

# SUSTAINABILITY STATEMENT

Reflecting on a year of meaningful sustainability initiatives, 2024 signifies sustained momentum and deepened commitment to Environmental, Social, and Governance (“ESG”) considerations. Beyond previous achievements, we focus on embedding sustainability more profoundly into our operations, sculpting a resilient and responsible business. Our dedication is unwavering, grounded in the understanding that sustainable strategies cultivate enduring values and opportunities, playing a pivotal role in addressing climate change challenges. With pride, we unveil our sustainability statement for the financial year, highlighting our ongoing dedication to these principles.

In the realm of the Task Force on Climate-related Financial Disclosure (“TCFD”), our commitment persists. Initiatives are underway to grasp and tackle identified climate-related risks and opportunities proactively. This aligns with continuous improvement efforts, positioning us to make informed decisions, enhance resilience, and capitalise on emerging opportunities in line with the Malaysia Plan’s carbon net-zero target by 2050.

For a comprehensive understanding of our sustainability agenda and Key Performance Indicators (“KPIs”), we’ve enriched our sustainability dashboard. This revamped tool includes additional parameters and graphics, aligning with our commitment to transparency and nuanced comprehension of our progress. Optimising our supply chain for sustainability involves strategic partnerships, minimising environmental and social impact. Upholding data privacy and security principles, we’ve fortified cybersecurity measures. Beyond core business functions, we actively minimise waste, promote responsible consumption through recycling, and champion the circular economy.

Occupational health and safety remain paramount, with measures and training ensuring employee well-being. Embracing digitalisation and advancing our transition to the cloud not only optimise operations but also contribute to a reduced carbon footprint. Technological advancements persist in elevating sustainability performance, providing enhanced value to stakeholders.

Our gratitude extends to dedicated employees, shareholders, and stakeholders. Our collaborative endeavors have firmly established Awantec as a conscientious corporate entity, acclaimed for its leadership in both digitalisation and sustainability within the industry. Our collective efforts distinctly highlight the profound impact of sustainability in shaping a more vibrant and resilient future.





# OUR APPROACH TO SUSTAINABILITY

AwanBiru Technology Berhad, commonly known as “Awantec”, presents the ninth edition of our Sustainability Statement (“the Statement”). This document provides a comprehensive overview, explicating our initiatives and approaches pertaining to environmental, social, and governance (“ESG”) risks and opportunities within our business operations. This instalment showcases our continuous commitment to instilling sustainable practices that enhance value for both our stakeholders and business operations. As we uphold our esteemed status as a leading enabler of digitalisation through talent and technology, we spearhead the charge in our sustainability endeavours.

## REPORTING PERIOD

This report covers the Financial Year 2024 (“FY2024”) over the period of 1 July 2023 to 30 June 2024, unless stated otherwise.

## SCOPE AND BASIS OF SCOPE

The scope of this Sustainability Statement maintains continuity with our prior disclosures, providing a comprehensive overview of Awantec’s sustainability performance and progress within Malaysia, where all its business operations and activities, including the Group’s headquarters and subsidiaries, are based. It diligently covers ESG-related risks, opportunities, and outcomes that hold relevance for our key stakeholders.

## REPORTING FRAMEWORK

This Statement has been developed accordingly to Bursa Malaysia’s Listing Requirements, with reference to the following frameworks and standards.

> Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> Edition)

> FTSE4Good Bursa Malaysia Index Criteria

> Global Reporting Initiative (“GRI”) Sustainability Reporting Standards

> United Nations Sustainable Development Goals (“UNSDG”)

> Task Force on Climate-Related Financial Disclosures (“TCFD”)

## ASSURANCE

Awantec has meticulously crafted this Sustainability Statement, acknowledging our responsibility in maintaining the report’s integrity through stringent governance practices, internal reporting procedures, and independent assurance in line with ISA 210. Consequently, no external assurance measures as stipulated by ISO or ISAE 3000, have been carried out for the data presented in this Statement.

## FEEDBACK

You may access this statement and previous reports on Awantec’s corporate website at [www.awantec.my](http://www.awantec.my). For any feedback or inquiries regarding our report, please contact us at [ceo.office@awantec.my](mailto:ceo.office@awantec.my).



# SUSTAINABILITY GOVERNANCE STRUCTURE

At Awantec, our steadfast commitment to sustainability is a shared responsibility woven into the fabric of our organisation at every level. We recognise that accountability for sustainability practices is paramount. This collective dedication is exemplified through our Sustainability Governance Structure.

Led by our Board of Directors (“Board”), overseeing the Group’s sustainability strategic plan. Their oversight ensures that the Sustainability plan and its considerations align seamlessly with the creation of enduring long-term value. It is then translated to include, but not limited to, a comprehensive sustainability strategy, defined targets, and a robust framework for managing climate-related risks and seizing opportunities for the Sustainability Committee, under the specialised oversight of an appointed board member, led by the CEO and consists of appointed Heads of Departments (“HODs”). Operationalising our sustainability strategy on a day-to-day basis is entrusted to the Secretariat. Translating and decentralising our sustainability strategy and plans into action and overseeing the meticulous implementation of Awantec’s sustainability plans, extending its reach to the Management Committees, HODs, and every individual within Awantec.

We ensure sustainability is an integral part of executive decision-making by linking between performance and responsibility in the compensation and benefits structure for the senior executives, as their remuneration intricately hinges on their success in meeting the sustainability plan, reinforcing a tangible alignment with the Group’s sustainability commitments.

Our commitment materialises in the alignment of our Key Performance Indicators (“KPIs”) to our top executives and across all levels of our organisation with ESG considerations, constituting a fixed 10% of their KPIs, serving as a tangible manifestation to measure, monitor, and set performance targets that resonate with our overarching sustainability goals, incentivising and empowering every employee to actively contribute to our collective sustainability endeavours. This strategic integration fosters a shared commitment, making sustainability a paramount concern for the entire Group as we ardently pursue our sustainability goals.

For more information on how we govern sustainability at Awantec, please visit our website <https://www.awantec.my>.

## BOARD OF DIRECTOR

### Chairman

Led by the Chairman of the Board, consists of members of Awantec’s Board of Directors.



## SUSTAINABILITY COMMITTEE

### Led by CEO

Under the oversight of a member of the board, shall be led by the CEO, consists of appointed HODs.



## SECRETARIAT

### Led by Corporate Governance

Headed by the Corporate Governance Department.



UNSDGS



# PRINCIPLE 1: SUSTAINABLE LIFELONG LEARNING DEVELOPMENT

### MATERIALITY

- Digital Transformation
- Community and Society Investment
- Human Rights and Labour Standard
- Talent Attraction, Growth and Retention

### GRI Standards

- 302: Energy
- 203: Indirect Economic Impacts
- 401: Employment
- 404: Training and Education



## DOING WELL BY CATALYSING DIGITAL READINESS

Malaysia continues to lead in digital transformation with initiatives like MyDigital blueprint, MyDigital Maker, the National Fiberisation and Connectivity Plan (“NFCP”), and the Malaysia Cybersecurity Strategy, aimed at driving economic growth, efficiency, job creation, and sustainability. Awantec, as a key player in technology, proudly contributes to this journey by focusing on equipping the workforce with technological solutions. Our commitment to sustainability and expertise in technology development underpin our efforts to support Malaysia’s digital transformation.

In FY2024, Awantec responded to the growing demand for digital solutions, addressing critical technological gaps and serving as a catalyst for digital transformation. Looking ahead to Financial Year 2025 (“FY2025”), we anticipate the government’s sustained emphasis on technology adoption, promoting Science, Technology, Engineering and Math (“STEM”) education, and bridging the digital divide. We are dedicated to aligning our initiatives with these priorities, driving innovation, and expanding outreach to underserved communities. Together with stakeholders, Awantec is committed to advancing Malaysia’s leadership in the digital era.

At Awantec, our focus is on seamlessly integrating talent development with accessible technology to drive digital transformation. Our extensive multi-cloud management solutions – comprising Software as a Service (“SaaS”) and Infrastructure as a Service (“IaaS”) – enabled us to deliver over 1,200,000 software seats to the Government agencies, businesses, organisations, and individuals in the last financial year.

During the financial year under review, we maintained our membership in Persatuan Industri Komputer & Multimedia Malaysia (“PIKOM”), the national ICT trade association of Malaysia. PIKOM, with its substantial network of over 1,000 active members, is a key advocate for the National Digitisation Agenda, sustainable technology, green IT practices, climate change mitigation and digital economic growth. Our business model aligns seamlessly with PIKOM’s vision and goals, reinforcing our commitment to these critical areas. Awantec is dedicated to playing an active role in PIKOM, supporting initiatives that address climate-related challenges and promote Malaysia’s Digital Transformation agenda. If any inconsistencies or conflicts arise, we address them promptly and thoughtfully, ensuring our commitment to PIKOM’s initiatives remains steadfast. We wholeheartedly support and collaborate on all related efforts, reinforcing our dedication to sustainability as a core aspect of our business practices. Our involvement in PIKOM also underscores our commitment to the UNSDG, ensuring that our efforts contribute to a sustainable future.

## DRIVING DIGITAL READINESS ACROSS THE NATION

Recognising that technology’s impact is amplified when coupled with the right skills, we offer comprehensive training programmes. In collaboration with esteemed partners like Skillsoft, CompTIA, Human Resource Development (“HRD Corp”), Pearson Vue, and Rocheston. We provide training and certification that instils confidence and competence in our users. This holistic approach ensures our clients can effectively utilise digital tools. Our strategy goes beyond providing technology; it’s about nurturing a culture of continuous learning and innovation. By fostering strong adoption of new technologies through our integrated talent and technology approach, we enhance the return on investments and support the National digitalisation agenda. At Awantec, we are committed to empowering our clients to excel in the digital age.

Our comprehensive training programmes, designed for upskilling and reskilling, are primarily delivered through our online learning platform. This method aligns perfectly with our sustainability and digitalisation goals, offering versatility, flexibility, and cost-efficiency. By eliminating the need for travel and paper usage, our approach not only increases efficiency but also reduces Greenhouse Gas Emissions, contributing to environmental friendliness. Supplemented by virtual instructor-led training and occasional classroom sessions, our online platform has become the go-to solution for closing the Digital Readiness gap, with more than 300,000 active users recorded in FY2024. Awantec remains dedicated to fostering Digital Readiness through an integrated strategy of talent development and technology distribution. By offering affordable, accessible technology solutions and robust training programmes, we empower individuals and organisations with the tools and skills needed to succeed in the digital age.

## PRINCIPLE 1: SUSTAINABLE LIFELONG LEARNING DEVELOPMENT

### AWANTEC'S COMMITMENT TO DIGITAL EDUCATION

Our community investment strategy for FY2024 maintains its focus on providing sustainable and high-quality education, aligning perfectly with our business operation in our ongoing contributions to Malaysia's digital economy. By fostering a culture of lifelong learning and equipping our youth with the necessary digital skills, we aim to empower not only our communities but also the nation as a whole to flourish in the ever-evolving digital landscape.

Awantec firmly believes that access to quality education is a fundamental right for everyone. In line with this belief, FY2024 saw us actively participate in government initiatives that promote educational attainment.

A key example of this commitment is our involvement in the National Training Week ("NTW"), organised by the Ministry of Human Resources and HRDCorp. This initiative equips individuals from diverse backgrounds with the future-focused skills and knowledge required to thrive in the job market, aligning perfectly with the objectives outlined in the 12th Malaysia Plan. By supporting such programs, Awantec plays a vital role in empowering our youth and contributing to the nation's skilled workforce development.

Awantec empowers Malaysians to thrive in the digital age. Our Percipio platform offers a vast learning ecosystem with over 22,000 courses, 800 skills benchmark self-assessment tools, and over 160 professional certifications. This empowers individuals of all ages, from preschoolers to young adults, to gain knowledge and in-demand skills. We take pride in offering the most complimentary courses during NTW, ensuring all Malaysians have the opportunity to participate in the digital revolution.

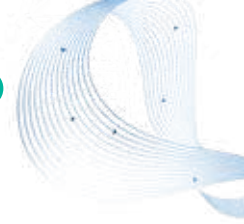
Our commitment extends beyond NTW. We support academics through complimentary seminars and career coaching, fostering their professional development.



Awantec's mission, rooted in upskilling, took center stage during NTW. With our Gen AI learning platform; Skillsoft Percipio, offering courses, professional certification journeys and more.



Awantec has secured a prestigious spot as the Top Course Provider during NTW 2023 by HRDCorp.



## CLOSING THE DIGITAL SKILL GAP: AWANTEC'S KEY TRAINING & DEVELOPMENT INITIATIVE

<p>Digital Transformation</p> 	<p>Providing individuals and organisations with the knowledge and skills necessary to navigate and lead digital transformation initiatives.</p>
<p>Data Analytics</p> 	<p>Improving data analysis capabilities to facilitate effective decision-making through insights derived from data.</p>
<p>Process Automation</p> 	<p>Facilitating the automation of repetitive tasks and business processes to enhance efficiency and productivity.</p>
<p>Cloud Infrastructure</p> 	<p>Cultivating expertise in managing and optimising cloud-based infrastructure to support scalable and flexible IT solutions.</p>
<p>Virtual Collaborations</p> 	<p>Enabling effective collaboration in virtual environments by utilising tools and platforms to improve remote teamwork.</p>
<p>Agile and DevOps</p> 	<p>Promoting agile methodologies and DevOps practices to enhance efficiency in software development and deployment processes.</p>
<p>API Development</p> 	<p>Developing proficiency in designing, creating and managing Application Programming Interfaces to facilitate seamless integration between systems and services.</p>
<p>Programming</p> 	<p>Improving programming skills across multiple languages to enable the development of bespoke software applications and solutions.</p>
<p>Cloud SQL</p> 	<p>Developing expertise in using cloud-based relational database management systems for efficient data storage and retrieval.</p>
<p>Application Coding</p> 	<p>Providing individuals with the skills to code and develop applications using appropriate programming languages and frameworks.</p>
<p>Artificial Intelligence</p> 	<p>Cultivating knowledge and skills in utilising artificial intelligence technologies and tools to drive innovation and efficiency.</p>
<p>Cyber Security</p> 	<p>Enhancing expertise in protecting digital assets, mitigating cyber threats and ensuring data privacy and security.</p>



## PRINCIPLE 1: SUSTAINABLE LIFELONG LEARNING DEVELOPMENT

### DRIVING DIGITAL EXCELLENCE: AWANTEC'S STRATEGIC ALLIANCES IN TALENT AND TECHNOLOGY

In FY2024, Awantec formed a transformative partnership with the Ministry of Education (“MOE”) to enhance the skills of all MOE teachers in Malaysia. This three-year project, valued at RM4.89 million, represents a significant advancement in educational technology.

Through its subsidiary, Awantec Systems Sdn. Bhd., Awantec delivered the Skillsoft Percipio platform – an AI-driven, immersive learning solution. This platform provides MOE teachers with access to Skillsoft Percipio over 3,700 courses and more than 65,000 learning assets, including e-books. This initiative supports the National Digital Education Policy Agenda by fostering professional development and keeping teachers at the cutting edge of educational progress.

MOE aims not only to produce digitally literate students but also to prepare and equip all MOE teachers and school administrators with essential digital knowledge. Through digital learning and the MOE Edu Skills Academy, teachers will be supported in becoming digitally skilled, recognising that the future of education heavily relies on advancements in digital technology. The MOE's strategic partnerships with Awantec is deemed crucial for enhancing the digital competency of educators and administrators, reflecting a global commitment to improving education quality. Transformation is at the core of our mission, propelling organisations, government institutions and their people to grow through transformative learning experiences. Awantec exemplifies the gold standard as a leading partner, delivering transformation alongside Skillsoft.



Awantec's Talent Division clinched a groundbreaking contract with the Ministry of Education in providing innovative technology solutions to elevate education in Malaysia.



Dr. Peter Lee (left), Director of Talent and Development Awantec, receives the prestigious award from Mr. Chuck Mulloy (right), Area Vice President of Skillsoft. This achievement is a testament to the power of learning, growth and the relentless pursuit of excellence.

### DIGITALISING UNEMPLOYED INTO EMPLOYED

In alignment with the continuing shift towards digitalisation within the business environment, Awantec, a trailblazer in digitalisation, has implemented a streamlined recruitment approach. Our core objective is to harness technology to optimise recruitment processes for employers. This ensures the effective conversion of the plentiful pool of high-calibre job seekers into employment opportunities.

Our specialised program, Talent Scout, derived from the Selangor Kerjaya Project, concluded by the end of 2023. The Talent Scout initiative has been instrumental in addressing employment challenges and enhancing workforce capabilities in the region. Through dedicated efforts and strategic collaborations, we are proud to announce that we closed the program with an impressive addition of more than 1,500 placements for the fiscal year of 2024. This significant achievement underscores our commitment to creating meaningful employment opportunities and supporting the career aspirations of individuals across Selangor.

As we transition from Talent Scout, our focus shifts to exploring and implementing other impactful initiatives. These new endeavours will build on the successes and lessons learned from the Selangor Kerjaya Project, continuing our mission to drive economic growth and improve the livelihood of our community. We remain dedicated to fostering a dynamic and resilient workforce that can adapt to the evolving demands of the job market.



In FY2024, Awantec unveiled Awantec TalentXchange (“ATX”) through its subsidiary, Awantec TalentXchange Sdn. Bhd. This innovative Talent as a Service offering is designed to meet the evolving demands of both employers and job seekers by providing seamless talent management solutions. ATX is designed to revolutionise IT talent acquisition through resource augmentation and the integration of Generative AI, set to enhance the efficiency and transparency of the job market via a user-friendly virtual marketplace, underscoring Awantec’s commitment to becoming Malaysia’s trusted partner for technology and talent solutions, driving industry growth through digitalisation and sustainability.



ATX benefits from an extensive network of strategic partners across the public and private sectors, granting job seekers access to premium opportunities. Leveraging AI technology from Skillsoft Percipio, ATX benchmarks candidates to ensure they meet the specific needs of organisations. Targeting a wide array of industries, including Banking and Financial Services, IT, Healthcare, E-Commerce, Retail, Pharmaceutical, Manufacturing, and Transportation and Logistics, ATX has already secured a contract with Velesto Energy Berhad to manage and execute digital project plans. With its comprehensive suite of services, including learning and training, ATX is poised to become the preferred partner for businesses and job seekers looking to optimise recruitment and job search processes in the rapidly evolving digital landscape, offering comprehensive support to job seekers in the following key areas:

Trusted Connections	Expert Guidance	AI-Powered Upskilling	TalentXchange Platform	Proven Track Record
<p>Through strategic partnerships with the public sector and top companies, Awantec TalentXchange offers unparalleled access to premium career opportunities. This opens doors to your next career milestone, making us a valuable ally in your professional journey.</p>	<p>Our recruitment specialists bring years of industry expertise to the table, ensuring a strategic match between talent and organisational needs. This expert guidance guarantees that you find the right fit for your company or your next career move.</p>	<p>We elevate skills with personalised AI algorithms and data-driven insights. Our collaboration with Skillsoft Percipio provides lifelong continuous learning access to 25,000 courses and over 160 professional industry certifications, empowering candidates to succeed in today’s competitive landscape.</p>	<p>Revolutionising the job-seeking experience, our user-friendly TalentXchange Platform promotes transparency and efficiency. This virtual marketplace streamlines the process for both employers and job seekers, ensuring a seamless experience.</p>	<p>Join thousands of satisfied employers and job seekers who have found success through our platform. Awantec TalentXchange is trusted by many for its reliability and results.</p>

ATX represents a significant stride towards addressing the nation’s talent gap and fostering a dynamic job market. By combining cutting-edge technology with a deep understanding of industry needs, ATX is poised to redefine the future of work. Through its innovative platform and comprehensive services, ATX empowers both employers and job seekers, driving economic growth and creating sustainable opportunities for all.



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- 4 QUALITY EDUCATION
- 7 AFFORDABLE AND CLEAN ENERGY
- 8 DECENT WORK AND ECONOMIC GROWTH
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

# PRINCIPLE 2: STAKEHOLDER ENGAGEMENT AND DISCLOSURE

### MATERIALITY

- Digital Transformation
- Community and Society Investment
- Customer Satisfaction
- Human Rights and Labour Standard

### GRI Standards

- 203: Indirect Economic Impacts
- 404: Training and Education
- 413: Local Communities



## DOING WELL BY FORGING PARTNERSHIPS FOR SUSTAINABLE GROWTH

At Awantec, transparency and engagement with stakeholders are a priority for us. We actively seek insights from a diverse range of partners, including government entities and private sector organisations, to remain informed about current and emerging digital challenges impacting Malaysia. This collaborative spirit drives our contribution to the National Digitalisation Agenda. By leveraging our knowledge, expertise, and resources, we aim to create a secure and adaptable digital environment, mitigating the uncertainties inherent in digital transformation and fostering a more stable landscape for all. Building strong and efficient partnerships is key to achieving core value for Awantec, high levels of customer satisfaction.

We empower stakeholders to navigate through open communication and involvement in decision-making processes. This fosters a deep understanding of their needs and concerns, ultimately positioning Awantec as a trusted partner on their digital journeys. Together, we can shape a prosperous and secure digital future for Malaysia. Recognising that stakeholder engagement is an ongoing process, Awantec nurtures these relationships by fostering continuous dialogue and feedback. Through collaboration, we deliver innovative solutions and drive sustainable value for all stakeholders, reinforcing our commitment to responsible growth. Transparent communication ensures stakeholder involvement in shaping our strategies, goals, and initiatives. This annual report exemplifies our dedication to stakeholder engagement and disclosure, showcasing the progress made and our ongoing efforts to create shared value.

## THE STRATEGIC IMPERATIVE OF CUSTOMER SATISFACTION

Awantec in FY2024 remained focused on fostering strong customer relationships and driving sustainable recurring revenue. Throughout the year, our core focus was prioritising customer engagement at every touchpoint. By leveraging digital technologies, we optimised the customer journey, ensuring a seamless and intuitive experience from initial contact to purchase completion. Refined digital purchasing processes and improved turnaround times further solidified our commitment to delivering exceptional value.

