and funds to support community infrastructure amounting to RM20,000.

SUSTAINABILITY **STATEMENT** (CONT'D)

1.1 ECONOMIC

In alignment with its commitment to responsible resource use and long-term economic growth, the Group strives to foster a positive impact on both business success and community well-being. Emphasising the importance of operations that generate returns while minimising environmental impact, promoting social equity, and respecting cultural diversity, the Group actively prioritises good business ethics, responsible governance, and best practices across all operational domains.

The Group's visions and mission for economic sustainability is based on five (5) key principles listed below.

- To listen to our consumers and business partners;
- To emphasise product innovation;
- To build brand awareness;
- To focus on strong analytics and disciplined financial management; and
- To build our talented workforce.

Our commitment extends to upholding the highest standards of integrity and transparency. By integrating these principles into every aspect of its operations, the Group aims not only to meet regulatory and ethical standards but also to build and sustain the trust and confidence of its diverse stakeholders, including customers and partners.

The ultimate goal is to contribute significantly to a sustainable and prosperous future for all, reflecting the Group's dedication to making a positive difference beyond immediate business concerns for its stakeholders.

Economic Performance

The Group remains unwavering in its commitment to achieving long-term profitability and sustainable growth by delivering cutting-edge solutions of exceptional quality to its customers, leveraging its emphasis on Artificial Intelligence ("AI") in collaboration with one of the world's largest AI providers. Acknowledging the pivotal role of sustainability in reaching these objectives, the Group actively collaborates with stakeholders to formulate and implement sustainability strategies, priorities, and targets that align with evolving sustainability agendas.

The Group is committed to delivering our major project secured with Malaysia Airports Holdings Berhad ("MAHB") for Airport Integrated Security and Safety System ("AIS3") at Kuala Lumpur International Airport ("KLIA") and KLIA2 with completion expected by Q3 2024.

For more information regarding financial performance of the Group, please refer to the Management Discussion and Analysis and the Audited Financial Statements in this Annual Report.

Corporate Governance

The Group recognises the pivotal role of a strong corporate culture in helping employees understand and apply the Group's mission, vision, beliefs, and established policies in their daily work. In line with this, the Board of Directors has instituted and embraced the Code of Conduct for directors and employees. This code reflects the Board's unwavering commitment to upholding the highest standards of ethical conduct and practices expected from all individuals associated with the Group.

This Code of Conduct is available on our Group's website:
https://www.g3global.com.my/pdf/G3_CODE_OF_CONDUCT.PDF

G3 Global is steadfast in its commitment to the principles and best practices of corporate governance, as outlined in the Bursa Malaysia Listing Requirements and the MCCG. Our commitment is centred on ensuring that the highest standards of corporate governance are consistently upheld across the entire Group. The ultimate aim of these efforts is to enhance long-term shareholders' value and deliver optimal returns to all stakeholders.

The Audit Committee ("AC") holds the principal responsibility for overseeing corporate governance, ensuring the integrity of the Group's financial statements, and monitoring the internal control system. On the other hand, the Risk Management Committee ("RMC") is tasked with overseeing the identification, assessment, and mitigation of risks, as well as evaluating the effectiveness of risk control measures that impact the Group.

1.1 ECONOMIC (CONT'D)

Corporate Governance (Cont'd)

For a more comprehensive understanding of the Group's corporate governance practices, including core policies, board composition, risk management, and other governance-related matters, detailed information can be found in the Corporate Governance Overview Statement available in this Annual Report.

Anti-Bribery and Anti-Corruption

The Group's Anti-Bribery and Corruption ("ABAC") Policy emphatically declares the company's zero-tolerance stance towards corruption and bribery. Directors, employees, and associated third parties, are strictly prohibited from engaging in corruption, bribery, extortion, embezzlement, or any form of money laundering activities. This policy serves as the ethical framework for maintaining the integrity of our internal control system, ensuring ethical health, and compliance with professional standards in managing corruption, bribery, and money laundering risks.

The Group places a strong emphasis on training its employees regarding the Anti-Corruption and Bribery Policy. Annual training sessions are conducted for all employees, ensuring that they are well-versed in the policy's principles and guidelines. Additionally, new employees are introduced to this crucial topic as part of their induction course to familiarise them with the Group's stance on corruption prevention. In FY2023, all employees have completed the mandatory annual training session (FY2022: 100%).

To reinforce the commitment to ethical conduct, all employees are required to acknowledge and agree to adhere to the relevant policies on an annual basis. This ensures ongoing awareness and compliance, emphasising the importance of maintaining the highest standards of integrity and ethical behaviour within the organization.

Our Anti-Bribery and Corruption Policy is available on the Group's website, https://g3global.com.my/downloads/G3_General_ABC_Policy.pdf

Whistleblowing Policy

G3 Global has implemented a Whistleblowing Policy designed to uphold high standards of ethical conduct and provide proper channels for reporting concerns. This policy ensures that directors, employees, shareholders, suppliers, customers, and other stakeholders with a business relationship with the Group have avenues to report suspected wrongdoings, unethical behaviours, or workplace grievances that may adversely impact the Group.

The Whistleblowing Policy outlines multiple reporting channels, allowing individuals to report concerns directly to their immediate superior, designated officers, or even up to the Chairman of the Audit Committee. Reports can be submitted verbally or in writing via email to whistleblowing@g3global.com.my or traditional mail, addressed to the Managing Director, Chief Executive Officer, Group Chief Financial Officer, HODs etc.

Every complaint and disclosure submitted through the whistleblowing channels undergoes a thorough review by the Whistleblowing Committee. Following the initial review, an investigation team is assigned to fairly investigate the complaints and gather relevant information. The findings from the investigation are subsequently presented to the Whistleblowing Committee, which evaluates the outcomes and determines further actions based on the Group's policies.

To ensure discretion, the Group treats all reports confidentially, and whistleblowers are afforded protection of their identity to the extent reasonably practicable. Additionally, they are protected against adverse actions and retaliations of all forms. In FY2023, no instances of non-compliance or breaches of ethical issues were reported through the whistleblowing channels.

All relevant policies and procedures, including the Code of Conduct, ABAC Policy, and Whistleblowing Policy, are accessible on the company's website at www.g3global.com.my.

SUSTAINABILITY **STATEMENT** (CONT'D)

1.1 ECONOMIC (CONT'D)

Innovation and Digital Transformation

In the swiftly changing landscape of today's interconnected and digitalised world, aligning research and development goals with market opportunities is crucial for the growth of our business. The Group places significant importance on continuous improvement throughout its organisation and value chain, aiming to fortify its competitive advantage and maintain a leading position in the market.

The Group's prowess in the ICT sector is demonstrated by its recent accomplishment in securing a project for the airport security systems at KLIA and KLIA2. This project involves the comprehensive implementation of a security network, encompassing the provision of closed-circuit television ("CCTV") cameras and the integration of the Group's AI system to enhance security features at both airports. By implementing advanced technologies, the Group aims to elevate the security features at both KLIA and KLIA2, showcasing its commitment to innovation and excellence in the field.

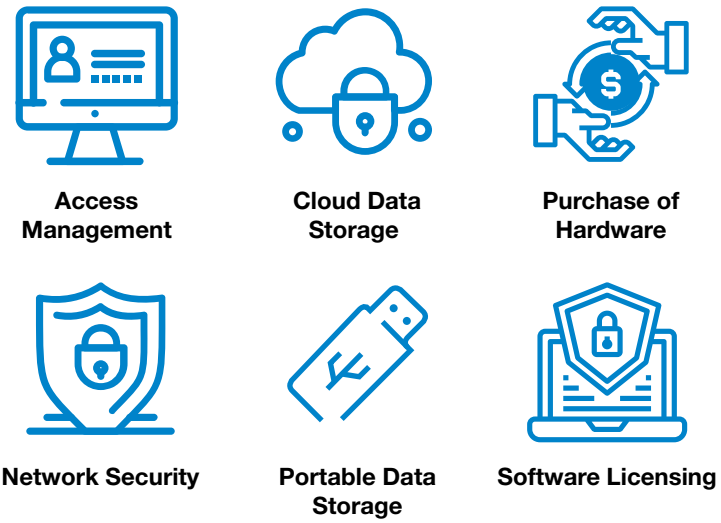
Notably, as a key distributor of SenseTime products in Malaysia, the Group is strategically positioned to leverage the technological advancements and expertise offered by SenseTime. This partnership extends beyond the airport security project, providing valuable resources and insights. The collaboration with SenseTime, who is also committed in their EES efforts, reflects the Group's steadfast dedication to remaining at the forefront of innovation and staying responsive to the rapidly changing technology landscape. By proactively embracing and incorporating cutting-edge solutions, the Group positions itself not only as a leader in the local market but also as a player with global relevance in the dynamic and fast-paced world of technology.

The Group is currently exploring potential Generative AI applications with our partner from SenseTime. Additionally, we are open to exploring further partnerships with other industry leaders to expand our capabilities in this area in the near future.

Cybersecurity

Recognising the growing significance of technology in fostering effective and efficient collaboration within the workplace, the Group acknowledges the imperative to effectively manage the threats and escalating risks of cyber-attacks on the Group. The commitment to safeguarding the private information and personal data of customers, suppliers, and employees is a paramount priority for us.

The Group adheres to a set of approved IT policies that govern its cybersecurity efforts. These policies encompass a range of guidelines and principles to ensure the effective and secure management of the Group's information technology infrastructure. Key components of these IT policies include:



1.1 ECONOMIC (CONT'D)

Cybersecurity (Cont'd)

The Group places a strong emphasis on safeguarding its IT infrastructure through a comprehensive cybersecurity strategy. This strategy includes the implementation of robust firewall and perimeter security measures, advanced anti-virus and threat protection software, secure access controls for cloud data storage, and access restrictions to social websites. Additionally, Virtual Private Network ("VPN") technology is utilised for secure remote access.

Our disaster recovery and business continuity processes are in place, involving periodic offsite backups to ensure data integrity and operational resilience in unforeseen circumstances. Regular reviews and updates of cybersecurity measures are conducted to stay ahead of emerging threats and maintain the highest level of security for the Group's IT systems.

Furthermore, the Group's AI provider, SenseTime International Pte Ltd ("SenseTime"), has achieved Level 3 certification under China's Multi-Level Protection Scheme ("MLPS") 2.0 for cybersecurity, showcasing their advanced cybersecurity capabilities as one of the early companies to pass the MLPS assessment since its inception in December 2019. SenseTime has also obtained all three certifications of ISO 27001 Information Security Management System Certification, ISO 29151 Personal Identity Information Protection Management System Certification and ISO 27701 Privacy Information Management System Certification.

In FY2023 there were no documented instances of data breaches, and no complaints were received from external stakeholders concerning any potential data breaches. (FY2022: Nil).

Zero Cases

of Data Breaches

Zero Complaints

from External Shareholders

Procurement

As a responsible corporation, the Group recognise our duty to oversee operations in a sustainable manner. Understanding that our supply chain's operational performance significantly influences customer perception, we are deeply committed to delivering ethical products and services to our customers while simultaneously supporting our suppliers and their employees. Our main collaborative partner, SenseTime, has obtained their ISO 28000 Supply Chain Security Management Systems certification.

We are currently developing our Supplier Declaration Form ("SDF") that will encapsulate our guiding principles to secure sustainability commitment from our suppliers. The primary objective of the SDF is to promote greater awareness, transparency, and adherence to EES principles, thus bolstering the integrity of G3 Global's supply chain. The form is expected to be developed and in effect by mid FY2024.

We take great pride in our commitment to supporting local businesses and communities. In FY2023, 94% of our supplies are locally sourced, demonstrating our commitment to contribute to the growth and prosperity of our local economy.

SUSTAINABILITY **STATEMENT** (CONT'D)

1.2 ENVIRONMENT

The Group's commitment to responsible environmental management is evident in its proactive measures to improve energy and water efficiency. Embracing the 4Rs initiative — Refuse, Reduce, Reuse, and Recycle — underscores a holistic approach to waste reduction. It is noteworthy that the Group's operations have not directly contributed to environmental harm.

All employees are actively informed and encouraged to participate in these green initiatives, fostering a collective responsibility towards sustainable practices. By engaging the entire workforce, G3 Global seeks to create a culture that prioritises environmental stewardship, ensuring that each individual plays a role in minimising the ecological footprint of the organisation.

The Group's ongoing EES initiatives, which we have consistently been adopting are listed below:

Initiatives to the Environment	Objective	Status
Conversion of iridescent or fluorescent lamps to light-emitting diode ("LED") light bulbs	Energy efficiency	Achieved and maintained
"Last out – lights off" practice	Energy efficiency	Achieved and maintained
4Rs practices	Proper segregation	Achieved and maintained
Disposal of electronic waste by a licensed computer-items disposal Group	Proper disposal	Achieved and maintained
Conversion of paper-based business operations to digital	Reduce waste	Ongoing
Create awareness and encouraging participation of our employees	Onboarding	Achieved and maintained

Energy Usage and Water Management

The Group maintains a low environmental impact owing to the nature of its operations. Nonetheless, a steadfast commitment to responsible natural resource management is a core principle. Focused efforts centred around enhancing energy and water efficiency, coupled with the implementation of the 4Rs initiative collectively contribute to the Group's ability to sustain a low level of electricity and water consumption.

The Group's total consumption of electricity and water is summarised in the table below:

Resources	Item	Unit	31 December 2021		31 December 2022		31 December 2023	
			Amount	Intensity	Amount	Intensity	Amount	Intensity
Energy	Electricity	kWh	RM24,117	28,937	RM25,066	39,431	RM24,690	38,596
Water	Water	m^3	RM864*	69.00	RM864*	37.00	RM864*	53.00

* *Water usage is charged at a fixed rate of RM72 per month by Gamuda Walk Mall building management.*

1.2 ENVIRONMENT (CONT'D)

Energy Usage and Water Management (Cont'd)

Climate Change and Emissions

Our ongoing efforts involve refining the associated information and enhancing our data collection processes to ensure a comprehensive and accurate representation of our climate-related initiatives. Our steadfast commitment is to achieve compliance with these standards by the year 2025, reflecting our dedication to transparently addressing climate-related challenges.

Following our first step towards this goal, the following tabulates our Scope 2 emission:

Source	31 December 2021		31 December 2022		31 December 2023	
	kwH	tCO2-e	kwH	tCO2-e	kwH	tCO2-e
Electricity	28,937	18.6	39,431	25.4	38,596	24.8

Note: Scope 2 emissions factors for electricity grid in Peninsular Malaysia is sourced from the 2017 CDM Electricity Baseline for Malaysia published by Malaysian Green Technology and Climate Change Corporation ("MGTC").

The Group is actively engaged in enhancing our data collection processes, and we plan to delve into assessing our emission levels for Scope 3 in the future.

Task Force on Climate-related Financial Disclosures ("TCFD")

We are dedicated to aligning with the Task Force on Climate-Related Financial Disclosures ("TCFD") Recommended Disclosures, focusing on the four key pillars of Governance, Strategy, Risk Management, and Metrics & Targets. We are presently in the process of preparing and disclosing the Statement in accordance with the TCFD Framework.

Environmental Compliance

The Group conducts its business operations with a commitment to responsibility and integrity, placing a high priority on adherence to all applicable laws and regulations. The Group has implemented comprehensive policies and procedures aimed at cultivating a culture of adherence throughout the organisation. Regular assessments of environmental risks and potential issues associated with the Group's business operations are consistently carried out.

During FY2023 under review, we have fully complied with all relevant regulatory requirements. More importantly, the Group did not incur any sanctions resulting from any non-compliance (FY2022: Nil).

1.3 SOCIAL

Diversity and Equal Opportunity

We recognise the importance of a diverse workforce and an inclusive environment as integral components of our strategic priorities and corporate identity. Embracing a fair culture of inclusiveness, we ensure that all employees are treated and valued equally, irrespective of age, race, gender, disability, nationality, religion, or sexual orientation. The provision of a safe working environment where respect and dignity prevail is paramount in our commitment.

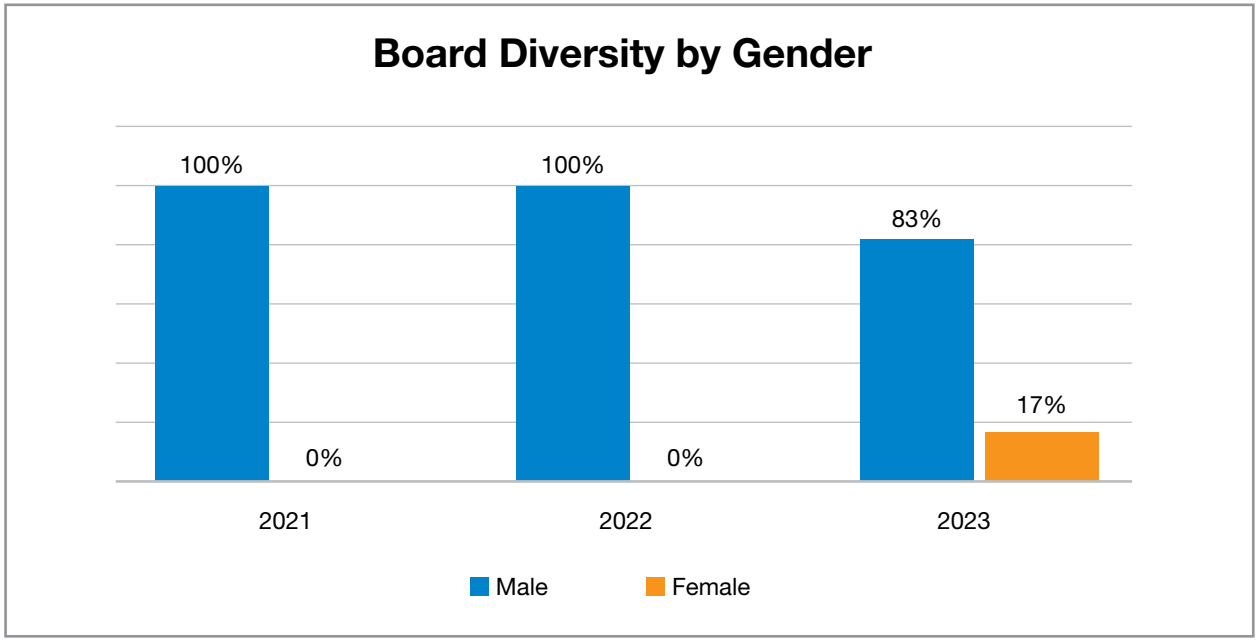
Our recruitment decisions strictly adhere to the principles of equal opportunity, prohibiting any discriminatory practices. The Group is committed to ongoing improvement in its recruitment practices, with a focus on attracting and hiring individuals from diverse backgrounds. This commitment aligns with our efforts to cultivate a workplace culture that values inclusivity and fosters respect within the organization. Continuous review and refinement of our recruitment processes will ensure that we remain dedicated to creating a workforce that is diverse, representative, and supportive of all individuals, irrespective of their backgrounds.

SUSTAINABILITY **STATEMENT** (CONT'D)

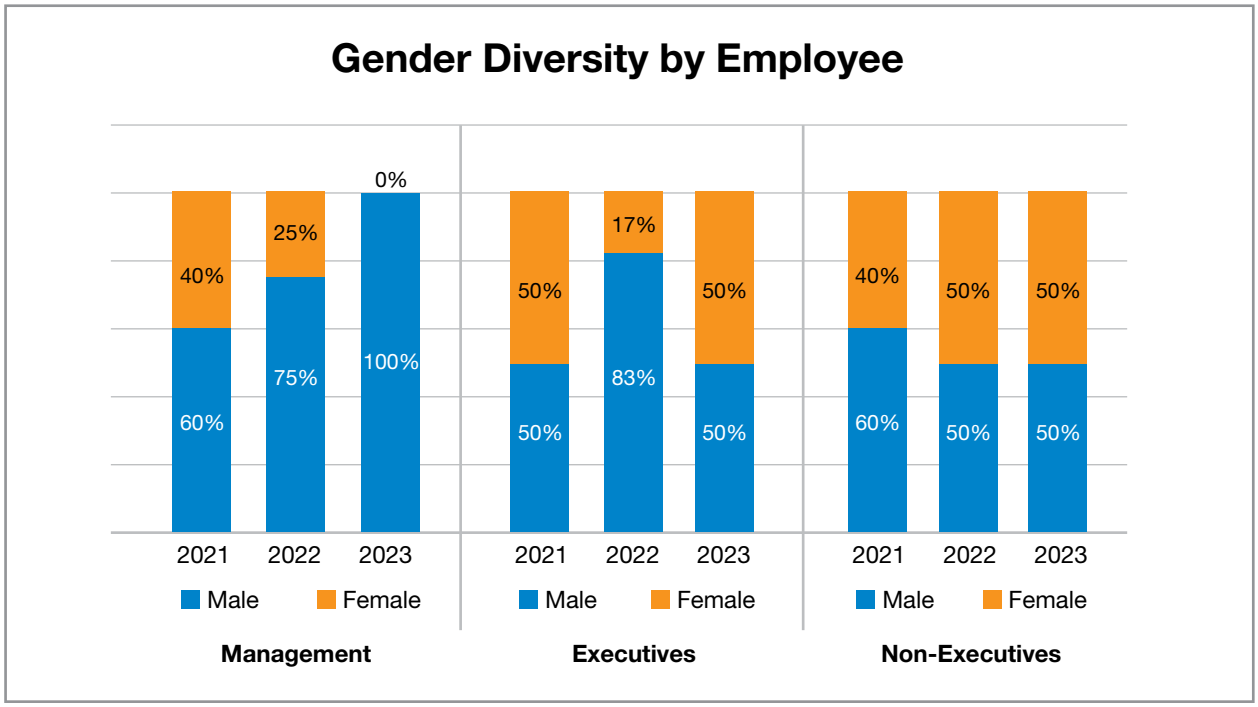
1.3 SOCIAL (CONT'D)

Diversity and Equal Opportunity (Cont'd)

In FY2023, the Group's total workforce of 6 people consists of 67% males and 33% of females (FY2021: 14 people, 71% males 29% females).