To elevate customer satisfaction and streamline these digital processes, we have conducted our annual Customer Satisfaction Survey using the Net Promoter Score ("NPS") methodology. The survey asked customers to rate the likelihood of recommending Awantec's products and services on a scale of 0 (not at all likely) to 10 (extremely likely). Based on their responses, customers were categorised into three groups:



### Promoters

Customers scoring 9 or 10 on the NPS scale are classified as our promoters. These highly satisfied entities become Awantec's biggest advocates, enthusiastically recommending our products and services to others. Their positive experiences translate into a stronger brand reputation and fuel organic growth through word-of-mouth recommendations.



### Passives

Customers scoring 7 or 8 on the NPS scale represent a valuable opportunity for growth, classified as passives. While generally satisfied with our offerings, they haven't yet become vocal advocates. We are committed to further engaging this segment by understanding their needs and exceeding expectations, ultimately transforming them into loyal promoters.



### Detractors

Customer scores of 0 to 6 on the NPS scale are classified as detractors, highlighting our areas for improvement. They may be dissatisfied with our products or services and could even spread negative word-of-mouth. We prioritise understanding their concerns and taking action to address them. By transforming their experience, we aim to convert them into loyal promoters.

## PRINCIPLE 2: STAKEHOLDER ENGAGEMENT AND DISCLOSURE

This year’s Customer Satisfaction Survey provided valuable insights, as reflected in our NPS score: 68.09% Promoters, 28.72% Passives, and 3.19% Detractors. We are encouraged by the high proportion of Promoters, who are enthusiastic advocates for Awantec. However, we recognise the potential for improvement across all customer segments. We actively utilise customer feedback to continuously enhance our offerings, from product development to customer interactions. By listening to and implementing their suggestions, we aim to elevate the customer experience further still. Looking ahead, our commitment to shared values and sustainability remains steadfast. We strive to exceed customer expectations, fostering long-term relationships and driving sustainable growth for Awantec and our partners.

At Awantec, delivering exceptional customer satisfaction is our core focus. Guided by our shared values and sustainability goals, we are continuously implementing innovative strategies to strengthen customer relationships, streamline digital processes, and deliver unparalleled value. This unrelenting commitment is reflected in our established customer satisfaction performance metrics. These metrics, encompassing both short-term targets for FY2025 and long-term aspirations by FY2030, serve as a roadmap for achieving excellence in customer experience.



Customer Satisfaction Performance	Unit	FY2022	FY2023	FY2024
Customer Complaint	Nos	0	0	0
Promoters	%	83	63	68
Passives	%	12	30	29
Detractors	%	5	7	3

### EMPOWERING STAKEHOLDERS: A COMMITMENT TO TRANSPARENCY AND DISCLOSURE

At Awantec, trust and transparency are paramount. We empower our shareholders and investors with essential information through our robust Corporate Disclosure Policy. This policy ensures clear, consistent communication and timely release of material company information to regulatory authorities. Our commitment to transparency allows for the accurate and swift dissemination of updates on financial performance, operations, strategies, and other key matters. Awantec strictly adheres to regulatory requirements, filing necessary information and demonstrating accountability. This approach strengthens stakeholder confidence and positions us for continued success.

We provide timely updates on reports, policies, investor presentations, meeting minutes, and other information on our website: <https://www.awantec.my>. Stakeholders can submit inquiries via our dedicated email: [ir@awantec.my](mailto:ir@awantec.my). Open communication channels enable meaningful dialogue, enhancing stakeholder satisfaction. Our core focus is nurturing long-term relationships with shareholders and investors through transparency, accountability and effective communication. This fosters trust, collaboration, sustainable growth and shared value for all stakeholders.



## FINANCIAL RESULTS

Awantec prioritises clear and timely communication with our shareholders. This commitment is reflected in two key practices. Firstly, we adhere to a strict quarterly reporting schedule, promptly releasing key financial data and insights alongside our results. This ensures shareholders are kept abreast of the Group's performance and operations. Secondly, following each quarter, we conduct in-depth analyst briefings on Bursa Malaysia Securities Berhad's platform. These sessions offer a deeper dive into the financials and address any questions or concerns raised by investors. Presentation materials are readily available on our website for ongoing reference. Through this open and accessible approach, we foster trust and transparency with our valued shareholders.

## SHAREHOLDER BASE

As of 30 June 2024, Awantec's shareholder base has undergone a positive transformation, reflecting a strategic consolidation and strengthening of our core investor group. The total number of shareholders has reduced by 5.43%, bringing the count to 7,220, compared to the 7,635 shareholders recorded in Financial Year 2023 ("FY2023"). This reduction signifies a more streamlined and focused shareholder base, enhancing the stability and potential for strategic growth.

Our three major shareholders continue to demonstrate robust confidence in our company. Areca Dynamic Growth Fund, Eco Cloud Assets Sdn. Bhd., and AHAM Multi-Asset Fund hold significant direct equity stakes of 13.06%, 10.10%, and 7.02% of the total share capital, respectively. This strong backing from our key stakeholders underscores their commitment and belief in our long-term vision and growth prospects.

In addition, foreign shareholdings comprise 4.63% of the total share capital, reflecting sustained international interest and trust in Awantec's market position and future potential. Overall, the strategic consolidation of our shareholder base, coupled with continued support from major stakeholders, positions Awantec for a promising and resilient future.

## SHARE PERFORMANCE

Throughout the financial year, Awantec has demonstrated commendable performance in our share prices, showcasing resilience and strategic growth amidst a dynamic market environment. Beginning with an opening price of RM0.405 on 1 July 2023, our stock prices navigated through a period of fluctuations, ultimately stabilising and reflecting sustained investor confidence by closing at RM0.445 on 30 June 2024, reflecting a percentage increase of 9.88%.

1 <sup>st</sup> Quarter Result FY2024	23 November 2023
2 <sup>nd</sup> Quarter Result FY2024	22 February 2024
3 <sup>rd</sup> Quarter Result FY2024	7 May 2024
4 <sup>th</sup> Quarter Result FY2024	30 August 2024

During this period, Awantec's stock experienced turmoil, primarily due to our affected issuer status. These fluctuations, rather than detracting from our overall performance, highlight our resilience and ability to recover and maintain stability. Notably, we have since been lifted from the affected issuer status, a testament to our effective resolution strategies and the solidification of our business profitability and operational foundation.

The total number of shares, which includes treasury shares, stands at 789,986,700. Key drivers behind our performance include unwavering commitment to innovation, customer satisfaction and sustainable business practices. Our investments in cutting-edge technologies and expansion into new markets have fortified our position, attracting sustained investor interest and confidence. This period has reinforced Awantec's position as a formidable and reliable player in the industry, ready to navigate and thrive in a dynamic market landscape.

## DIVIDEND POLICY AND RETURN TO SHAREHOLDERS

In line with our strategic priorities and ongoing growth initiatives, the Board has decided not to declare a dividend for the FY2024. This decision aligns with our continued commitment to reinvesting in our operational infrastructure and expanding our business units. As we remain in an accelerated growth phase, we believe that directing resources towards these areas will strengthen our foundation for future success. By focusing on strategic investments, we aim to capitalise on new opportunities, enhance market share, and ultimately deliver greater returns for our shareholders over the long term. Our dedication to advancing our growth objectives and providing sustainable value for our investors remains resolute.



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# PRINCIPLE 3: COMMITMENT TO CORPORATE RESPONSIBILITIES

**MATERIALITY**

- Climate Change
- Energy Management
- Water Management
- Waste Management
- Greenhouse Gas (“GHG”) Emissions
- Community and Society Investment

**GRI Standards**

- 203: Indirect Economic Impacts
- 301: Materials
- 302: Energy
- 303: Water and Effluents
- 305: Emission
- 306: Waste



## CLIMATE CHANGE

Awantec recognises the impact of climate change on our business and views it as a risk and opportunity to drive innovation and value creation. We are actively involved in supporting climate change related public policies and regulations in Malaysia, alongside other businesses committed to a sustainable future. Our dedication to environmental responsibility is unwavering, focusing on resource conservation, renewable energy adoption and promoting energy efficiency. We continually evaluate our strategies and take proactive steps to minimise our environmental footprint, all while ensuring compliance with relevant regulations.

We adhere to various public policies, international guidelines and regulations to ensure that our business practices and disclosures align with the best practices in combating climate change. These guidelines and regulations include, but are not limited to:

- Bursa Malaysia Sustainability Reporting Guide 3rd edition
- Global Reporting Index (“GRI”) Standards
- United Nations Sustainable Development Goals (“UNSDG”)
- Task Force on Climate Change Financial Disclosure (“TCFD”)
- Malaysia Code on Corporate Governance (“MCCG”)
- Environmental Quality Act 1974 (“EQA”)

Awantec was awarded the esteemed SME100 Awards 2023 for our sustainable practices. This reinforces our position as a trusted partner with strong ESG commitment. The consecutive win in the “Sustainable Brands Awards” category validates our ability to balance reliable solutions with eco-conscious practices through strategic partnerships. The rigorous SME100 Award selection process underscores our dedication to building trusted partnerships and a sustainable future.



*Photo (on the right): Awantec's Chief Executive Officer, En. Azlan Zainal Abidin said the recognition reinforced Awantec's position as Malaysia's trusted partner in Technology and Talent solutions.*



## PRINCIPLE 3: COMMITMENT TO CORPORATE RESPONSIBILITIES

### AWANTEC'S CLIMATE CHANGE INITIATIVES AND PROJECTS

As a sustainable and ethical business, Awantec understands the urgency in addressing the issue of climate change and its effect on our business and community. Recognising the significant impact these emissions have on the environment and the communities in which we operate, we are committed to reducing our carbon footprint and alleviating or avoiding the adverse impacts of greenhouse gas on the environment and communities in which we operate. This commitment is evident in our alignment of actions and disclosures with the recommendations of the TCFD.

As part of our efforts to address climate change through adaptation, we have introduced the following initiatives:

 <p><b>Measuring and Reporting Carbon Footprint</b></p>	<p>Aligned with the TCFD and the Paris Agreement's goal of limiting global warming below 2°C, Awantec prioritises measuring and reporting our carbon footprint. We assess Scopes 1, 2, and 3 emissions across all operations. This comprehensive approach identifies areas for improvement, allowing us to reduce, avoid the impact or improve our efficiency to set targets for reducing our emissions. Further solidifying our commitment, in FY2024, Awantec maintained our science-based reduction targets linked to each department's ESG key performance indicators ("KPIs"). This initiative demonstrates our dedication to weaving climate change initiatives into the fabric of our operations.</p>
 <p><b>Assessing Climate-Related Risks</b></p>	<p>We will continuously update our climate change-related risk assessments using the latest information available through Representative Concentration Pathways ("RCP") analysis by credible sources. These scenarios model predicts the impact of climate change based on varying levels of greenhouse gas concentrations. This approach enables us to identify risks across various aspects, including operations, expenses, investments, and debt, ensuring our business and financial planning remains resilient.</p>
 <p><b>Setting Sustainability Goals</b></p>	<p>Our sustainability goals include key elements from ESG: reducing GHG emissions and energy intensity, integrating TCFD, promoting fair income, training, succession planning, anti-corruption, enhancing cybersecurity and etc.</p>
 <p><b>Implementing Decarbonisation Strategies</b></p>	<p>Through a series of targeted programmes and initiatives, we are actively working to minimise our carbon footprint and contribute to a cleaner, healthier planet for all.</p>



## AWANTEC'S SUSTAINABILITY GOALS

### ENVIRONMENT: Climate Change

In FY2024, Awantec maintained its unwavering commitment to environmental responsibility. We have consistently reduced GHG emissions intensity across all scopes, underlining our dedication to minimising our environmental footprint. We continue to embrace the evolving TCFD framework, as well as carrying out initiatives in relation to combating climate change. Recognising the importance of energy consumption as a major contributor to GHG, we isolate energy intensity target in order to reduce or avoid the impact or improve our energy efficiency in mitigating transition risks associated with shifting towards a low-carbon economy by setting reduction targets for energy consumption across all departments, with key performance indicators in place. This commitment is reflected in our Sustainability Policy as well as Green ICT Policy, both of which can be found at our website <https://www.awantec.my>.

Goal	Baseline By FY2022	Short Term Targets By FY2025	Long-Term Target By FY2030	Progress By FY2024
Reduction in total GHG Emission per employee, derived from scope 1, 2 and 3.	Total GHG emission intensity stand at 3.83 tCO <sub>2</sub> e/employee.	Reduce 15% of total GHG emission intensity to 3.024 tCO <sub>2</sub> e/employee.	Reduce 25% of total GHG emission intensity to 2.52 tCO <sub>2</sub> e/employee.	Total GHG emission intensity stand at 3.43 tCO <sub>2</sub> e per employee. A reduction of 10% from the base year FY2022.
TCFD Integration.	Partial Integration to TCFD Framework.	Full integration to TCFD Framework. Encompass the 4 thematic areas of Governance, Strategy, Risk Management, Metrics and Targets.	Continuous improvement and alignment to the TCFD framework. To carry out 10 initiatives in relation to combat climate change.	TCFD is integrated with all thematic areas completed. In addition, Cloud migration and green screening for our supply chain have been completed.
Energy Intensity reduction.	2,246 kWh per employee.	Reduce to 2,000 kWh/employee (10% reduction).	Reduce to 1,800 kWh/employee (20% reduction).	1,694 kWh/employee (25% reduction).

## PRINCIPLE 3: COMMITMENT TO CORPORATE RESPONSIBILITIES

### SOCIAL: Labour Standards, Human Rights & Community

At Awantec, we understand our staff are the bedrock of our achievements. We create a positive working environment focused on both well-being and professional development. This means offering a stable environment, competitive compensation reflecting their value, and opportunities for training and development. Additionally, a comprehensive succession plan ensures smooth leadership transitions. Investing in our people cultivates a loyal and engaged workforce, essential for our continued success.

Goal	Baseline By FY2022	Short-Term Targets By FY2025	Long-Term Target By FY2030	Progress By FY2024
Stable Work Environment.	Average turnover rate of 11% for all industries in 2022.	Maintain a low average turnover rate of less than 5% per financial year.	Further reduce the average turnover rate to 3% or less per financial year.	3% average voluntary turnover rate.
Decent Work and Fair Income.	Malaysia's minimum monthly wage of RM1,500 and industry benchmark.	Ensure employees are paid above minimum wage and equal to industry benchmark.	Ensure employees are paid above industry benchmark.	Employees are paid well above minimum wage and equal to industry benchmark.
Training & Development.	Average 5.37 training man days in FY2022.	Fulfil or exceed baseline average training man days.	Individual development programme.	Average 4.90 training man days.
Succession Planning.	Initiate establishing first tier successors for all positions.	Complete the first tier successors for all positions.	Establish the second tier of successors for all positions.	First tier successors are established for all positions. Second Tier successors are currently being established.



## GOVERNANCE: Corporate Governance

At Awantec, our corporate governance practices are a source of immense pride and a cornerstone of our success. Our commitment extends beyond financial health to include robust sustainability efforts. We have implemented a comprehensive Anti-Bribery and Anti-Corruption policy to uphold the highest ethical standards in all our business activities. Additionally, we prioritise cybersecurity, making substantial investments to secure our information systems and protect customer data.

Goal	Baseline By FY2022	Short-Term Targets By FY2025	Long-Term Target By FY2030	Progress By FY2024
Strong Sustainability Performances.	FTSE 4Good Rating average of 2.4 within the technology industry.	Maintain above average rating of 2.4 for technology industry.	Be on par or exceed the rating of technology industrial peers.	ESG rating of 4.3 with grading band of four out of four star.
Anti Corruption & Anti-Bribery.	Initiatives and controls in place to mitigate incidents of corruption.	Establishment of related policy, whistleblowing mechanism, risk assessment, procedures and etc. to adequately protect Awantec from identified risk.	Group-wide training on Anti-Bribery, Anti-Corruption and usage of whistleblowing channels. To assess risk of corruption across Awantec.	We have implemented anti-corruption and anti-bribery measures, including a whistleblowing channel, policy, procedures, and training programs. These measures are subject to continuous review to ensure their effectiveness in mitigating bribery and corruption risks.
Robust Cybersecurity.	Existing cybersecurity controls and recorded incidents.	Assessment and establishment of cybersecurity readiness plan.	ISO 27001 (Information Security Management) certified & additional cybersecurity assessment.	Remediation has been done to address weaknesses identified from Vulnerability Assessment & Penetration Test ("VAPT") conducted.

## PRINCIPLE 3: COMMITMENT TO CORPORATE RESPONSIBILITIES

### AWANTEC'S CLIMATE RISK ASSESSMENT

At Awantec, our ethical conduct extends to tackling climate change. Our Board of Directors (“**Board**”) recognise it as a relevant risk, potentially disrupting operations, and an opportunity to drive innovation in sustainable solutions. Aligning with the TCFD framework, we assessed our climate-related risks and opportunities, ensuring transparency for stakeholders.

In the past year, management has continued to integrate our climate-related risk management procedures into our company-wide, multi-disciplinary risk management framework. Using the 2-degree Celsius scenario as a reference point, our climate scenario analysis considers the projected common climate-related impacts on Malaysia, as indicated by the Representative Concentration Pathway (“**RCP**”). This risk assessment exercise allowed us to identify significant areas of risk and opportunities associated with climate change impacts on our business operations and planning, including operational expenditure (“**OPEX**”), capital expenditure (“**CAPEX**”), mergers and acquisitions (“**M&A**”) and debt.

These identified risks are addressed in our risk management framework accordingly to their type, causes, impacts, controls, treatments and time horizon. We have developed a range of strategies and initiatives aimed at increasing our resilience to climate-related risks and seizing emerging opportunities in the low-carbon economy. Our progress will be measured and benchmarked through specific metrics and targets, which will be reviewed and updated annually. These analyses will also be incorporated into our financial planning and reporting processes to our stakeholders.

Our climate-related risk assessment summary could be view at our website: <https://www.awantec.my>.

### SUSTAINABLE CAPITAL ALLOCATION

Awantec’s commitment to sustainability is evident in our approach to CAPEX allocation. Guided by our climate risk assessments and sustainability targets, we have established a dedicated budget for sustainability within our financial planning process. This budget undergoes an annual review to ensure it remains aligned with our goals. By strategically allocating financial resources to projects and initiatives that advance sustainability, we aim to reduce our GHG emissions and promote environmentally responsible practices.

Furthermore, we are committed to aligning all future capital expenditures with our long-term GHG targets and phasing out investments in carbon-intensive assets or products, as outlined in our Green ICT Policy, which can be accessed at <https://www.awantec.my>. Integrating decarbonisation objectives into our CAPEX evaluation and allocation highlights Awantec’s steadfast dedication to achieving long-term sustainability. This comprehensive approach not only drives us towards a greener future but also underscores our commitment to transparency, accountability and tangible progress in addressing climate change.



## AWANTEC'S DECARBONISATION STRATEGY

Awantec approaches our goal of reducing GHG emissions intensity through a multi-pronged decarbonisation strategy, where we will continuously strive for improvement through a range of programs and initiatives placed under annual review. The following strategies outline our primary approach for FY2024, these strategies target key areas for emission reduction, and by diligently pursuing them, we anticipate a quantifiable decrease in our overall GHG emissions. This commitment demonstrates our leadership in environmental responsibility.

Action	Key Element	Quantified Contribution
Reduction of electrical usage through company-wide climate-related KPI.	Base KPI to reduce 10% of electricity usage.	Estimate reduction of 10% of electricity usage from scope 2, includes reduction of active usage. This would be quantified to a total contribution of 2% reduction to the total GHG emission intensity.
Reduction of water usage through company wide climate-related KPI.	Base KPI to reduce water usage intensity from 34 litre per employee.	Estimate reduction of 5% of water usage from scope 2, includes reduction of active usage. This would be quantified to a total contribution of less than 1% reduction to the total GHG emission intensity.
Reduction of paper usage through company wide climate-related KPI.	Base KPI to reduce 20% of paper usage.	Estimate reduction of 20% of paper usage emission from scope 3, includes reduction of paper usage due to digitalisation. This would be quantified to a total contribution of less than 1% reduction to the total GHG emission intensity.
Reduction of electrical and paper usage by gradual replacement of existing items such as printers, fridge, lightings to energy-efficient alternatives.	Gradual.	Gradual.

## WASTE MANAGEMENT

At Awantec, we view waste management as a critical aspect of environmental responsibility, even when it comes to our everyday non-hazardous waste. We take a serious approach to minimising our environmental footprint, championing the principles of a circular economy, aiming to divert waste from landfill and keep resources in use for longer. This direction is outlined in our Green Information and Communication Technologies ("ICT") Policy which can be found at our website.

To achieve this, we have implemented a comprehensive recycling programme with clearly labelled bins for plastic, glass, paper and metal, conveniently located on every floor. New employees receive clear guidance on proper waste sorting during their induction. By measuring our general waste consumption, we can identify areas for improvement and track our progress to maintain a 10% recycled waste goal. These initiatives, fostering a culture of environmental responsibility amongst our workforce, demonstrate Awantec's unwavering commitment to a sustainable future. In FY2024, we have achieved our target of recycling 10.49% out of our total waste generated.

	Unit	FY2022	FY2023	FY2024
Total Waste Generated	kg	-	-	2,131.72
General Waste	kg	-	-	1,908.04
Recycled Waste	kg	584.00	194.25	223.68

## PRINCIPLE 3: COMMITMENT TO CORPORATE RESPONSIBILITIES

### WATER MANAGEMENT

At Awantec, we recognise that effective water management is a crucial aspect of our commitment towards sustainability. We consider water management as a materiality matter, aligned with the goals set out by the UNSDGs. We are firmly committed to water stewardship and have implemented comprehensive water conservation practices across the company. In FY2024, we made progress by integrating water consumption KPIs across all departments. This initiative successfully achieved our target of a reduction in water consumption compared to our FY2023 baseline. It has actively engaged our employees in water conservation efforts, fostering a company-wide culture of environmental responsibility, while directly supporting our broader aim of reducing our overall carbon footprint, as water conservation is directly linked to reducing our carbon emission.

To facilitate this, we have utilised individual water metres on every floor of our buildings. The granular level of monitoring allows us to track water usage with precision and identify any leaks or abnormalities promptly. This unwavering dedication to water stewardship is further solidified by our comprehensive Sustainability Policy, available on our website. The policy serves as a public statement of Awantec's commitment to responsible resource management and fostering a healthier planet for all.

### AWANTEC'S GREENHOUSE GAS EMISSION

Awantec, a responsible corporate entity, recognises the urgent need to address climate change and its significant impact on our environment. We are committed to transparency and are proud to present our comprehensive disclosure of total operational GHG emissions data. This disclosure encompasses all Scopes 1, 2, and 3 emissions associated with our entire business operations and buildings. Our holistic approach facilitates the expert collection of emission data. This is supported by our co-owned, accessible sustainability dashboard which empowers all Awantec departments. Through this initiative, every member is actively involved in pursuing greener practices, while closely monitoring progress, metrics and targets towards achieving our environmental goals.

The utmost credibility of our reported information is assured through diligent assessment by both our internal and external auditors. The precision of our emission calculations is meticulously maintained by adhering strictly to the globally recognised GHG Protocol Corporate Accounting and Reporting Standard where possible. To further minimise uncertainty, emission data is directly sourced from local electricity and water suppliers. Our holistic approach facilitates the collection of our emission data, supported by our co-owned sustainability dashboard which serves all Awantec departments. Facilitating active involvement in pursuing greener practices, while closely monitoring progress, metrics and targets towards achieving our environmental goals.

Awantec is firmly committed to leading by example. We demonstrate that sustainability and profitability can go hand-in-hand. By disclosing our full operational greenhouse gas emissions and embracing transparency, we aim to inspire the entire industry. This will foster a collaborative effort towards a greener and more sustainable future for all.



Description	Unit	FY2022	FY2023	FY2024
<b>Total GHG Emissions</b>	tCO <sub>2</sub> e	405.86	465.84	445.90
GHG Emissions Intensity	tCO <sub>2</sub> e/employee	3.83	3.56	3.43
Internal Carbon Pricing	RM	171,168.10	209,143.94	209,276.75
Internal Carbon Pricing	USD	40,585.84	46,584.22	44,590.22
Total number of employee	Nos	106	131	130
<b>Scope 1 Emissions</b>	tCO <sub>2</sub> e	81.26	82.25	69.78
Scope 1 Emissions Intensity	tCO <sub>2</sub> e/employee	0.77	0.63	0.54
Scope 1	USD	8,126.00	8,225.32	6,977.81
Fugitive Emissions – Refrigerants	tCO <sub>2</sub> e	79.3	79.36	67.73
Fugitive Emissions – Fire Suppressants	tCO <sub>2</sub> e	0.04	0.04	0.04
Mobile Combustion Emissions – Company Vehicle	tCO <sub>2</sub> e	1.92	2.85	2.01
<b>Scope 2 Emissions</b>	tCO <sub>2</sub> e	165.62	132.52	121.70
Scope 2 Emissions Intensity	tCO <sub>2</sub> e/employee	1.56	1.01	0.94
Scope 2	USD	16,551.84	13,251.83	12,170.40
Total Electricity consumption	kWh	238,068.00	240,078.51	220,192.43
Energy Intensity	kWh/employee	2,245.92	1,832.66	1,693.79
Total water consumption	m <sup>3</sup>	680.00	1,079.83	1,064.28
Water Intensity	m <sup>3</sup> /employee	6.42	8.24	8.19
<b>Scope 3 Emissions</b>	tCO <sub>2</sub> e	159.08	251.07	254.42
Scope 3 Emissions Intensity	tCO <sub>2</sub> e/employee	1.50	1.92	1.96
Scope 3	USD	15,908.00	25,107.06	25,442.01
Purchased Goods and Services	tCO <sub>2</sub> e	7.19	2.28	3.61
Paper	ream	310	136	215
Business Travel & Commute	tCO <sub>2</sub> e	151.89	248.79	250.81
Employee Commute	km	776,532.00	1,443,600.00	1,432,855.50
Business Travel: Road-Bound	km	51,400.00	98,929.15	145,087.69
Business Travel: Air	km	0.00	1,414.19	27,387.20

Description	Unit	FY2024	% of Emission
<b>Total GHG Emissions</b>	tCO <sub>2</sub> e	445.90	100.00%
Scope 1 Emissions	tCO <sub>2</sub> e	69.78	15.65%
Scope 2 Emissions	tCO <sub>2</sub> e	121.70	27.29%
Scope 3 Emissions	tCO <sub>2</sub> e	254.42	57.06%





**UNSDGS**

- 

3 GOOD HEALTH AND WELL-BEING
- 

5 GENDER EQUALITY
- 

8 DECENT WORK AND ECONOMIC GROWTH
- 

10 REDUCED INEQUALITIES
- 

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

# PRINCIPLE 4: ENGAGING WORKPLACE

## MATERIALITY

- Diversity & Inclusion
- Equal Opportunity
- Human Rights & Labor Standard
- Community and Society Investment
- Talent Attraction, Growth and Retention

## GRI Standards

- 405: Diversity and Equal Opportunity
- 406: Equal Opportunity
- 404: Training and Education
- 409: Forced or Compulsory Labour
- 407: Freedom of Association & Collective Bargaining



## FROM WORKPLACE TO COMMUNITY: EXPANDING OUR POSITIVE INFLUENCE

Awantec's core values guide every decision we make, reflected in our commitment to ethical conduct, social responsibility, human rights, fair labour practices, and fostering a diverse and inclusive workplace. We champion equal opportunity and uphold international labour standards. This translates into a supportive environment for our team members, offering a reduced workweek, flexible scheduling and competitive compensation.

Investing in employee growth is paramount at Awantec. Our extensive training programs equip our workforce with the latest digital skills, ensuring they remain at the forefront of the ever-evolving technological landscape. Regular performance reviews provide valuable feedback and development opportunities, supporting their professional journey. We cultivate a culture of collaboration and recognition, evident in our recent 20th-anniversary celebration, which honoured employee contributions and our collective achievements. Events like Chinese New Year and Hari Raya Aidilfitri showcase our commitment to cultural diversity, fostering a workplace where employees can share and celebrate their traditions.

Our social responsibility initiatives such as Ramadan donations and blood donation drives, organised in collaboration with Pusat Darah Negara, exemplify our commitment to community engagement and support. These efforts build a strong foundation for employee satisfaction, personal growth, and overall success, while leaving a positive impact on the communities we serve. Through these initiatives, Awantec not only nurtures a thriving workplace but also contributes to the broader social and economic development of the regions in which we operate.

## EMPOWERING AWANTEC'S WORKFORCE

At Awantec, our core values are the foundation upon which every decision is made. These values align with our unwavering commitment to international human rights instruments, including the foundational principles of the International Bill of Human Rights and the UN Guiding Principles on Business and Human Rights. This dedication ensures that ethical conduct, respect for human dignity, and social responsibility are paramount in all our endeavors. Further solidifying this commitment is our comprehensive Human Rights Statement, available on our website. This statement details our actions and commitments, underscoring our unwavering dedication to promoting human rights and social justice throughout our operations.

Our dedication extends to our human resource practices, ensuring we strictly adhere to all relevant labor and employment laws, including the Employment Act 1955. We understand that effective communication with our employees is essential. Informed employees are empowered employees. For this reason, we have developed a comprehensive employee handbook written in English, a language our workforce is proficient in. This handbook serves as a clear and accessible guide to our employment terms, benefits, policies, best practices and guidelines. Our employee handbook is presented to all our new hires during onboarding and is readily available for download through our employee portal. Furthermore, any updates or revisions are proactively communicated via company-wide email, ensuring our employee is kept informed and updated. Additionally, we hold Town Hall meetings when needed to inform our employees of critical information or the company's status, keeping everyone well-informed and engaged.

Throughout the past financial year, we have maintained a vigilant approach to monitoring and upholding all relevant regulations to the highest standards of fair and ethical labour practices. We are pleased to announce that during this financial year, we have maintained our target of zero non-compliance with human rights violation or labour standards. This achievement stands as a testament to our unwavering commitment to treating our employees with respect and fostering a safe and equitable working environment for all. By prioritising clear communication and upholding ethical labor practices, Awantec builds a strong foundation for employee satisfaction, professional growth, and ultimately, the success of our company.

Customer Satisfaction Performance	Unit	FY2022	FY2023	FY2024
Number of substantiated complaints concerning human rights violation or labour standards	Nos	0	0	0

## PRINCIPLE 4: ENGAGING WORKPLACE

### LOCAL EMPLOYMENT

At Awantec, fostering local employment is a cornerstone of our sustainability strategy. This approach aligns perfectly with our vision to create a positive impact on the economic and social development of the communities in which we operate. Furthermore, it delivers significant environmental benefits by reducing our carbon footprint through minimising long-distance commuting or relocation. Shorter commutes for our employees also promote a healthier work-life balance, ultimately enhancing their overall wellbeing. By achieving a 100% local hiring rate in FY2024, this focus on local employment allows us to make tangible progress towards a more sustainable future, one that aligns seamlessly with our core values and the needs of the communities we serve.

Building on our commitment to youth employment through apprenticeships and graduate placements, we have dedicated five internship positions for the 2024 fiscal year. Our internship programme offers young people valuable practical experience, serving as a springboard for successful careers. Our internship policy ensure equal employment opportunity for the underprivileged group, including those from deprived backgrounds, having poor social status and with no formal education or qualifications. By leveraging our expertise in training and development, we equip interns with the necessary skills and knowledge to flourish professionally.

### EMBRACING DIVERSITY: AWANTEC'S COMMITMENT TO DIVERSITY, EQUITY & INCLUSION

Recognising the competitive edge gained from a rich tapestry of knowledge and perspectives, Awantec firmly believes that diversity and inclusion are the cornerstones of our success. This commitment manifests in our unwavering support for equal opportunities and workplace diversity. We do not tolerate discrimination based on race, religion, gender, age, sexual orientation, disability and nationality.

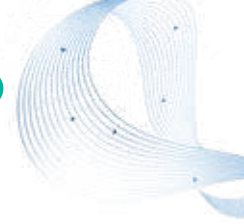
We achieve this through our Diversity Policy, committing to foster a good corporate culture that embraces gender diversity in the boardroom. To achieve this, we aim to ensure at least 30% of our directors are women, possessing the right mix of skills as outlined in the Malaysian Code on Corporate Governance ("MCCG"). Our Equality, Diversity and Inclusion Policy fosters a truly inclusive environment for our entire workforce. This guarantees that recruitment and promotion are based solely on competency-based merits. Beyond policies, we cultivate a culture of respect where everyone feels valued, empowered, and appreciated for their unique contributions. By embracing diversity and inclusion, Awantec is building a brighter future, not just for the company, but for our employees, the communities we serve, and the world at large.

### UPSKILLING AND RESKILLING OUR EMPLOYEE

At Awantec, we are wholeheartedly dedicated to enhancing the skills of our workforce in a continually evolving digital environment. This dedication aligns perfectly with our sustainability objectives of promoting equal growth opportunities, boosting digital preparedness, and attracting top talent. Our primary goal is to equip our employees with the expertise required to embrace digitalisation, thereby establishing a robust digital foundation that enables us to lead our clients and stakeholders on a successful digitalisation journey. To keep track of our employees' performances and developments, we continue with our practice of regular performance and career development reviews via semi-annual Employee Performance Management ("EPM") sessions. For the financial year under review, all of our employees were appraised as means of acknowledging their roles and contributions. Complimented by our Competencies Assessment ("COMPASS"), Performance and Potential Matrix ("PPM"), and career succession planning. The EPM continues to be a platform for our employees to identify their strengths and performance gaps toward successful career development for each and every single one of them.

To realise this, we implement a range of training programmes tailored to address the varied needs of our employees. One of our key training platform is our brown bag sessions, which provide opportunities for employees to learn about the latest trends and technologies. These sessions foster a culture of continuous learning and knowledge sharing within our organisation. Additionally, we utilise Skillsoft Percipio as our digital learning platform, offering a wide array of courses and resources that allow our employees to learn at their own pace and in a manner that suits their individual learning styles. This platform ensures that our team has access to the most current information and skills necessary to stay ahead in the digital age. These programmes are designed to deepen our employees' understanding of cloud computing and its applications, preparing them to effectively guide our clients through their cloud adaption journeys.

Whilst our training programmes prioritise our business operations, we ensure that we allocate sufficient resources in adherence to our learning and development plan. This plan includes competency and skill development programmes identified through strategic training needs analysis and COMPASS. This includes conducting semi-annual COMPASS discussions with employees to identify individual competencies and cluster performances. Through these discussions, we select appropriate programmes that address skill and knowledge gaps at the individual, group, and organisational level. In the FY2024, we achieved an average of 39 training hours per employee, empowering our team through continuous learning and development.



For this fiscal year, we have provided training on the following subjects:



#### Sustainability

We delved into environmental concerns, their impact on businesses, and how to identify and manage ESG risks and opportunities.



#### Risk Management

Employees gained valuable insights into identifying, assessing, and mitigating organisational risks across various areas like safety, cybersecurity, and business continuity. This ensures we can adapt and thrive in a changing environment.



#### Leadership and Growth

The program fostered leadership skills for navigating digital transformation while promoting employee well-being and fostering a collaborative work environment.



#### Core Skill

We strengthened core values, refreshed compliance knowledge such as anti bribery and corruption, or conflict of interest, and honed skills in innovation, creativity, and workplace safety practices.

## FAIR COMPENSATION

At Awantec, we believe our employees are our greatest asset. To demonstrate this commitment, we exceed the minimum wage requirements set by the Malaysian Minimum Wage Order, guaranteeing a minimum gross salary of RM2,200 for both permanent and contract staff, well above the national minimum of RM1,500. Additionally, we align our pay structures with market standards through a comprehensive salary benchmarking process. Our dedication to fair compensation not only ensures our employees are well-rewarded but also strengthens our position as an employer of choice.

## EQUAL PAY FOR EQUAL WORK

We believe in equal pay for equal work, adhering to the Employment Act 1955, which prohibits discrimination in remuneration based on gender or other protected characteristics. Our commitment to fairness, inclusivity, equality, and diversity extends to our Code of Conduct and dedicated Equality, Diversity, and Inclusion policies. These policies actively prevent unfair practices in pay and benefits. We further ensure transparency and compliance through regular audits and assessments, prioritising objective factors such as job responsibilities, skills, and performance when making compensation decisions. This approach ensures that everyone is rewarded fairly for their contributions in our dedication to fostering a diverse and equitable workplace where equal pay is a lived reality, promoting long-term prosperity for both our employees and our organisation.

## FREEDOM OF ASSOCIATION & COLLECTIVE BARGAINING

Upholding the rights and welfare of our employees is central to our organisational values. We are committed to foster an environment that supports and respects Freedom of Association and Collective Bargaining, aligned with the Malaysian Constitution and the Trade Unions Act 1959. In addition, our Human Rights Statement upholds international standards like the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the International Labour organisation ("ILO") Core Conventions on Labour Standards. These frameworks guide our policies and ensure employee rights are protected. We strive for a workplace where everyone feels valued, empowered, and able to contribute, fostering a culture of mutual respect and collaboration throughout Awantec. As of 30 June 2024, no trade unions or collective bargaining activities exist within Awantec.

## ADVOCATE FREEDOM OF EXPRESSION

At Awantec, we advocate for freedom of expression by fostering an open dialogue and encouraging transparent communication for all employees. This approach allows us to hold ourselves accountable, engage with employees, and drive inclusive decision-making processes. Through various platforms, including whistleblowing channel, we promote the sharing of ideas, raise awareness about any issues and thoughts in good faith. Our commitment to freedom of expression empowers our employees, partners, and communities to actively contribute to our collective goals.

## PRINCIPLE 4: ENGAGING WORKPLACE

### STRIVING FOR WORK LIFE BALANCE

At Awantec, we understand the importance of creating a work environment that fosters a healthy work-life balance for our employees. We surpassed local regulations by implementing a reduced working week of 37 hours and 30 minutes compared to the national standard of 45 hours as outlined in the Employment (Amendment) Act 1955. To further ensure our employees' well being, employees working over four weekend hours receive half a day's leave in return, and those exceeding six hours get a full day off.

Recognising the value of flexibility, we offer employees the option to tailor their schedules to individual needs. Additionally, we encourage time-off requests for addressing immediate personal matters, understanding that unexpected situations may arise. These initiatives demonstrate our dedication to promoting a healthy work-life balance. We believe that providing adequate rest, flexibility, and opportunities to recharge ultimately contributes to employee well-being, productivity, and job satisfaction.

### SUCCESSION PLANNING

As a responsible company, Awantec prioritises preparedness. Demonstrating our commitment to Business Continuity Planning (“BCP”), we successfully finalised a comprehensive succession plan in FY2024. This plan ensures a smooth handover for every role within the company, safeguarding our long-term operational stability. Our data-driven approach identifies the most qualified successors. We consider readiness based on existing competency frameworks and leverage insights from our bi-annual Employee Performance Management (“EPM”) programme, COMPASS, and the Performance and Potential Matrix (“PPM”). This holistic view of each employee’s capabilities and development potential ensures well-rounded selection.

By meticulously examining technical and soft skills, we identify ideal successors. This thorough assessment guarantees a seamless handover of knowledge and minimises disruption, fostering continued success. This comprehensive approach not only safeguards Awantec’s future but also cultivates a culture of career development and advancement for our talented workforce.

### PEOPLE PERFORMANCE INDICATORS

Description	Unit	FY2022	FY2023	FY2024
<b>Total Board Member By Gender</b>				
Total Board Members	px	10.0	9.0	8.0
Female	%	20.0	33.3	25.0
Male	%	80.0	66.7	75.0
<b>Total Board Member By Age Group</b>				
Below 30 Years Old	%	0.0	0.0	0.0
30–49 Years Old	%	20.0	22.2	25.0
50 Years Old and Above	%	80.0	77.8	75.0
<b>Total Employees By Gender</b>				
Total Employees	px	106.0	131.0	130.0
Female	%	58.0	54.0	53.0
Male	%	42.0	46.0	47.0
<b>Total Employees By Age Group</b>				
Below 30 Years Old	%	32.5	30.9	24.6
30–49 Years Old	%	61.0	61.1	65.4
50 Years Old and Above	%	6.5	8.0	10.0



Description	Unit	FY2022	FY2023	FY2024
<b>Total Employee's Age by Category</b>				
Grade A – Senior Management Team				
Below 30 Years Old	%	-	-	0.0
30-49 Years Old	%	-	-	33.3
50 Years Old and Above	%	-	-	66.7
Grade B – Managers				
Below 30 Years Old	%	-	-	0.0
30-49 Years Old	%	-	-	89.4
50 Years Old and Above	%	-	-	10.6
Grade C – Executives				
Below 30 Years Old	%	-	-	43.2
30-49 Years Old	%	-	-	54.1
50 Years Old and Above	%	-	-	2.7
<b>Total Employees by Employment Contract</b>				
Permanent employees	%	33	22	20
Contract employees	%	67	78	80
<b>Staff Turnover Rate</b>				
Average Voluntary turnover	%	2.0	2.4	3.0
Average Involuntary turnover	%	0.3	0.0	1.0
Grade A – Senior Management Team	px	-	3	1
Grade B – Managers	px	-	16	18
Grade C – Executives	px	-	19	42
<b>Training Hours</b>				
Total training hours	hr	4,555.00	8,806.50	5,076.08
Average training hours per employee	hr	42.97	67.20	39.00
Average training days per employee	d	5.37	8.96	4.90
Grade A – Senior Management Team	hr	-	792.60	316.00
Grade B – Managers	hr	-	3,566.70	1,922.85
Grade C – Executives	hr	-	4,447.20	2,837.23
<b>Special Provision</b>				
Employees with disabilities	%	2	0	0

## PRINCIPLE 4: ENGAGING WORKPLACE

### AWANTEC: CULTIVATING A CULTURE OF COLLABORATION, RECOGNITION, AND BELONGING

At Awantec, we believe in fostering a strong company culture built on collaboration, recognition, and a sense of belonging. We achieve this through a variety of engaging events throughout the year, creating opportunities for connection that go beyond the workday.



This year marks a particularly special occasion, our 20th anniversary! To commemorate two decades of growth, transformation, and innovation, we recently hosted a celebratory lunch and get-together for all our employees. The event was a testament to our journey and the milestones we have achieved together as a team. Held at our company premises, the celebration began with a warm welcome from our founder, who highlighted key moments from our history and expressed gratitude to all who have contributed to our success, recognising outstanding employees who have exemplified our core values and made significant contributions to our company. Finishing with heartfelt speeches, a renewed commitment to our mission, and a shared sense of excitement for the future, the event truly embodied the spirit of Awantec.





Awantec embraces the rich cultural tapestry of Malaysia, celebrating diversity through various events. For Chinese New Year, we distributed gifts and organised activities that allow employees to share their traditions and customs. During Hari Raya Aidilfitri, Awantec offered special gifts and created opportunities for colleagues to celebrate together.

These events go beyond mere entertainment. They serve as a way to express our deep appreciation for the hard work and dedication of our employees, while also strengthening our bonds as a diverse and collaborative team. By fostering a sense of community and belonging, we believe we can cultivate a more engaged and motivated workforce. As Awantec embarks on the next chapter, we remain committed to fostering a vibrant and engaging workplace environment. Through our ongoing events, initiatives, and celebration of diversity, we aim to empower our employees, celebrate our achievements, and build a future of continued success together.

## BEYOND BUSINESS: AWANTEC'S CORPORATE CITIZENSHIP IN FY2024

Awantec recognises the importance and supports volunteering initiatives through our ESG specific KPIs incentivising departmental participation in UNSDG and materiality aligned initiatives focusing on Good Health & Well-Being, Quality Education, Decent Work & Economic Growth, and Community and Society Investment. This facilitates our employees to give back and engage with our local community.

Ensuring high employee engagement is central to our Corporate Social Responsibility ("CSR") programme. We achieve this through collaborative discussions with departments to tailor events to their goals and ensure clear roles for everyone involved. Regular email communication keeps employees informed about opportunities, while dedicated ESG champions actively promote participation, fostering a strong sense of collective responsibility. Subsequently, we collect data from these events to celebrate employee contributions and refine future programs for even greater impact.

As part of our commitment to social responsibility, Awantec aims to promote well-being within our local community. We were delighted to select Pusat Jagaan Cahaya Kasih Bestari, an orphanage caring for 50 children, as one of our beneficiary. Our donation included RM550 worth of essential dry food and fresh produce, which will provide the orphanage with approximately two weeks' to one month's worth of sustenance. We also supplied a week's worth of stationery worth RM100 and RM1,000 for their daily needs, totaling to RM1,150. Furthermore, in collaboration with Cintaku Fesyen (M) Sdn Bhd, we donated 60 pieces of clothing, worth RM150 each, ensuring the old folk's clothing needs are covered for approximately half a year.