We are committed to promoting fair gender representation on our Board in accordance with MCCG recommendations. Currently, we are in the process of identifying suitable female candidates to join our esteemed Board of Directors.

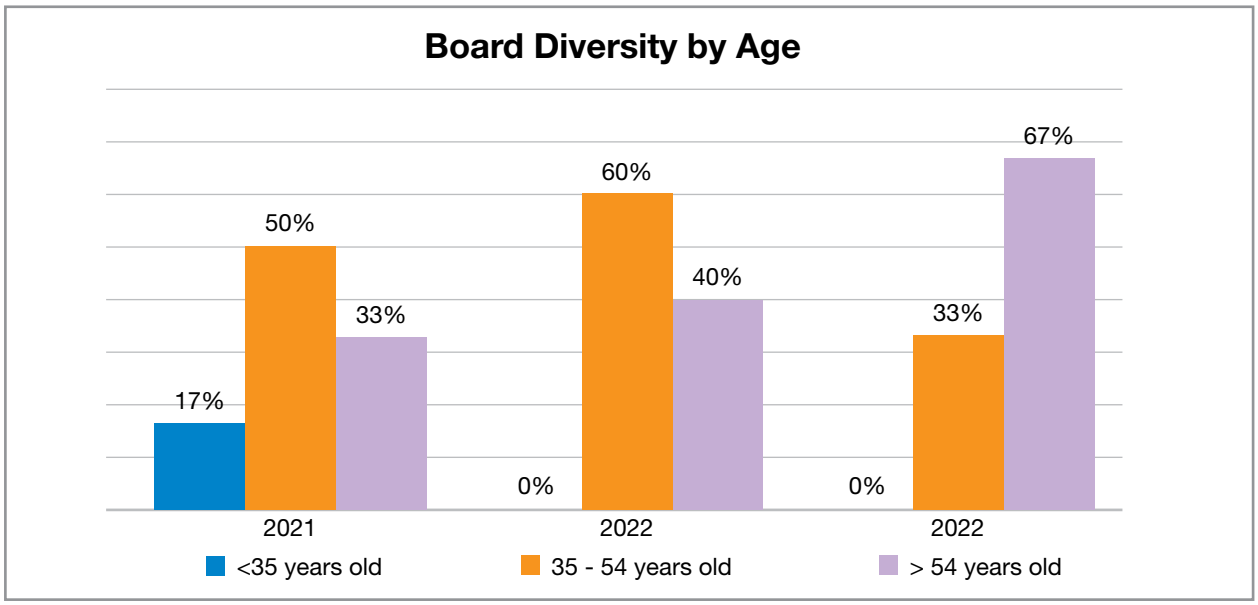


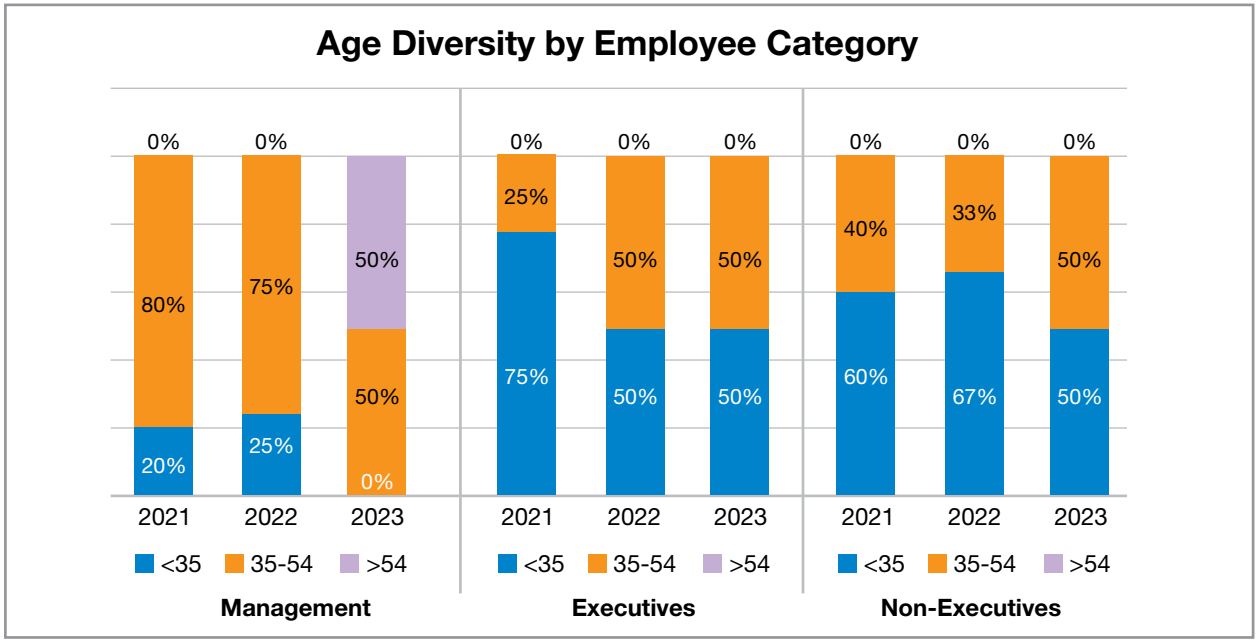
1.3 SOCIAL (CONT'D)

Diversity and Equal Opportunity (Cont'd)

The Group takes pride in cultivating a diverse age range within its workforce, recognising the value that varied perspectives and experiences bring to the workplace. This diversity not only benefits the Group's business but also reflects our commitment to being an equal opportunity employer.

Our workforce spans a wide age spectrum, with half of the employees falling within the age range of 35 to 54 years old. The remaining employees are distributed between the age brackets of 25 to 34 years old and those above 54 years old. This diverse age composition contributes to a dynamic and inclusive work environment, enriching the collective experiences and viewpoints within the Group.





The Group has instituted measures to prevent gender discrimination during the recruitment process. These measures are strategically designed to foster a diverse and inclusive workplace, ensuring that all candidates, irrespective of gender, have an equal opportunity to contribute to and thrive within the organisation.

SUSTAINABILITY **STATEMENT** (CONT'D)

1.3 SOCIAL (CONT'D)

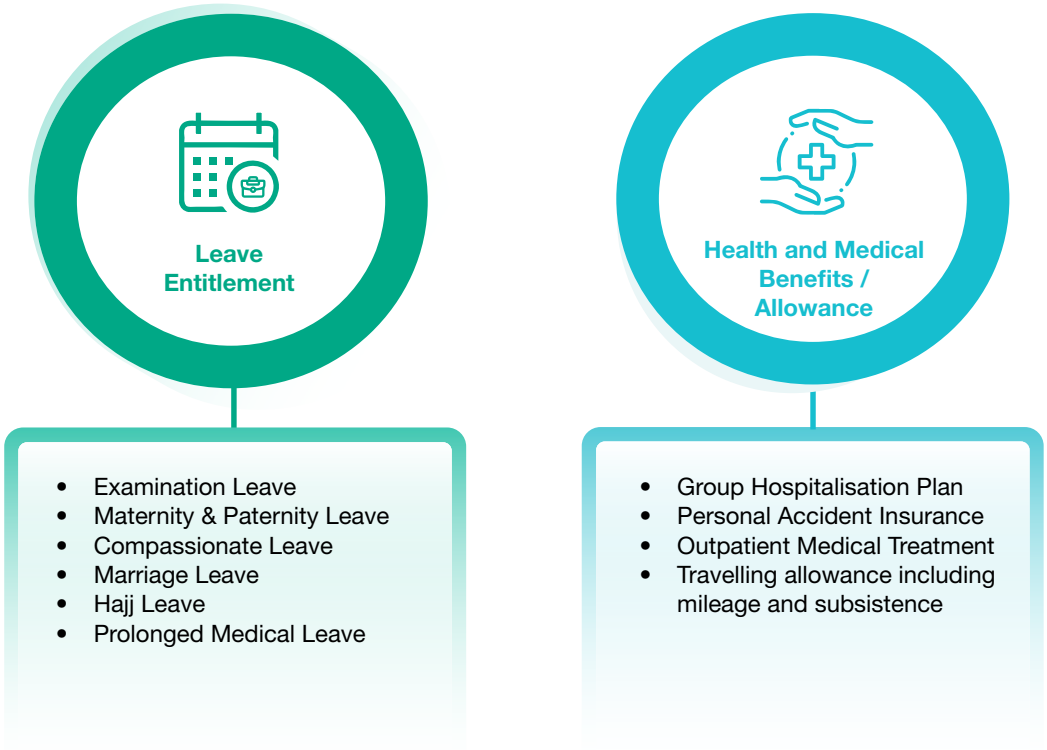
Employment

The Group places a strong emphasis on the well-being and development of its employees, aiming to foster a diverse and inclusive workplace that provides equal opportunities for all, irrespective of characteristics such as race, religion, gender, age, or any other defining factors. This commitment to a predominantly local talent pool underscores the Group's dedication to engaging and supporting individuals from the local community.

By ensuring a workforce that is representative and inclusive, the Group seeks to create an environment that values the unique contributions of every employee and promotes a sense of belonging and equal opportunity for professional growth and development. As of FY2023, the Group's workforce comprises 99% local talent, a consistency that has been maintained over the past few years (FY2022: 99%).

In FY2023, the Group hired a total of five (5) (FY2022: 3) new employees. We also offer internship opportunities to support the development of young talent. Although the Group actively offers internship programmes, there were no interns hired in FY2023, attributed to various factors such as specific business needs, project timelines, or the nature of roles available during that particular period (FY2022:10). The absence of intern hires in FY2023 does not diminish the Group's commitment to fostering talent and providing learning opportunities. The company remains dedicated to supporting educational initiatives and internship opportunities and anticipates potential opportunities for engagement in the future.

Furthermore, the Group is steadfast in its commitment to offering equitable and competitive remuneration packages and benefits to its employees. These encompass a hospitalisation and surgical plan, personal accident insurance, leave benefits, and travel allowances. The suite of employee benefits programs is meticulously structured to cater to the diverse needs of our workforce, providing a comprehensive package that aligns with both industry standards and statutory requirements. This commitment reflects the Group's dedication to ensuring the well-being and satisfaction of its employees by offering a robust and inclusive benefits framework. In FY2023, zero number of substantiated complaints concerning human rights violation and employee dissatisfaction were recorded (FY2022: Nil).



Source: Extracted from Employee Handbook

1.3 SOCIAL (CONT'D)

Customer Privacy

The Group's commitment to customer privacy is underpinned by a rigorous adherence to the guidelines stipulated in the Personal Data Protection Act 2010 ("PDPA"). This commitment extends across the entire data lifecycle, encompassing the proper collection, processing, and retention of personal data in accordance with legal requirements and ethical standards. The inclusion of confidentiality clauses within key documents such as the Code of Conduct, employment letters, and the employee handbook underscores the organisation's dedication to upholding the privacy rights of its customers.

Stringent measures are implemented to safeguard customers' data, including the use of firewalls, anti-virus applications, password protection, and regular security updates. The Group has instituted a comprehensive IT policy that outlines guidelines for access management, network security, and the secure storage of data in the cloud. Employees undergo training to underscore the significance of upholding customer privacy.

We did not receive any complaints about data privacy leakage in FY2023 (FY2022: Nil). If you have any questions or concerns about your privacy, please reach out to us at contact@g3global.com.my.

Occupational Health and Safety

At G3 Global, the paramount consideration is the health and safety of our employees, as well as external parties such as vendors and business partners. Our unwavering commitment to prioritising health and safety is enshrined in our comprehensive Health and Safety Policy. This policy not only underscores our dedication to providing a secure work environment but also outlines the requisite precautions to prevent accidents and injuries.

In adhering to our commitment, we collaborate closely with regulatory agencies to ensure strict compliance with pertinent occupational health and safety laws. This proactive stance allows us to stay abreast of evolving safety standards and industry best practices.

By instilling a culture of vigilance and responsibility, we aim to create a work environment that not only meets legal requirements but exceeds them. The well-being of our workforce and the broader network of external partners is not just a legal obligation but a core value that guides our operations. Through these measures, we strive to foster a workplace where everyone feels secure and can perform their roles with confidence, contributing to a positive and sustainable work culture. In FY2023, zero work-related injuries and fatality cases were recorded (FY2022: Nil).

Training and Development

The Group places a strong emphasis on sustainability across all facets of its operations, including the crucial aspect of training and development. Our training initiatives are meticulously crafted to uphold a high level of competency throughout the organisation, aligning with our commitment to sustainability. These programs are not only designed to meet immediate business needs but are strategically tailored to support the long-term well-being of our employees.

To ensure the relevance and effectiveness of our training efforts, we collaborate closely with Heads of Departments which involves identifying training needs based on our evolving business strategy, regulatory requirements, and the developmental needs of our employees. By aligning training initiatives with these critical aspects, we aim to enhance technical, interpersonal, business, and management skills.

In FY2023, we dedicated a total of 135.5 hours to training initiatives (FY2022: 80 hours) with an average of 22.6 hours per employee (FY2022: 5.7 hours). The training sessions were centred around a diverse array of topics, ranging from technical skill-building relevant to specific job roles to comprehensive leadership development programs. The investment in these programs amounted to RM19,005 (FY2022: RM28,345), reflecting our commitment to providing valuable learning opportunities for our employees.

Looking ahead, the Group remains dedicated to supporting the ongoing learning and development of our workforce. This commitment stems from our desire to foster a culture of agility and resilience, essential attributes in navigating the challenges of a rapidly changing business environment. Through continuous learning, we empower our employees to adapt, innovate, and contribute effectively to the sustainable growth of the Group.

SUSTAINABILITY **STATEMENT** (CONT'D)

1.3 SOCIAL (CONT'D)

Employee Engagement

Effective communication and engagement with employees play a pivotal role in fostering a positive and productive work culture. The Group places a high priority on maintaining an open and transparent line of communication with all staff members. The Group encourages an open-door policy where employees can freely express their thoughts, concerns, and ideas. This two-way communication fosters a culture of collaboration, trust, and inclusivity. By prioritising employee engagement through effective communication, the Group aims to strengthen the sense of belonging and commitment among its workforce, ultimately contributing to a positive and thriving work culture. This approach not only enhances transparency but also empowers employees with a clear understanding of the company's direction and initiatives.

To reinforce our commitment to promoting a harmonious work-life balance, the Group places utmost importance on prioritising the well-being of our employees. In line with this commitment, the Group organised engagement activities such as birthday celebration and Mid-Autumn Festival celebration.

Local Community Engagement

As a group deeply committed to sustainability, we understand that fostering connections within both our internal and external communities is paramount to our collective success. While our current engagement efforts have primarily focused on our internal community through activities such as our recent team hiking excursion, we recognise the importance of extending our reach to include external stakeholders as well. During our hike, we have taken the initiative to clean up the surrounding area, demonstrating our commitment to preserving the well-being of our local ecosystem so that the community can continue to enjoy the area.

Moving Forward Statement

Moving forward in FY2024, we are dedicated to expanding our community engagement initiatives to encompass both our valued employees and the broader local community. By nurturing strong relationships internally and externally, we aim to cultivate a culture of collaboration, inclusivity, and shared responsibility.

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2023
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive/Technical Staff	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	94.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	38.60
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	0.053000
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 35	Percentage	0.00
Management Between 35 - 54	Percentage	50.00
Management Above 54	Percentage	50.00
Executive Under 35	Percentage	50.00
Executive Between 35 - 54	Percentage	50.00
Executive Above 54	Percentage	0.00
Non-executive/Technical Staff Under 35	Percentage	50.00
Non-executive/Technical Staff Between 35 - 54	Percentage	50.00
Non-executive/Technical Staff Above 54	Percentage	0.00
Gender Group by Employee Category		
Management Male	Percentage	100.00
Management Female	Percentage	0.00
Executive Male	Percentage	50.00
Executive Female	Percentage	50.00
Non-executive/Technical Staff Male	Percentage	50.00
Non-executive/Technical Staff Female	Percentage	50.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	83.00
Female	Percentage	17.00
Under 35	Percentage	0.00
Between 35-54	Percentage	33.00
Above 54	Percentage	67.00 *
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	6
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	47
Executive	Hours	42
Non-executive/Technical Staff	Hours	47
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	3
Executive	Number	3
Non-executive/Technical Staff	Number	2
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0

Internal assurance | External assurance | No assurance | (*)Restated

STATEMENT OF ASSURANCE

This Sustainability Statement has not been subjected to an assurance process.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

The Board of Directors acknowledges the importance of maintaining good corporate governance within the Group to safeguard the interest of its shareholders and strives to continuously improve the effective application of the principles and best practices as laid down in the Malaysian Code on Corporate Governance 2021 ("MCCG") and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

This Corporate Governance Overview Statement ("CG Overview Statement") is prepared in compliance with paragraph 15.25(1) of Bursa Securities' Main Market Listing Requirements. It provides an overview on how the Company has applied the practices encapsulated in the following three (3) Key Principles of the MCCG, and the Board's current key focus areas and future priorities in relation thereto:

- **PRINCIPLE A**
  Board Leadership and Effectiveness
  - Board Responsibilities
  - Board Composition
  - Remuneration

- **PRINCIPLE B**
  Effective Audit and Risk Management
  - Audit Committee
  - Risk Management and Internal Control Framework

- **PRINCIPLE C**
  Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders
  - Engagement with Stakeholders
  - Conduct of General Meetings

This CG Overview statement is to be read together with the Corporate Governance Report 2023 ("CG Report") of the Company which discloses the details of the Company's application of each practice set out in the MCCG. The CG Report is available on Company's website at www.g3global.com.my and the Company's announcement on the website of Bursa Securities.

The Board is pleased to report that the Group and the Company have complied with most of the Practices set out in the MCCG throughout the financial year. To ensure proper corporate governance, based on the size of the Company and its operating environment, the Board has taken alternative measures on those Practices that could not be applied for the time being.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

The Board's primary responsibility is to oversee, guide and monitor the affairs of the Group and the Company. This includes, without limitation, the establishment of the strategic directions for the Group and the Company, overseeing its business operations, and evaluating whether these are being properly managed to achieve the goals and objectives set.

The Board's duties and responsibilities, amongst others, including the following:

- Establishing strategic directions for the Group and the Company;
- Reviewing and adopting a strategic plan for the Group and the Company;
- Overseeing the conduct of the Group and the Company's business to evaluate whether the business is being properly managed while the statutory requirements are being complied;
- Ensuring there are adequate resources to meet the Company's and the Group's strategic goals and objectives;
- Identifying principal risks and ensuring the implementation of appropriate system of internal control to manage these risks;
- Succession planning for the Board members, Chief Executives and Key Senior Management;

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD RESPONSIBILITIES (CONT'D)

The Board's duties and responsibilities, amongst others, including the following: (Cont'd)

- Developing and implementing an investor relations programme or shareholder communications policy for the Company;
- Ensuring the adequacy of the management information and internal control systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines in the Group;
- Responsible for corporate sustainability; and
- Commits to the Group sustainability in evolving global environment, social and governance (ESG) aspect of business which underpins sustainability.

During the financial year, the Board has continued with strategic and operational transformation within the Group as its **key focus areas** to improve the financial position of the Group as well as maintaining operational efficiency for the Group's sustainability. This led to a rise in revenue for the Group while maintaining a stable cost structure to remain resilient and stronger in the market. Moving forward, the Board will continue with its priority to ensure it discharges its governance responsibilities effectively, while to ensure the Group's business sustainability.

The Board is chaired by an Independent Chairman, Dato' Sri Alias Bin Ahmad who leads the Board in its collective oversight of the overall management and performance of the Group and the Company while instilling positive culture and good corporate governance with the Group. The combination of Executive Directors, who with their intimate knowledge of the business takes on primary responsibility for leadership of the Company with the Non-Executive Director and Independent Directors, provides a broader view to the Company's activities and a balanced perspective. The Board is guided by the Board Charter in discharging its duties and fiduciary obligations to the Group and Company.

Corporate Sustainability

The Board commits to the Group sustainability in evolving global environment, social and governance (ESG) aspect of business which underpins sustainability. The Board together with Management take responsibility for the governance of sustainability in the Group and the Company and adopt various measures and good practices to promote sustainability.

Company Secretary

The Board is supported by Company Secretaries who are qualified to act as Company Secretary under section 235 of the Companies Act 2016.

Separation of position of Board Chairman and Managing Director

The Company has been practicing good corporate governance to ensure the overall integrity of the Company by having the position of Chairman and Managing Director held by difference individuals. The Board has delegated to the Managing Director the authority for the implementation of the Company's business plans and managing the operational activities and financial performance of the Company.

Board Committees

The Board has also established the following committees to assume some specific stewardship responsibilities:

i. Risk Management Committee
ii. Audit Committee
iii. Nomination Committee
iv. Remuneration Committee

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD RESPONSIBILITIES (CONT'D)

Board Meetings

In discharging the role and responsibility vested on the Board, the Board meets on a scheduled basis once in every quarter to primarily discuss the financial statements, corporate and strategic issues, performance of business units and factors relating to potential risk in the business and the sustainability of the Group. During the financial year under review, five (5) Board meetings were held, and two (2) Board meetings was held from 1 January 2024 up to the date of approving this report. The record of attendance of the Board members is as follows:

NAME OF DIRECTORS	NO. OF MEETINGS ATTENDED / NO. OF MEETINGS HELD	
	Year 2023	1/1/2024 up to the date of approving this report
Dato' Sri Alias Bin Ahmad	4/5	2/2
Dato' Sri Aminul Islam Bin Abdul Nor	5/5	2/2
Mr. Kunal Tayal	5/5	2/2
Mr. Dirk Johann Quinten	5/5	2/2
Dr. Salihin Bin Abang	5/5	2/2
Madam Vasanthi A/P Arumugam (appointed on 30 May 2023)	3/5	2/2

All notices of meetings together with the agenda and discussion papers are served to the Directors in advance of meeting dates. Ample opportunities have been provided to the Directors to make enquiries and to obtain information and explanation on any issue at any time within the Group whether as a full Board or in their individual capacity in furtherance of their duties.