A donation of clothing to Pusat Jagaan dan Rawatan Orang Tua Al-Ikhlas.



## PRINCIPLE 4: ENGAGING WORKPLACE



Awantec's participating team member donating monetary and food supplies donation to Pusat Jagaan Cahaya Kasih Bestari.

In alignment with our youth unemployment initiative we conducted seminars focusing on empowering under-privileged groups, including those from deprived backgrounds, having poor social status or with no formal educations or qualifications with essential skills such as resume writing, interview techniques, and career planning. Our dedicated team of experts shared their knowledge and experiences to inspire and guide these young individuals towards a brighter future. In FY2024, we held 4 events with Kolej Komuniti Ampang, Politeknik Banting, Kolej Komuniti Klang and Universiti Pertahanan Nasional Malaysia.



Awantec tackle youth unemployment by conducting seminars at Kolej Komuniti Klang and Politeknik Banting. These workshops equip young people with essential skills for career success, covering areas like crafting impactful CVs, interview techniques, and strategic career planning.



In collaboration with Pusat Darah Negara, we organised two (2) successful open blood donation drives held at our company in FY2024. A total of 161 volunteers, including Awantec employees and members of the public, generously participated, demonstrating their dedication to helping those in need. 110 individuals were able to successfully donate blood, a number that will directly translate to lifesaving transfusions for patients in our community. By increasing the blood supply, Awantec's open drives have helped ensure these resources are readily available when needed most. Every single donation has the potential to save a life, and the collective effort of our volunteers is truly commendable.



Photo above: Awantec, in collaboration with Pusat Darah Negara, hosted two (2) blood donation drive where employees and members of the public participated.

Our heartfelt appreciation goes to the employees who volunteered their time, expertise, and resources, making these initiatives a resounding success. Awantec's commitment to Corporate Social Responsibility is unwavering, and we're dedicated to leaving a positive mark on our local communities.

Customer Satisfaction Performance	Unit	FY2022	FY2023	FY2024
Quantifiable financial contributions	RM	39,650	7,410	10,650
Quantifiable number of beneficiaries	px	-	-	706
Number of employees participation across our Corporate Social Responsibility event	px	-	-	120
Total hours spent across our Corporate Social Responsibility event	hr	-	-	144



**UNSDGS**

- 3 GOOD HEALTH AND WELL-BEING
- 8 DECENT WORK AND ECONOMIC GROWTH
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13 CLIMATE ACTION
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

# PRINCIPLE 5: GOVERNANCE TO DRIVE COMPLIANCE AND BEST PRACTICES

**MATERIALITY**

- Occupational Health and Safety
- Local Sourcing
- Supply Chain Management
- Anti-Corruption
- Data Privacy & Security

**GRI Standards**

- 204: Procurement Practices
- 205: Anti Corruption
- 308: Supplier Environmental Assessment
- 403: Occupational Health and Safety



## AWANTEC'S ETHICAL LEADERSHIP

At the core of Awantec's corporate identity lies an unwavering commitment to ethical conduct. This commitment is deeply embedded within the framework of our business strategies and day-to-day operations, serving as the cornerstone upon which we cultivate enduring relationships with our stakeholders. By prioritising integrity and transparency, we foster a culture of trust that resonates throughout our organisation, leaving a profound imprint not only on our team but also on our network of collaborators and the community we serve.

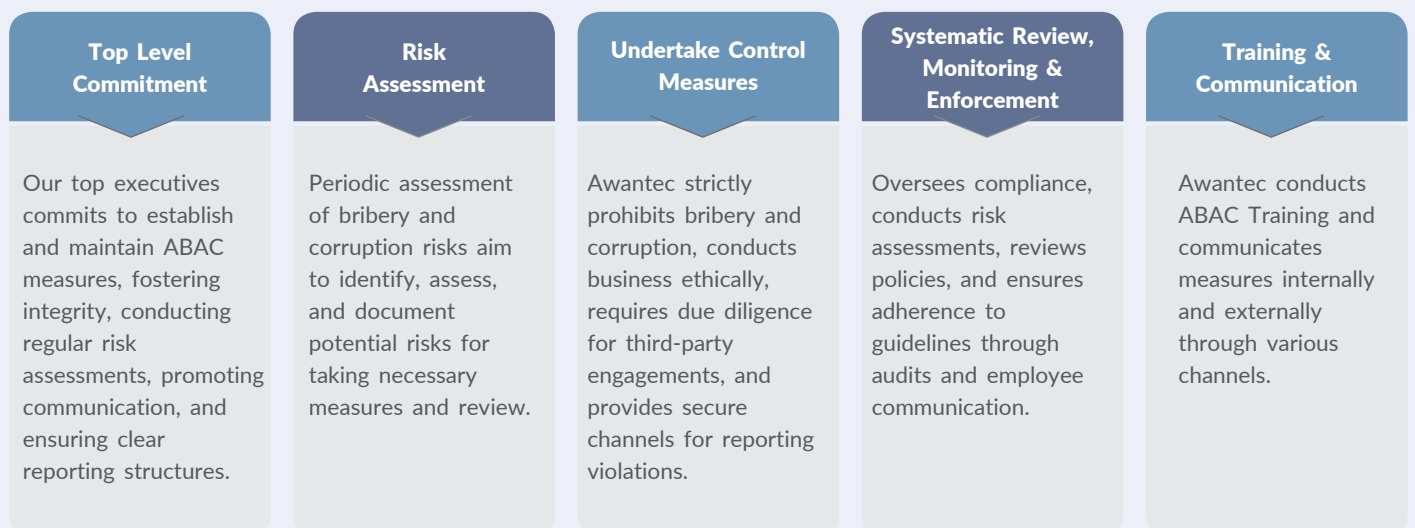
By FY2024, Awantec reflects on its journey with profound satisfaction, having made further improvements in our standards of corporate governance and sustainability. These standards not only enhance our reputation but also drive the efficiency and provide opportunities to our business endeavours. Through meticulous adherence to relevant legislation, regulations, and codes, Awantec positions itself as a pioneer in responsible and lawful business practices, navigating the complex business landscape with confidence and integrity.

Awantec's core value on our ethical operations extends beyond our immediate reach. We endeavour to elevate every facet of our business supply chain. Through fostering collaborative partnerships and championing shared values, we encourage our suppliers and vendors to embrace ethical and sustainable practices, stimulating a positive transformation across our chain.

## AWANTEC'S INTEGRITY IN BUSINESS OPERATIONS

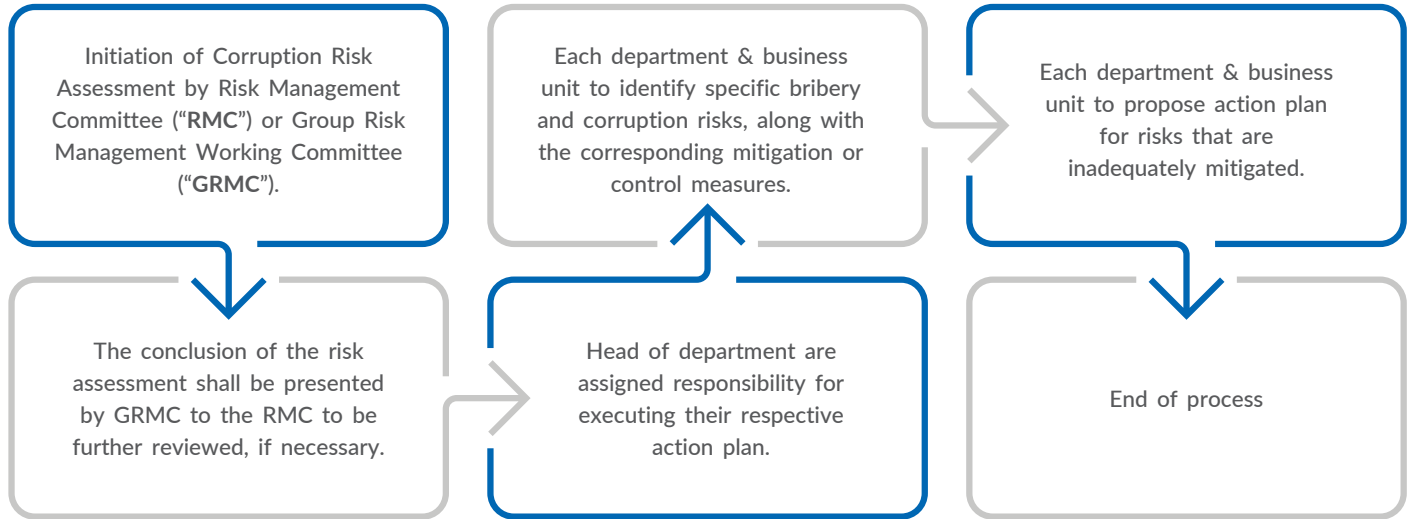
As a company deeply committed to ethical conduct, Awantec firmly embraces the principles outlined in the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("**MACC Act 2018**"). We strictly oppose bribery and corruption in all its forms, including offering, giving, receiving, or soliciting anything of value to influence decisions or actions within the organisation. This includes acts of extortion, collusion, abuse of power, embezzlement, fraud, and money laundering. Our business affairs are all conducted with unwavering integrity, honesty and accountability, demonstrating a steadfast refusal to tolerate bribery or corruption in any form. This resolute dedication to ethical principles is prominently reflected in our meticulously crafted Code of Ethics, Anti-Bribery and Corruption ("**ABAC**") policy, and strict adherence to the adequate procedures outlined in Section 17A of the MACC Act 2018. Awantec's employees, directors, its subsidiaries, contractors, subcontractors, consultants, agents and representatives are required to read, understand and comply with the ABAC Policy. No waiver or exceptions will be granted for practices that deviate from the ABAC policy. These resources are readily available for review and download on our corporate website, <https://www.awantec.my>.

In our website, our stakeholders shall be able to access the consolidation of our practice into our TRUST Principle. The TRUST Principles serve as the cornerstone of our policy framework, meant to complement our ABAC policy, thereby ensuring adherence to the Guidelines on Adequate Procedures issued by the National Centre for corporate governance, integrity and anti-corruption. Within this framework, the concept of "Adequate Procedures" is underpinned by five fundamental principles, seamlessly integrated into our policy to safeguard the Company effectively.



## PRINCIPLE 5: GOVERNANCE TO DRIVE COMPLIANCE AND BEST PRACTICES

These principles aim to establish effective processes, procedures, and controls to mitigate the risk of bribery and corruption in Awantec's daily transactions. The accompanying diagram illustrates our process flow for assessing these risks. The Board at Awantec holds the ultimate responsibility for managing all forms of bribery and corruption, ensuring compliance with the MACC Act ("MACCA"). Oversight is delegated to the Risk Management Committee ("RMC") to enforce our ABAC Policy across all operations.



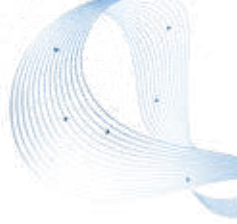
### AWANTEC'S ABAC PERFORMANCE INDICATORS

By FY2024, we undertook a review of our corruption risk assessment to evaluate the current landscape of corruption and bribery risks across the organisation. The review delved into various elements associated with these risks, focusing on their relevance, areas for enhancement, updates, and other pertinent factors.

This year, Awantec has markedly strengthened its dedication to preventing corruption and bribery, exemplified by our revamped training efforts. All employees underwent anti-corruption and anti-bribery training during onboarding and via our online platform, Percipio. We also conducted refresher sessions highlighting their significance and complexities. Additionally, we organised two (2) specialised training sessions for our Board and Heads of Departments, centred on raising awareness, enhancing governance, and exploring pertinent topics in the field.

We place a significant emphasis on maintaining a robust and transparent whistleblowing system that aligns with our ABAC policy. We have developed a comprehensive whistleblowing policy, readily accessible on our website, providing detailed information on our confidential reporting channels. The primary objective of our policy is to establish a secure and accountable communication channel where legitimate concerns such as corruption, bribery, bullying, harassment, discrimination, and others can be raised, objectively investigated, and appropriately addressed. To facilitate the reporting process, individuals have the option to submit reports via letter, online submission, and electronic mail to a dedicated address. Our whistleblowing mechanism guarantees anonymity, protecting employees from any potential backlash. As of FY2024, Awantec recorded zero incidents of corruption or bribery incidents.

	Unit	FY2022	FY2023	FY2024
<b>Bribery &amp; Corruption Risk Assessment</b>				
Percentage of operations that underwent corruption risk assessments	%	-	100%	100%
<b>Bribery &amp; Corruption-Related Training</b>				
Senior Leadership Team	%	-	100%	100%
Managers	%	-	100%	100%
Executives	%	-	100%	100%
<b>Bribery &amp; Corruption Incidents</b>				
Number of confirmed bribery or corruption incidents	Nos	0	0	0



## OUR ABAC TRAINING INITIATIVES

In FY2024, we conducted a company-wide ABAC Refresher Talk to ensure our knowledge are updated and in compliance to the regulation. In addition, we organised a training sessions for our Board and Heads of Departments, aiming to familiarised our senior management with various statutory provisions, particularly the Malaysia Anti-Corruption Commission (“MACC”) Act. It also focused on strategies and preventive actions to ensure compliance with the law.

This initiative underscores our commitment to maintaining the highest ethical standards and ensuring the integrity of our operations. By enhancing trust with our stakeholders and safeguarding our reputation, we continue to strengthen our position in the industry.



Awantec conducted a company-wide ABAC Refresher Talk, focusing on corporate liability and promoting a fair, transparent environment. The session was led by Superintendent Thilak from the Headquarter of the Malaysian Anti-Corruption Commission.

## INTEGRITY PLEDGE

Awantec continues its steadfast commitment to upholding ethical conduct and combating corruption and bribery by organising another impactful Integrity Week. Building on the success of the previous year, this week-long event aims to reinforce awareness, engage employees, and provide essential training on ethical decision-making, conflict of interest, our no-gift policy and more. As the highlight of Integrity Week, we will once again hold a solemn company-wide pledge ceremony. This meaningful event provides an opportunity for every member of Awantec to reaffirm their unwavering dedication to ethical conduct and their role in combatting corruption and bribery. This pledge serves as a powerful symbol of unity, demonstrating to our stakeholders, clients, and partners that we are united in our commitment to operating with integrity at all times.

## RISK MANAGEMENT TRAINING

In addition to our emphasise on ABAC risk, Awantec also focuses on the development of our team’s expertise in Risk Management to effectively address various risks. Awantec staff participated in Risk Management Awareness Training, focused on improving their skills in recognising, prioritising, and mitigating risks effectively to ensure a comprehensive understanding of risk management. In addition, a Risk & Governance training providing practical guidelines for our senior management to align company strategies with risk tolerance, foster continuous improvement, and ensure effective governance. These training sessions are vital for empowering our team with the essential skills needed to manage risks effectively and uphold the integrity of our operations, thereby enhancing our organisational resilience.



Awantec staff participated in Risk Management Awareness Training, focused on enhancing our skills in proactively recognising and categorising operational risks, and develop robust contingency plans for organisational resilience.

# PRINCIPLE 5: GOVERNANCE TO DRIVE COMPLIANCE AND BEST PRACTICES

## OCCUPATIONAL HEALTH & SAFETY ("OHS")

Health and safety is a fundamental aspect of our governance strategy, allowing us to enforce compliance and maintain good standards across our organisation. We provide onboarding training for new employees, ensuring they are well-versed on our OHS principles and protocols starting from the first day. Additionally, we offer health and safety awareness training through our online platform, Percipio. By embedding health and safety principles within our governance framework, we prioritise the well-being of our employees and stakeholders, ensuring a safe and secure working environment. Awantec recognises the vital importance of occupational health and safety for our company.

At Awantec, our commitment to OHS is clearly outlined in our Code of Conduct Policy. We ensure compliance with all relevant laws and regulations, including the Occupational Safety and Health Act 1994. Our responsibility extends to the safety of our employees and the general public, and we promptly report any breaches for immediate resolution.

In continuation of our health and safety efforts, Awantec maintains the preparedness of our Floor Wardens and Emergency Response Team ("ERT") through comprehensive training. This includes Basic Fire Fighting & Emergency Response Plan and Preparedness Training, as well as Basic Occupational First Aid, CPR & AED Training. Our training programmes are aligned with the CPR & ECC guidelines 2020, National Fire Protection Association standards, and Department of Occupational Safety and Health ("DOSH") regulations.

Additionally, we conduct quarterly meetings to discuss potential, ongoing issues and to implement necessary measures promptly. All our health and safety initiatives are included under the umbrella of our Business Continuity Plan ("BCP") Framework. This framework clearly indicates line management responsibilities for health and safety-related procedures, incidents, as well as resources and procedures. This establishment ensures an adequate Occupational Health & Safety Management System within our company.

In FY2024, Awantec collaborated with PMCare to organise two (2) separate Health Screening & Wellbeing days for our employees. These events aimed to assess our employees' health and identify any potential issues through tests such as Biometric health screening, Body Mass Index ("BMI") assessment, blood cholesterol tests, and more.

### ERT Commander

The ERT Commander leads the Emergency Response Team, coordinating all activities during emergencies to ensure safety and compliance. This role requires quick decision-making and effective communication under pressure.

### ERT Coordinator

The ERT Coordinator supports and organises the Emergency Response Team, ensuring readiness and effective response during emergencies through planning, training, and resource management.

### Floor Warden

The Floor Warden ensures safe and efficient evacuations on their floor during emergencies, leading procedures, conducting safety checks, and coordinating with ERT Coordinator or Commander. There are 2 floor wardens on every floor.

The company believes that investing in employee health and wellbeing is essential for maintaining a productive and motivated workforce. By offering these health screening events, we demonstrate our commitment to supporting our employees' health and providing them with the necessary resources to maintain a healthy lifestyle. Early detection of health problems allows our employees to take proactive steps towards improving their health, leading to increased productivity and overall wellbeing.



In FY2024, Awantec achieved zero work-related fatalities or lost-time incidents, highlighting our commitment to employee safety. This accomplishment reflects our consistent performance target of maintaining zero work-related health and safety incidents.

OHS Performance Indicator	Unit	FY2022	FY2023	FY2024
Number of work-related fatalities	Nos	0	0	0
Number of Lost Time Incident	Nos	0	0	0
Lost Time Incident Rate	%	0	0	0
Employees trained in basic health and safety	%	100	100	100



## DATA PRIVACY & SECURITY

Awantec acknowledges the importance of data as a valuable asset and remains dedicated to safeguarding the privacy and security of data belonging to all stakeholders, including tenants, staff, third-party consultants, and contractors. In line with this commitment, we adhere to the Personal Data Protection Act (“PDPA”) 2010 and maintain a comprehensive range of technical, physical, and administrative safeguards to prevent unauthorised access, use, disclosure, alteration, or destruction of data. Our policies and procedures ensure that all data is collected, used, and disclosed solely for legitimate business purposes. Our Personal Data Protection (“PDP”) Notice is accessible on our website <https://www.awantec.my> and included in the agreements for subscribers of our services. It details how we collect, use, disclose, handle and process our customer personal information accordingly.



Throughout FY2024, we continued our commitment to cybersecurity by providing ongoing training and education to all our staff. This included monthly cybersecurity bulletins focusing on password best practices, regular backups, and strategies to combat phishing and other cyber threats. Additionally, we conducted physical cybersecurity training sessions, known as Cybersecurity 101 or Scam Awareness to raise awareness of current threats and provide practical tips for online privacy. Furthermore, our employees have access to cybersecurity training modules on our online platform, Percipio, allowing them to enhance their knowledge and skills in cybersecurity.

In addition to our training initiatives, we successfully completed our Vulnerability Assessment and Penetration Testing (“VAPT”) during FY2024. Remediation efforts were undertaken promptly to address any identified weaknesses, ensuring the safety and security of our data. Our ongoing efforts, combined with regular antivirus updates and Windows patches, are crucial in safeguarding our systems and data against potential cyber threats.

We are proud to report that in FY2024, Awantec maintained a strong track record of data privacy and security. We have not experience any data breaches. Subsequently, we experienced zero substantiated compalints, demonstrating our commitment to safeguarding our information.

Data Privacy & Security Indicator	Unit	FY2022	FY2023	FY2024
Number of substantiated complaints concerning breaches in customer privacy or data loss	Nos	0	0	0



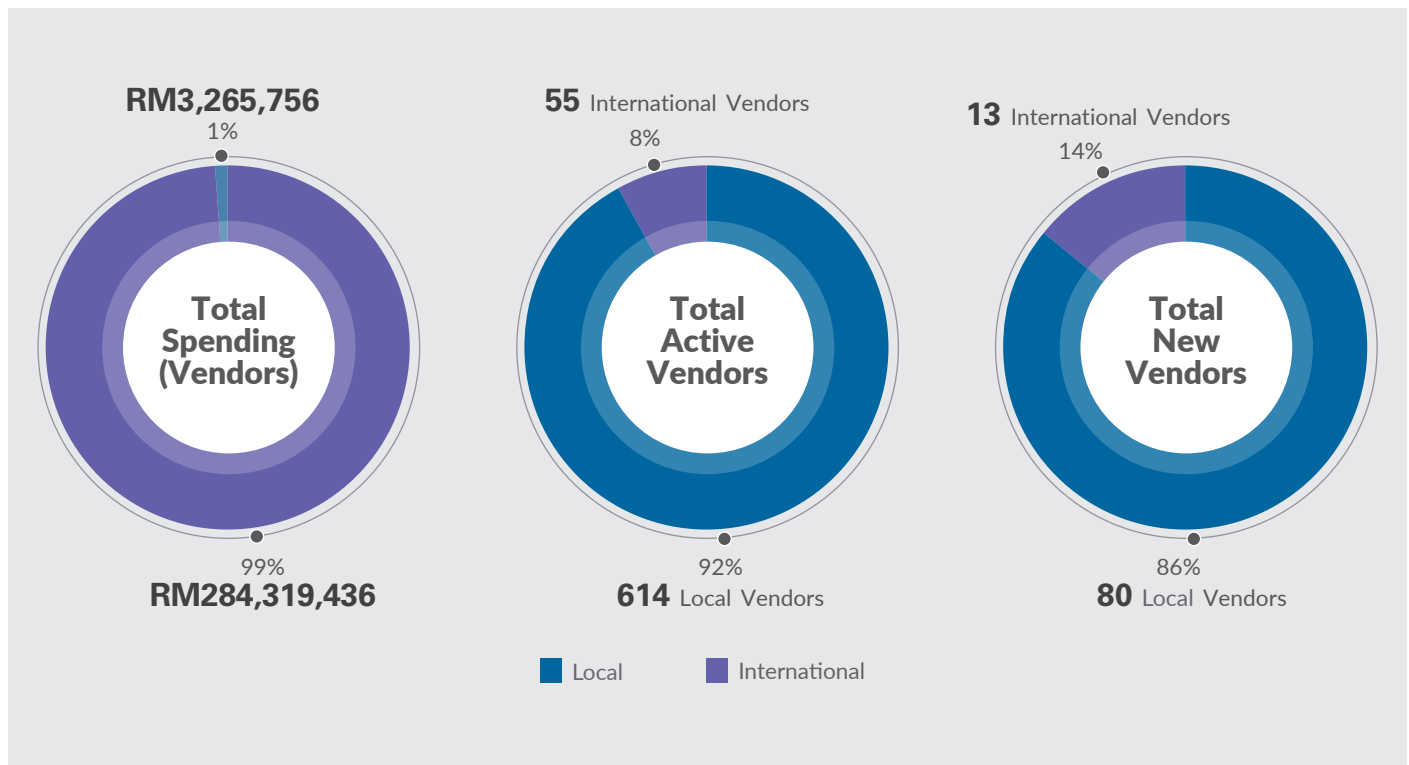
## PRINCIPLE 5: GOVERNANCE TO DRIVE COMPLIANCE AND BEST PRACTICES

### SUPPLY CHAIN MANAGEMENT

Awantec, strategically positioned in Cyberjaya, leverages a robust network of 669 vendors. This extensive network allows us to procure the resources we need, from cloud solutions and software to infrastructure and expert consultations to fuel our daily operations and capital expenditure projects. At the center of Malaysia's digital hub, we understand the importance of fostering the local economy through our business operation.