The availability of the Company Secretary, financial and corporate officers within the Group as well as the engagement of panel lawyers (if required) enables the Directors to have easy access to their advice and services. They may take independent advice, at the Company's expense, if so required.

Board Charter

The Board has established a Board Charter that clearly sets out the principal role of the Board, the demarcation of the roles, functions, responsibilities and powers of the Board, the Board Committees, and the management. It also defines the specific accountabilities and responsibilities of the Board to ensure smooth interaction between the management and the Board. It also reinforces the overall accountability of the Board and management towards the Company and stakeholders. The Board Charter had been updated to be in line with the MCCG 2021. The Board regularly reviews the Board Charter to ensure that it is align with the prevailing laws and listing requirements of Bursa Securities.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD RESPONSIBILITIES (CONT'D)

Code of Conduct and Ethics

The Board in discharging its functions has observed the Code of Conduct and Ethics for Company Directors issued by the Companies Commission of Malaysia, the requirements of the Companies Act 2016 and the principles of MCCG. The Board has additionally put in place a Code of Ethics for all employees of the Group, including the Whistleblower Policy of the Group. The Board has also adopted the Anti-Bribery and Corruption Policy for the Group and the Company in accordance with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, which is supplemental to the Company's internal policies and procedures, Whistleblowing Policy and Code of Conduct and Ethics.

Whistleblowing Policy

The Board has put in place the Whistleblowing Policy in 2013. The Whistleblowing Policy is established and designed to encourage all Directors, employees, business partners as well as other external parties (including customers of the Group) to raise their concerns and further disclose any improper conduct or the inadequacies of the Group's Anti-Bribery and Corruption ("ABC") programme which they have become aware of.

BOARD COMPOSITION

During the financial year, the Board composition comprises of six (6) members with Dato' Sri Alias Bin Ahmad at the helm as Independent Non-Executive Chairman. The Board comprises two (2) Executive Directors, one (1) Non-Independent Non-Executive Director and three (3) Independent Non-Executive Directors.

On 30 May 2023, the Board had appointed a woman Independent Non-Executive Director, namely Madam Vasanthi A/P Arumugam to join the Board. The Board composition has fulfilled Practice 5.2 of the MCCG which recommends at least half of the Board comprises Independent Directors. However, there is only 16.67% of woman director on Board. The Board will continue with its endeavor to achieve 30%-woman representation on Board as per the recommendation of Practice 5.9 of the MCCG. Meanwhile, the Board has not formalised its Gender Diversity Policy for the Board and Senior Management as recommended by Practice 5.10. Despite that, the Board has taken various measures to ensure the Company does not practice any form of gender discrimination on Board and workplace.

The current Board composition is deemed fairly balanced to complement the Board in providing industry-specific knowledge, technical, and commercial experience. This mix of skills and experience enables the Board to provide clear and effective leadership to the Company and to bring informed and independent judgment to various aspects of the Company's strategies and performance. The structure of the Board also fairly reflects the interest of the minority shareholders through Board representation. The Board reviews its composition and size from time to time for appropriateness. The key focus area of the Board is to ensure that each of the decisions made by the Board are fair and in the best interest of the Group and Company while safeguarding the interest of the shareholders.

Role and activities of Nomination Committee

The Board had established a Nomination Committee ("NC") on 3 December 2003. The NC comprises three (3) members, majority of Independent Non-Executive Directors, and is chaired by an Independent Non-Executive Chairman. The NC composition is as follows:

- Dato' Sri Alias Bin Ahmad, Independent Non-Executive Director (Chairman)
- Mr. Kunal Tayal, Non-Independent Non-Executive Director (Member)
- Dr. Salihin Bin Abang, Independent Non-Executive Director (Member)

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMPOSITION (CONT'D)

Role and activities of Nomination Committee (Cont'd)

The Board has delegated to the NC the following responsibilities:

i) Nomination and appointment for new Directors, Board Committee members and Key Senior Management, and its succession planning.
ii) Assessment of effectiveness and performance of the Board, Board Committees and individual Director.
iii) Assessment of the desirable balance in Board membership by reviewing the size, structure and composition of the Board, taking into consideration the number of directorships.

The NC had performed the following activities during the financial year:

a) Conduct recruitment process to identify, select and evaluate candidates for appointment of woman Independent Non-Executive Director and make recommendation to the Board;
b) Review the suitability of the candidates for appointment as Financial Controller to replace the resigned Chief Financial Officer and make recommend to the Board;
c) Review the suitability of the candidates for appointment as Chief Financial Officer to replace the resigned Financial Controller and make recommend to the Board;
d) Perform annual review of the Board composition and mix of skills, experience and other qualities;
e) Perform an annual assessment and evaluation of the effectiveness of the Board, Board committees and individual Director;
f) Review the Board evaluation questionnaires relating to ESG or sustainability;
g) Review the term of office and performance of the Audit Committee;
h) Assess the independence of the Independent Directors;
i) Review the training need of Directors;
j) Recommend the re-election of retiring Directors based on the outcome of annual assessment and evaluation as well as Directors' fit and proper criteria; and
k) Review the Terms of Reference of the NC.

Nomination and appointment process

In determining the need for recommending any appointment by the Board, the NC evaluate the strength, mix of skills, knowledge, experience and level of diversity on the Board and senior management, and, in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the NC may identify candidates through the Company's networking, use open advertising or the services of external advisers to facilitate the search and consider candidates from a wide range of backgrounds.

The NC is guided by the Company's Directors' Fit and Proper Policy in its selection and evaluation process. For the position of Independent Non-executive Directors, the NC will evaluate the candidates' ability to discharge such responsibilities as expected from independent directors. The NC ensures that the selection and assessment of the candidates is performed objectively before making the recommendation to the Board.

When recommending to the Board for candidates to fill the seats on Board Committees, the NC will consult with the Chairman of the relevant Board Committees. For the Board Committees' Chairman position to be filled, the NC will consult with the Board.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMPOSITION (CONT'D)

Annual Assessment Process

- The NC annually reviews the Directors' fit and proper, caliber and personality, and contribution and performance of the individual Director, the mix of skills, composition and effectiveness of the Board and the Board Committees.
- The assessment is performed annually and internally facilitated by the Company Secretary. The evaluation is properly documented.
- The Performance Appraisal Forms are designed with reference to the Company's Directors' Fit and Proper Policy and performance evaluation criteria as recommended in the Corporate Governance Guide. The assessment of the independence of the Independent Directors is based on the independence criteria as set out in the Main Market Listing Requirements.
- The NC has integrated the Environmental, Social and Governance (ESG) considerations and sustainability targets into the Board performance evaluation in addition to the above performance evaluation criteria.
- Prior to the NC meeting, the respective Performance Appraisal Forms and ESG Evaluation Assessment Forms are circulated to the NC members and all Board members via electronic mail. While the NC evaluates the performance of the Board and Board Committees as a whole, each of the individual Directors will perform self-assessment and comment on their own fit and proper, skill set, contribution and performance.
- The Company Secretary compiles and summarises the performance rating to facilitate the NC's review.
- At the NC meeting, the NC reviews and discusses the performance of the Board and Board Committees, and each individual Director as well as their fit and proper to continue serving the Board.
- The NC then reports the outcome of the assessments to the Board for its review.

Re-election of Directors

In accordance with the Company's Constitution, at the first Annual General Meeting ("AGM") of the Company, all the Directors shall retire from the office and be eligible for re-election and an election of Directors shall take place each year at the AGM of the Company where one third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to one third (1/3) shall retire from office and be eligible for re-election. Provided always that all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the AGM at which he retires. For new appointed Director, such Director shall hold office only until the next following AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

The existing Directors, namely Dato' Sri Aminul Islam Bin Abdul Nor and Dr. Salihin Bin Abang shall retire by rotation and stand for re-election at the forthcoming AGM.

The NC had assessed the performance of the above retiring Directors based on the performance evaluation criteria which incorporated with the Directors' fit and proper criteria as set out in the Directors' Fit and Proper Policy of the Company. The recommendation to the shareholders for re-election of the retiring Directors at the forthcoming AGM is justified based on the outcome of the assessment.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMPOSITION (CONT'D)

Conflict of interest

Directors are required to disclose their respective shareholdings in the Company and related companies and their conflict of interest or potential conflict of interest, including interest in any competing business, in any business arrangement involving the Company and its subsidiaries. The Board members' directorship in other public listed companies are within the restriction of not more than five (5) as stated in the Listing Requirements of Bursa Securities.

Directors' Training

The Directors are aware of the need for continuous update of their skills and knowledge to maximise their effectiveness as Directors and to assist them in discharging their duties during their tenure of service. The NC has also undertaken an assessment of the training needs of each Director.

The Board was requested to attend the MAP Part II in relation to sustainability before 1 August 2025.

During the financial year, members of the Board have attended various training programmes and seminars, some of which are as follows:

Training Programmes Attended:

Director	Topic	Date
Dato' Sri Alias Bin Ahmad	Section 17A Malaysian Anti-Bribery & Corruption Commission Act 2009	27 September 2023
	Corporate Training on ESG and TCFD Impact on the Technology Industry	5 December 2023
Dato' Sri Aminul Islam Bin Abdul Nor	Section 17A Malaysian Anti-Bribery & Corruption Commission Act 2009	27 September 2023
	Corporate Training on ESG and TCFD Impact on the Technology Industry	5 December 2023
Mr. Dirk Johann Quinten	Crisis Management & Negotiation	12 June 2023
	Section 17A Malaysian Anti-Bribery & Corruption Commission Act 2009	27 September 2023
	Managing Cyber Risk - Insights for Boards and Senior Management	5 December 2023
	Corporate Training on ESG and TCFD Impact on the Technology Industry	5 December 2023
	Using AI Tools to automate business processes	6 December 2023
Mr. Kunal Tayal	Section 17A Malaysian Anti-Bribery & Corruption Commission Act 2009	27 September 2023
	Corporate Training on ESG and TCFD Impact on the Technology Industry	5 December 2023

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMPOSITION (CONT'D)

Directors' Training (Cont'd)

Training Programmes Attended: (Cont'd)

Director	Topic	Date
Dr. Salihin Bin Abang	Konvensyen Akauntan Nasional 3.0 - Pengalaman Melaksanakan ESG (Panellist	11 January 2023
	UMT Industry in the Classroom Lecture Series: Understanding ESG Implementation (Panellist	27 January 2023
	MIA Town Hall 2022/23 Session 2 - (PAIB, Public Sector & Academia Sectors	15 February 2023
	MIA Digital Month 2023 Week 1: Ethical Leadership in a Digital Era	16 February 2023
	ESG: Living Up to the Sustainability Promise	21 February 2023
	MIA Digital Month Week 2 Role of Accountant in Managing Cybersecurity Risk	23 February 2023
	MIA Digital Month 2023 - Week 3: Success Stories	1 March 2023
	Seminar Percukaian Kebangsaan 2022 (Bajet 2023)	7 March 2023
	Suite Talk: Governing into the Future	8 March 2023
	MIA Digital Month 2023 - Week 4: Digital Accountant: Digital Skills in a Transformed World	8 March 2023
	Malaysia Budget 2023 (panelist)	9 March 2023
	Budget 2023: Aligning Your Business with Recent Changes	15 March 2023
	2023 Tax Webinar Series: Event Two: Detailed Analysis of Finance Bill: Proposed Amendments to Income Tax Act, RPGT Act, Stamp Act, Sales Tax Act, Service Tax Act and etc.	15 March 2023
	ESG in Business: Data Management, Reporting and Stakeholder Engagement	16 March 2023
	Board of Director Leadership - ESG Essentials	21 & 22 March 2023
	5th ICAN-Malaysia International Accountants' Conference 2023 (Keynote Speaker)	1 May 2023
	MIA Town Hall 2022/23 Session 3 (All Sectors)	17 May 2023
	Financial Reporting on Impact of Climate Change Effects	19 May 2023

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMPOSITION (CONT'D)

Directors' Training (Cont'd)

Training Programmes Attended: (Cont'd)

Director	Topic	Date
Dr. Salihin Bin Abang (Cont'd)	ISRS 4400 (Revised) Agreed-Upon Procedures Engagements	22 May 2023
	Remaking Corporate Governance for an ESG World by Professor Mak Yuen Teen	31 May 2023
	Board Audit Committee Dialogue & Networking 2023	6 June 2023
	Updates on Indirect Taxes	8 June 2023
	MIA Conference 2023 (Moderator for Concurrent Session 4A – Measuring ESG Outcomes)	13 & 14 June 2023
	National Tax Conference (NTC) 2023	1 & 2 August 2023
	Unveiling ESG Insights in the Financial Statements	5 September 2023
	Seminar Kewangan dan Pengauditan Sektor Awam (SKPSA) 2023: "Public Sector Sustainability Reporting: An Overview" (Presenter)	18 September 2023
	Seminar Kewangan dan Pengauditan Sektor Awam (SKPSA) 2023: Perkongsian Pengalaman - Merangka Strategi dan Perancangan SDG Berasaskan Pembangunan yang Inklusif dan Sinergi Rakan Kolaborasi Bagi Memastikan Pencapaian Matlamat (Moderator)	19 September 2023
	Section 17A Malaysian Anti-Bribery & Corruption Commission Act 2009	27 September 2023
	Islamic Finance Scholar Workshop: Kenya's Islamic Finance Journey – Building Knowledge Resilience for the Future	4 October 2023
	Islamic Finance Scholar Workshop: Training Stakeholders for Improved Uptake – Opportunities and Challenges in Islamic Finance	5 October 2023
	Accounting and Finance Show Asia 2023	10 & 11 October 2023
	Seminar Percukaian Kebangsaan 2023 (Bajet 2024)	19 October 2023
	Seminar Bajet 2024	2 November 2023

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

BOARD COMPOSITION (CONT'D)

Directors' Training (Cont'd)

Training Programmes Attended: (Cont'd)

Director	Topic	Date
Dr. Salihin Bin Abang (Cont'd)	ESG and Islamic Finance: Implications for Boards and Corporate Governance	7 November 2023
	International Construction Transformation Conference 2023 (ICTC 2023): "Corporate Malaysia's Journey Towards a Sustainable Accounting Chain" (Speaker)	14 November 2023
	Corporate Training on ESG and TCFD Impact on the Technology Industry	5 December 2023
Madam Vasanthi A/P Arumugam	Mandatory Accreditations Programme (MAP)	26 & 27 June 2023
	Section 17A Malaysian Anti-Bribery & Corruption Commission Act 2009	27 September 2023
	Corporate Training on ESG and TCFD Impact on the Technology Industry	5 December 2023

REMUNERATION

The Remuneration Committee ("RC") was established on 3 December 2003. The RC comprises three (3) members, exclusively Non-Executive Directors, majority of them are Independent Non-Executive Directors, and is chaired by an Independent Non-Executive Chairman. The RC composition is as follows:-

- Dato' Sri Alias Bin Ahmad, Independent Non-Executive Director (Chairman)
- Mr. Kunal Tayal, Non-Independent Non-Executive Director (Member)
- Dr. Salihin Bin Abang, Independent Non-Executive Director (Member)

The RC was established with defined Terms of Reference as guidance in performing their duties. The RC assists the Board to establish and review the short-term, mid-term and long-term talent management and remuneration strategy of all levels of the Group as well as in setting the remuneration framework on remuneration packages for Directors and Senior Management.

The RC conducts an annual review of the remuneration packages of the Managing Director, Executive Director, Non-Executive Directors and Senior Management, and makes recommendation to the Board. The RC is guided by the assessment outcome of the NC and the report of the Managing Director in its review of the remuneration packages. None of the individual Directors or the Chairman participates in the discussion and decision relating to their own remuneration.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
(CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

REMUNERATION (CONT'D)

Directors' remuneration

The Board applies Practice 8.1 of the MCCG to disclose Directors' remuneration on named basis for individual Director with detailed remuneration breakdown. The remunerations received or receivable by the Directors in respect of the financial year ended 31 December 2023 are disclosed below:-

GROUP and COMPANY

Non-Executive Directors

No.	Name	Directors' Fees RM	Other Emoluments RM	Total RM
1.	Dato' Sri Alias Bin Ahmad *(Independent Non-Executive Chairman)*	90,000	14,000	104,000
2.	Dr. Salihin Bin Abang *(Independent Non-Executive Director)*	75,000	18,000	93,000
3.	Mr. Kunal Tayal *(Non-Independent Non-Executive Director)*	75,000	18,000	93,000
4.	Madam Vasanthi A/P Arumugam *(Independent Non-Executive Director)* *(Appointed on 30 May 2023)*	21,875	4,000	25,875

Managing Director and Executive Directors

No.	Name	Director Remuneration/ Salaries RM	Other Emoluments RM	Total RM
1.	Dato' Sri Aminul Islam Bin Abdul Nor *(Executive Director)*	360,216	43,943	404,159
2.	Mr. Dirk Johann Quinten *(Managing Director)*	600,000	743	600,743

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

(CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE

The principal objective of the Audit Committee ("AC") is to assist the Board of Directors in discharging its oversight responsibilities in the area of corporate governance, the integrity of the Group's financial statements, risk management and the system of internal control.

The AC comprise exclusively Non-Executive Directors, majority of Independent Directors in accordance with Main Market Listing Requirements. The AC composition is as follows:-

- Dr. Salihin Bin Abang, Independent Non-Executive Director (Chairman)
- Dato' Sri Alias Bin Ahmad, Independent Non-Executive Director (Member)
- Mr. Kunal Tayal, Non-Independent Non-Executive Director (Member)

To further enhance the independence of the AC, the Board has applied Practice 9.2 of the MCCG to ensure that none of the AC members was a former partner the external audit firm of the Group and of the Company.

Financial Reporting

The Board provides a balanced and meaningful assessment of the Group's position and prospects through the annual financial statements and quarterly announcements of results to the shareholders. The AC assists the Board in scrutinising the information to be disclosed to ensure accuracy and adequacy. Practice 9.5 of the MCCG recommends AC should possess an appropriate mix of skills, experience and expertise. The AC possesses a mix of accounting and financial expertise, as well as industry knowledge to enable them to assume the responsibility on overseeing the financial report of the Group and the Company effectively.

Relationship with External Auditors

The Group has, through the AC, established a transparent and appropriate relationship with the Group's External Auditors. The AC is responsible to oversee the relationships with the External Auditors, the selection process, review the scope of the audit, and monitor the independence and effectiveness of the External Auditors and remuneration payable to them. The AC assesses the suitability, objectivity and independence of the External Auditors as per Practice 9.3 of the MCCG before recommending to the Board on the appointment, removal or whether to put forward the Auditors for re-appointment at the AGM, and the Auditors' remuneration.

Internal Audit Function

The Group's internal audit function is outsourced to an independent professional firm, namely Tricor Axcelasia Sdn. Bhd. which reports directly to the AC in monitoring risks and reviewing the soundness of the internal control framework. The internal audit work plan, which reflects the risk profile of the Group's major business pillars is reviewed and approved by the AC.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Group has in place an effective risk management and internal control framework to identify and assess the risks faced by the Group and thereafter, to implement and monitor appropriate internal controls to manage and mitigate those risks.

The Board has delegated the duties to oversight the risk management and internal control to the Risk Management Committee, which is supported by an internal audit firm, namely Tricor Axcelasia Sdn. Bhd.

They key features of the Risk Management Framework are set out in the Statement on Risk Management and Internal Control as presented in the Annual Report 2023.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**
(CONT'D)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

Risk Management Committee

The Board set up a Risk Management Committee ("RMC") in 2017 to oversee the Company's risk management framework and policies. The composition of the RMC is as follows:

- Mr. Kunal Tayal, Non-Independent Non-Executive Director (Chairman)
- Dato' Sri Alias Bin Ahmad, Independent Non-Executive Director (Member)
- Dr. Salihin Bin Abang, Independent Non-Executive Director (Member)

The functions of the RMC include:

- evaluating the effectiveness of the risk management framework adopted within the Group and to be satisfied that the methodology employed allows identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow the Group to mitigate losses and maximise opportunities;

- recommending to the Board the steps to improve the system of internal control on the potential risk identified by the Risk Management working group;

- ensuring that the Board receives adequate and appropriate information including the quarterly and annual risk management reports for review and decision making respectively;

- commissioning where required, special projects to investigate, develop or report on specific aspects of the risk management processes of the Group; and

- reviewing and proposing the Company's risk appetite and its acceptable tolerance level annually.

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

COMMUNICATION WITH STAKEHOLDERS

The Board ensures that the reporting to shareholders is timely, transparent and adequate, accountability the stakeholders has always been the **key focus area** of the Board.

Compliance with applicable Financial Reporting Standards

The Board takes responsibility for presenting a balanced and understandable assessment of the Group's operations and prospects each time it announces its quarterly and annual financial statements to Bursa Securities, the shareholders and the public. The AC reviews the reports to be announced to ensure its accuracy and adequacy.

Dialogue between the Company and investors

The Company values dialogue with investors as a means of effective communication that enables the Board and Management to convey information about the Group's performance, corporate strategy and other matters affecting shareholders' interest.

Information about the Group could be obtained from the Company's website at www.g3global.com.my. In addition, the Annual Reports available in PDF format can be downloaded from the Company's website. Quarterly announcements are also available at the website of Bursa Securities at www.bursamalaysia.com.

CORPORATE GOVERNANCE **OVERVIEW STATEMENT**

(CONT'D)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

GENERAL MEETING AND ANNUAL GENERAL MEETING ("AGM")

General meetings and AGMs are the principal forum for dialogue with shareholders. The Board ensures that the Notice of AGM and Annual Reports are sent out to the shareholders at least 21 days before the date of the meeting. Special business items are included in the notice of the meeting with sufficient explanatory notes to facilitate full understanding and evaluation of the issues involved.

The Chairman has ensured that shareholders are provided ample opportunity to raise questions and their concerns pertaining to the business activities and prospect of the Group. All the Directors are available to provide responses to questions from the shareholders during the AGM.

The Company has moved to leverage on technology to facilitate shareholders' remote participation and online remote voting at the general meetings and AGMs of the Company via an online meeting platform.

This report is approved by the Board on 26 April 2024.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("Board") acknowledged their responsibility for the Group's system of internal control and for reviewing its adequacy and integrity. Because of the limitations that are inherent in any system of internal control, this system is designed to manage, rather than eliminate the risk of failure to achieve corporate objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss. The system of internal control covers, inter alia, risk management and financial, organisational, operational and compliance control.

The Board has extended the responsibilities of the Audit Committee ("AC") to include the work of monitoring internal controls on its behalf, which includes identifying risk areas faced by the Group to be communicated to the Board of Directors. Risk Management Committee ("RMC") is also established to assist the Board to oversee the Company's risk management framework and policies.

INTERNAL AUDIT

Tricor Axcelasia Sdn. Bhd. ("TASB"), an independent professional firm, was appointed to support the AC, and by extension, the Board, by providing independent assurance on the adequacy and effectiveness of the Group's system of internal control.

TASB reports to the AC and contributes towards improving the Group's risk management and control systems. In assessing the adequacy and effectiveness of the system of internal control of the Group, the AC reports to the Board on its activities, significant audit findings and the necessary recommendations of actions needed to be taken by Management to rectify those issues.

The internal audit work plan is reviewed annually and approved by AC. The scope of TASB's function covered the audit and review of the Group's risk management and internal control processes.

The cost incurred for the aforesaid internal audit function in respect of the financial year ended 31 December 2023 was RM42,000 (2022: RM41,250).

RISK MANAGEMENT

The Board regards risk management as an integral part of business operations. The Group adopts an ongoing process of identifying, evaluating and managing any significant risks faced by the Group in its operations. The audit function undertakes the review and recommends any necessary actions to be taken to remedy any significant weaknesses identified. The RMC reports to the Board of its activities and the Risk Management Report.

OTHER KEY ELEMENTS OF RISK AND CONTROL PROCESS

With the assistance of the AC and the Internal Auditors, the Board has the following control processes in place:

- the full Board meets on a quarterly basis to discuss matters brought to its attention, thus ensuring effective supervision over the operations of the Group is maintained. In addition, the Board is kept updated on the Group's activities and its operations on a regular basis;

- an organisational structure with defined lines of responsibility and delegation of authority is in place. A process of hierarchical reporting has been established which provides for a documented and auditable trail of accountability;

- quarterly reviews by the Board on the adequacy and integrity of the system of internal control will be conducted, to establish the level of risk tolerance and identify key business risks to safeguard company assets; and

- periodic testing of the effectiveness and efficiency of the internal control procedures were conducted by the internal auditors to ensure that the system is viable and robust.

There were no material losses incurred during the financial year as a result of weakness in internal control. The Board, together with Management, continues to take measures to strengthen the control environment.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

CONCLUSION

During the financial under review, the Board is satisfied that there is an ongoing process of identifying, evaluating and managing significant risk that may affect the achievement of the Group's corporate objectives for the year under review and up to the date of approval of this statement for inclusion in the Annual Report. The system of internal control will continue to be reviewed in line with the changes in the operating environment.

The Executive Directors and Management have assured the Board that the Group's Risk Management and Internal Control System is operating adequately and effectively, in all material aspect, based on the Risk Management and Internal Control System of the Group. There were no material or significant losses arising from deficiencies in internal control that would require separate disclosure in this Annual Report.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement pursuant to the scope set out in Audit and Assurance Practice Guide 3 issued by the Malaysian Institute of Accountants for inclusion in this Annual Report. Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process the Board has adopted in the review of the adequacy and integrity of Risk Management and Internal Control System of the Group.

AUDIT COMMITTEE **REPORT**

The Board of Directors ("Board") of G3 Global Berhad is pleased to present the Audit Committee Report for the financial year ended 31 December 2023.

COMPOSITION OF COMMITTEE

The composition of the Audit Committee is as follows:

- Dr. Salihin Bin Abang, Independent Non-Executive Director (Chairman)
- Dato' Sri Alias Bin Ahmad, Independent Non-Executive Director (Member)
- Mr. Kunal Tayal, Non-Independent Non-Executive Director (Member)

The composition of the Audit Committee comprises three (3) members appointed by the Board from amongst the Board members. The Audit Committee comprises exclusively of Non-Executive Directors, with a majority of Independent Directors. This meets the requirements of paragraph 15.09(1)(a) and (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), which require the Audit Committee to consist of not fewer than three (3) members and all of them must be Non-Executive Directors with a majority of them being Independent Directors.

The Chairman of the Audit Committee, Dr. Salihin Bin Abang is a registered member of the Malaysian Institute of Accountants (MIA). He is also a past President of the Malaysian Institute of Accountants (MIA). His professional qualifications include Chartered Accountant [C.A.(M)], ASEAN Chartered Professional Accountant (ACPA), Fellow member of the Association of International Accountants (FAIA, UK), Fellow member of Chartered Tax Institute of Malaysia (FCTIM), a member of the Financial Planning Association of Malaysia (FPAM), Malaysian Association of Tax Accountants (MATA) and an honorary member of the Institute of Cooperative and Management Auditors (ICMA).

In addition, Mr. Kunal Tayal is a Chartered Accountant. He is a registered member of Institute of Chartered Accountants of India and Malaysian Institute of Accountants (MIA). He is one of the foundering members of the Malaysian Chapter of The Institute of Chartered Accountants of India (MICAI), an association of accountants as specified in Part II of the First Schedule of the Accountants Act 1967.

Accordingly, the composition of the Audit Committee complies with paragraph 15.09(1)(c) of the Main Market Listing Requirements.

OBJECTIVES

The primary objectives of the Audit Committee are to assist the Board of Directors to:-

a) oversee the financial statements of the Group and the Company to ensure they present a true and fair view of the state of affairs of the Group and the Company and that they are prepared in accordance with applicable financial reporting standards and provisions of the Companies Act;

b) review and assess the soundness and compliance of the internal control processes and risk management practices within the Group and the Company;

c) evaluate the internal and external audit process; and

d) ensure the Group and the Company are in compliance with the Main Market Listing Requirements ("Listing Requirements"), accounting standards and other statutory requirements as amended from time to time.

AUDIT COMMITTEE **REPORT**
(CONT'D)

AUTHORITY

The Audit Committee is authorised by the Board to independently investigate any activity within its Terms of Reference.

The Audit Committee is also authorised by the Board to obtain external legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

The Audit Committee has full and unrestricted access to any information pertaining to the Group and the resources which are required to perform its duties.

FUNCTIONS AND DUTIES

The duties of the Audit Committee include the following:

* to consider the appointment of the External Auditors, their audit fees and any question of their resignation or dismissal and to recommend to the Board;

* to perform annual review and assessment of the External Auditors' performance, suitability, objectivity and independence and make recommendation to the Board whether or not the External Auditors should be put forward for re-appointment at the next Annual General Meeting;

* to determine and monitor the type and level of non-audit services provided by the External Auditors and/or its affiliates;

* to discuss with the External Auditors their audit plan, the nature and scope of the audit before the audit commences, and to ensure coordination where more than one audit firm is involved;

* to discuss problems and reservations arising from the interim and final audits, and any matters the External Auditors may wish to discuss (in the absence of Management where necessary);

* to review weaknesses in the system of internal control highlighted by the External Auditors;

* to review annual audit report prepared by the External Auditors;

* to review the effectiveness of the Internal Audit Function;

* to review and assess the performance of the Internal Auditors;

* to ensure that adequate assistance is given by the Management of the Company to the Internal Auditors during their course of audit;

* to ensure the adequacy of the scope and resources of the Internal Audit Functions with the necessary authority for implementation;

* to review the internal audit programme and its findings, to ensure that investigation is undertaken with the appropriate remedial action based on the recommendations of the Internal Auditors;

* to approve the appointment or termination of the Internal Auditors;

AUDIT COMMITTEE **REPORT**
(CONT'D)

FUNCTIONS AND DUTIES (CONT'D)

The duties of the Audit Committee include the following: (Cont'd)

* to review the quarterly and year-end financial statements, prior to the approval by the Board of Directors, focusing particularly on:

    i. changes in or implementation of major accounting policies;

    ii. significant and unusual events;

    iii. the going concern assumption; and

    iv. compliance with accounting standards and other legal requirements;

* to review Management's monitoring of compliance with the Company's code of corporate conduct;

* to review with the Company's council, any legal matters that could have a significant impact on the Company's financial statements;

* to review the major findings of internal investigations and Management's responses as well as any examinations by regulatory authorities;

* to review the allocation of options pursuant to share scheme for employees, transactions, procedure or course of conduct that raises questions of management integrity;

* to review any related party transaction and conflict of interest and potential conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity; and

* to perform other responsibilities/functions as may be authorised by the Board of Directors.

REVIEW OF THE AUDIT COMMITTEE PERFORMANCE

The Board has reviewed he terms of office and performance of the Audit Committee and each of its members. The Board is satisfied that the Audit Committee have carried out their duties effectively in accordance with their Terms of Reference.

MEETINGS

The Audit Committee shall meet at least four (4) times per financial year. Additional meetings may be held at the discretion of the Audit Committee or at the request of the External Auditors or Internal Auditors. The quorum of the meeting is two (2) and the majority of members present must be independent directors.

A representative of the Company's department heads, Management and the External Auditors and Internal Auditors will be invited to attend the meeting as and when required. However, at least twice a year the Audit Committee shall meet with the External Auditors without the Executive Board members and Management present.

The Secretary to the Audit Committee shall be the Company Secretary or any other person appointed by the Audit Committee.

AUDIT COMMITTEE **REPORT**
(CONT'D)

MEETINGS (CONT'D)

The procedures of the meeting of the Audit Committee are as follows:

* the members may regulate their meeting as they think fit;

* every notice convening the meeting shall specify the place, the day, time and the agenda of the meeting. Except in the case of an emergency, reasonable notice of every meeting shall be given in writing;

* any question arising at the meetings shall be decided by a majority of votes and a determination by a majority of members. In the case of an equality of votes the Chairman shall have a casting vote;

* the minutes of the meetings shall be taken and documented and kept at the registered office of the Company; and

* the Audit Committee should report to the Board after each meeting.

During the financial year ended 31 December 2023 and up to the date of approving this report, the attendance of each committee member is as follows:

NAME	NO. OF MEETINGS ATTENDED / NO. OF MEETINGS HELD	
	Year 2023	1/1/2024 up to the date of approving this report
Dr. Salihin Bin Abang	5/5	2/2
Dato' Sri Alias Bin Ahmad	5/5	2/2
Mr. Kunal Tayal	5/5	2/2

SUMMARY OF ACTIVITIES OF AUDIT COMMITTEE

The activities of the AC for the financial year under review include the following:

1. Reviewing and recommending for the Board of Directors' approval of the quarterly financial results.
2. Reviewing with the External Auditors their audit plan and management letter.
3. Meeting up twice with the External Auditors without the presence of Executive Members.
4. Reviewing the audit finding on audit issues raised by the External Auditors in respect of the annual audit.
5. Reviewing the draft Audited Financial Statements for recommendation to the Board of Directors for approval.
6. Reviewing with the Internal Auditors their audit plan, management letter and audit findings.

AUDIT COMMITTEE **REPORT**
(CONT'D)

SUMMARY OF ACTIVITIES OF AUDIT COMMITTEE (CONT'D)

The activities of the AC for the financial year under review include the following: (Cont'd)

7. Reviewing the Audit Committee Report and Statement on Risk Management and Internal Control for inclusion in the Annual Report.

8. Considering the Audit and Non-Audit fees.

9. Assessing the performance of the External Auditors and recommending to the Board for re-appointment of External Auditors of the Company.

10. Reviewing the recurrent related party transactions and any related party transaction.

11. Reviewing the conflict of interest and potential conflict of interest situation.

12. Discussing various significant internal and external audit issues within the Group and operating environment.

13. Reviewing any related party transactions and conflict of interest situation that may arise within the Group or Company.

14. Confirming the minutes and the AC meetings.

15. Reviewing the Terms of Reference of the Audit Committee.

INTERNAL AUDIT AND RISK MANAGEMENT

The Audit Committee oversees the Internal Audit Function. With the assistance of an outsourced independent internal auditors, namely Tricor Axcelasia Sdn. Bhd., the Audit Committee reviews the Group's risk management and internal control process that Management has put in place. The Internal Auditors report directly to the Audit Committee. Their role is to provide the Audit Committee with independent and objective reports on the state of internal controls for high-risk areas of the Group and the extent of compliance with established policies and procedures.

ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The activities of the Internal Audit Function during the financial year ended 31 December 2023 include the following:

* Conduct internal audit reviews on operational and financial risks of the Group; and

* Reporting the results of the internal audit and making recommendations for appropriate actions to be taken to mitigate probable risk areas.

This report is approved by the Board on 26 April 2024.

OTHER INFORMATION

UTILISATION OF PROCEEDS

The status of utilisation of proceeds raised from the fund raising exercises undertaken by the Company are set out below:

1) Private Placement 2022

The Company had on 27 June 2022 completed the Private Placement which was approved by the shareholders of the Company at the Extraordinary General Meeting 1 held on 8 April 2022 ("Private Placement 2022"). A total of 432,849,300 Placement Shares was issued and allotted on 22 June 2022 with total proceeds of approximately RM18.18 million raised. Thereafter, the Company had at the Extraordinary General Meeting held on 28 March 2023 obtained the approval from its shareholders for the Proposed Variation of utilisation of proceeds raised from the Private Placement 2022.

As of 22 April 2024, being the latest practicable date prior to the date of printing of this Annual Report ("LPD"), the status of utilisation of the balance proceeds after the Proposed Variation is as follows: -

Details	Proposed Utilisation RM'000	Actual utilisation prior to EGM dated 28 March 2023	Balance Proceeds RM'000	Revised utilisation of the balance proceeds after Proposed Variation RM'000	Actual utilisation as of the LPD	Balance Proceeds RM'000	Intended timeframe for utilisation
Healthcare Business	17,665	–	13,873	–	–	–	Within 12 months
Future business projects/investments	–	(3,792)**	–	13,873	(13,873)	–	Within 24 months
Expenses for the Diversification and Private Placement 2022	515	(515)	–	–	–	–	Within 1 month
Total	**18,180**	**(4,307)**	**13,873**	**13,873**	**(13,873)**	**–**	

** Due to the urgency and cash flow requirements of AIS3 Project, the Board had on 13 January 2023 announced that the Placement Proceeds earmarked for Healthcare Business has been utilised for AIS3 Project for the following:

Details	RM'000
Payment to subcontractors for supply and installation of cables, equipment for data center and data recovery center, and project management services	2,339
Performance bond interest	653
Stamp duty, Legal fees and insurance cost	800
Total	**3,792**

OTHER **INFORMATION**
(CONT'D)

UTILISATION OF PROCEEDS (CONT'D)

The status of utilisation of proceeds raised from the fund raising exercises undertaken by the Company are set out below: (Cont'd)

2) Private Placement 2023

The Company had on 12 May 2023 completed the Private Placement which was approved by the shareholders of the Company at the Extraordinary General Meeting held on 28 March 2023 ("Private Placement 2023"). A total of 870,826,000 Placement Shares was issued and allotted on 10 May 2023 with a total proceed of approximately RM19.506 million raised.

Due to the urgency and cash flow requirements of AIS3 Project, the Board had on 27 March 2024 announced the variation of the utilisation of the proceeds whereby part of the proceeds which were initially intended for ICT projects, working capital and expenses for the proposals have been relocated to AIS3 Project and an extension of time is required to utilise the balance of the proceeds.

As of 22 April 2024, being the latest practicable date prior to the date of printing of this Annual Report ("LPD"), the status of utilisation of the proceeds is as follows: -

Details		Proceeds raised and proposed utilisation from the completion of the Private Placement 2023	Actual proceeds utilised	Balance proceeds unutilised before relocation	Relocation of Proceeds	Actual utilisation as of the LPD	Balance Proceeds	Intended time frame for utilisation of proceeds from the date of completion of Private Placement 2023	Revised time frame
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
(i)	Funding for existing and future projects:								
	a. For AIS3 Project	10,500	10,500	–	3,628	(3,628)	–	Within 12 months by 27 March 2024	Within 18 months by 26 September 2024
	b. For ICT Projects	4,000	3,171	829	(829)	–	–	Within 12 months	–
	Total	14,500	13,671	829	–	–	–		
(ii)	Working Capital	4,206	1,589	2,617	(2,617)	–	–	Within 12 months	–
(iii)	Expenses for the Proposals	800	618	182	(182)	–	–	Within 1 month	–
	Total	**19,506**	**15,878**	**3,628**	**–**	**(3,628)**	**–**		

AUDIT AND NON-AUDIT FEES

During the financial year, the audit fees and non-audit fees paid to the External Auditors by the Group and the Company for services rendered are as follows:

	Company	Group
Audit Fees	RM103,000	RM170,000
Non-audit Fees	RM5,000	RM5,000

LIST OF PROPERTY

There was no property held by the Company during the financial year ended 31 December 2023 and the Company does not adopt any revaluation policy on landed properties.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors' and major shareholders' interests either still subsisting as of 31 December 2023 or entered into since the end of the previous financial year.

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Recurrent related party transaction of revenue or trading nature for the financial year ended 31 December 2023 made pursuant to a shareholders' mandate are as follows:

Company in G3 Global Group	Transacting Party / Provider	Recipient	Nature of transactions	Related Party	Amount approved at AGM on 22 June 2022 (RM)	31 Dec 2023 (RM)
G3 Global, AG3, Maasdots, Atilze AI, Myedge AI	AGA Touch, Clarity, AGA Global	G3 Global, AG3, Maasdots, Atilze AI, Myedge AI	Procuring of Big Data services involving complex and massive data analytics techniques and technologies	AGA Touch, AGA Global, Clarity, Datuk Haji Khan, Datin Yasmine	8,000,000	–

OTHER **INFORMATION**
(CONT'D)

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (CONT'D)

Recurrent related party transaction of revenue or trading nature for the financial year ended 31 December 2023 made pursuant to a shareholders' mandate are as follows: (Cont'd)

Company in G3 Global Group	Transacting Party / Provider	Recipient	Nature of transactions	Related Party	Amount approved at AGM on 22 June 2022 (RM)	31 Dec 2023 (RM)
Bestinet Healthcare	Bestinet Healthcare	Bestinet, Bestinet Technology	Medical support services covering:	Dato' Sri Mohd Amin, Kunal Tayal		
			1) Supply of Covid-19 kits for testing		25,000,000	–
			2) Provision of Covid-19 tests and related services including swabbing by medical personnel and engaging lab for test results		35,000,000	–
			3) Development & Operations of Healthcare test kit distribution systems i.e. developing end to end distribution solutions for test kits distribution and test results tracking as well as operating and maintaining the solutions developed.		20,000,000	–

STATEMENT OF DIRECTORS' RESPONSIBILITY
IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 to prepare the financial statements of the Group as set out in this Report that give a true and fair view of the state of affair and financial position of the Group and of the Company as at the end of the financial year and of the income statement and cash flows for that year then ended.

The Directors consider that in preparing the financial statements:

- The Group has constantly applied appropriate accounting policies and are consistently applied;
- Reasonable and prudent judgements and estimates were made; and
- All applicable approved accounting standards in Malaysia have been followed.

The Directors are responsible for ensuring that the Company maintains accounting records that discloses with reasonable accuracy, the financial position of the Group and of the Company, and that the financial statements comply with the Companies Act 2016.

The Directors have general responsibilities for taking steps that are reasonably available to them to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities.

DIRECTORS' REPORT

The Directors hereby submit 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 activities of the Company are that of investment holding and information and communication technology whilst those of its subsidiaries are disclosed in Note 4 to the financial statements.

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

FINANCIAL RESULTS

	Group RM	**Company** RM
Profit/(Loss) for the financial year	1,626,858	(10,859,355)
Attributable to:-		
Owners of the Company	1,890,999	(10,859,355)
Non-controlling interests	(264,141)	-
	1,626,858	(10,859,355)

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and paid-up ordinary share capital was increased from RM108,580,869 to RM127,518,316 by the issuance of 870,826,000 new ordinary shares pursuant to private placement at the issuance price of RM0.0224 per share. As a result, the number of ordinary shares was increased from 2,902,753,548 to 3,773,579,548.

The new ordinary shares issued rank pari passu with the existing ordinary shares of the Company.

There was no issuance of debentures during the financial year.

WARRANTS

The salient features of the Warrants are disclosed in Note 13 to the financial statements.

DIRECTORS

The name of the Directors of the Company and its subsidiaries in office during the financial year and during the period commencing from the end of the financial year to the date of this report are as follows:-

Directors of the Company:-
Dato Sri Alias Bin Ahmad
Dato' Sri Aminul Islam Bin Abdul Nor*
Kunal Tayal*
Dirk Johann Quinten*
Dr. Salihin Bin Abang
Vasanthi A/P Arumugam (Appointed on 30 May 2023)

* Directors of the Company and certain of its subsidiaries

Directors of the subsidiaries:-

Abdullah Junaidi Bin Monil
Dr. Abdullah Sher Kawi Bin Jaafar
Cheok Tuan Oon (Resigned on 7 August 2023)

DIRECTORS' **REPORT**
(CONT'D)

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings as required to be kept under Section 59 of the Companies Act 2016, the interests and deemed interests in the ordinary shares of the Company and its related corporations of those who were Directors as at financial year end (including the interests of spouses or children of the Directors who themselves are not Directors of the Company) are as follows:-

	Number of ordinary shares			
	At 1.1.2023	Bought	Sold	At 31.12.2023
The Company				
Deemed interest:-				
Dato' Sri Aminul Islam Bin Abdul Nor #	517,888,900	-	-	517,888,900

Deemed interest by virtue of shareholdings in Greenfield Hills Sdn. Bhd., Dream Life Travels Sdn. Bhd., Data Bliss Sdn. Bhd. and Instacloud Sdn. Bhd..