In line with our commitment to bolster the local economy, we have prioritised local vendors as our primary suppliers throughout the fiscal year. Out of our total active vendors, an impressive 614 vendors, constituting 92%, are locally sourced. The remaining 8% consists of 55 international vendors. Awantec remains dedicated to supporting the local business community by giving preference to local vendors and suppliers in our sourcing processes.

During the fiscal year, we welcomed 80 new local vendors, accounting for an impressive 86% of our newly onboarded suppliers, while the remaining 14% comprised 13 new international vendors. As part of our ongoing commitment to sustainability, the following table illustrates Awantec's total spending on our vendors for the fiscal year 2024:

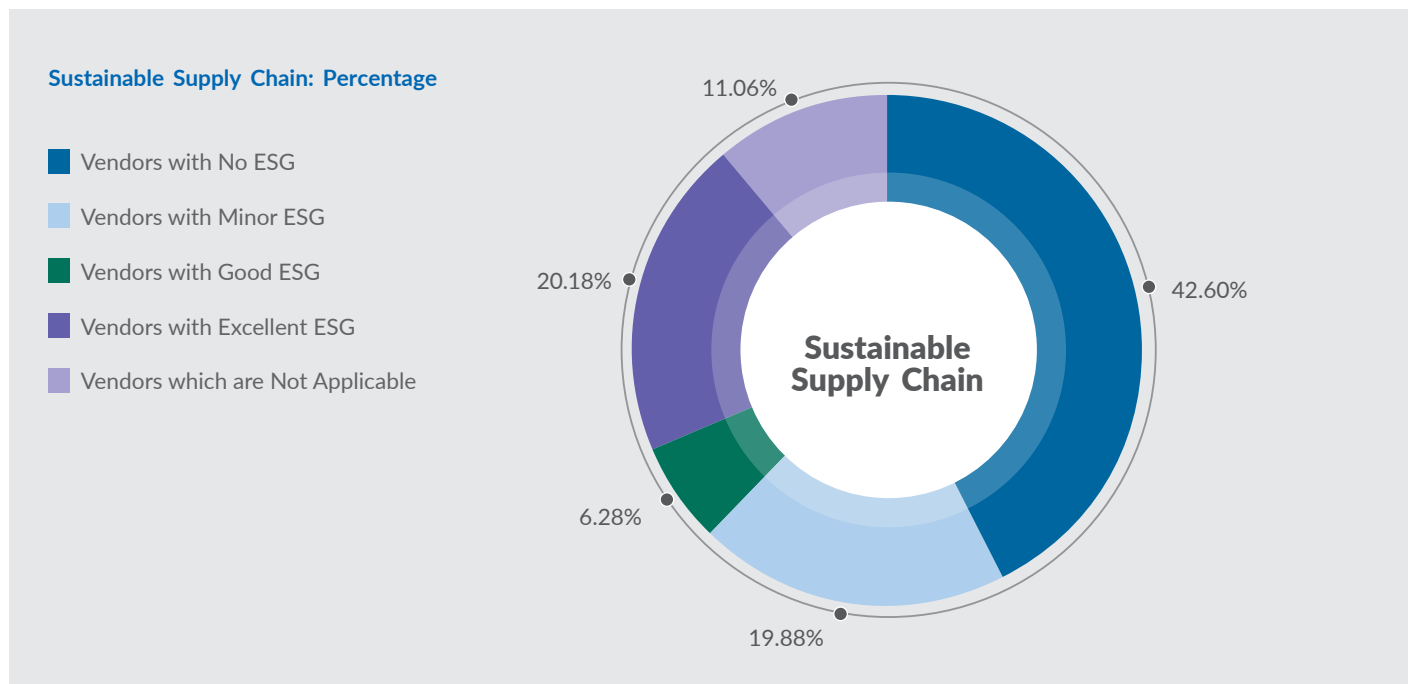


Building on the success of our FY2023 initiatives, which included local sourcing and the introduction of sustainability criteria into our vendor vetting process, Awantec is further solidifying its commitment to responsible business practices. Our sustainability criteria includes Environmental, Social, and Governance (“ESG”) considerations into our vendor evaluations to encourage our suppliers not only meet our high standards for quality, integrity, service delivery, and product value, but also demonstrate a commitment to sustainable practices. Our established Vendor's Code of Conduct and Procurement Policy serve as the foundation for ethical sourcing. The proven Vendor Performance Review process remains in place for FY2024. This system prioritises active vendors with a purchase value exceeding RM2,000 for evaluation against established criteria, which have now been expanded to incorporate the new ESG considerations. This ensures our partnerships promote a responsible and environmentally conscious future.



Supplier's Assessment & Spending	Unit	FY2022	FY2023	FY2024
Percentage of new suppliers that were screened using sustainability criteria	%	-	100%	100%
Number of suppliers that were assessed using sustainability criteria	%	-	100%	100%
Proportion of spending on local suppliers	%	-	65%	1%

In FY2024, Awantec has continued to emphasise the importance of sustainability within our supply chain operations. Building on our established green screening process, we have intensified our efforts by meticulously evaluating our vendors' sustainability initiatives. Each vendor has been assessed and classified into five distinct categories based on their sustainability performance. This vetting process ensures that we collaborate with partners who share our commitment to environmental responsibility.



By prioritising vendors who demonstrate exceptional sustainability practices, Awantec not only supports a greener supply chain but also encourages others to elevate their sustainability standards. Awantec has assessed and screened our supply chain, categorising our vendors into five distinct categories based on their sustainability efforts. We conduct our assessment through various means, including reviewing their annual reports, websites, projects, and emails. This strategic approach underscores our dedication to fostering a sustainable future and reinforces our position as a responsible and forward-thinking company.

# GLOBAL REPORTING INITIATIVE CONTENT INDEX

GRI Standards	Disclosure Requirements	Page Number	
General Disclosures 2021	2-2	Entities included in the organisation's sustainability reporting	page 078
	2-3	Reporting period, frequency and contact point	page 078
	2-9	Governance structure and composition	page 078
	2-12	Role of the highest governance body in overseeing the management of impacts	page 079
	2-14	Role of the highest governance body in sustainability reporting	page 079
	2-29	Approach to stakeholder engagement	pages 030 to 035
Material Topics 2021	3-1	Process to determine material topics	page 038
	3-2	List of material topics	page 038
Anti Corruption 2016	205-1	Operations assessed for risks related to corruption	pages 111 to 113
	205-2	Communication and training about anti-corruption policies and procedures	pages 111 to 113
	205-3	Confirmed incidents of corruption and actions taken	pages 111 to 113
Occupational Health & Safety 2018	403-1	Occupational health and safety management system	page 114
	403-4	Worker participation, consultation, and communication on occupational health and safety	page 114
	403-5	Worker training on occupational health and safety	page 114
	403-9	Work-related injuries	page 114
Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	page 115
Energy 2016	302-1	Energy consumption within the organisation	page 099
	302-4	Reduction of energy consumption	page 099
Emissions 2016	305-1	Direct (Scope 1) GHG emissions	pages 098 to 099
	305-2	Energy indirect (Scope 2) GHG emissions	pages 098 to 099
	305-3	Other indirect (Scope 3) GHG emissions	pages 098 to 099
	305-5	Reduction of GHG emissions	pages 098 to 099
Training & Education	404-1	Average hours of training per year per employee	page 105
	404-2	Programs for upgrading employee skills and transition assistance programs	page 105
Diversity and Equal Opportunity, 2016	405-1	Diversity of governance bodies and employees	page 104
Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	pages 102 to 104
Supplier Environment Assessment 2016	308-1	New suppliers that were screened using environmental criteria	page 117
Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	page 116
Procurement Practices 2016	204-1	Proportion of spending on local suppliers	page 116
Waste 2020	306-3	Waste generated	page 097
Water & Effluents 2018	305-5	Water Consumption	page 098



# TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

## CONTENT INDEX

TCFD Standards	Disclosure Requirements	Page Number
Governance	1a Describe the board's oversight of climate-related risks and opportunities	page 096
	1b Describe management's role in assessing and managing climate-related risks and opportunities	page 096
Strategy	2a Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	page 096
	2b Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	page 096
	2c Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	page 096
Risk Management	3a Describe the organisation's processes for identifying and assessing climate-related risks	page 096
	3b Describe the organisation's processes for managing climate-related risks	page 096
	3c Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	page 096
Metrics and Targets	4a Disclose the metrics used by the organisation assess climate related risks and opportunities line with its strategy and risk management process	page 097
	4b Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks	page 097
	4c Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	page 093

# BURSA MALAYSIA LISTING REQUIREMENTS CONTENT INDEX

BM Standards	Disclosure Requirements	Page Number
General Disclosures	4.1 The scope of the Sustainability Statement and basis for the scope	pages 076 to 078
Governance	3.1 The governance structure in place to manage the economic, environmental and social risks and opportunities (“sustainability matters”)	page 079
Material Matters	5.1 Material sustainability matters and how they are identified	page 038
	10.1 Disclosure on sustainability matters which:	
	(a) reflect the listed issuer’s significant economic, environmental and social impacts; or (b) substantively influence the assessments and decisions of stakeholders; and (c) fall under the common material sustainability matters as set out in Annexure PN9-A.	
Anti Corruption	6.1 Material sustainability matters and why they are important to the listed issuer; how they are managed including details on-	pages 111 to 113
	6.2.1 Policies to manage these sustainability matters	
	6.2.2 Measures or actions taken to deal with these sustainability matters; and	
	6.2.3 Indicators relevant to these sustainability matters which demonstrate how the listed issuer has performed in managing these sustainability matters together with the data for the last 3 financial years, and performance target(s) in relation to the indicators (if such targets are set).	
Occupational Health and Safety	11.1 3 year of reporting the indicator	page 114
	6.1 Refer above	
	6.2.1	
	6.2.2	
Data Privacy & Security	6.2.3	page 115
	11.1	
	6.1 Refer above	
	6.2.1	
Climate Change	6.2.2	pages 091 to 099
	6.2.3	
	11.1	
	6.1 Refer above	
	6.2.1	



BM Standards	Disclosure Requirements	Page Number
Customer Satisfaction	6.1 Refer above 6.2.1 6.2.2 6.2.3 11.1	pages 087 to 088
Talent Attraction, Growth and Retention	6.1 Refer above 6.2.1 6.2.2 6.2.3 11.1	pages 101 to 104
Diversity, Equity & Inclusion	6.1 Refer above 6.2.1 6.2.2 6.2.3 11.1	page 102
Human Rights and Labour Standard	6.1 Refer above 6.2.1 6.2.2 6.2.3 11.1	pages 103 to 104
Supply Chain Management	6.1 Refer above 6.2.1 6.2.2 6.2.3 11.1	pages 116 to 117
Community and Society Investment	6.1 Refer above 6.2.1 6.2.2 6.2.3 11.1	pages 106 to 109
Water Management	6.1 Refer above 6.2.1 6.2.2	page 098
Climate Change	7.1 The climate-related disclosures which are aligned with the Recommendations of the Task Force on Climate-Related Financial Disclosures (“ <b>TCFD Recommendations</b> ”), covering all four pillars: governance, strategy, risk management, and metrics and targets, in a dedicated section within the Sustainability Statement	pages 093 to 097

# BURSA MALAYSIA SUSTAINABILITY REPORTING GUIDE (3<sup>RD</sup> EDITION)

## CONTENT INDEX

SRG	Disclosure Requirements	Page Number
C4: Scope and Basis of Scope	2.1a Disclosed the scope of its Sustainability Statement showing clearly which aspects of its operations are included or excluded (be it described by geographical location or business segments, etc.)	page 078
	2.2a Provide a basis of scope for its Sustainability Statement	
	2.2b Provide a clear explanation on whether there are any changes in scope	
C3: Sustainability Governance	1.1a Responsible personnel for oversight of the company's material sustainability matters	page 079
	1.2a Responsible personnel for the strategic management of the company's material sustainability matters	
	1.3a Responsible personnel to performs/implements sustainability-related tasks and initiatives on a day-to-day basis	
	1.1b The nature of oversight performed	
C8: Performance Targets	5.3a Are sustainability-related performance targets set by the company linked to the remuneration of the following:	page 079
	<ul style="list-style-type: none"> <li>a) Those charged with the oversight of sustainability within the company</li> <li>b) Those charged with strategic management of sustainability within the company</li> </ul>	
C5: Materiality Assessment	3.1b As part of the company's process for identification of sustainability matters, the company disclosed the stakeholder groups (both internal and external) engaged for the identification of sustainability matters	page 038
	3.5a The company disclosed the nature of assessment undertaken for the reporting year (full or limited scale) as well as underlying justifications	
	3.5b The company disclosed the frequency of undertaking materiality assessment	
	3.4a The company's senior management reviewed and/or approved the process and outcome of the materiality assessment undertaken	
	3.4b Has the company's board approved/validated/endorsed the outcome of the materiality assessment undertaken	
	3.3a The company provided an illustration of its prioritised material sustainability matters via a materiality matrix, clearly showing the relative importance of each matter	
C6: Management Approach: Anti Corruption	4.1b For each reported sustainability matter, the company provide an explanation of why such a matter is material/important	pages 111 to 113
	4.1c For each reported sustainability matter, does the company provide clear and comprehensive disclosures of the management approach taken	
	4.2a The company reported, at a minimum, all the Common Indicators identified by the Exchange in its Sustainability Statement	
	4.3a The company provide 3 financial years' worth of data for each reported indicator	



SRG	Disclosure Requirements	Page Number
C6: Management Approach: Occupational Health & Safety	4.1b	Refer to above
	4.1c	
	4.2a	
	4.3a	
	4.2d	The company disclose performance targets set in relation to reported indicators (where applicable)
		page 114
C8: Performance Targets: Occupational Health & Safety	5.1a	Disclose the performance targets set for the company's reported indicators
	5.2a	Disclose the company's performance or progress against set targets
		page 114
C6: Management Approach: Data Privacy & Security	4.1b	Refer to above
	4.1c	
	4.2a	
	4.3a	
		page 115
C6: Management Approach: Climate Change	4.1b	Refer to above
	4.1c	
	4.2a	
	4.2d	
	4.3a	
		pages 091 to 099
C8: Performance Targets: Climate Change	5.1a	Refer to Above
	5.2a	
		page 093
C6: Management Approach: Customer Satisfaction	4.1b	Refer to above
	4.1c	
	4.2d	
	4.3b	
	4.3a	
		pages 087 to 088
C8: Performance Targets: Customer Satisfaction	5.1a	
	5.2a	



# BURSA MALAYSIA SUSTAINABILITY REPORTING GUIDE (3<sup>RD</sup> EDITION) CONTENT INDEX

SRG	Disclosure Requirements	Page Number
C6: Management Approach: Diversity and Inclusion	4.1b Refer to above	page 102
	4.1c	
	4.2d	
	4.3b	
	4.3a	
C8: Performance Targets: Diversity and Inclusion	5.1a Refer to above	page 102
	5.2a	
C6: Management Approach: Human Rights and Labour Standard	4.1b Refer to above	pages 103 to 104
	4.1c	
	4.2a	
	4.2d	
C8: Performance Targets: Human Rights and Labour Standard	5.1a Refer to above	pages 103 to 104
	5.2a	
	5.2b To disclose in the event of setbacks, what are the actions taken by the company to get back on track	
C6: Management Approach: Supply Chain Management	4.1b Refer to above	pages 116 to 117
	4.1c	
	4.2a	
	4.3a	
	4.3b	
C6: Management Approach: Waste Management	4.1b Refer to above	page 097
	4.1c	
	4.2a	
	4.2d	
	4.3a	



SRG	Disclosure Requirements	Page Number
C8: Performance Targets: Waste Management	5.1a Refer to above ..... 5.2a ..... 5.2b	page 097
C6: Management Approach: Community and Society Investment	4.1b Refer to above ..... 4.1c ..... 4.2a ..... 4.3a ..... 4.3b	pages 106 to 109
C6: Management Approach: Water Management	4.1b Refer to above ..... 4.1c ..... 4.2a ..... 4.2d ..... 4.3a ..... 4.3d	page 098
C8: Performance Targets: Water Management	5.1a Refer to above ..... 5.2a	page 098

# BURSA MALAYSIA ESG PLATFORM: SUSTAINABILITY PERFORMANCE TABLE

Indicator	Measurement Unit	2024
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	220.19
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	1.064280
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	10,650.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	706
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Leadership Team Below 30 Years Old	Percentage	0.00
Senior Leadership Team 30-49 Years Old	Percentage	33.34
Senior Leadership Team 50 Years Old and Above	Percentage	66.67
Managers Below 30 Years Old	Percentage	0.00
Managers 30-49 Years Old	Percentage	89.40
Managers 50 Years Old and Above	Percentage	10.60
Executives Below 30 Years Old	Percentage	43.20
Executives 30-49 Years Old	Percentage	54.10
Executives 50 Years Old and Above	Percentage	2.70
Gender Group by Employee Category		
Senior Leadership Team Male	Percentage	55.56
Senior Leadership Team Female	Percentage	44.44
Managers Male	Percentage	55.32
Managers Female	Percentage	44.68
Executives Male	Percentage	39.19
Executives Female	Percentage	60.81
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	75.00
Female	Percentage	25.00
Under 30	Percentage	0.00
30-49 Years Old	Percentage	25.00
50 Years Old and Above	Percentage	75.00

Internal assurance External assurance No assurance

(\*)Restated



Indicator	Measurement Unit	2024
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Senior Leadership Team	Hours	316
Managers	Hours	7,923
Executives	Hours	2,837
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	80.00
Bursa C6(c) Total number of employee turnover by employee category		
Senior Leadership Team	Number	1
Managers	Number	18
Executives	Number	42
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Health and safety)</b>		
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	130
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Leadership Team	Percentage	100.00
Managers	Percentage	100.00
Executives	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	1.14

Internal assurance External assurance No assurance

(\*)Restated

# CORPORATE INFORMATION

## Board of Directors

**DATO' SYED NAQIZ SHAHABUDDIN BIN SYED ABDUL JABBAR**  
Independent Non-Executive Chairman

**DR. ABU HASAN BIN ISMAIL**  
Founder and Strategic Advisor  
Non-Independent Non-Executive Director

**RAMANATHAN A/L SATHIAMUTTY**  
Independent Non-Executive Director

**LIM SAW IMM**  
Independent Non-Executive Director

**GINNY YEOW MEI YING**  
Independent Non-Executive Director

**PROFESSOR EMERITUS DATO' DR. HASSAN BIN SAID**  
Independent Non-Executive Director

**YM TUNKU ABANG FAISAL AMIR BIN ABANG ABU BAKAR**  
Independent Non-Executive Director

**DATUK SERI DR. YUSOF BIN ISMAIL**  
Independent Non-Executive Director  
(Appointed w.e.f. 7 May 2024)

## Board Committees

### AUDIT COMMITTEE

LIM SAW IMM (Chairperson)  
RAMANATHAN A/L SATHIAMUTTY  
PROFESSOR EMERITUS DATO' DR. HASSAN BIN SAID

### RISK MANAGEMENT COMMITTEE

RAMANATHAN A/L SATHIAMUTTY (Chairman)  
DR. ABU HASAN BIN ISMAIL  
GINNY YEOW MEI YING

### NOMINATION AND REMUNERATION COMMITTEE

PROFESSOR EMERITUS DATO' DR. HASSAN BIN SAID (Chairman)  
RAMANATHAN A/L SATHIAMUTTY  
GINNY YEOW MEI YING

### LONG-TERM INCENTIVE PLAN COMMITTEE

PROFESSOR EMERITUS DATO' DR. HASSAN BIN SAID (Chairman)  
DR. ABU HASAN BIN ISMAIL  
RAMANATHAN A/L SATHIAMUTTY

## COMPANY SECRETARIES

**Chua Siew Chuan**  
(MAICSA 0777689 Practitioner)  
(SSM PC No. : 201908002648)

**Lim Lih Chau**  
(LS 0010105)  
(SSM PC No. : 201908001454)

## BUSINESS ADDRESS

Block 11B, Star Central,  
Lingkar Cyber Point Timur,  
Cyber 12, 63000 Cyberjaya,  
Selangor Darul Ehsan, Malaysia  
Tel : +603 8689 7000  
Email : ir@awantec.my  
Website : www.awantec.my

## REGISTERED OFFICE

Level 7, Menara Milenium,  
Jalan Damanlela,  
Pusat Bandar Damansara,  
Damansara Heights,  
50490 Kuala Lumpur,  
Wilayah Persekutuan, Malaysia  
Tel : +603 2084 9000  
Fax : +603 2084 9940  
Email : info@sshbsb.com.my

## SHARE REGISTRAR

**Boardroom Share Registrars Sdn. Bhd.**  
Level 11, Menara Symphony,  
No. 5, Jalan Prof. Khoo Kay Kim,  
Seksyen 13, 46200 Petaling Jaya,  
Selangor Darul Ehsan, Malaysia  
Tel : +603 7890 4700  
Fax : +603 7890 4670  
Email : BSR.helpdesk@boardroomlimited.com  
Website : www.boardroomlimited.com

## STOCK EXCHANGE LISTING

**Main Market of Bursa Malaysia  
Securities Berhad**  
(Listed since 27 July 2011)  
Stock Code : 5204  
Stock Name : AWANTEC

## INVESTOR RELATIONS

Block 11B, Star Central,  
Lingkar Cyber Point Timur,  
Cyber 12, 63000 Cyberjaya,  
Selangor Darul Ehsan, Malaysia  
Tel : +603 8689 7000  
Email : ir@awantec.my

## SOLICITOR

**Lim Chee Wee Partnership**  
12-1, Lorong Dungun, Damansara Heights,  
50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia  
Tel : +603 2011 3332  
Fax : +603 2011 6616  
Email : info@lcwpartnership.com  
Website : www.lcwpartnership.com

## EXTERNAL AUDITOR

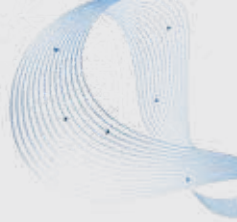
**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Level 16, Tower C, Megan Avenue II,  
12, Jalan Yap Kwan Seng,  
50450 Kuala Lumpur, Wilayah Persekutuan, Malaysia  
Tel : +603 2788 9999

## INTERNAL AUDITOR

**KPMG Management and Risk Consulting Sdn. Bhd.**  
Level 10, KPMG Tower,  
8, First Avenue, Bandar Utama,  
47800 Petaling Jaya, Selangor Darul Ehsan, Malaysia  
Tel : +603-7721 3388  
Fax : +603-7721 3399

## PRINCIPAL BANKERS

Ambank Islamic Bank Berhad  
Maybank Islamic Bank Berhad  
CIMB Islamic Bank Berhad



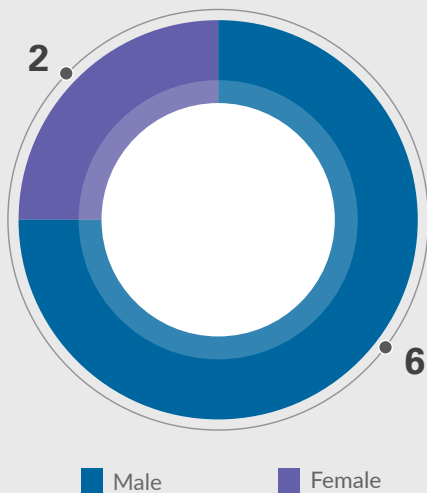
# BOARD AT A GLANCE

## BOARD COMPOSITION

**7** INDEPENDENT  
NON-EXECUTIVE DIRECTORS

**1** NON-INDEPENDENT  
NON-EXECUTIVE DIRECTOR

## GENDER DIVERSITY



## NATIONALITY



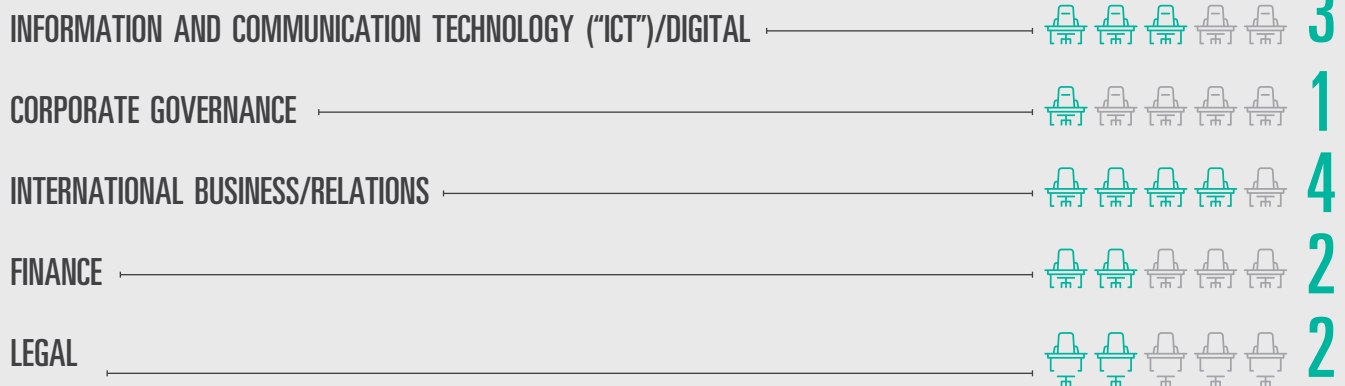
## AGE GROUP

**2** 40-49 YEARS OLD

**1** 50-59 YEARS OLD

**5** 60-69 YEARS OLD

## BOARD SKILLS MATRIX



# BOARD OF DIRECTORS' PROFILE

## DATO' SYED NAQIZ SHAHABUDDIN BIN SYED ABDUL JABBAR

Independent Non-Executive Chairman



10/10

Board Meetings Attended in the Financial Year

<b>Date of Appointment:</b>	Age 52	Male	Malaysian
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20 January 2021

**Length of Tenure:**  
3 years

### BOARD COMMITTEE MEMBERSHIP(S)

- None

### QUALIFICATION(S)

- Graduate Diploma in Legal Practice, Australian National University, Canberra, Australia
- Literally Legum Baccalaureus, Australian National University, Canberra, Australia
- Advocate and Solicitor, High Court of Malaya
- Solicitor, High Court of Australia
- Barrister and Solicitor, Supreme Court of the Australian Capital Territory

### PRESENT APPOINTMENT(S)

- Consultant, Naqiz & Partners
- Member of the Bar Council Malaysia

### PAST EXPERIENCE(S)

- Senior Partner, Naqiz & Partners
- Senior Associate, Wong & Partners
- Senior Associate, Skrine

### OTHER DIRECTORSHIP(S)

Listed issuer:

- Icon Offshore Berhad
- MMC Corporation Berhad

Public company:

- Yayasan DRB-HICOM
- UOB Asset Management (M) Berhad

## DR. ABU HASAN BIN ISMAIL

Non-Independent Non-Executive Director  
Founder and Strategic Advisor



10/10

Board Meetings Attended in the Financial Year

<b>Date of Appointment:</b>	Age 63	Male	Malaysian
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18 November 2010

**Length of Tenure:**  
14 years

### BOARD COMMITTEE MEMBERSHIP(S)

- Member of the Risk Management Committee and Long-Term Incentive Plan Committee

### QUALIFICATION(S)

- Doctor of Philosophy, University of Sheffield, England
- Master of Philosophy, University of Sheffield, England
- Bachelor of Architecture, University of Strathclyde, Scotland
- Bachelor of Science, University of Strathclyde, Scotland
- Diploma in Architecture, Universiti Teknologi Malaysia

### PRESENT APPOINTMENT(S)

- Senior Research Fellow, La Trobe Business School of La Trobe University, Melbourne, Australia
- CEO Faculty, Ministry of Higher Education, Malaysia
- Council Member, Taylors University, Malaysia
- Advisory Panel, International Business School, Universiti Teknologi Malaysia
- Adjunct Professor, Universiti Teknologi Malaysia and Universiti Sultan Zainal Abidin

### PAST EXPERIENCE(S)

- Executive Director, FSBM Holdings Berhad
- Professor and Dean, Faculty of Creative Multimedia, Cyberjaya, Malaysia
- Associate Professor, School of Architecture, Universiti Teknologi Malaysia
- Assistant Lecturer A, School of Architecture, Universiti Teknologi Malaysia
- Assistant Lecturer B, School of Architecture, Universiti Teknologi Malaysia

### OTHER DIRECTORSHIP(S)

Listed issuer:

- None

Public company:

- Institute Sultan Iskandar of Urban Habitat and High Rise

### NOTES:

- None of the Directors have any family relationship with each other and/or major shareholder of the Company.
- None of the Directors have any conflict of interest or potential conflict of interest with the Company or its subsidiaries.
- None of the Directors have been convicted of any offence within the last five (5) years other than traffic offences, if any, or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.
- The Directors' share and warrant holdings in the Company are disclosed in the Analysis of Shareholdings and Analysis of Warrant A Holdings sections of this Annual Report.



## RAMANATHAN A/L SATHIAMUTTY

Independent Non-Executive  
Director

10/10

Board Meetings Attended  
in the Financial Year



**Date of Appointment:** Age 60 Male Malaysian  
16 April 2014

**Length of Tenure:**  
10 years

### BOARD COMMITTEE MEMBERSHIP(S)

- Chairman of the Risk Management Committee
- Member of the Nomination & Remuneration Committee, Audit Committee and Long-Term Incentive Plan Committee

### QUALIFICATION(S)

- Executive Management Programme, INSEAD
- Executive Management Programme, Harvard Business School
- Master of Business Administration, Universiti Putra Malaysia
- Bachelor of Engineering (Honours), Electrical & Electronic Engineering, Universiti Kebangsaan Malaysia

### PRESENT APPOINTMENT(S)

- Member of the Advisory Boards, INTI College, Universiti Putra Malaysia's Computer Science and Information Technology Faculty and Universiti Tenaga Nasional's International Advisory Council
- Adjunct professor, Taylor's University
- Non-Executive Director, Universiti Kebangsaan Malaysia

### PAST EXPERIENCE(S)

- Advisor to Chief Executive Officer, Celcom Axiata
- Chief Transformation Officer, Celcom
- Chief Technology, Operation and Digitalisation Officer, Celcom
- Managing Director, IBM Malaysia Sdn. Bhd.
- General Manager, Communication Sector, ASEAN
- Managing Partner, IBM India (Bharti Airtel)
- Director, Global Strategic Acquisition, IBM (US)
- Managing Partner, Global Business Consulting, IBM (KR)
- Director, Strategic Investment, Internet Generation Companies (APAC)
- Country Manager, Telecommunication, Media and Utility, IBM (MY)

### OTHER DIRECTORSHIP(S)

Listed issuer:

- Malaysia Airports Holdings Berhad

Public company:

- None

## GINNY YEOW MEI YING

Independent Non-Executive  
Director

10/10

Board Meetings Attended  
in the Financial Year



**Date of Appointment:** Age 42 Female Malaysian  
28 February 2019

**Length of Tenure:**  
5 years

### BOARD COMMITTEE MEMBERSHIP(S)

- Member of the Nomination & Remuneration Committee and Risk Management Committee

### QUALIFICATION(S)

- Bachelor of Art, English Literature (American and Spanish literature), University of Warwick, Coventry, England
- Graduate Diploma in Marketing, Marketing Institute of Singapore

### PRESENT APPOINTMENT(S)

- Director, Kaginic Corporation Sdn. Bhd.

### PAST EXPERIENCE(S)

- Investment Manager, Kencana Capital Sdn. Bhd.
- Senior Marketing Executive, Kuala Lumpur Regional Centre for Arbitration
- Corporate Communications Executive, F3 Strategies (Foundation for the Future)
- Media Planner, Zenith Media Malaysia

### OTHER DIRECTORSHIP(S)

Listed issuer:

- None

Public company:

- None



## BOARD OF DIRECTORS' PROFILE

### PROFESSOR EMERITUS DATO' DR. HASSAN BIN SAID

Independent Non-Executive  
Director

10/10

Board Meetings Attended  
in the Financial Year



**Date of Appointment:** Age 69 Male Malaysian

25 February 2020

**Length of Tenure:**  
4 years

#### BOARD COMMITTEE MEMBERSHIP(S)

- Chairman of the Nomination & Remuneration Committee and Long-Term Incentive Plan Committee
- Member of the Audit Committee

#### QUALIFICATION(S)

- Doctor of Engineering (Honorary), Brunel University, UK
- Doctor in Law (Honorary), University of Nottingham, UK
- Doctor Honoris Causa, University of Toulouse Jean Jaurès, France
- Doctor of Human Resource Management (Honorary), Universiti Sains Islam Malaysia
- Doctor of Educational Leadership (Honorary), Asia e-University, Malaysia
- Doctor of Business Administration (Honorary), University of West England, England
- Doctor of Engineering (Honorary), Birmingham University, England
- Doctor of Science (Honorary), Multimedia University Malaysia
- Doctor of Science (Honorary), Universiti Malaysia Perlis
- PhD (Computer Aided Geographic Design) Brunel University, England
- Master of Science (Numerical Analysis) Brunel University, England
- Bachelor of Science (Maths) Manchester University, England

#### PRESENT APPOINTMENT(S)

- Chairman, Board of Governors, Universiti Tenaga Nasional Berhad ("UNITEN")
- Member, Board of Directors, Securities Industry Development Corporation ("SIDC")
- Member, Board of Governors, Universiti Sains Malaysia
- Vice-Chancellor, Universiti Teknologi MARA
- Fellow, Institute of Mathematics and Application, UK
- Emeritus Professor, Universiti Sains Malaysia
- Fellow, Malaysian Mathematical Society
- Fellow, Academy Science of Malaysia

#### PAST EXPERIENCE(S)

- Vice Chancellor and President, Taylor's University
- Chairman, Board of Governors, University Malaysia of Computer Science and Engineering ("UNIMY")
- Director General, Department of Higher Education, Ministry of Higher Education Malaysia
- Director, Department of Higher Education, Ministry of Education Malaysia
- Deputy Vice Chancellor, Universiti Sains Malaysia
- Dean, Universiti Sains Malaysia
- Professor, Universiti Sains Malaysia
- Associate Professor, Universiti Sains Malaysia
- Lecturer, Universiti Sains Malaysia

#### OTHER DIRECTORSHIP(S)

Listed issuer:

- None

Public company:

- Securities Industry Development Corporation

### YM TUNKU ABANG FAISAL AMIR BIN ABANG ABU BAKAR

Independent Non-Executive  
Director

10/10

Board Meetings Attended  
in the Financial Year



**Date of Appointment:** Age 47 Male Malaysian

20 January 2021

**Length of Tenure:**  
3 years

#### BOARD COMMITTEE MEMBERSHIP(S)

- None

#### QUALIFICATION(S)

- Bachelor of Science, Business Management, King's College, London, UK

#### PRESENT APPOINTMENT(S)

- Chairman, Howden Insurance Brokers Sdn. Bhd.
- Director, Malene Insurance Brokers Sdn. Bhd.

#### PAST EXPERIENCE(S)

- Chief Executive Officer, Malene Insurance Brokers Sdn. Bhd.
- Executive Director, Malene Insurance Brokers Sdn. Bhd.

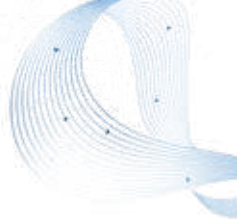
#### OTHER DIRECTORSHIP(S)

Listed issuer:

- None

Public company:

- None



## LIM SAW IMM

Independent Non-Executive  
Director



10/10

Board Meetings Attended  
in the Financial Year

**Date of Appointment:**  
25 May 2023

Age 68

Female

Malaysian

**Length of Tenure:**  
1 year

### BOARD COMMITTEE MEMBERSHIP(S)

- Chairperson of the Audit Committee

### QUALIFICATION(S)

- Fellow of the Association of Chartered Certified Accountants
- Member of Chartered Tax Institute of Malaysian
- Member of Malaysian Institute of Accountants

### PRESENT APPOINTMENT(S)

- Senior Independent Director, Golden Land Berhad

### PAST EXPERIENCE(S)

- Partner, PricewaterhouseCoopers Taxation Services Sdn. Bhd.
- Tax Manager, Robson Rhodes, United Kingdom

### OTHER DIRECTORSHIP(S)

Listed issuer:

- Golden Land Berhad

Public company:

- None

## DATUK SERI DR. YUSOF

### BIN ISMAIL

Independent Non-Executive  
Director



1/1

Board Meetings Attended  
in the Financial Year

**Date of Appointment:**  
7 May 2024

Age 62

Male

Malaysian

**Length of Tenure:**  
Less than 1 year

### BOARD COMMITTEE MEMBERSHIP(S)

- None

### QUALIFICATION(S)

- B.Econs. (Hons), Universiti Malaya
- Diploma in Public Administration, Institut Tadbiran Awam Negara ("INTAN")
- Master in Economic Development, Williams College, Massachusetts, USA
- PH.D. in Community Development, Universiti Putra Malaysia

### PRESENT APPOINTMENT(S)

- Commissioner, Enforcement Agency Integrity Commission ("EAIC")
- Member, Federal Territory Islamic Religious Council ("MAIWP")
- Chairman, Green Packet Berhad

### PAST EXPERIENCE(S)

- Director General, Malaysian Administrative Modernisation and Management Planning Unit ("MAMPU"), Prime Minister's Department
- Deputy Director General (Transformation and Modernization of Management), MAMPU, Prime Minister's Department
- Under Secretary, Strategic Investment Division, Ministry of Finance
- Deputy Under Secretary, Government Investment Companies Division (Commercial), Ministry of Finance
- Deputy Chief Executive Officer (Planning and Development Sector), Langkawi Development Authority ("LADA")
- Deputy Director, Science and Technology Manufacturing Industry Section, Economic Planning Unit
- Deputy Director, Energy Section, Economic Planning Unit, Prime Minister's Department
- Principal Assistant Secretary, Ministry of Rural and Regional Development
- Special Officer to the Secretary General of The Treasury, Ministry of Finance
- Assistant Secretary, Finance Division, Investment Section, Ministry of Finance
- Appointment To P.T.D., Assistant Secretary, Economics Division, Ministry of Finance

### OTHER DIRECTORSHIP(S)

Listed issuer:

- Green Packet Berhad
- Ranhill Utilities Berhad

Public company:

- Yayasan Taqwa Wilayah Persekutuan

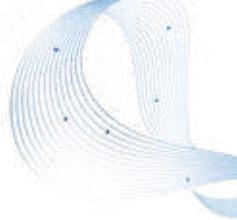
# PROFILE OF SENIOR MANAGEMENT TEAM



Seating from left to right:

- 1. YASMIN BINTI ABDULLAH
- 2. AHMAD REZAL BIN IBRAHIM
- 3. AZLAN BIN ZAINAL ABIDIN

- 4. AINUN MARDZIAH BINTI HASHIM
- 5. CHOK JOON HENG
- 6. DR. PETER LEE FUEI SIONG



## AZLAN BIN ZAINAL ABIDIN

Chief Executive Officer

Age 51

Male

Malaysian

**Date of Appointment:** June 2023

### QUALIFICATION(S)

- MBA – Imperial College UK
- BSc in Commerce – University of Virginia
- UK Berkeley Executive Education – AI Business Strategies and Application

### PAST EXPERIENCE(S)

- GROUP CEO IT Services DNETX/CEO IA Consulting/Chairman of Dagang Net Technologies
- Chief Enterprise Business Officer Celcom Axiata
- Country Managing Partner IBM Malaysia
- Managing Director/Partner Accenture Malaysia
- General Manager Group IT Malaysia Airports
- VP IT Transformation Celcom Axiata
- Consulting and System Delivery Engagements for Oil and Gas Global companies
- Senior Consultant, Pricewaterhouse

### DIRECTORSHIP IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

- None

## CHOK JOON HENG

Chief Operating Officer

Age 50

Male

Malaysian

**Date of Appointment:** October 2022

### QUALIFICATION(S)

- Association of Chartered Certified Accountants
- Chartered Accountant, Malaysian Institute of Accountants

### PAST EXPERIENCE(S)

- Lead Consultant, SKIN Prestariang Technology Sdn. Bhd.
- Director, Crave Capital Sdn. Bhd.
- Financial Consultant, Innovation Associates Outsource Sdn. Bhd.
- Group Accountant, DPS Resources Berhad
- Head of Internal Audit, TA Enterprise Berhad
- Senior Auditor, TH Law and Co.