Other than as disclosed above, 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' REMUNERATION AND BENEFITS

During the financial year, the fees and other benefits received and receivables by the Directors of the Company are as follows:-

	Incurred by the Company RM
Salaries and other emoluments	1,014,216
Defined contribution plans	43,200
Social security contribution	1,486
Directors' fee	261,875
	1,320,777

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The amount of indemnity coverage and insurance premium paid for Directors of the Company during the financial year amounted to RM5,000,000 and RM10,000 respectively. There are no indemnity coverage and insurance premium paid for Officers of the Company during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:-

(a) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

(b) which would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or

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

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

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

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

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

DIRECTORS' **REPORT**
(CONT'D)

OTHER STATUTORY INFORMATION (CONT'D)

In the opinion of the Directors:-

(a) no contingent liability or other liability of the Group and of the Company have 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; and

(b) the results of 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

(c) 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 operations of the Group and of the Company for the current financial year in which this report is made.

AUDITORS

The total amount of audit and other fees paid or payable to the Auditors and its member firms by the Company and its subsidiaries for the financial year ended 31 December 2023 amounted to RM108,000 and RM67,000 respectively. Further details are disclosed in Note 20 to the financial statements.

The Company has agreed to indemnify the Auditors, Grant Thornton Malaysia PLT to the extent permissible under the requirements of the Companies Act 2016 in Malaysia. However, no payment has been made arising from this indemnity for the financial year.

The Auditors, Grant Thornton Malaysia PLT, have expressed their willingness to continue in office.

Signed on behalf of the Directors in accordance with a resolution of the Board of Directors.

.....)
DATO' SRI AMINUL ISLAM BIN ABDUL NOR)
)
)
)
)
) DIRECTORS
)
)
)
)
)
.....)
DIRK JOHANN QUINTEN)

Kuala Lumpur
26 April 2024

STATEMENT BY **DIRECTORS**

In the opinion of the Directors, the financial statements set out on pages 77 to 130 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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 their cash flows for the financial year then ended.

Signed on behalf of the Directors in accordance with a resolution of the Board of Directors.

.....	.....
DATO' SRI AMINUL ISLAM BIN ABDUL NOR	DIRK JOHANN QUINTEN

Kuala Lumpur
26 April 2024

STATUTORY **DECLARATION**

I, Dirk Johann Quinten, being the Director primarily responsible for the financial management of G3 Global Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 77 to 130 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Kuala Lumpur in the)
Federal Territory this day of)
26 April 2024)

.....
DIRK JOHANN QUINTEN

Before me,

RAMATHILAGAM A/P T RAMASAMY
(W671)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF G3 GLOBAL BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of G3 Global Berhad, which comprise the statements of financial position as at 31 December 2023, 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 77 to 130.

In our opinion, the accompanying financial statements of the Group and of the Company give a true and fair view of the financial position 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, IFRS Accounting 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.

INDEPENDENT **AUDITORS' REPORT**
(CONT'D)

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters

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

Key audit matters	How our audit address the key audit matters
Impairment losses on trade receivables and contract Assets *(Refer to Notes 8 and 9)* The Group and the Company have significant exposure to credit risk arising from its trade receivables and contract assets as at 31 December 2023. Assessing expected credit losses ("ECL") of trade receivables and contract assets requires management's judgement and the use of estimates in determining the probability of default occurring by considering the ageing of receivables, historical loss experience and forward-looking information. We have identified impairment loss on trade receivables and contract assets as a key audit matter due to the significance of trade receivables and contract assets and the significant estimation involved in determining the impairment loss of trade receivables and contract assets.	Our audit procedures included, amongst others: • Obtained an understanding of the control over the assessment and monitoring of trade receivables and contract assets. • Reviewed the ageing of trade receivables and test the integrity of ageing by calculating the due date for a sample of invoices. • Assessing the reasonableness of estimates and assumptions made by the management in determining the ECL of trade receivables and contract assets, including evaluating the accuracy of the historical default data and forward-looking information and performed detailed analysis on the ageing of trade receivables.

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

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

Key audit matters	How our audit address the key audit matters
Recognition of contract revenue *(Refer to Note 17)* Contract revenue recognised by the Group and the Company during the financial year amounted to RM68,554,940. Contract revenue is recognised over time using an input method by reference to the proportion of contract costs incurred to date bear the estimated total contract costs that has been certified by a project manager to satisfy the performance obligation. The process to determine the stage of completion involves significant management judgement and use of management estimates. Any error in the application of judgment or estimates could result in a material misstatement in the amount of revenue recognised.	Our audit procedures included, amongst others: • Obtained management estimates of the costs to complete for individually significant contract in progress as at the end of the reporting year and compared these estimates to suppliers' quotation or invoices where applicable to determine their reasonableness. • Checked the calculation of stages of completion used by management to ascertain the accuracy of the contract revenue recognised during the reporting year. • Performed substantive test procedures over contract costs and contract revenue by checking against the underlying supporting documents including contracts for sales and purchases.

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 do not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT **AUDITORS' REPORT**
(CONT'D)

Report on the Audit of the Financial Statements (cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon (cont'd)

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

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

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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.

Report on the Audit of the Financial Statements (cont'd)

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

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

- 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 and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

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

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

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

INDEPENDENT **AUDITORS' REPORT**
(CONT'D)

Report on the Audit of the Financial Statements (cont'd)

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

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

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

Other Matters

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

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

PHON POOI YIN
(NO: 03654/04/2024 J)
CHARTERED ACCOUNTANT

Kuala Lumpur
26 April 2024

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	24,556	512,990	24,556	227,370
Investment in subsidiaries	4	-	-	-	101,492
Intangible assets	5	-	-	-	-
Other receivables	6	-	3,852,065	-	-
Total non-current assets		24,556	4,365,055	24,556	328,862
Current assets					
Inventories	7	3,523,313	738,453	-	569,852
Trade receivables	8	8,241,172	1,784,914	6,703,429	1,124,607
Contract with customers	9	52,267,559	-	52,267,559	-
Other receivables	6	13,166,706	13,639,558	1,497,940	4,388,966
Amount due from subsidiaries	10	-	-	17,199	8,808,279
Tax recoverable		387,626	277,264	-	-
Cash and bank balances and deposit with a licensed bank	11	29,615,759	27,435,474	29,000,002	27,337,193
Total current assets		107,202,135	43,875,663	89,486,129	42,228,897
TOTAL ASSETS		107,226,691	48,240,718	89,510,685	42,557,759
EQUITY AND LIABILITIES					
EQUITY					
Equity attributable to owners of the Company:-					
Share capital	12	127,518,316	108,580,869	127,518,316	108,580,869
Warrant reserve	13	-	-	-	-
Other reserve	13	-	-	-	-
Accumulated losses		(66,078,155)	(67,969,154)	(79,199,655)	(68,340,300)
		61,440,161	40,611,715	48,318,661	40,240,569
Non-controlling interests		(376,217)	(112,076)	-	-
Total equity		61,063,944	40,499,639	48,318,661	40,240,569

STATEMENTS OF **FINANCIAL POSITION**
(CONT'D)

	Note	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
EQUITY AND LIABILITIES (CONT'D)					
LIABILITIES					
Current liabilities					
Trade payables	14	29,134,419	5,477,763	24,517,765	351,200
Other payables	15	17,028,328	2,090,325	16,674,259	1,792,999
Lease liability	16	-	172,991	-	172,991
Total current liabilities/Total liabilities		46,162,747	7,741,079	41,192,024	2,317,190
TOTAL EQUITY AND LIABILITIES		107,226,691	48,240,718	89,510,685	42,557,759

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

STATEMENTS OF PROFIT OR LOSS AND **OTHER COMPREHENSIVE INCOME**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023	2022	2023	2022
		RM	RM	RM	RM
Revenue	17	74,164,239	13,089,435	73,244,239	1,875,891
Cost of sales		(75,173,106)	(12,058,218)	(71,236,247)	(1,778,386)
Gross (loss)/profit		(1,008,867)	1,031,217	2,007,992	97,505
Other income		39,480	178,347	-	10,200
Administration expenses		(4,126,709)	(4,981,212)	(3,763,916)	(4,331,354)
Net gain/(loss) on impairment of non-financial assets		-	617	(101,492)	-
Net gain/(loss) on impairment of financial assets		6,526,395	(6,063,094)	(9,771,628)	4,817,035
Other expenses		(177,524)	(73,087)	-	(50,620)
Operating profit/(loss)		1,252,775	(9,907,212)	(11,629,044)	542,766
Finance income	18	377,965	206,389	773,250	303,194
Finance cost	19	(3,561)	(7,669)	(3,561)	(7,669)
Profit/(Loss) before tax	20	1,627,179	(9,708,492)	(10,859,355)	838,291
Tax expense	21	(321)	(116,355)	-	-
Profit/(Loss) for the financial year/ Total comprehensive income/(loss) for the financial year		1,626,858	(9,824,847)	(10,859,355)	838,291
Total comprehensive income/(loss) attributable to:-					
Owners of the Company		1,890,999	(8,764,593)	(10,859,355)	838,291
Non-controlling interests		(264,141)	(1,060,254)	-	-
		1,626,858	(9,824,847)	(10,859,355)	838,291
Earnings/(Loss) per share attributable to owners of the Company:-					
Basic/Diluted earnings/(loss) per share (sen)	22	0.05	(0.34)		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

		Attributable to Owners of the Company						
		Non-distributable			Distributable			
	Note	Share capital RM	Warrant reserve RM	Other reserve RM	Accumulated losses RM	Total RM	Non-controlling interests RM	Total equity RM
Group								
Balance at 1 January 2022		81,746,389	8,400,460	(8,400,460)	(59,182,570)	22,563,819	956,190	23,520,009
Total comprehensive loss for the financial year		-	-	-	(8,764,593)	(8,764,593)	(1,060,254)	(9,824,847)
Transactions with owners:-								
Issuance of shares pursuant to warrant exercise	12, 13	9,169,725	(8,400,460)	8,400,460	-	9,169,725	-	9,169,725
Issuance of shares pursuant to private placement	12	18,179,671	-	-	-	18,179,671	-	18,179,671
Share issuance expenses	12	(514,916)	-	-	-	(514,916)	-	(514,916)
Change in ownership interest in subsidiaries		-	-	-	(21,991)	(21,991)	(8,012)	(30,003)
Total transactions with owners		26,834,480	(8,400,460)	8,400,460	(21,991)	26,812,489	(8,012)	26,804,477
Balance at 31 December 2022		108,580,869	-	-	(67,969,154)	40,611,715	(112,076)	40,499,639
Total comprehensive income/(loss) for the financial year		-	-	-	1,890,999	1,890,999	(264,141)	1,626,858
Transactions with owners:-								
Issuance of shares pursuant to private placement	12	19,506,502	-	-	-	19,506,502	-	19,506,502
Share issuance expenses	12	(569,055)	-	-	-	(569,055)	-	(569,055)
Total transactions with owners		18,937,447	-	-	-	18,937,447	-	18,937,447
Balance at 31 December 2023		127,518,316	-	-	(66,078,155)	61,440,161	(376,217)	61,063,944

STATEMENTS OF **CHANGES IN EQUITY**
(CONT'D)

	Note	Share capital RM	Non-distributable: Warrant reserve RM	Non-distributable: Other reserve RM	Distributable: Accumulated losses RM	Total equity RM
Company						
Balance at 1 January 2022		81,746,389	8,400,460	(8,400,460)	(69,178,591)	12,567,798
Total comprehensive income for the financial year		-	-	-	838,291	838,291
Transaction with owners:-						
Issuance of shares pursuant to warrant exercise	12, 13	9,169,725	(8,400,460)	8,400,460	-	9,169,725
Issuance of shares pursuant to private placement	12	18,179,671	-	-	-	18,179,671
Share issuance expenses	12	(514,916)	-	-	-	(514,916)
Balance at 31 December 2022		108,580,869	-	-	(68,340,300)	40,240,569
Total comprehensive loss for the financial year		-	-	-	(10,859,355)	(10,859,355)
Transaction with owners:-						
Issuance of shares pursuant to private placement	12	19,506,502	-	-	-	19,506,502
Share issuance expenses	12	(569,055)	-	-	-	(569,055)
Balance at 31 December 2023		127,518,316	-	-	(79,199,655)	48,318,661

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

STATEMENTS OF **CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	Group		Company	
		2023	2022	2023	2022
		RM	RM	RM	RM
OPERATING ACTIVITIES					
Profit/(Loss) before tax		1,627,179	(9,708,492)	(10,859,355)	838,291
Adjustments for:-					
Bad debts written off		-	59,860	-	50,620
Depreciation of property, plant and equipment		292,291	407,496	184,195	268,234
Loss on disposal of property, plant and equipment		6,681	13,227	6,681	-
Interest expense		3,561	7,669	3,561	7,669
Interest income		(377,965)	(206,389)	(773,250)	(303,194)
Inventories written down		3,163,699	-	569,792	-
Inventories written off		113,976	-	-	-
Net loss/(gain) on impairment of financial assets:					
- amount due from subsidiaries		-	-	9,203,729	(4,766,081)
- other receivables		111,464	2,663,296	-	-
- trade receivables		(6,637,859)	3,399,798	567,899	(50,954)
Net (gain)/loss on impairment of non-financial assets:					
- investment in subsidiaries		-	-	101,492	-
- property, plant and equipment		-	(617)	-	-
Property, plant and equipment written off		177,524	-	-	-
Reversal of inventories written down		(290,937)	(19,770)	-	-
Unrealised (gain)/loss on foreign exchange		-	(144,732)	-	18,000
Operating loss before working capital changes		(1,810,386)	(3,528,654)	(995,256)	(3,937,415)
Changes in working capital:-					
Inventories		(5,771,598)	87,866	60	-
Contract assets		(52,267,559)	-	(52,267,559)	-
Receivables		4,395,054	(6,754,812)	(6,146,721)	1,192,655
Payables		38,530,897	2,486,977	41,938,851	24,435
Net cash used in operations		(16,923,592)	(7,708,623)	(17,470,625)	(2,720,325)
Tax paid		(110,683)	(985,758)	-	-
Net cash used in operating activities		(17,034,275)	(8,694,381)	(17,470,625)	(2,720,325)

STATEMENTS OF **CASH FLOWS**
(CONT'D)

	Note	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
INVESTING ACTIVITIES					
Addition investment in subsidiaries		-	(30,003)	-	(2)
Advances to subsidiaries		-	-	(412,649)	(920,028)
Interest received		377,965	206,389	773,250	303,194
Placement of fixed deposit with a licensed bank		-	(11,838,000)	-	(11,838,000)
Proceeds from disposal of property, plant and equipment		15,993	11,051	15,993	-
Purchase of property, plant and equipment	**A**	(4,055)	(13,735)	(4,055)	(13,735)
Net cash from/(used in) investing activities		389,903	(11,664,298)	372,539	(12,468,571)
FINANCING ACTIVITIES					
Advance from amount due to a company in which a Director has interest		63,762	-	-	-
Interest paid		(3,561)	(7,669)	(3,561)	(7,669)
Proceeds from issuance of shares, net of issuance expense		18,937,447	26,834,480	18,937,447	26,834,480
Repayments of lease liability		(172,991)	(257,159)	(172,991)	(257,159)
Net cash from financing activities		18,824,657	26,569,652	18,760,895	26,569,652
CASH AND CASH EQUIVALENTS					
Net changes		2,180,285	6,210,973	1,662,809	11,380,756
Brought forward		15,597,474	9,386,501	15,499,193	4,118,437
Carried forward	**B**	17,777,759	15,597,474	17,162,002	15,499,193

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group 2023 RM	Group 2022 RM	Company 2023 RM	Company 2022 RM
Total additions	4,055	270,894	4,055	270,894
Less: Acquired under lease liabilities	-	(257,159)	-	(257,159)
Total cash purchase	4,055	13,735	4,055	13,735

STATEMENTS OF **CASH FLOWS**
(CONT'D)

NOTES TO THE STATEMENTS OF CASH FLOWS (CONT'D)

B. CASH AND CASH EQUIVALENTS

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Fixed deposit with a licensed bank	11,838,000	11,838,000	11,838,000	11,838,000
Cash and bank balances	17,777,759	15,597,474	17,162,002	15,499,193
	29,615,759	27,435,474	29,000,002	27,337,193
Less: Deposit pledged	(11,838,000)	(11,838,000)	(11,838,000)	(11,838,000)
	17,777,759	15,597,474	17,162,002	15,499,193

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Group and Company

	At 1.1.2023	Addition	Cash flows	At 31.12.2023
	RM	RM	RM	RM
Lease liability	172,991	-	(172,991)	-

	At 1.1.2022	Addition	Cash flows	At 31.12.2022
	RM	RM	RM	RM
Lease liability	172,991	257,159	(257,159)	172,991

Group

	At 1.1.2023	Cash flows	At 31.12.2023
	RM	RM	RM
Amount due to a company in which a Director has interest	-	63,762	63,762

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

1. GENERAL INFORMATION

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

The registered office of the Company is located at Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur, Wilayah Persekutuan. The principal place of business of the Company is located at 05-05-02, Block 5, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan.

The principal activities of the Company are that of investment holding and information and communication technology whilst those of its subsidiaries are disclosed in Note 4 to the financial statements.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 April 2024.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention unless otherwise indicated in the material accounting policy information.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.2 Basis of Measurement (cont'd)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset 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.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2. BASIS OF PREPARATION (CONT'D)

2.3 Functional and Presentation Currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Group's and the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 MFRSs

2.4.1 Adoption of Amendments/Improvements to MFRSs

At the beginning of the current financial year, the Group and the Company adopted amendments/improvements to MFRSs which are mandatory for the financial periods beginning on or after 1 January 2023.

Initial application of the amendments/improvements to MFRSs did not have material impact on the financial statements of the Group and of the Company, except for disclosed below:

Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies

The amendments change the requirements in MFRS 101 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant' with 'material'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in MFRS 101 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The Malaysian Accounting Standard Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in MFRS Practice Statement 2.

The amendments have had an impact on the Group's and the Company's disclosures of accounting policies but not on the measurement, recognition or presentation of any items in the Group's and the Company's financial statements.

2.4.2 Standards Issued but Not Yet Effective

The amended standards that are issued, but not yet effective, up to the date of issuance of the Group's and the Company's financial statements are disclosed below. The Group and the Company intend to adopt these amended standards, if applicable, when they become effective in the respective financial period.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.4 MFRSs (cont'd)

2.4.2 Standards Issued but Not Yet Effective (cont'd)

Effective for financial period beginning on or after 1 January 2024:-

Amendments to MFRS 16*	Leases - Leases Liability in a Sales and Leaseback
Amendments to MFRS 101	Presentation of Financial Statements - Non-current liabilities with Covenants
Amendments to MFRS 101	Presentation of Financial Statements - Classification of Liabilities as Current or Non-current
Amendments to MFRS 107 and MFRS 7*	Statement of Cash Flows and Financial Instruments: Disclosures - Supplier Finance Arrangements

Effective for financial period beginning on or after 1 January 2025:-

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

Amendments to MFRSs – effective date deferred indefinitely:-

Amendments to MFRS 10 and MFRS 128*	Consolidated Financial Statements and Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

* Not applicable to the Group's and the Company's operation.

The initial application of the above applicable standards and amendments are not expected to have material financial impacts to the financial statements.

2.5 The Use of Estimates and Judgements

The preparation of financial statements in conformity with MFRSs and IC Interpretations require the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. It also requires the management and Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgements are based on the management's and Directors' best knowledge of current events and actions, actual results may defer from those estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised from the period in which the estimate is revised.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses are outlined below.

2. BASIS OF PREPARATION (CONT'D)

2.5 The Use of Estimates and Judgements (cont'd)

2.5.1 Key Sources of Estimation Uncertainty

Climate-related matters

The long-term consequences of climate changes on financial statements are difficult to predict and require entities to make significant assumptions and develop estimates.

Assumptions used by the Group are subject to uncertainties relating to regulatory changes (eg. green taxes adopted by governments), new environmental commitments made by the Group meet its carbon reduction goals, development of new technologies, depletion of natural resources used to produce telecommunication hardware, etc. Due to these uncertainties, the figures reported in the Group's future financial statements could differ from the estimates established at the time these financial statements were approved.

Useful lives of depreciable and amortisable assets

The management estimates the useful lives of the property, plant and equipment and intangible assets to be 1 to 50 years and reviews the useful lives of depreciable assets at each reporting date. The management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. Actual results, however, may vary due to changes in the expected level of usage and developments, resulting in adjustment to the Group's and the Company's assets.

The management expects that the expected useful lives of the property, plant and equipment and intangible assets would not have material difference from the management's estimation hence it would not result in material variance in the Group's and the Company's (profit)/losses for the financial year.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the time the estimates are made. The realisation of these inventories may be affected by market-driven changes that may occur in the future.