### DIRECTORSHIP IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

- None

## AHMAD REZAL BIN IBRAHIM

Director of Technology

Age 52

Male

Malaysian

**Date of Appointment:** January 2024

### QUALIFICATION(S)

- Asia eUniversity, Malaysia, Executive master's in management
- NCC, UK, NCC Post Graduate Diploma in Strategic Business Information Technology
- University of Technology Mara ("UiTM"), Diploma in Business Studies, Mara Institute of Technology
- SAP Academy, SAP Financial and Accounting Certified Consultant

### PAST EXPERIENCE(S)

- General Manager – Head of Application, Project Delivery, Strategy Digitalization and Innovation, Sapura Secured Technologies Sdn. Bhd.
- Head of IT Applications, Sapura Energy Berhad
- Director of Consulting, Synergy Log-In System Sdn. Bhd.
- General Manager – Head of Architecture and Solutions, Felda Global Ventures ("FGV") Holding Berhad (Formerly Head IT Planning, Strategy & Delivery Management)
- SAP ERP Professional Service at Middle East, Malaysia GLC, MNC and Private Firms (Senior Consultant/Project Manager/Cut-Over Data Manager/Integration Manager/Delivery Manager/Project Director)
- Head of Application & SAP Support, PSC IT Sdn. Bhd.
- Head of Application & SAP, Puncak Niaga Sdn. Bhd.
- Head of Application & SAP, Microcorp Technology
- Senior Software Engineer, Xybase MSC Sdn. Bhd.
- Head of Software Division, Elkasa Sdn. Bhd.
- IT Officer, Information System Unit, Southern Finance Company Berhad

### DIRECTORSHIP IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

- None

## PROFILE OF SENIOR MANAGEMENT TEAM

### DR. LEE FUEI SIONG, PETER

Director, Talent and Development  
Head of Awantec Talent Exchange

Age 55 Male Malaysian

Date of Appointment: March 2019

#### QUALIFICATION(S)

- Bachelor of Medicine, Manipal Higher Education Academy, India
- Bachelor of Surgery, Manipal Higher Education Academy, India
- Certified SHL Practitioner
- Certified HRD TTT trainer
- Rocheston Cybersecurity Certified Specialist ("RCCS")
- RCCS certified trainer
- Rocheston Cybersecurity Compliance Officer ("RCCO")
- RCCO certified trainer

#### PAST EXPERIENCE(S)

- Change Management Director, Prestariang Tech Services Sdn. Bhd.
- Project Consultant and Advisor, Brilliance Information Sdn. Bhd.
- Senior Consultant, Bloomberg School of Public Health, John Hopkins University
- Chief Marketing Officer, Brilliance Information Sdn. Bhd.
- Head of Department, Health Office (Kapit Division), Ministry of Health, Malaysia
- Medical Officer, Ministry of Health, Malaysia
- House Officer, Ministry of Health, Malaysia

#### DIRECTORSHIP IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

- None

### YASMIN BINTI ABDULLAH

Director, Human Resource & Administration

Age 56 Female Malaysian

Date of Appointment: January 2018

#### QUALIFICATION(S)

- Bachelor of Economics, Universiti Malaya
- Certified Facilitator ("HRDF"), DISC Profiling, Forte Profiling, Career Transition and SHL Practitioner

#### PAST EXPERIENCE(S)

- Senior Vice President, Human Resource & Learning and Development, Awanbiru Technology Berhad
- Consulting Director, Talent Management and Leadership Development, Integrated Hospitality Consulting Sdn. Bhd.
- Consulting Director, Talent Management and Leadership Development, BTI Consultants Sdn. Bhd.
- Director of Human Resource, Pelangi Beach Resort and Bura Bay Resort
- Human Resource and Training Manager, Sheraton Imperial Kuala Lumpur

#### DIRECTORSHIP IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

- None

#### NOTES:

- None of the Senior Management have any family relationship with any director and/or major shareholder of the Company.
- None of the Senior Management have any conflict of interest or potential conflict of interest with the Company or its subsidiaries.
- None of the Senior Management have been convicted of any offence within the last five (5) years other than traffic offences, if any, or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

### AINUN MARDZIAH BINTI HASHIM

Group Financial Controller

Age 47 Female Malaysian

Date of Appointment: May 2021

#### QUALIFICATION(S)

- Chartered Global Management Accountant, Chartered Institute of Management Accountants, UK
- Bachelor's Degree, Accounting, Universiti Utara Malaysia
- Chartered Accountant, Malaysian Institute of Accountants

#### PAST EXPERIENCE(S)

- Acting Chief Financial Officer, Sapura Resources Berhad

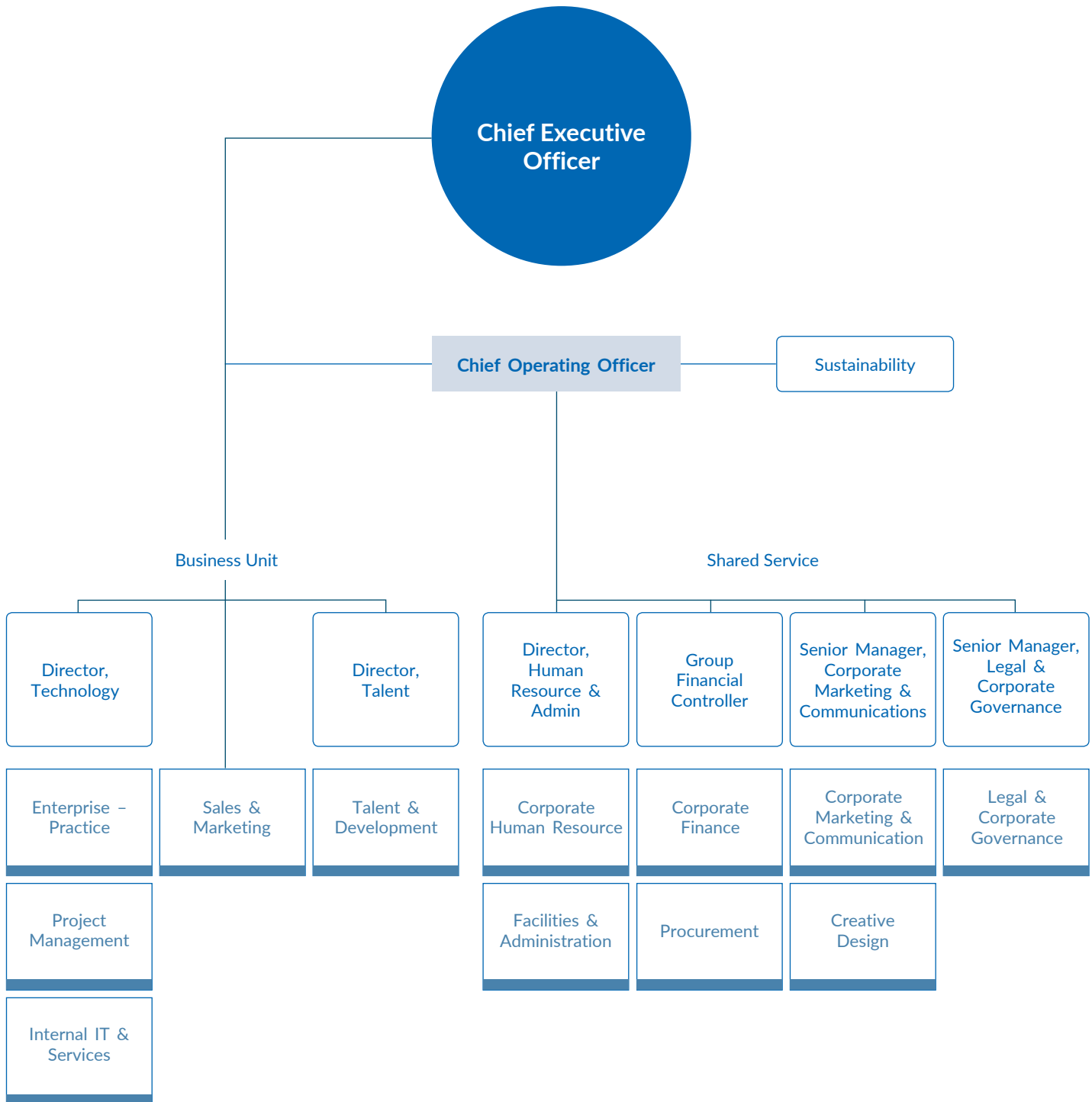
- Head of Accounting, Sapura Resources Berhad
- Head of Credit Control, Koperasi Kakitangan Petronas Berhad
- Accounts Executive, Kopetro Travel & Tours Sdn. Bhd.
- Audit Officer, Anuarul, Azizan, Chew & Co.

#### DIRECTORSHIP IN OTHER PUBLIC COMPANIES AND LISTED ISSUERS

- None



# ORGANISATION STRUCTURE



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of Awantec is dedicated to maintaining high standards of corporate governance and integrity throughout our organisation. These practices enable the Company and its subsidiaries (“**Group**”) to operate efficiently and achieve our vision. The Board is fully committed to upholding best practices in corporate governance and sustainability, ensuring that we act transparently, ethically, and prudently. This commitment is in line with our fiduciary responsibility as a business to **Doing Well by Doing Good**; thereby safeguarding the interests of all stakeholders and enhancing shareholder value.

This Corporate Governance Overview Statement (“**Statement**”) summarises the Board’s responsibilities and activities in ensuring that the Group remains at the forefront of good governance for the financial year under review. The Board has focused on key strategic priorities: enhancing capabilities, digitalising operations, and integrating sustainability. These efforts are integral to our commitment to high standards of corporate governance.

For more detailed information, please refer to our Value Creation Strategy on pages 26 to 36. The Group adheres to, and reports based on, the following statutory requirements, best practices, and guidelines:

- Companies Act 2016 (“**CA 2016**”)
- Main Market Listing Requirements (“**MMLR**”) issued by Bursa Malaysia Securities Berhad (“**Bursa Securities**”)
- Malaysian Code on Corporate Governance 2021 (“**MCCG 2021**”)
- Corporate Governance Guide 4th Edition published by Bursa Securities (“**CG Guide**”)

This Statement focuses on the following three (3) key corporate governance principles of MCCG 2021:

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

This Statement should be read in conjunction with the Company’s Corporate Governance Report (“**CG Report**”), available on the Company’s website at: [https://ir.awantec.my/shareholders\\_meeting.html](https://ir.awantec.my/shareholders_meeting.html).

## CORPORATE GOVERNANCE PRACTICES

The Company has complied with the practices set out in MCCG 2021, save for the two (2) departures below. The explanation for the departure of practice can be read in the CG Report.

### Practice 5.4 Step Up

The Board has a policy that limits the tenure of its independent directors to nine years without further extension.

### Practice 8.3 Step Up

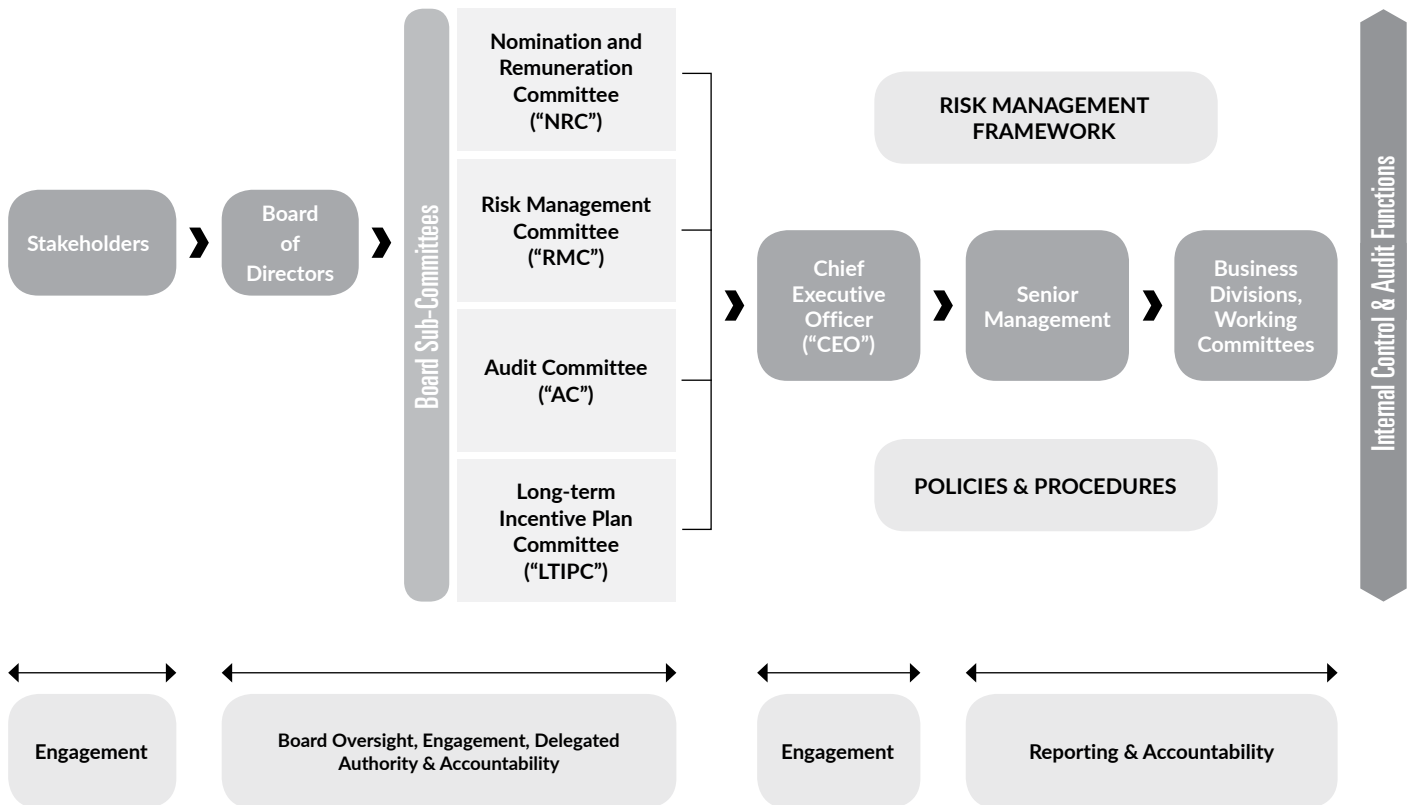
Companies are encouraged to fully disclose the detailed remuneration of senior management on a named basis.



## GOVERNANCE FRAMEWORK

The Board is committed to a robust governance framework that drives strategic execution and delivers long-term shareholder value. By delegating authority while maintaining clear accountability, the Board empowers management to make informed decisions and respond effectively to market opportunities.

The Group’s governance structure, illustrated in the diagram below, outlines the clear lines of responsibility between the Board, its committees, and management. This framework ensures effective oversight and efficient decision-making.





# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## A

### PRINCIPLE

## Board Leadership and Effectiveness

### THE ROLE OF THE BOARD

The Board’s primary commitment is to oversee the Company’s business and ensure that the Group’s operations promote sustainability, integrity, and compliance with relevant laws, rules, and regulations. The Board is also dedicated to ensuring that the Company’s strategic plan supports long-term value creation and incorporates strategies for economic, environmental, and social considerations, with a particular focus on green investments.

To facilitate effective oversight, the Board has established a robust governance framework that includes the delegation of authority to management while maintaining clear accountability.

The Board is led by Dato’ Syed Naqiz Shahabuddin bin Syed Abdul Jabbar (“**Dato’ Syed Naqiz**”), the Independent Non-Executive Chairman (the “**Chairman**”). The roles of Chairman and Chief Executive Officer are distinctly separate, ensuring a balance of power within the Company. While the Chief Executive Officer operates under the delegated authority of the Board, the Chairman provides leadership and manages the interface between the Board and Senior Management. This separation enhances both leadership effectiveness and decision-making processes.

Further, the Board members have full access to the two (2) qualified Company Secretaries, who provide guidance on governance related matters to ensure full compliance with the laws and regulations.

### OVERVIEW OF THE BOARD COMMITTEES

To enhance its oversight responsibilities, the Board has established the following committees:

#### AC

1. Lim Saw Imm
2. Ramanathan a/l Sathiamutty
3. Professor Emeritus Dato’ Dr. Hassan bin Said

 Details of the role and activities of AC are found on page 159 of this Annual Report.

#### NRC

1. Professor Emeritus Dato’ Dr. Hassan bin Said
2. Ramanathan a/l Sathiamutty
3. Ginny Yeow Mei Ying

 Details of the role and activities of NRC are found on page 162 of this Annual Report.

#### RMC

1. Ramanathan a/l Sathiamutty
2. Ginny Yeow Mei Ying
3. Dr. Abu Hasan bin Ismail

 Details of the role and activities of RMC are found on page 162 of this Annual Report.

#### LTIPC

1. Professor Emeritus Dato’ Dr. Hassan bin Said
2. Ramanathan a/l Sathiamutty
3. Dr. Abu Hasan bin Ismail

 Details of the role and activities of LTIPC are found on page 164 of this Annual Report.

Each committee within the Board has clearly defined roles and responsibilities outlined in its respective Terms of Reference (“**TOR**”). To ensure independent oversight, the Chair of each committee is distinct from the Board Chair. The TOR of each Committee can be downloaded from <https://www.awantec.my/governance/>.



### Chairman

- Provides strategic leadership to the Board.
- Fosters a culture of good corporate governance and high performance.
- Encourages open and constructive dialogue among Directors.
- Ensures timely and relevant information is accessible to all Directors.

### Individual Directors


- Act in good faith and in the best interests of the Group.
- Exercise due care, skill, and diligence in fulfilling their duties.
- Avoid conflicts of interest and misuse of confidential information.

### Chief Executive Office

- Executes the Group's strategy in alignment with the Board's directives.
- Cultivates a corporate culture that reflects the Group's values.
- Facilitates effective communication between the Board and management.
- Leads and manages the Group's operations to achieve strategic objectives.

### Company Secretary

- Advises the Board on corporate disclosures and ensures compliance with the CA 2016, MCGG 2021, and Bursa Securities MMLR.
- Conducts regular reviews of the Company's and Board's governance effectiveness in collaboration with the Chairman.
- Provides strategic advice on corporate governance best practices.
- Monitors governance trends and recommends appropriate actions to meet the Board's and stakeholders' expectations.

 Detailed information on the roles and responsibilities governing the Board, Board Committees, Individual Directors, and management can be found in the Board Charter at <https://www.awantec.my/governance/>.

## BOARD RESERVED MATTERS

Matters that are reserved for the Board are also stated in the Board Charter which is subject to review from time to time. They are summarised as follows:

- |   |  |   |
|---|--|---|
| <p><b>1</b> Appointment and removal of Board members, Senior Management, and Auditors</p>       | <p><b>3</b> Calling of shareholders meeting</p>        | <p><b>5</b> Matters relating to corporate governance and whistleblowing</p> |
| <p><b>2</b> Approval of major expenditure, the Company's annual business plan and scorecard</p> | <p><b>4</b> Terms of Reference of Board Committees</p> | <p><b>6</b> Dividends</p>   |

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## SUPPLY OF INFORMATION

Board papers are disseminated to directors at least five (5) working days prior to each meeting, allowing ample time for review. Meeting minutes, accurately reflecting discussions and decisions, are circulated promptly upon the conclusion of each session.

## BOARD DELIBERATIONS

The Board meets on a quarterly basis, with meetings scheduled in advance of each financial year to ensure effective planning and time management. These meetings are held separately from Board Committee meetings to allow ample time for thorough discussions on all relevant matters.

In addition to the regular quarterly meetings, Special Board Meetings are convened as needed to address urgent issues that require prompt attention. During the financial year under review, the Board convened on ten (10) occasions to review and deliberate on significant issues requiring detailed discussion and approval.

All Directors have adhered to the Bursa Securities MMLR by meeting the minimum attendance requirement of 50% for Board Meetings.

### NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

	BOD	AC	NRC	RMC	LTIPC	AGM
Dr. Abu Hasan bin Ismail	10/10	-	-	2/2	-	1/1

### INDEPENDENT NON-EXECUTIVE DIRECTOR

(Chairman)

Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	10/10	-	-	-	-	1/1
Lim Saw Imm	10/10	7/7	-	-	-	1/1
Ramanathan a/l Sathiamutty	10/10	7/7	3/3	2/2	-	1/1
Ginny Yeow Mei Ying	10/10	-	3/3	2/2	-	1/1
Professor Emeritus Dato' Dr. Hassan bin Said	10/10	7/7	3/3	-	-	1/1
Hafidah Aman binti Hashim <sup>1</sup>	4/4	4/4	1/1	-	-	1/1
Dato' Tharuma Rajah @ K.T. Rajan a/l R. Krishnan <sup>2</sup>	4/4	-	-	-	-	1/1
YM Tunku Abang Faisal Amir bin Abang Abu Bakar	10/10	-	-	-	-	1/1
Datuk Seri Dr. Yusof bin Ismail <sup>3</sup>	1/1	-	-	-	-	-

<sup>1</sup> Retired as an Independent Non-Executive Director of the Company on 23 November 2023.

<sup>2</sup> Retired as an Independent Non-Executive Director of the Company on 23 November 2023.

<sup>3</sup> Appointed as an Independent Non-Executive Director of the Company on 7 May 2024.



## BOARD ACTIVITIES

The discussed topics and agendas for the meetings held during the financial year under review are summarised as follows:-



### Strategy & Finance

- Provided strategic advice and guidance to facilitate the Company's recovery from its classification as an affected listed issuer under Paragraph 8.03A 2(a)(aa) of the Bursa Securities MMLR.
- Approved the proposed budget for FY2024.
- Approved Messrs. Crowe Malaysia PLT's Audit Review Memorandum for FY2023.
- Approved the Audit Planning Memorandum for FY2024.
- Discussed the Group's business and legal updates.
- Approved the unaudited quarterly report on consolidated results.
- Reviewed the related party transactions.
- Reviewed conflicts of interest or potential conflicts of interest.
- Deliberated on business segment reporting and revenue recognition.



### Risk & Internal Control

- Approved the Risk Management Committee Report for FY2024.
- Reviewed and discussed the Internal Audit Report (Cycle 1) for the FY2024.
- Evaluated the risk management status of business units.
- Approved the Conflict of Interest Policy.



### Governance

- Approved the Annual Report 2024.
- Approved the TOR for the AC.



### Sustainability

- Noted on effective dates and initiatives to comply with the Bursa Securities' Sustainability Disclosure requirements.
- Noted progress and completion date for Sustainable Supply Chain Screening & Analyses.
- Noted on current ESG risk rating and current compliance to climate change-related indices.
- Noted on Awantec's current carbon consumption and GHG emissions compared to the previous year.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## CORPORATE INTEGRITY

### Code of Conduct and Whistleblowing Policy

Awantec is committed to fostering a culture of integrity and ethical behavior. The Company has adopted a comprehensive Code of Conduct and Whistleblowing Policy to promote integrity and foster ethical behaviour among employees.

- **Code of Conduct:** This document outlines the ethical standards and behavioural guidelines that all employees are expected to follow throughout their employment. It serves as a foundational framework for maintaining professionalism and integrity in all business activities.
- **Whistleblowing Policy:** This Policy underscores the Group's commitment to a culture of transparency and honesty. It encourages individuals who become aware of potential malpractice or misconduct to report their concerns in good faith. The policy is designed to safeguard whistleblowers, including employees, from any form of retaliation.

For the FY2024, no non-compliance reports were received through our whistleblowing channels, reflecting the effectiveness of our preventive measures and the strong ethical culture within the Company.

On 22 March 2024, the Company and its employees took an Integrity Pledge to reaffirm their commitment to high ethical standards.

Copies of the Code of Conduct and Whistleblowing Policy are available on the Company's website at <https://www.awantec.my/governance/>.

### Anti-Bribery and Anti-Corruption Policy

To comply with Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009, the Company has adopted an Anti-Bribery and Anti-Corruption Policy. This policy regulates the conduct of the Company, its subsidiaries, directors, employees, contractors, subcontractors, consultants, agents, and representatives in their dealings with the Company and its stakeholders. The Company is committed to ensuring that all personnel conduct themselves with honesty and integrity, adhering to the highest ethical standards and all relevant laws and regulations.

The Company maintains a zero-tolerance policy towards all forms of bribery and corruption. The Anti-Bribery and Anti-Corruption Policy should be read in conjunction with the Code of Conduct and Whistleblowing Policy. A copy of the Policy is available on the Company's website at <https://www.awantec.my/governance/>.

### Conflict of Interest

Awantec is dedicated to upholding the highest standards of integrity, transparency, and ethical conduct in all business operations. To ensure that the interests of the Group are always prioritised, we have implemented a comprehensive Conflict of Interest ("COI") Policy.