Provision for expected credit losses ("ECLs") of receivables and contract asset

Credit losses are the differences between all contractual cash flows that the Group and the Company are due and the cash flows that it actually expects to receive. An ECLs is the probability-weighted estimate of credit losses which requires the Group's and the Company's judgement. The ECLs are discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.5 The Use of Estimates and Judgements (cont'd)

2.5.1 Key Sources of Estimation Uncertainty (cont'd)

Provision for expected credit losses ("ECLs") of receivables and contract asset (cont'd)

The Group and the Company consider reasonable and supportable information that is relevant and available without undue costs or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forwarding-looking information, where available such as changes in financial capability of the debtor, and default or significant delay in payments.

Income taxes

Significant estimation is involved in determining the Group's and the Company's 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 and the Company recognise liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the year in which such determination is made.

Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, the management makes assumptions about future operating results. The actual results may vary, and may cause significant adjustments to the Group's and the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

2. BASIS OF PREPARATION (CONT'D)

2.5 The Use of Estimates and Judgements (cont'd)

2.5.1 Key Sources of Estimation Uncertainty (cont'd)

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unutilised tax losses, unabsorbed capital allowances and unused tax credits to the extent that it is probable that taxable profit will be available against which all the deductible temporary differences, unutilised tax losses and unabsorbed capital allowances 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.

Assumptions about generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volume, operating costs, capital expenditure, dividends and other capital management transactions. Judgement is also required about application of income tax legislation. These judgements and assumptions are subject to risks and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets recognised in the statements of financial position and the amount of unrecognised tax losses and unrecognised temporary differences.

Leases - Estimating the incremental borrowing rate

The Group and the Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group and the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group and the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group and the Company estimate the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Revenue from contracts with customers

Revenue is recognised when or as the control of the asset is transferred to our customers and, depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time. If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress, based on the stage of completion method. The stage of completion is measured using the input method, which is based on the physical proportion of contract work-to-date over the estimated total contract cost.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

2. BASIS OF PREPARATION (CONT'D)

2.5 The Use of Estimates and Judgements (cont'd)

2.5.1 Key Sources of Estimation Uncertainty (cont'd)

Revenue from contracts with customers (cont'd)

Significant judgement is required in determining the progress based on the certified work-to-date corroborated by the level of completion of the construction based on actual costs incurred to date over the estimated total construction costs. The total estimated costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. In making these judgements, management relies on past experience and the work of specialists. A change in the estimate will directly affect the revenue to be recognised.

2.5.2 Significant Management Judgement

Capitalisation and amortisation of intangible assets

Intangible assets are capitalised in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that it is probable that future economic future benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of useful life.

Amortisation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of respective components. The Group reviews the amortisation periods and useful lives at least once a year for intangible assets with finite lives. However, if there are indications that the intangible assets are unable to generate future cash flows, immediate impairment loss would be recognised in profit or loss.

Leases

Management uses judgement in determining the rate to discount the lease payments and assess whether a right-of-use asset is impaired. Furthermore, the Group and the Company estimate the lease term and reassess whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances.

In most cases, determining the appropriate discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors. In assessing the lease term and the likelihood of any extensions or early terminations, the management monitors the cash inflows from each right-of-use asset and evaluates whether such extensions or early terminations would lead to economic benefits for the Group and the Company.

3. PROPERTY, PLANT AND EQUIPMENT

	Office premises RM	Machinery RM	Renovation RM	Furniture, fittings and office equipment RM	Total RM
Group					
Cost					
At 1 January 2022	257,159	1,284,938	340,793	556,338	2,439,228
Additions	257,159	-	-	13,735	270,894
Disposals	-	(1,423)	-	(114,473)	(115,896)
Expiration of lease contract	(257,159)	-	-	-	(257,159)
At 31 December 2022	257,159	1,283,515	340,793	455,600	2,337,067
Additions	-	-	-	4,055	4,055
Disposals	-	(599)	-	(34,057)	(34,656)
Expiration of lease contract	(257,159)	-	-	-	(257,159)
Written off	-	(1,282,916)	(324,748)	(390,647)	(1,998,311)
At 31 December 2023	-	-	16,045	34,951	50,996
Accumulated depreciation					
At 1 January 2022	85,719	758,552	182,180	292,415	1,318,866
Charge for the financial year	257,159	34,780	34,080	81,477	407,496
Disposals	-	(806)	-	(90,812)	(91,618)
Expiration of lease contract	(257,159)	-	-	-	(257,159)
At 31 December 2022	85,719	792,526	216,260	283,080	1,377,585
Charge for the financial year	171,440	34,763	34,080	52,008	292,291
Reclassification	-	-	(58,164)	58,164	-
Disposals	-	(419)	-	(11,563)	(11,982)
Expiration of lease contract	(257,159)	-	-	-	(257,159)
Written off	-	(826,870)	(186,576)	(360,849)	(1,374,295)
At 31 December 2023	-	-	5,600	20,840	26,440

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Office premises RM	Machinery RM	Renovation RM	Furniture, fittings and office equipment RM	Total RM
Group (cont'd)					
Accumulated impairment losses					
At 1 January 2022	-	447,109	-	-	447,109
Reversal for the financial year	-	(617)	-	-	(617)
At 31 December 2022	-	446,492	-	-	446,492
Written off	-	(446,492)	-	-	(446,492)
At 31 December 2023	-	-	-	-	-
Net carrying amount					
At 31 December 2023	-	-	10,445	14,111	24,556
At 31 December 2022	171,440	44,497	124,533	172,520	512,990
Company					
Cost					
At 1 January 2022	257,159	599	16,045	50,006	323,809
Additions	257,159	-	-	13,735	270,894
Expiration of lease contract	(257,159)	-	-	-	(257,159)
At 31 December 2022	257,159	599	16,045	63,741	337,544
Additions	-	-	-	4,055	4,055
Disposals	-	(599)	-	(34,057)	(34,656)
Expiration of lease contract	(257,159)	-	-	-	(257,159)
At 31 December 2023	-	-	16,045	33,739	49,784

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Office premises RM	Machinery RM	Renovation RM	Furniture, fittings and office equipment RM	Total RM
Company (cont'd)					
Accumulated depreciation					
At 1 January 2022	85,719	190	2,390	10,800	99,099
Charge for the financial year	257,159	120	1,605	9,350	268,234
Expiration of lease contract	(257,159)	-	-	-	(257,159)
At 31 December 2022	85,719	310	3,995	20,150	110,174
Charge for the financial year	171,440	109	1,605	11,041	184,195
Disposals	-	(419)	-	(11,563)	(11,982)
Expiration of lease contract	(257,159)	-	-	-	(257,159)
At 31 December 2023	-	-	5,600	19,628	25,228
Net carrying amount					
At 31 December 2023	-	-	10,445	14,111	24,556
At 31 December 2022	171,440	289	12,050	43,591	227,370

Included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:-

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Office premises	-	171,440	-	171,440

Material accounting policy information

(a) All property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Material accounting policy information (cont'd)

(b) Depreciation is recognised on the straight-line method in order to write off the cost of each asset over its estimated useful life. Property, plant and equipment are depreciated based on the estimated useful life of the assets as follows:-

Office premises	2 years
Machinery	5 to 10 years
Renovation	5 to 50 years
Furniture, fittings and office equipment	5 to 10 years

(c) Right-of-use assets are depreciated on a straight-line basis over the lease term of the assets as follows:-

Office premises	1 year

(d) The Group and the Company have elected not to recognise right-of-use 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 and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. INVESTMENT IN SUBSIDIARIES

	Company	
	2023	2022
	RM	RM
Unquoted shares, at cost	2,218,953	6,059,658
Addition during the financial year	-	2
Less: Strike-off during the financial year	-	(3,840,707)
	2,218,953	2,218,953
Less: Accumulated impairment losses		
At 1 January	(2,117,461)	(5,958,168)
Addition	(101,492)	-
Written off	-	3,840,707
At 31 December	(2,218,953)	(2,117,461)
	-	101,492

An impairment loss of RM101,492 is recognised during the financial year due to the recoverable amounts of the investment in subsidiaries is lower than their carrying amounts. The recoverable amount was determined based on fair value less costs to sell method. Fair value less costs to sell method are within Level 3 of the fair value hierarchy.

4. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the Level 3 fair value method used in obtaining the recoverable amounts are as follows:-

Valuation method and key inputs	Significant unobservable inputs	Relationship of unobservable inputs and fair value
Adjusted net asset method which derives the fair value of an investee's equity by reference to the fair value of its assets and liabilities	Fair value of individual assets and liabilities	The higher the net assets, the higher the fair value

Details of the subsidiaries, all of which principal place of business in Malaysia, are as follows:-

Name of company	**Effective equity interest** 2023	2022	**Principal activities**
Direct subsidiaries			
AG3 Sdn. Bhd. ("AG3SB")	100%	100%	Dormant.
Atilze Solutions Sdn. Bhd. ("ASSB")	100%	100%	Dormant.
Atilze Digital Sdn. Bhd. ("ADSB")	100%	100%	Supplier of telecommunication solutions, services and products.
Atilze AI Sdn. Bhd. ("AAISB")	100%	100%	Dormant.
G3 Technologies Sdn. Bhd. ("GTSB")	100%	100%	Dormant.
Bestinet Healthcare Sdn. Bhd. ("BHSB")	51%	51%	Premier healthcare distributor for hospital equipment, pharmaceuticals and hospital consumables.
Indirect subsidiary			
Subsidiary of ADSB			
Connected Mobility Technologies Sdn. Bhd. ("CMTSB")	100%	100%	Dormant.

Acquisition of additional equity in subsidiaries

2022

(i) On 5 September 2022, the Company completed the acquisition of 40 ordinary shares representing 40% equity interest in AG3SB from its non-controlling interest for a cash consideration of RM2. As a result of this acquisition, AG3SB become a wholly-owned subsidiary of the Company.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

4. INVESTMENT IN SUBSIDIARIES (CONT'D)

Acquisition of additional equity in subsidiaries (cont'd)

2022 (cont'd)

(ii) On 9 December 2022, ADSB completed the acquisition of 45,000 ordinary shares representing 45% equity interest in CMTSB from its non-controlling interest for a cash consideration of RM30,001. As a result of this acquisition, the subsidiary become a wholly-owned subsidiary of ADSB.

The following summarises the effect of changes in the equity interest in subsidiaries that are attributable to owners of the Company as at 31 December 2022:-

	AG3SB RM	CMTSB RM	Total RM
Equity interest at 1 January 2022	(11,004)	22,507	11,503
Effect of increased in Company's ownership interest	(7,407)	15,419	8,012
Share of comprehensive income	(3,380)	(1,156)	(4,536)
Equity interest at 31 December 2022	(21,791)	36,770	14,979

Strike-off of subsidiaries

2022

On 5 August 2022, the Group had strike-off of its 100% equity interest in Delison Sdn. Bhd., G.A. Blue Apparel Sdn. Bhd., Lensan Sdn. Bhd. and Sebico Jaya Trading Co. Sdn. Bhd. pursuant to Section 550 of Companies Act 2016. The subsidiaries were previously reported as part of the apparel segment.

There is no effect on the deconsolidation of the subsidiaries on the financial position of the Group as at the date of deconsolidation.

Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follow:-

	BHSB	Others individually immaterial subsidiaries	Total
2023			
Percentage of ownership interest and voting interest (%)	49	-	
Carrying amount of NCI (RM)	(376,217)	-	(376,217)
Loss allocated to NCI (RM)	(264,141)	-	(264,141)

4. **INVESTMENT IN SUBSIDIARIES (CONT'D)**

Non-controlling interests in subsidiaries (cont'd)

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follow (cont'd):-

	BHSB	Others individually immaterial subsidiaries	Total
2022			
Percentage of ownership interest and voting interest (%)	49	-	
Carrying amount of NCI (RM)	(112,076)	-	(112,076)
Loss allocated to NCI (RM)	(1,057,188)	(3,066)	(1,060,254)

The summary of financial information before intra-group elimination for the Group's subsidiary that has material non-controlling interests is as below:-

	2023 RM	2022 RM
BHSB		
Financial position as at 31 December		
Current assets	13,234,773	13,815,950
Current liabilities	(13,955,746)	(13,997,860)
Net liabilities	(720,973)	(181,910)
Summary of financial performance for the financial year ended 31 December		
Loss for the financial year/Total comprehensive loss	(539,063)	(2,157,526)
Summary of cash flows for the financial year ended 31 December		
Net cash inflow/(outflow) from operating activities	545,358	(1,027,965)
Net cash inflow from financing activities	63,762	725,211
Net cash inflow/(outflow)	609,120	(302,754)

Material accounting policy information

Investment in subsidiaries, which are eliminated on consolidation, are stated in the Company's statement of financial position at cost less any impairment losses.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

5. INTANGIBLE ASSETS

	Development costs RM
Group	
Cost	
At 1 January 2022	7,186,484
Written off	(7,186,484)
At 31 December 2022	-
Accumulated amortisation	
At 1 January 2022	3,771,424
Written off	(3,771,424)
At 31 December 2022	-
Accumulated impairment loss	
At 1 January 2022	3,415,060
Written off	(3,415,060)
At 31 December 2022	-
Net carrying amount	
At 31 December 2022	-

The development costs represent direct attributable costs through internal development and separately acquired for development of Internet of Things ("IoT") products and solutions. The development costs were written off in the previous financial year due to the intangible assets were no longer commercially viable.

Material accounting policy information

Intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses. Development costs are amortised using the straight-line basis over the estimated average useful life of 5 years.

6. OTHER RECEIVABLES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Non-current				
Non-trade receivables	-	3,852,065	-	-
Current				
Non-trade receivables	18,024,426	15,485,280	3,587,638	3,589,167
Less: Impairment losses				
At 1 January	(6,248,592)	(3,585,296)	(3,585,296)	(3,585,296)
Charge for the financial year	(139,252)	(2,663,296)	-	-
Reversal due to collection	27,788	-	-	-
At 31 December	(6,360,056)	(6,248,592)	(3,585,296)	(3,585,296)
Carrying amount	11,664,370	9,236,688	2,342	3,871
Advances to suppliers	-	3,070,075	-	3,070,075
Refundable deposits	277,722	271,584	277,722	260,540
Prepayments	1,219,283	1,055,880	1,217,876	1,054,480
GST recoverable	5,331	5,331	-	-
	13,166,706	13,639,558	1,497,940	4,388,966
Grand total	13,166,706	17,491,623	1,497,940	4,388,966

In prior financial year, included in the Group's non-trade receivables was an amount of RM2,633 due from a company in which a Director has interests. The amount was unsecured, non-interest bearing and repayable on demand.

7. INVENTORIES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Trading goods	3,523,313	738,453	-	569,852
Recognised in profit or loss:-				
Inventories recognised as cost of sales	5,388,847	8,344,283	3,868,934	1,732,357
Inventories written down	3,163,699	-	569,792	-

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

7. INVENTORIES (CONT'D)

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Recognised in profit or loss (cont'd):-				
Inventories written off	113,976	-	-	-
Reversal of inventories written down	(290,937)	(19,770)	-	-

The reversal of inventories written down was made and recognised in profit or loss when the related inventories were subsequently sold above their carrying amount.

Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method.

8. TRADE RECEIVABLES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Gross amount	8,947,153	9,153,174	7,287,910	1,141,189
Less: Impairment losses	(705,981)	(7,368,260)	(584,481)	(16,582)
Carrying amount	8,241,172	1,784,914	6,703,429	1,124,607

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

Included in the Group's trade receivables is an amount of RM617,464 (2022: RM617,464) due from a company in which a Director has interests.

The movement of impairment losses during the financial year is as follows:-

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
At 1 January	7,368,260	3,968,462	16,582	67,536
Charge for the financial year	635,399	3,473,515	567,899	-
Reversal due to collection	(7,273,258)	(73,717)	-	(50,954)
Written off	(24,420)	-	-	-
At 31 December	705,981	7,368,260	584,481	16,582

9. CONTRACT WITH CUSTOMERS

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Contract assets	49,154,615	-	49,154,615	-
Contract costs	3,112,944	-	3,112,944	-
Contract balances	52,267,559	-	52,267,559	-

Contract assets primarily relate to the rights to consideration for work completed on installation services but not yet billed at the reporting date. Typically, the amount will be billed based on the agreed billing term with customer.

Contract costs relate to the cost generate or enhance resources that will be used in satisfying performance obligation in the future.

Contract value yet to be recognised as revenue

As at the reporting date, revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of the Group and of the Company are RM63,464,793 (2022: Nil). The Group and the Company expected to recognised this revenue over the next 12 months (2022: Nil).

10. AMOUNT DUE FROM SUBSIDIARIES

	Company	
	2023	2022
	RM	RM
Amount due from subsidiaries:-		
Gross amount	50,185,459	49,772,810
Less: Impairment losses		
At 1 January	(40,964,531)	(45,730,612)
Charge for the financial year	(9,203,729)	(87,919)
Reversal due to collection	-	4,854,000
At 31 December	(50,168,260)	(40,964,531)
Carrying amount	17,199	8,808,279

The amount due from subsidiaries are non-trade in nature, unsecured, non-interest bearing and repayable on demand, except for the amount of RM8,697,569 (2022: RM7,972,359) bears interest at the rate of 3.50% (2022: 3.50%) per annum.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

11. CASH AND BANK BALANCES AND DEPOSIT WITH A LICENSED BANK

The fixed deposit with a licensed bank has been pledged to a bank for bank guarantee facilities granted to the Company.

The effective interest rates of the fixed deposit with a licensed bank are ranging from 1.15% to 1.30% (2022: 1.15% to 1.30%) per annum.

12. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2023	2022	2023	2022
	Units	Units	RM	RM
Issued and fully paid with no par value:-				
At 1 January	2,902,753,548	2,164,246,748	108,580,869	81,746,389
Allotment of shares pursuant to warrant exercise	-	305,657,500	-	9,169,725
Issuance of ordinary shares pursuant to private placement	870,826,000	432,849,300	19,506,502	18,179,671
Share issuance expenses	-	-	(569,055)	(514,916)
At 31 December	3,773,579,548	2,902,753,548	127,518,316	108,580,869

During the financial year, the Company has completed a private placement of 870,826,000 (2022: 432,849,300) ordinary shares at issuance price of RM0.0224 (2022: RM0.0420) per ordinary share.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

13. WARRANT RESERVE/OTHER RESERVE

On 9 October 2017, the Company issued 206,249,978 5-years free detachable warrants ("Warrants") pursuant to the Company's Rights Issue. The Warrants are listed on Bursa Malaysia on 9 October 2017.

On 25 March 2021, 254,097,873 additional Warrants arising from the adjustment to the number of outstanding Warrants pursuant to the bonus issue and the exercise price of Warrants adjusted from RM0.10 to RM0.03 each. In the prior financial year, 305,657,500 Warrants were exercised and the remaining Warrants which have not been exercised were expired on 2 October 2022, which is a non-Market Day. The expiry date is the Market Day immediately preceding the said non-Market Day, which is on 30 September 2022.

The movements of the warrants are as follows:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
At 1 January	-	310,753,164	-	8,400,460
Exercised during the financial year	-	(305,657,500)	-	(8,252,752)
Expired during the financial year	-	(5,095,664)	-	(147,708)
At 31 December	-	-	-	-

The main features of the Warrants are as follows:-

(i) Each Warrant entitles the registered holder at any time during the exercise period to subscribe for one new ordinary share in the Company at an exercise price of RM0.10 per ordinary share. Subsequent to the bonus issue, the exercise price adjusted to RM0.03 per ordinary share.

(ii) The exercise price and/or the number of Warrants in issue shall be subject to adjustments in accordance with the provisions of the deed poll during the exercise period.

(iii) The Warrants may be exercised at any time within five (5) years commencing on and including the date of issuance of the Warrants until the last market day prior to the fifth anniversary of the date of issuance of the Warrants.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

13. WARRANT RESERVE/OTHER RESERVE (CONT'D)

The main features of the Warrants are as follows (cont'd):-

(iv) The Warrant holders are not entitled to any dividends, rights, allotments and/or other distribution, the entitlement date of which is prior to the date of issuance and allotment of ordinary shares upon the exercise of the warrants. The warrant holders are not entitled to voting rights in any general meeting of the Company or to participate in any distribution and/or offer of further securities in the Company unless such Warrant holders exercise their Warrants for the new ordinary shares.

(v) All new ordinary shares to be issued upon the exercise of the Warrants shall, on allotment and issue, rank pari passu in all respects with the existing ordinary shares of the Company save and except that they shall not be entitled to any dividends, rights, allotments and other distributions, the entitlement date of which is prior to the date of allotment of such new ordinary shares, and will be subject to all provisions of the Articles of Association of the Company.

(vi) At the expiry of the exercise period, any Warrants which have not been exercised will lapse and cease to be valid for any purpose.

14. TRADE PAYABLES

The trade payables are non-interest bearing and credit terms are generally ranged from cash term to 90 days (2022: cash term to 90 days).

15. OTHER PAYABLES

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Non-trade payables	603,479	643,917	321,324	416,983
Accruals	16,272,363	1,442,038	16,202,179	1,373,376
Deposit	1,730	1,730	-	-
Sales tax payable	150,756	2,640	150,756	2,640
	17,028,328	2,090,325	16,674,259	1,792,999

Included in Group's non-trade payables is an amount of RM80,058 (2022: RM16,296) due to a company in which a Director has interest. The amount is unsecured, non-interest bearing and repayable on demand.

16. LEASE LIABILITY

	Group and Company	
	2023	2022
	RM	RM
Current	-	172,991

The maturity analysis of lease liability is disclosed in Note 26.2(b) to the financial statements.

In the prior financial year, the interest rate of the lease liability was 5.46% per annum.

The total cash outflows for leases for the Group and the Company amounted to RM266,668 (2022: RM270,178).

The expenses relating to payments not included in the measurement of the lease liability is as follows:-

	Group and Company	
	2023	2022
	RM	RM
Depreciation of right-of-use asset	171,440	257,159
Interest expense	3,561	7,669
Leases of low-value assets	90,116	5,350
	265,117	270,178

17. REVENUE

Disaggregated revenue information

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Recognised at a point in time in Malaysia:-				
- Sales of ICT products and solutions	5,609,299	1,892,315	4,689,299	1,875,891
- Sales of healthcare products	-	11,197,120	-	-
	5,609,299	13,089,435	4,689,299	1,875,891

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

17. REVENUE (CONT'D)

Disaggregated revenue information (cont'd)

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Recognised over time in Malaysia:-				
- Design, supply, installation and maintenance services	68,554,940	-	68,554,940	-
	74,164,239	13,089,435	73,244,239	1,875,891

Revenue from sales of ICT products and solutions and healthcare products

Revenue from sales of ICT products and solutions and healthcare products is recognised at a point in time when the control of the goods have been transferred or the services have been rendered to the customers, generally coincides with the delivery of goods by customers or services accepted by customers.

The revenue of the Company contains no elements of variable consideration, obligation for refund or warranties.

Revenue from design, supply, installation and maintenance services

Revenue from design, supply, installation and maintenance services is recognised over time as the project being constructed has no alternative use to the Group and the Company and it has an enforceable right to the payment for performance completed to date. The stage of completion is measured using input method, which is based on the total actual cost incurred to date as compared with the total budgeted costs that has been certified by a project manager.

18. FINANCE INCOME

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Interest income:-				
Short-term deposits	313,872	192,485	313,707	192,485
Cash at bank	64,093	13,904	64,093	-
Amount due from subsidiaries	-	-	395,450	110,709
	377,965	206,389	773,250	303,194

19. FINANCE COST

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Interest on lease liability	3,561	7,669	3,561	7,669

20. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax has been determined after charging/(crediting) amongst others, the following:-

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Auditor's remuneration:-				
Statutory audit				
- Grant Thornton Malaysia PLT	170,000	105,000	103,000	52,000
Assurance-related services				
- Grant Thornton Malaysia PLT	5,000	5,000	5,000	5,000
Other service				
- Local affiliate of Grant Thornton Malaysia PLT	20,500	16,500	5,000	5,000
Bad debts written off	-	59,860	-	50,620
Bad debts recovered	-	(3,445)	-	-
Loss on disposal of property, plant and equipment	6,681	13,227	6,681	-
Property, plant and equipment written off	177,524	-	-	-
Reversal of impairment loss on property, plant and equipment	-	(617)	-	-
Realised loss/(gain) on foreign exchange	2,509	(3,034)	-	-
Unrealised (gain)/loss on foreign exchange	-	(144,732)	-	18,000

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

21. TAX EXPENSE

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Current tax:-				
Current financial year	321	112,033	-	-
Under provision in prior financial year	-	4,322	-	-
Total expenses	321	116,355	-	-

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

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Profit/(Loss) before tax	1,627,179	(9,708,492)	(10,859,355)	838,291
Tax at Malaysian statutory tax rate of 24% (2022: 24%)	390,523	(2,330,038)	(2,606,245)	201,190
Tax effects in respect of:-				
Income not subject to tax	(8,995)	(68,798)	-	(1,165,000)
Expenses not deductible for tax purposes	366,633	1,738,789	2,324,965	241,170
Movement of deferred tax assets not recognised	(747,840)	772,080	281,280	722,640
Under provision of tax expense in prior financial year	-	4,322	-	-
	321	116,355	-	-

21. **TAX EXPENSE (CONT'D)**

The components and movement of deferred tax liabilities and assets presented after appropriate offsetting are as follows:-

	Property, plant and equipment RM	Unabsorbed capital allowance RM	Unutilised business losses RM	Total RM
Group and Company				
At 1 January 2022	10,000	(6,000)	(4,000)	-
Recognised during the financial year	-	(2,000)	2,000	-
At 31 December 2022	10,000	(8,000)	(2,000)	-
Recognised during the financial year	(7,500)	7,500	-	-
At 31 December 2023	2,500	(500)	(2,000)	-

Unrecognised deferred tax assets

Deferred tax assets (at gross) that have not been recognised in respect of the following items:-

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Property, plant and equipment	-	111,000	-	-
Unutilised business losses	32,163,000	31,470,000	6,889,000	6,889,000
Unabsorbed capital allowances	1,798,000	1,721,000	35,000	-
Others	5,800,000	9,575,000	1,154,000	17,000
	39,761,000	42,877,000	8,078,000	6,906,000

Deferred tax assets have not been recognised in respect of these items as the Group and the Company may not have sufficient future taxable profits to be used to offset.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

21. TAX EXPENSE (CONT'D)

Unrecognised deferred tax assets (cont'd)

Unutilised business losses for which no deferred tax asset was recognised expire as follows:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Year of assessment:-				
2028	12,732,000	12,732,000	-	-
2029	6,749,000	6,749,000	-	-
2030	4,783,000	4,783,000	-	-
2031	3,985,000	3,985,000	3,779,000	3,779,000
2032	3,221,000	3,221,000	3,110,000	3,110,000
2033	693,000	-	-	-
	32,163,000	31,470,000	6,889,000	6,889,000

22. EARNINGS/(LOSS) PER SHARE

Basic/Diluted earnings/(loss) per ordinary share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year calculated as follows:-

	Group	
	2023	2022
Profit/(Loss) attributable to owners of the Company (RM)	1,890,999	(8,764,593)
Weighted average number of ordinary shares (unit)	3,461,036,518	2,583,234,349
Basic earnings/(loss) per share (sen)	0.05	(0.34)

Diluted earnings/(loss) per ordinary share equals to basic earning/(loss) per share as there are no dilutive potential ordinary shares.

23. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Salaries and other emoluments	2,141,773	2,073,778	2,007,677	1,920,454
Defined contribution plans	168,667	155,976	158,859	143,739
Social security contribution	10,852	11,067	9,158	9,116
Directors' fee	261,875	189,167	261,875	189,167
	2,583,167	2,429,988	2,437,569	2,262,476

Included in the staff costs of the Group and of the Company are Directors' remuneration as shown below:-

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Executive Directors of the Company:-				
- Salaries and other emoluments	960,216	645,676	960,216	645,676
- Defined contribution plans	43,200	3,600	43,200	3,600
- Social security contribution	1,486	705	1,486	705
- Directors' fee	-	29,167	-	29,167
	1,004,902	679,148	1,004,902	679,148
Non-executive Directors of the Company:-				
- Salaries and other emoluments	54,000	59,000	54,000	59,000
- Directors' fee	261,875	160,000	261,875	160,000
	315,875	219,000	315,875	219,000
Total Directors' remuneration	1,320,777	898,148	1,320,777	898,148

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

24. RELATED PARTY DISCLOSURES

(a) Related party transactions

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Sales to a related party	-	617,464	-	-
Payment on behalf by a related party	63,762	-	-	-
Interest charged to a subsidiary	-	-	395,450	110,709
Payment on behalf for subsidiaries	-	-	64,986	809,319

The Group and the Company undertakes the above transactions on agreed terms and prices with its related parties in the normal course of business.

(b) The outstanding balances arising from related party transactions at the reporting date are disclosed in Notes 6, 8, 10 and 15 to the financial statements.

(c) Key management personnel are define as the person having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

Key management includes all the Directors of the Company and certain members of senior management of the Group.

The remunerations of the Directors is disclosed in Note 23 to the financial statements.

The emoluments of other key management personnel are as follow:-

	Group and Company	
	2023 RM	2022 RM
Salaries and other emoluments	297,202	342,103
Defined contribution plans	35,665	41,040
Social security contribution	1,158	899
	334,025	384,042

25. SEGMENTAL INFORMATION

Segmental information is presented in respect of the Group's business and geographical segments.

The business segments are based on the Group's management and internal reporting structure. Inter-segment pricing is determined based on negotiated terms.

Segment results and assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

For management purpose, the Group is organised into two business segments as follows:-

(i)	Information, communications and technology ("ICT")	Supply of telecommunication solutions, services and related products.
(ii)	Healthcare	Premier healthcare distributor for hospital equipment, pharmaceuticals and hospital consumables.

25. **SEGMENTAL INFORMATION (CONT'D)**

Business segments

	Note	ICT RM	Healthcare RM	Total RM	Elimination RM	Total RM
Group						
2023						
Revenue:						
External sales		74,164,239	-	74,164,239	-	74,164,239
Results:						
Finance income		773,415	-	773,415	(395,450)	377,965
Finance cost		(3,561)	(395,450)	(399,011)	395,450	(3,561)
Depreciation of property, plant and equipment		292,291	-	292,291	-	292,291
Other non-cash (expenses)/income	**A**	(5,834,777)	(13,500)	(5,848,277)	9,203,729	3,355,452
Tax expense		(321)	-	(321)	-	(321)
Segment results	**B**	(7,909,154)	(143,613)	(8,052,767)	9,305,221	1,252,454
Assets:						
Segment assets	**C**	94,014,953	12,852,228	106,867,181	(28,116)	106,839,065
Additions to non-current assets	**D**	4,055	-	4,055	-	4,055
Liabilities:						
Segment liabilities	**E**	84,622,139	13,955,746	98,577,885	(52,415,138)	46,162,747

25. **SEGMENTAL INFORMATION (CONT'D)**

Business segments

	Note	ICT RM	Healthcare RM	Total RM	Elimination RM	Total RM
Group						
2022						
Revenue:						
External sales		1,892,315	11,197,120	13,089,435	-	13,089,435
Results:						
Finance income		317,098	-	317,098	(110,709)	206,389
Finance cost		(7,669)	(110,709)	(118,378)	110,709	(7,669)
Depreciation of property, plant and equipment		(407,496)	-	(407,496)	-	(407,496)
Other non-cash income/(expenses)	**A**	1,295,019	(2,500,000)	(1,204,981)	(4,766,081)	(5,971,062)
Tax expense		(833)	(115,522)	(116,355)	-	(116,355)
Segment results	**B**	(191,646)	(2,046,817)	(2,238,463)	(7,785,104)	(10,023,567)
Assets:						
Segment assets	**C**	43,367,598	13,543,262	56,910,860	(8,947,406)	47,963,454
Additions to non-current assets	**D**	270,894	-	270,894	-	270,894
Liabilities:						
Segment liabilities	**E**	45,599,435	13,997,860	59,597,295	(52,029,207)	7,568,088

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

25. SEGMENTAL INFORMATION (CONT'D)

Business segments (cont'd)

Notes to the nature of adjustment and eliminations arrive at amount reported in the consolidated financial statement.

A. Other major non-cash income/(expenses) consist of the following items are presented in the respective notes to the financial statements:-

	Group	
	2023	2022
	RM	RM
Bad debts written off	-	(59,860)
Impairment gain/(loss) on financial assets	6,526,395	(6,063,094)
Inventories written down	(3,163,699)	-
Inventories written off	(113,976)	-
Loss on disposal of property, plant and equipment	(6,681)	(13,227)
Property, plant and equipment written off	(177,524)	-
Reversal of impairment loss on property, plant and equipment	-	617
Reversal of inventories written down	290,937	19,770
Unrealised gain on foreign exchange	-	144,732
	3,355,452	(5,971,062)

B. The following items are added to/(deducted from) segment profit/(loss) to arrive at "profit/(loss) after tax" presented in the consolidated statements of profit or loss:-

	Group	
	2023	2022
	RM	RM
Segment profit/(loss)	1,252,454	(10,023,567)
Finance income	377,965	206,389
Finance cost	(3,561)	(7,669)
	1,626,858	(9,824,847)

25. **SEGMENTAL INFORMATION (CONT'D)**

Business segments (cont'd)

C. The following items are added to segment assets to arrive at total assets reported in the consolidated statements of financial positions:-

	Group	
	2023	2022
	RM	RM
Segment assets	106,839,065	47,963,454
Tax recoverable	387,626	277,264
	107,226,691	48,240,718

D. Additions to non-current assets other than financial instruments consist of:-

	Group	
	2023	2022
	RM	RM
Property, plant and equipment	4,055	270,894

E. The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statements of financial position:-

	Group	
	2023	2022
	RM	RM
Segment liabilities	46,162,747	7,568,088
Lease liability	-	172,991
	46,162,747	7,741,079

Geographical segments

No geographical information is presented as the Group is operated in Malaysia.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

25. SEGMENTAL INFORMATION (CONT'D)

Information about major customers

The following is the major customer with revenue equal or more than 10% of the Group's revenue in the current financial year:-

	Segment	RM	%
2023			
Customer A	ICT	68,554,940	92

There were no any major customers with revenue equal or more than 10% of the Group's revenue in the prior financial year.

26. FINANCIAL INSTRUMENTS

26.1 Categories of Financial Instruments

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities at amortised costs.

	2023 RM	2022 RM
Group		
Financial assets		
Trade receivables	8,241,172	1,784,914
Other receivables	11,942,092	16,430,412
Cash and bank balances and deposit with a licensed bank	29,615,759	27,435,474
	49,799,023	45,650,800
Financial liabilities		
Trade payables	29,134,419	5,477,763
Other payables	16,877,572	2,087,685
	46,011,991	7,565,448

26. FINANCIAL INSTRUMENTS (CONT'D)

26.1 Categories of Financial Instruments (cont'd)

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities at amortised costs (cont'd).

	2023 RM	2022 RM
Company		
Financial assets		
Trade receivables	6,703,429	1,124,607
Other receivables	280,064	3,334,486
Amount due from subsidiaries	17,199	8,808,279
Cash and bank balances and deposit with a licensed bank	29,000,002	27,337,193
	36,000,694	40,604,565
Financial liabilities		
Trade payables	24,517,765	351,200
Other payables	16,523,503	1,790,359
	41,041,268	2,141,559

26.2 Financial Risk Management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. Financial risk management policy is established to ensure that adequate resources are available for the development of the Group's and of the Company's business whilst managing their risks. The Group and the Company operate within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

The main areas of financial risks faced by the Group and the Company and the policy in respect of the major areas of treasury activity are set out as follows:-

(a) **Credit Risk**

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet their contractual obligations.

The Group's and the Company's exposure to credit risk is monitored on an ongoing basis. The credit risk is controlled by monitoring procedures. An internal credit review is conducted if the credit risk is material. The Group and the Company do not require collateral in respect of financial assets.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

26. FINANCIAL INSTRUMENTS (CONT'D)

26.2 Financial Risk Management (cont'd)

(a) Credit Risk (cont'd)

The areas where the Group and the Company are exposed to credit risk are as follows:-

Trade receivables and contract asset

Receivables are monitored on an ongoing basis to mitigate risk of bad debts. The Group's and the Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry in which customers operate.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's and the Company's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer and reviewed quarterly. Any credit exceeding those limits require approval from the management.

Set out below is the information about the credit risk exposure and ECLs on the Group's and the Company's trade receivables and contract asset:-

	Gross carrying amount RM	Loss allowance Collective RM	Loss allowance Individual RM	Net carrying amount RM
Group				
2023				
Trade receivables				
Current (Not past due)	6,241,257	-	-	6,241,257
1-30 days past due	470,004	(16,300)	-	453,704
More than 120 days past due	2,235,892	(282)	(689,399)	1,546,211
	8,947,153	(16,582)	(689,399)	8,241,172
Contract asset				
Current (Not past due)	49,154,615	-	-	49,154,615
2022				
Current (Not past due)	46,640	-	-	46,640
1-30 days past due	1,703,263	(16,300)	-	1,686,963
More than 120 days past due	7,403,271	(28,962)	(7,322,998)	51,311
	9,153,174	(45,262)	(7,322,998)	1,784,914

26. FINANCIAL INSTRUMENTS (CONT'D)

26.2 Financial Risk Management (cont'd)

(a) Credit Risk (cont'd)

Trade receivables and contract asset (cont'd)

Set out below is the information about the credit risk exposure and ECLs on the Group's and the Company's trade receivables and contract asset (cont'd):-

	Gross carrying amount RM	Loss allowance Collective RM	Loss allowance Individual RM	Net carrying amount RM
Company				
2023				
Current (Not past due)	6,241,257	-	-	6,241,257
1-30 days past due	470,004	(16,300)	-	453,704
More than 120 days past due	576,649	(282)	(567,899)	8,468
	7,287,910	(16,582)	(567,899)	6,703,429
Contract asset				
Current (Not past due)	49,154,615	-	-	49,154,615
2022				
Current (Not past due)	46,640	-	-	46,640
1-30 days past due	1,085,799	(16,300)	-	1,069,499
More than 120 days past due	8,750	(282)	-	8,468
	1,141,189	(16,582)	-	1,124,607

Concentration of Credit Risk

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the group of counterparties whose aggregate credit exposure is significant in relation to the Group's and the Company's total credit exposure. The Group's and the Company's portfolio of financial instrument is broadly diversified along geographical lines and transactions are entered into with diverse creditworthy counterparties, thereby mitigate any significant concentration of credit risk.

The Group and the Company determine concentration of credit risk by comparing the amount due from each individual customer against the total trade receivables and contract asset.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

26. FINANCIAL INSTRUMENTS (CONT'D)

26.2 Financial Risk Management (cont'd)

(a) Credit Risk (cont'd)

Concentration of Credit Risk (cont'd)

The credit risk concentration profile of the Group's and the Company's trade receivables and contract asset at the reporting date is as follows:-

	2023 RM	2023 %	2022 RM	2022 %
Group				
Trade receivables				
Top 2 customers (2022: 2 customers)	7,334,711	89	1,755,571	98
Contract asset				
Top 1 customer (2022: Nil)	49,154,615	100	-	-
Company				
Trade receivables				
Top 1 customer (2022: 2 customers)	6,414,711	96	1,124,607	100
Contract asset				
Top 1 customer (2022: Nil)	49,154,615	100	-	-

Other receivables

As at the reporting date, the management is of the opinion that all necessary impairment that is required has been provided for.

In respect of other receivables, 100% (2022: 100%) of the Group's other receivables were due from 1 (2022: 1) major debtor.

Intercompany balances

The Company provides advances to its subsidiaries. The Company monitors the results of the subsidiaries regularly.

The maximum exposure to credit risk is represented by its carrying amount in the Company's statement of financial position.

The Company has recognised loss allowance equal to lifetime ECLs on the amount due from subsidiaries as it anticipates that there is a significant increase in credit risk of which the subsidiaries' financial position deteriorates significantly.

26. FINANCIAL INSTRUMENTS (CONT'D)

26.2 Financial Risk Management (cont'd)

(a) Credit Risk (cont'd)

Cash and bank balances and deposit with a licensed bank

The credit risk for cash and bank balances and deposit with a licensed bank is considered negligible, since the counterparty is reputable bank with high quality external credit ratings.

(b) Liquidity Risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as and when they fall due, due to shortage of funds.

In managing its exposures to liquidity risk arises principally from its various payables, the Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet their liabilities when they fall due.

The Group and the Company aim at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

The summary of the maturity profile based on the contractual undiscounted repayment obligations are as below:-

		Contractual cash flows		
			Current	Non-current
	Carrying amount	Total	Within 1 year	2 to 5 years
	RM	RM	RM	RM
2023				
Group				
Non-derivative financial liabilities				
Trade payables	29,134,419	29,134,419	29,134,419	-
Other payables	16,877,572	16,877,572	16,877,572	-
	46,011,991	46,011,991	46,011,991	-
Company				
Non-derivative financial liabilities				
Trade payables	24,517,765	24,517,765	24,517,765	-
Other payables	16,523,503	16,523,503	16,523,503	-
	41,041,268	41,041,268	41,041,268	-

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

26. FINANCIAL INSTRUMENTS (CONT'D)

26.2 Financial Risk Management (cont'd)

(b) Liquidity Risk (cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligations are as below (cont'd):-

		Contractual cash flows		
	Carrying amount	Total	Current Within 1 year	Non-current 2 to 5 years
	RM	RM	RM	RM
2022				
Group				
Non-derivative financial liabilities				
Trade payables	5,477,763	5,477,763	5,477,763	-
Other payables	2,087,685	2,087,685	2,087,685	-
Lease liability	172,991	176,552	176,552	-
	7,738,439	7,742,000	7,742,000	-
Company				
Non-derivative financial liabilities				
Trade payables	351,200	351,200	351,200	-
Other payables	1,790,359	1,790,359	1,790,359	-
Lease liability	172,991	176,552	176,552	-
	2,314,550	2,318,111	2,318,111	-

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the financial liabilities at the reporting date.

(c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's fixed rate instruments are exposed to a risk of change in their fair value due to changes in interest rates. The Group's and the Company's variable rate instruments are exposed to a risk of change in cash flows due to changes in interest rates.

The Group's and the Company's interest rate management objective is to manage the interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation. In order to achieve this objective, the Group and the Company target a mix of fixed and floating debt based on assessment of its existing exposure and desired interest rate profile.

26. **FINANCIAL INSTRUMENTS (CONT'D)**

26.2 **Financial Risk Management (cont'd)**

(c) **Interest Rate Risk (cont'd)**

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

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
Fixed rate instrument				
Financial assets				
Fixed deposit with a licensed bank	11,838,000	11,838,000	11,838,000	11,838,000
Amount due from a subsidiary	-	-	8,697,569	7,972,359
Financial liability				
Lease liability	-	(172,991)	-	(172,991)
Net financial asset	11,838,000	11,665,009	20,535,569	19,637,368

Sensitivity Analysis for Fixed Rate Instruments

The Group and the Company do not account for any fixed rate financial liabilities at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss and equity.

(d) **Foreign Currency Risk**

The Group and the Company are exposed to foreign currency risk on sales and purchases that are denominated in currencies other than the respective functional currencies of the Group and the Company. The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Singapore Dollar ("SGD") and Indonesian Rupiah ("IDR").

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

26. FINANCIAL INSTRUMENTS (CONT'D)

26.2 Financial Risk Management (cont'd)

(d) Foreign Currency Risk (cont'd)

Foreign currency denominated financial assets and liabilities which expose the Group and the Company to currency risk are disclosed below. The amount shown was reported to key management and translated into RM at the closing rate:-

	USD RM	SGD RM	IDR RM
2023			
Group			
Financial liabilities			
Trade payables	(351,249)	-	-
Other payables	-	-	(2,228)
Net exposure	(351,249)	-	(2,228)
Company			
Financial liability			
Trade payables	(351,200)	-	-
Net exposure	(351,200)	-	-
2022			
Group			
Financial assets			
Trade receivables	6,454,918	-	-
Cash and cash equivalents	24,987	-	-
	6,479,905	-	-
Financial liabilities			
Trade payables	(351,249)	(9,184)	-
Other payables	-	-	(2,228)
	(351,249)	(9,184)	(2,228)
Net exposure	6,128,656	(9,184)	(2,228)
Company			
Financial liability			
Trade payables	(351,200)	-	-
Net exposure	(351,200)	-	-

26. FINANCIAL INSTRUMENTS (CONT'D)

26.2 Financial Risk Management (cont'd)

(d) Foreign Currency Risk (cont'd)

Sensitivity Analysis for Foreign Currency Risk

Below demonstrates the sensitivity to a reasonably possible change in the foreign currency exchange rates against RM, with all other variables held constant, of the Group's and the Company's profit and equity. A 1% (2022: 1%) strengthening of the RM against the following currencies at the end of the reporting period would have increased/(decreased) profit and equity by the amount shown below and a corresponding weakening would have an equal but opposite effect. This analysis is based on foreign currency exchange rate variances that the Group and the Company considered to be reasonably possible at the end of the reporting period.

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
USD	3,512	(61,287)	3,512	3,512
SGD	-	9	-	-
IDR	22	22	-	-
	3,534	(61,256)	3,512	3,512

26.3 Fair Value Measurement of Financial Instruments

The carrying amounts of financial assets and liabilities of the Group and of the Company at the reporting date approximate their fair values due to their short-term nature and insignificant impact of discounting.

26.4 Fair Value Hierarchy

There is no fair value hierarchy has been disclosed as the Group and the Company do not have financial instruments measured at fair value.

NOTES TO THE **FINANCIAL STATEMENTS**
(CONT'D)

27. CAPITAL MANAGEMENT

Total capital managed at the Group level is the shareholders' funds as shown in the statements of financial position.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit and financially prudent capital ratios in order to support its current business as well as future expansion so as to maximise the shareholders' value.

The Group manages its capital structure and make adjustment to it, in light of changes in economic condition including the interest rate movements. To maintain and adjust capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

There were no changes in the Group's approach to capital management since the previous financial year.

ANALYSIS OF SHAREHOLDINGS

AS AT 1 APRIL 2024

A. Total Number of issued shares : 3,773,579,548
Class of Shares : Ordinary Shares
Voting Rights : On a poll – One vote for one ordinary share

B. ANALYSIS OF SHAREHOLDINGS AS AT 1 APRIL 2024

Size of shareholdings	No. of shareholders	% of total shareholders	No. of shares	% of total number of issued shares
1 - 99	30	0.365	673	0.000^
100 – 1,000	466	5.679	206,504	0.006
1,001- 10,000	1,889	23.020	12,272,872	0.325
10,001 - 100,000	4,080	49.720	173,851,699	4.607
100,001 – 188,678,976*	1,740	21.204	3,265,048,100	86.524
188,678,977 and above**	1	0.012	322,199,700	8.538
Total	**8,206**	**100.000**	**3,773,579,548**	**100.000**

REMARK : * - Less than 5% of issued shares
: ** - 5% and above of issued shares
: ^ - negligible

C. SUBSTANTIAL SHAREHOLDERS AS AT 1 APRIL 2024

Name	Number of Shares Held			
	Direct	%	Deemed	%
Greenfield Hills Sdn Bhd	322,199,700	8.538	–	–
Dato' Sri Aminul Islam Bin Abdul Nor			517,888,900[(a)]	13.724
Muhammad Qhailiz Norman Bin Aminul Islam	–	–	322,199,700[(b)]	8.538

Notes:-

(a) Deemed interested by virtue of his shareholdings in Dream Life Travels Sdn Bhd, Databliss Sdn Bhd and Instacloud Sdn Bhd pursuant to Section 8 of the Companies Act 2016; and through Greenfield Hills Sdn Bhd via his spouse Datin Rusilawati Binti Mohamed Yusoff and his son, Muhammad Qhailiz Norman Bin Aminul Islam.

(b) Deemed interested by virtue of his shareholdings in Greenfield Hills Sdn Bhd pursuant to Section 8 of the Companies Act 2016.

ANALYSIS OF **SHAREHOLDINGS**
(CONT'D)

D. DIRECTORS' SHAREHOLDINGS AS AT 1 APRIL 2024

Name	Number of Shares Held			
	Direct	%	Deemed	%
Dato' Sri Alias Bin Ahmad	–	–	–	–
Dato' Sri Aminul Islam Bin Abdul Nor	–	–	517,888,900[(a)]	13.724
Dirk Johann Quinten	–	–	–	–
Kunal Tayal	–	–	–	–
Dr. Salihin Bin Abang	–	–	–	–
Vasanthi A/P Arumugam	–	–	–	–

Note:-

(a) Deemed interested by virtue of his shareholdings in Dream Life Travels Sdn Bhd, Databliss Sdn Bhd and Instacloud Sdn Bhd pursuant to Section 8 of the Companies Act 2016; and through Greenfield Hills Sdn Bhd via his spouse Datin Rusilawati Binti Mohamed Yusoff and his son, Muhammad Qhailiz Norman Bin Aminul Islam.

LIST OF TOP 30 SHAREHOLDERS AS AT 1 APRIL 2024

NO	SHAREHOLDERS	SHARES	%
1.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GREENFIELD HILLS SDN BHD	322,199,700	8.538
2.	ALLIANCE GROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHOR JAN YEOW (8083119)	180,000,000	4.770
3.	DATUK HAJI KHAN BIN MOHD AKRAM KHAN	180,000,000	4.770
4.	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT MAJESTIC SALUTE SDN BHD FOR CHAN YOK PENG (M&A)	180,000,000	4.770
5.	ICE COMMERCIAL SERVICES MALAYSIA SDN BHD	168,674,800	4.470
6.	PROVEN VENTURE CAPITAL PLT	144,643,000	3.833
7.	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT MAJESTIC SALUTE SDN BHD FOR LEE CHOON HOOI (M&A)	141,429,000	3.748
8.	DEVAN A/L IYAVOO	139,763,000	3.704
9.	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAY SENG CHEW (PNG)	111,607,000	2.958
10.	M & A NOMINEE (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOW DAI YING (M&A)	109,143,000	2.892

ANALYSIS OF **SHAREHOLDINGS**
(CONT'D)

LIST OF TOP 30 SHAREHOLDERS AS AT 1 APRIL 2024 (CONT'D)

NO	SHAREHOLDER	SHARES	%
11.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD KEJAYA KAYA SDN BHD FOR DOREEN DING YEK PING	100,022,000	2.651
12.	LOH YIM QUIN	86,443,500	2.291
13.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DREAM LIFE TRAVELS SDN BHD (THIRD PARTY)	84,715,200	2.245
14.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR STERLING AMBIENCE SDN BHD (THIRD PARTY)	84,000,000	2.226
15.	M & A NOMINEE (TEMPATAN) SDN BHD MAJESTIC SALUTE SDN BHD FOR SURESH KUMAR A/L NAGORUAN	80,000,000	2.120
16.	BYTECLOUD SDN BHD	79,882,800	2.117
17.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATABLISS SDN BHD (THIRD PARTY)	71,304,800	1.890
18.	M & A NOMINEE (TEMPATAN) SDN BHD MAJESTIC SALUTE SDN BHD FOR BASTIEN BIN ONN	70,000,000	1.855
19.	M & A NOMINEE (TEMPATAN) SDN BHD MAJESTIC SALUTE SDN BHD FOR SAIED MOHAMED BIN MOHAMED ARIF	68,849,300	1.825
20.	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD KEJAYA KAYA SDN BHD FOR JEFFERY DING CHOON YONG	63,661,000	1.687
21.	MEDINIS SDN BHD	61,570,000	1.632
22.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MOHAMED FAROZ BIN MOHAMED JAKEL	40,000,000	1.060
23.	INSTACLOUD SDN BHD	39,669,200	1.051
24.	TAY GUAT ENG @ TAI GUAT ENG	22,321,000	0.592
25.	NG AH BAH @ NG SEE KAI	21,111,100	0.559
26.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR EVEREGION SDN BHD	15,505,300	0.411
27.	NG AH BAH @ NG SEE KAI	15,500,000	0.411
28.	WONG CHUM HING	15,010,000	0.398
29.	LEE CHIN LING	14,000,000	0.371
30.	TAN CHONG SENG	14,000,000	0.371
	TOTAL	**2,725,024,700**	**72.216**

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Second Annual General Meeting of the Company will be held on a virtue basis through live streaming and remote voting via online meeting platform at https://sshsb.net.my/ (Domain Registration No. with MYNIC-D4A004360) on Thursday, 27 June 2024 at 11.00 a.m. for the purpose of considering the following businesses:

AGENDA

AS ORDINARY BUSINESS:

1.	To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon.	*[Please refer to Explanatory Note 1]*
2.	To approve the payment of Directors' fees and benefits amounting to RM 380,000.00 for the financial year ending 31 December 2024.	**Ordinary Resolution 1**
3.	To re-elect Dato' Sri Aminul Islam Bin Abdul Nor who retires by rotation pursuant to Clause 95 of the Company's Constitution.	**Ordinary Resolution 2**
4.	To re-elect Dr. Salihin Bin Abang who retires by rotation pursuant to Clause 95 of the Company's Constitution.	**Ordinary Resolution 3**
5.	To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.	**Ordinary Resolution 4**

AS SPECIAL BUSINESS:
To consider and if thought fit, to pass with or without modifications the following resolution:-

6. **ORDINARY RESOLUTION** — **Ordinary Resolution 5**
RENEWAL OF AUTHORITY FOR DIRECTORS TO ISSUE SHARES

"THAT, subject always to the Companies Act 2016 (the "Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), any directives or modifications or reliefs issued by Bursa Securities from time to time in relation to the general mandate for issue of securities, and the approvals of the relevant governmental and/or regulatory authorities, where such approval is necessary, approval be and is hereby given to the Directors of the Company pursuant to Sections 75 and 76 of the Act to issue and allot shares in the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons as the Directors may in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force provided always that the total number of new shares issued pursuant to this resolution when aggregate with the number of new shares issued during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being.

THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

THAT the Directors of the Company be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approvals hereof.

NOTICE OF **ANNUAL GENERAL MEETING**

(CONT'D)

AND THAT the Directors of the Company are also empowered to obtain the approval from Bursa Securities for the listing of and quotation for the additional shares so issued on Bursa Securities.

FURTHER THAT pursuant to Section 85 of the Act read together with Clause 57 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the existing shareholders of the Company to be offered with new shares ranking equally to the existing issued shares arising from the issuance and allotment of the new shares in the Company pursuant to Sections 75 and 76 of the Act, AND THAT the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company."

ANY OTHER BUSINESS

7. To transact any other business of which due notices shall have been given.

By Order of the Board,

WONG YOUN KIM (SSM Practising Certificate No. 201908000410) (MAICSA 7018778)
LIM LI HEONG (SSM Practising Certificate No. 202008001981) (MAICSA 7054716)
WONG MEE KIAT (SSM Practising Certificate No. 202008001958) (MAICSA 7058813)
Company Secretaries

30 April 2024

Notes:

1. A member of a company entitled to attend and vote at a meeting of a company shall be entitled to appoint any person as his/her proxy to attend and vote instead of the members at the meeting. There shall be no restriction as to the qualification of the proxy.
2. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the members to speak at the meeting. A member shall not appoint more than two (2) proxies to attend and vote at the same meeting. Where a member appoints two proxies, to attend and vote at the same meeting, such appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee which hold ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.
4. The Form of Proxy must be duly completed and deposited with the Company's Share Registrar at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia at least twenty-four (24) hours before the time appointed for the taking of poll at the meeting or any adjournment thereof.
5. If the appointor is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of an officer or attorney duly authorised.
6. The resolutions as set out in the Notice of Annual General Meeting are to be voted by poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
7. For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with the Company's Constitution and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, to make available a Record of Depositors ("ROD") as at 20 June 2024. Only a member whose name appears on such ROD shall be entitled to attend, speak and vote at this meeting or appoint proxy(ies) to attend and/or speak and/or vote on his/her behalf.

NOTICE OF **ANNUAL GENERAL MEETING**
(CONT'D)

Explanatory Note on Ordinary Business:

1. ***Item 1 of the Agenda 1 – Audited Financial Statements for the financial year ended 31 December 2023.***

   The Audited Financial Statements are laid pursuant to Section 340(1)(a) of the Companies Act 2016 for discussion only, shareholders' approval for the Audited Financial Statements is not required. Therefore, this Agenda item will not be put forward for voting.

2. ***Ordinary Resolution 1 – Payment of Directors' fees and benefits for the financial year ending 31 December 2024***

   The proposed Directors' fee and benefits had been reviewed by the Remuneration Committee and the Board of Directors of the Company, which recognise that the Directors' fees and benefits payable are reasonable and are in the best interest of the Company. The proposed Ordinary Resolution 1 is to facilitate payment of Directors' fees and benefits on current financial year basis, calculated based on the number of scheduled Board and Committee meetings for 2024 and assuming that all Directors will hold office until the end of the financial year. In the event the Directors' fees and benefits proposed are insufficient (e.g., due to more meetings or enlarged Board size), approval will be sought at the next Annual General Meeting ("AGM") for additional fees and benefits to meet the shortfall.

3. ***Ordinary Resolutions 2 and 3 – Re-election of Directors pursuant to Clause 95 of the Company's Constitution***

   Clause 95 of the Company's Constitution provides that an election of Directors shall take place each year at the AGM of the Company where one-third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire and be eligible for re-election provided that each Director must retire from office at least once in every three (3) years.

   Both Dato' Sri Aminul Islam Bin Abdul Nor and Dr. Salihin Bin Abang shall retire by rotation, being eligible had offered themselves for re-election at this AGM. Their profile and interest in the securities of the Company are set out in the section of Directors' Profile in the Annual Report.

   The Nomination Committee had assessed the performance of the above Directors based on the performance evaluation criteria which incorporated with the Directors' fit and proper criteria as set out in the Directors' Fit and Proper Policy of the Company. The Nomination Committee was satisfied with their performance in discharging the duties and responsibilities as Director and both meet the Directors' fit and proper criteria. The Board values the contributions of Dato' Sri Aminul Islam Bin Abdul Nor who is the Company's Executive Director in driving the Group's business continuity and business growth. Dr. Salihin Bin Abang as an Independent Non-Executive Director provides check and balance for the Board. He plays an active role in overseeing the Group's corporate governance, financial performance and risk management especially on areas that have significant impact on the Group's sustainability. Based on the above, the Board recognised their contributions and supported the Nomination Committee's recommendation that Dato' Sri Aminul Islam Bin Abdul Nor and Dr. Salihin Bin Abang shall continue serving the Board. Hence, the Board seeks the shareholders to vote in favour of the two resolutions.

Explanatory Notes on Special Business:

4. Ordinary Resolution 5 – Renewal of Authority for Directors to issue shares

The proposed Ordinary Resolution 5, if passed, will give the Directors of the Company the flexibility to issue and allot shares up to an amount not exceeding ten per centum (10%) of the Company's total number of issued shares for the time being upon such terms and conditions and for such purposes and to such person or persons as the Directors of the Company in their absolute discretion consider to be in the best interest of the Company, without having to convene a separate general meeting so as to avoid incurring additional cost and time. The purpose of this general mandate sought will provide flexibility to the Company for any possible fund-raising activities including but not limited for further placement of shares for purpose of funding the Company's current and/or future investment projects, working capital, repayment of borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration, or for such purposes as the Board may deem fit and in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company or at the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

This is the renewal of the general mandate obtained from the shareholders of the Company at the last AGM held on 22 June 2023. As at the date of this Notice of Meeting, no new shares have been issued pursuant to the general mandate granted at the last AGM of the Company and this general mandate will lapse at the conclusion of this Twenty-Second AGM.

Shareholders are advised to take note that the approval given to the Directors under the proposed Ordinary Resolution 5 for the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Companies Act 2016 shall have the effect of the shareholders having agreed to waive and deemed to have waived their statutory pre-emptive rights pursuant to Section 85 of the Companies Act 2016 and Clause 57 of the Constitution of the Company and will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate which this will result in a dilution to their shareholding percentage in the Company.

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance list, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof) and in order for the Company (or it agents) to comply with any applicable laws, listing rules , regulations and/or guidelines (collectively, the "Purposes"). (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

NOTICE OF **ANNUAL GENERAL MEETING**

(CONT'D)

DIGITAL COPY OF ANNUAL REPORT 2023

Please be informed that the digital copy of the Annual Report 2023 of G3 Global Berhad is available for viewing / downloading from the Company's corporate website at www.g3global.com.my or you may scan the QR code below for the documents.

Shareholders may request for copies of the printed Annual Report 2023 at the Share Registrar's website, https://www.sshsb.com.my/new/requestarep.aspx, "Request Annual Report / Circular", key in "**G3 GLOBAL BERHAD**", complete and submit the online request form, or contact Ms. Magesh at telephone 03 - 8800 7000 or e-mail your request to contact@g3global.com.my. The printed copy of the Annual Report 2023 will be sent to you as soon as reasonably practicable after the receipt of your request.

STATEMENT ACCOMPANYING
NOTICE OF ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.27(2) OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

As at date of this Notice, there are no individuals who are standing for election as Directors, except the following existing Directors who retire by rotation and are standing for re-election at the forthcoming Annual General Meeting:

1. Dato' Sri Aminul Islam Bin Abdul Nor
2. Dr. Salihin Bin Abang

Their profiles and their interest in the securities of the Company are set out on out in the section of Directors' Profile of the Annual Report.

The Company will seek shareholders' approval on the general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to the proposed ordinary resolution 5 in the Notice of Annual General Meeting of the Company for details.

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G3 GLOBAL BERHAD
Registration No. 200201002733 (570396-D)
(Incorporated in Malaysia)

No. of Shares Held

CDS Account No.

Proxy Form

Twenty-Second (22nd) Annual General Meeting

I/We * ..... NRIC/Passport/Company No.* .....
(Full name in block letters)

of .....
(full address)

with email address ..... mobile phone no. .....
being member(s) of G3 Global Berhad, hereby appoint:

Full Name (in block letters)	**NRIC/Passport No.***	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Mobile Phone No.			

and/or*

Full Name (in block letters)	**NRIC/Passport No.***	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			
Email Address			
Mobile Phone No.			

or failing him/her, the Chairperson of the Meeting, as *my/our proxy/proxies to vote for *me/us and on *my/our behalf at the Twenty-Second (22nd) Annual General Meeting of the Company which is to be held on a virtue basis through live streaming and remote voting via online meeting platform at https://sshsb.net.my/ (Domain Registration No. with MYNIC-D4A004360) on Thursday, 27 June 2024 at 11.00 a.m. or or at any adjournment thereof and to vote as indicated below:-

Ordinary Resolutions		**For**	**Against**
1.	Approval of the payment of Directors' fees and benefits for the financial year ending 31 December 2024.		
2.	Re-election of Dato' Sri Aminul Islam Bin Abdul Nor as Director.		
3.	Re-election of Dr. Salihin Bin Abang as Director.		
4.	Re-appointment of Grant Thornton Malaysia PLT as Auditors and to authorise the Directors to fix their remuneration.		
5.	Renewal of Authority for Directors to Issue Shares.		

** Strike out whichever is not applicable.*
Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolution. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this ..... day of ..... , 2024

.....
Signature/Common Seal of Member/Rubber Stamp of Member^

^ *Manner of execution:*
- *(a) If you are an individual member, please sign where indicated.*
- *(b) 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.*
- *(c) 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:*
  - *(i) at least two (2) authorised officers, of whom one shall be a director; or*
  - *(ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.*

Notes:

1. A member of a company entitled to attend and vote at a meeting of a company, shall be entitled to appoint any person as his/her proxy to attend and vote instead of the members at the meeting. There shall be no restriction as to the qualification of the proxy.
2. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the members to speak at the meeting. A member shall not appoint more than two (2) proxies to attend and vote at the same meeting. Where a member appoints two proxies, to attend and vote at the same meeting, such appointment shall be invalid unless the member specifies the proportion of his shareholding to be represented by each proxy.
3. Where a member of the Company is an exempt authorised nominee which hold ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.
4. The Form of Proxy must be duly completed and deposited with the Company's Share Registrar at Securities Services (Holdings) Sdn. Bhd., Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia at least twenty-four (24) hours before the time appointed for the taking of poll at the meeting or any adjournment thereof.
5. If the appointor is a corporation, the Form of Proxy must be executed under its Common Seal or under the hand of an officer or attorney duly authorised.
6. The resolutions as set out in the Notice of Annual General Meeting are to be voted by poll pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
7. For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with the Company's Constitution and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, to make available a Record of Depositors ("ROD") as at 20 June 2024. Only a member whose name appears on such ROD shall be entitled to attend, speak and vote at this meeting or appoint proxy(ies) to attend and/or speak and/or vote on his/her behalf.

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AFFIX
STAMP

THE SHARE REGISTRAR OF
G3 GLOBAL BERHAD
Registration No. 200201002733 (570396-D)
SECURITIES SERVICES (HOLDINGS) SDN. BHD.
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Malaysia

2nd Fold Here

Fold This Flap For Sealing

G3 Global Berhad
Company No. 200201002733 (570396-D)

05-05-02, Block 5, Corporate Park, Star Central, Lingkaran Cyber Point Timur, Cyber 12,
63000 Cyberjaya, Selangor Darul Ehsan

T +603 8800 7000

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