- **Policy Overview:** The COI Policy is designed to prevent any personal, financial, non-financial, or other conflicts that could compromise the judgement or impartiality of the Board, Senior Management, and employees. By adhering to this Policy, we ensure that all decisions and actions are made in the best interests of the Group.
- **Policy Integration:** This Policy is to be read in conjunction with the Board Charter, the Directors' Code of Conduct and Ethics, the Anti-Bribery and Anti-Corruption Policy and the Related Party Transaction Policies and Procedures. It also aligns with the CA 2016, Bursa Securities MMLR and Capital Market Services Act 2007.

Awantec ensures that all employees declare any COI quarterly by completing the declaration form as outlined in the COI Policy. Any identified COI must be immediately reported to the employee's supervisor, the Corporate Human Resource Department ("CHRD"), or the Legal and Corporate Governance Department. The declaration process requires the conflicted party to forward the completed form to the appropriate departments, and reasonable steps must be taken to manage the conflict, including limiting the individual's participation in relevant discussions and decisions.

For Directors and Senior Management, any direct or indirect interests, actual or potential, that could lead to a conflict must be promptly disclosed to the AC and the Board. This disclosure should be made via written notice or electronic means and subsequently recorded by the Company Secretary or the Legal and Corporate Governance Department. Directors are required to declare any relevant interests at the start of meetings and must abstain from participating in discussions or voting on matters where a COI exists. The AC evaluates these declarations and proposes action plans to manage the conflicts, ensuring compliance and maintaining transparency.



## Related Party Transaction (“RPT”)



### Section 221 of the CA 2016

Every director, whether directly or indirectly, interested in a contract or proposed contract with the Company shall, as soon as practicable after the relevant facts have come to the director's knowledge, declare the nature of his interest at a meeting of the Board.



### Paragraphs 1.01, 10.02(g) and 10.02(k) of the Bursa Securities MMLR

RPT refers to a transaction governed by the percentage ratio threshold entered into by the listed issuer or its subsidiaries which involves the interest, direct or indirect, of a director, major shareholder, or person connected with such director or major shareholder.

To foster ethical and independent decision-making, the Company requires any Director with a direct or indirect interest in a proposal or transaction being considered by the Board or its Committees (“**Interested Director**”) to declare that interest and recuse themselves from the deliberations. The Company Secretaries issue reminder emails on a quarterly basis regarding the declaration of RPT to all Board members. These disclosures must be recorded in the minutes of the meeting where the disclosure is made. An interested director shall not participate in or influence deliberations to ensure unbiased and independent decision-making. The RPT Policies & Procedures are available on the Company's website at <https://www.awantec.my/governance/>.

## FINANCIAL REPORTING

The Board is committed to providing a balanced and meaningful assessment of the Group's financial performance and prospects through annual audited financial statements, quarterly results announcements, and the Management Discussion and Analysis in the Annual Report. The AC leads this effort. Details of the AC's activities are presented in the AC Report on pages 159 to 161 of this Annual Report. The Statement of Responsibility by Directors for the preparation of the annual audited financial statements is set out on pages 175 of this Annual Report 2024.

## SUSTAINABILITY AND THE BOARD

The Board recognises the importance of embedding sustainability into the Group's strategy and operations to ensure long-term business viability. To this end, the Board has implemented a comprehensive Sustainability Framework, with oversight provided by the Sustainability Committee. This Committee, led by the Chief Executive Officer and Chief Operating Officer, is tasked with guiding and managing the Group's sustainability initiatives.

The Board stays informed of the Group's sustainability efforts through regular updates presented by the Chief Executive Officer at Board meetings. For detailed information on the Company's sustainability practices, please refer to pages 76 to 127 of the Annual Report 2024.

## BOARD INDEPENDENCE

The Board, guided by the NRC, evaluates the independence of Directors both at the time of their appointment and through annual declarations made prior to their re-election. Each Independent Director (“**ID**”) is required to proactively notify the NRC of any changes in circumstances that could affect their independence status.

Upon the NRC's recommendation, the Board is satisfied with the level of independence of all IDs and their commitment to acting in the best interests of the Company. The Board ensures compliance with the independence criteria set forth in Paragraph 1.01 of Bursa Securities MMLR.

In accordance with the Board Charter, an ID's tenure is capped at a cumulative maximum of nine (9) years. Upon completion of the nine (9) years, the ID may continue to serve on the Board only if re-designated as a Non-Independent Director. If the Board wishes to retain an ID as an Independent Director beyond this term, it must provide a detailed justification and obtain shareholder approval through a two-tier voting process at the Annual General Meeting (“**AGM**”).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## BOARD COMPOSITION & DIVERSITY



The Company adheres to Bursa Securities MMLR as stipulated in Paragraph 15.02, which mandates that the Board must include at least two (2) IDs or one-third (1/3) of the Board, whichever is greater. Currently, the Board is composed of seven (7) Independent Non-Executive Directors (“INEDs”) and one (1) Non-Independent Non-Executive Director (“NINED”).

The table below provides a detailed summary of the current Board composition:

1. Non-Independent Non-Executive Director	<b>12.5%</b>
2. Independent Non-Executive Directors	<b>87.5%</b>

The Board is dedicated to fostering diversity and inclusion within its composition, recognising that these values contribute to a broad range of perspectives and challenge conventional thinking, leading to more effective decision-making. The Board operates under a Diversity Policy, which outlines our commitment to achieving and sustaining diversity and inclusivity. The Diversity Policy can be accessed on the Company’s website at <https://www.awantec.my/governance/>.

The current Board reflects this commitment to diversity. Below is an overview of the Board’s composition in terms of skills, expertise, experience, age, tenure, and gender diversity:

Gender Diversity	Age Diversity	Board Tenure	Board Skills and Expertise
 <p><b>75%</b> Male</p>	40 – 49 years <b>2</b>	<4 years <b>5</b>	<ul style="list-style-type: none"> <li>• Taxation and Finance.</li> <li>• Accounting, Auditing and Investment.</li> <li>• Legal and Economics.</li> <li>• International Business and Business Operations.</li> <li>• Information Technology.</li> <li>• Investment.</li> <li>• Strategic Planning.</li> </ul>
	50 – 59 years <b>1</b>	5 – 8 years <b>1</b>	
 <p><b>25%</b> Female</p>	60 – 69 years <b>5</b>	9 – 12 years <b>1</b>	
		>13 years <b>1</b>	

The Board is supportive of boardroom gender diversity. However, currently, the Board comprises two (2) female directors out of eight (8) total directors, which constitutes 25% of the Board. While we have not yet reached the 30% target for female directors, we are actively working towards achieving this goal. Our commitment is demonstrated through our ongoing efforts to identify and appoint qualified female candidates to the Board.

Beyond the Board, the Company is committed to promoting diversity and inclusion throughout the organisation, which is crucial for effective functioning and sustainable development. Our employees are guided by the Equality, Diversity, and Inclusion Policy, which underscores our commitment to a diverse workforce. As of this statement, women make up 54% of our employees. The said Policy can be accessed on the Company’s website at <https://www.awantec.my/governance/>.



## BOARD APPOINTMENT

The NRC is responsible for the recruitment and appointment of new Directors. The NRC ensures that the processes for selecting, nominating, appointing, and re-electing Directors to the Board and its subsidiaries adhere to the following guiding documents:

- Nomination Policy
- Fit and Proper Policy
- Diversity Policy
- NRC TOR

(collectively referred to as the “Policies”)

Candidates must meet the following criteria:

- **Character and Integrity:** Demonstrated probity, personal integrity, financial integrity, and a strong reputation.
- **Experience and Competence:** Relevant qualifications, training, skills, experience, and a proven track record.
- **Time and Commitment:** Adequate availability to fulfil Board responsibilities, considering other commitments, and demonstrated participation and contribution in previous roles.

All the above Policies are accessible on the Company’s website at: <https://www.awantec.my/governance/>.

The NRC is tasked with evaluating and recommending candidates for directorship positions based on their capabilities, commitment, qualities, and potential conflicts of interest. This process ensures that only the most suitable candidates are put forward for Board consideration.

To identify experienced, qualified, and fit-for-purpose candidates, the NRC employs a multifaceted approach, including:

- Advertising: Utilising platforms such as LinkedIn to reach a broad audience;
- Direct Sourcing: Proactively identifying candidates through direct outreach;
- Recommendations: Consider referrals from shareholders and the Board’s network; and
- Due Diligence: Conducting thorough background checks and due diligence to verify candidates’ qualifications and suitability.

Should the NRC rely on a particular method for candidate identification, it will provide a detailed justification to explain why this approach was deemed sufficient.

The Company Secretaries are responsible for ensuring that all appointments comply with Bursa Securities MMLR. They will gather necessary information from newly appointed Directors for the Company’s records and regulatory compliance. Once endorsed by the Board, the Company Secretaries will announce the appointment to Bursa Securities.

During the financial year under review, the Company had on 7 May 2024, appointed Datuk Seri Dr. Yusof bin Ismail as an INED. Datuk Seri Dr. Yusof bin Ismail brings over thirty (30) years of experience in civil service, highlighting his dedication to public service and strategic leadership. His extensive background includes leading digital transformation initiatives, and a deep understanding of governmental regulations related to technology. His appointment reflects the Company’s commitment to leveraging his expertise to enhance governance and oversight.

The following table outlines the detailed process for appointing a new Director to the Company:



Each newly appointed director will receive a briefing on their appointment terms, duties, obligations, and the Group’s operations.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PROTOCOL FOR ACCEPTING NEW DIRECTORSHIPS AND TIME COMMITMENT

Directors must notify the Chairman before accepting any new directorships and provide an estimate of the time commitment required for the new role. Directors are expected to allocate sufficient time to fulfil their responsibilities as Directors of the Group.

In line with Bursa Securities MMLR, no Director shall hold more than five (5) directorships in listed issuers.

### SUCCESSION PLANNING

The NRC is tasked with overseeing the succession planning for both the Board and Senior Management. This ensures a balanced mix of skills, knowledge, experience, professional background, accomplishments, expertise, and diversity on the Board and in Senior Management, aligning with the Company's growth and strategic objectives.

During the financial year under review, Datuk Seri Dr. Yusof bin Ismail was appointed to the Board as an INED on 7 May 2024. His appointment was based on his esteemed professional reputation and extensive expertise, particularly in digital transformation and governance enhancement. The NRC's decision followed thorough deliberation, considering his diverse skills, qualifications, and background before recommending his appointment to the Board for approval.

### BOARD EFFECTIVENESS EVALUATION ("BEE")

The NRC is responsible for conducting an annual assessment of both individual director performance and the collective performance of the Board and its Committees. The Board recognises that this annual evaluation is crucial for enhancing Board effectiveness, identifying strengths, and addressing areas for improvement.

In accordance with Practice 6.1 of MCCG 2021, Large Companies are required to engage independent experts every three years to conduct objective and candid board evaluations. While the Company does not qualify as a Large Company, the NRC and the Board agree that appointing independent experts should be considered as needed to ensure thorough and impartial assessments.

The typical process for BEE at the Company is outlined below:



The NRC conducts an annual evaluation of the Board's overall effectiveness and the individual contributions of each Director. This assessment is facilitated using an online system, specifically Microsoft Forms. Directors receive questionnaires assessing their competencies, capabilities, time commitments, integrity, participation, and contributions to the Board and its Committees.

Completed questionnaires are sent directly to the Company Secretaries, without any intermediation by the Board or the Senior Management. The results are compiled and reviewed by the NRC before being presented to the Board for notation. A summarised version of the results is then distributed to each Director for their information. The assessment criteria include the required mix of skills and experience and the overall effectiveness of the Board and its Committees.



During the financial year under review, the Company assigned the Company Secretaries to oversee the performance evaluation process, including the distribution and collection of questionnaires. The criteria used for the performance evaluations are outlined below:

**a. Board of Directors and Board Committees**

- **Board Composition and Mix:** Evaluate the diversity and balance of skills, experience, and perspectives among Board members.
- **Quality of Information and Decision-Making:** Assess the adequacy and accuracy of the information provided to the Board and the effectiveness of decision-making processes.
- **Boardroom Activities:** Review the efficiency and effectiveness of Board meetings and activities.
- **Board's Relationship with Management:** Examine the dynamics and communication between the Board and Senior Management.
- **ESG and Sustainability:** Evaluate the Board's approach to environmental, social, and governance issues, and its integration into the Company's strategy.
- **Roles and Responsibilities of Board Committees:** Ensure that each Committee's roles and responsibilities are clearly defined and fulfilled.

**b. Individual Directors**

- **Fit and Proper:** Assess the qualifications, experience, and suitability of each Director for their role.
- **Contribution and Performance:** Review each Director's contributions to Board discussions and their overall performance.
- **Calibre and Personality:** Evaluate the personal attributes and effectiveness of each Director in contributing to the Board's success.

**c. AC and Individual AC member**

- **Quality and Composition:** Assess the skills, experience, and diversity of the AC members.
- **Skills and Competencies:** Evaluate the technical and professional competencies of the AC and its members.
- **Meeting Administration and Conduct:** Review the efficiency and effectiveness of AC meetings and the conduct of its members.

**d. Independence of the Independent Non-Executive Director**

- **Declaration of Independence:** Ensure that all INEDs provide timely and accurate declarations of their independence.

Below are the results of the evaluation assessment during the financial year under review:-

**a. Effectiveness of the Board and Board Committees**

- (i) **Board Performance:** The assessment results show that the Board effectively fulfils its roles and responsibilities. The Board is actively involved in decision-making and provides robust governance, supported strongly by Management. Additionally, the Board ensures the Company's integrity aligns with regulatory requirements.
- (ii) **Board Committees' Performance:** The evaluation indicates that the Board Committees provide valuable support and fulfil their duties effectively. The Committees assist the Board in making informed decisions and carrying out their functions as intended.

**b. Contribution and Performance of Individual Directors**

The overall assessment suggests that the Board, as a whole, successfully oversees Awantec and the Group. Each Director demonstrates effective contribution, professionalism, and dedication. Directors are also noted for their objectivity and clear thinking during deliberations.

**c. Contribution and Performance of the AC and Individual AC Members**

- (i) **AC Performance:** The NRC evaluates the AC's terms of office and performance annually. The results show that the AC effectively provides sound advice and fulfils its responsibilities.
- (ii) **AC Members' Performance:** The assessment indicates that AC members understand and effectively discharge their functions and duties.

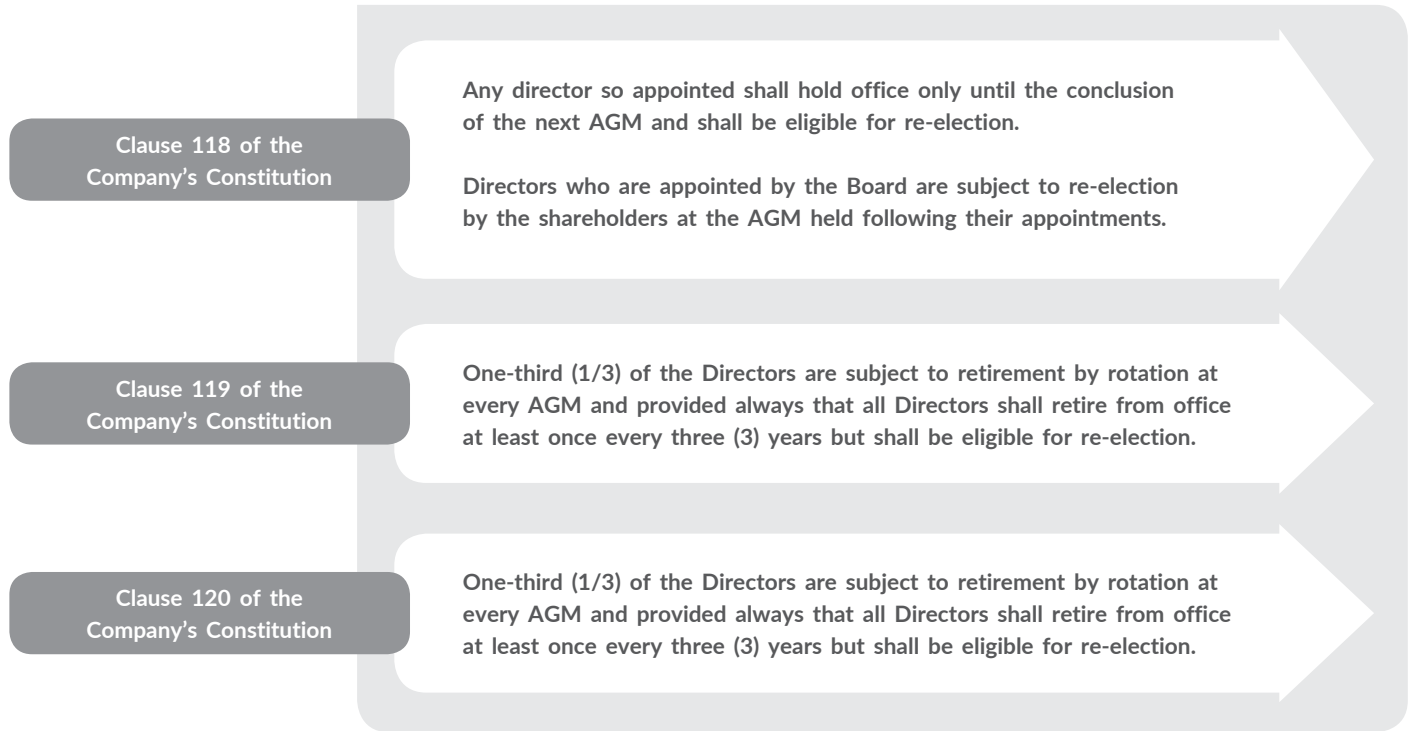
**d. Independence of Independent Non-Executive Directors**

The NRC is of the view that all INEDs meet the independence criteria established by Bursa Securities MMLR. The INEDs have actively raised concerns and shared their perspectives on various issues concerning the performance and operations of the Group, ensuring robust oversight and governance.

Based on the recent BEE results, the Board is satisfied with the performance and effectiveness of its members, as well as the Board Committees, in providing valuable guidance and sound advice for the Company's growth.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## DIRECTOR'S RETIREMENT AND RE-ELECTION



In accordance with Clause 118 of the Company's Constitution, Datuk Seri Dr. Yusof bin Ismail will retire at the forthcoming AGM of the Company. Being eligible, Datuk Seri Dr. Yusof bin Ismail has offered himself for re-election to the Board.

Additionally, pursuant to Clauses 119 and 120 of the Company's Constitution, Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar and Dr. Abu Hasan bin Ismail have also offered themselves for re-election at the upcoming AGM.

The eligibility of these Directors for re-election has been reviewed by the Board through the NRC. The assessment considered the following:

- **Performance Evaluation:** Based on the annual BEE, the retiring Directors have met the performance criteria necessary for an effective Board. Their contributions and performance align with the Board's standards.
- **Independence Compliance:** The retiring IDs have adhered to the independence criteria set by Bursa Securities MMLR, continuing to provide objective and independent judgement.
- **Fit and Proper Declaration:** Each retiring Director has completed a fit and proper declaration form as required before re-election.

The BEE results support the Board's decision to endorse the re-election of the above Directors. The assessment report, including a review of the Board's composition and balance, was circulated to the Board, confirming that the Board and its Committees continue to operate effectively.

At the upcoming AGM, Mr. Ramanathan a/l Sathiamutty ("**Mr. Rama**") will exceed the cumulative term limit of nine (9) years. The Board will seek annual shareholder approval through a two-tier voting process to allow Mr. Rama to continue serving as an independent director beyond this limit. His extensive expertise in IT technology, along with his qualifications and significant contributions to the Company, strongly justify the recommendation for his continued role.



## DIRECTORS' TRAINING

The Board acknowledges the importance of equipping Directors with the necessary skills and knowledge to effectively discharge their responsibilities and meet the Company's goals and objectives. Below is a summary of the training courses attended by the Directors during the financial year under review:

Name of Director	Training Programmes/Seminars/Forum Attended	Organiser	Date
Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	Generative Artificial Intelligence Fundamentals Introduction Session	Bain & Company	9 August 2023
	Risk & Governance Training	KPMG Management and Risk Consulting Sdn. Bhd.	4 March 2024
	Anti-Bribery & Anti-Corruption Awareness Training	Toh Siew Pat	25 March 2024
	Mandatory Accreditation Programme Part II: Leading for Impact ("LIP")	Institute of Corporate Directors Malaysia	5 - 6 June 2024
	Training on Recent & Key Tax Developments by PWC Taxation Services Sdn Bhd	PricewaterhouseCoopers Malaysia Holdings Sdn. Bhd.	7 June 2024
Lim Saw Imm	Mandatory Accreditation Programme Part II: Leading for Impact ("LIP")	Institute of Corporate Directors Malaysia	22 - 23 September 2023
	Webinar on Malaysia and Global Minimum Tax	PricewaterhouseCoopers Malaysia Holdings Sdn. Bhd.	20 September 2023
	PwC Budget 2024 Seminar	PricewaterhouseCoopers Malaysia Holdings Sdn. Bhd.	16 October 2023
	Risk & Governance Training	KPMG Management and Risk Consulting Sdn. Bhd.	4 March 2024
	Anti-Bribery & Anti-Corruption Awareness Training	Toh Siew Pat	25 March 2024
Ramanathan a/l Sathiamutty	Mandatory Accreditation Programme Part II: Leading for Impact ("LIP")	Institute of Corporate Directors Malaysia	26 - 27 February 2024
	Risk & Governance Training	KPMG Management and Risk Consulting Sdn. Bhd.	4 March 2024
	Anti-Bribery & Anti-Corruption Awareness Training	Toh Siew Pat	25 March 2024

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Name of Director	Training Programmes/Seminars/Forum Attended	Organiser	Date
Ginny Yeow Mei Ying	Risk & Governance Training	KPMG Management and Risk Consulting Sdn. Bhd.	4 March 2024
	Anti-Bribery & Anti-Corruption Awareness Training	Toh Siew Pat	25 March 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (“LIP”)	Institute of Corporate Directors Malaysia	29 – 30 May 2024
Professor Emeritus Dato’ Dr. Hassan bin Said	Risk & Governance Training	KPMG Management and Risk Consulting Sdn. Bhd.	4 March 2024
	Anti-Bribery & Anti-Corruption Awareness Training	Toh Siew Pat	25 March 2024
YM Tunku Abang Faisal Amir bin Abang Abu Bakar	Risk & Governance Training	KPMG Management and Risk Consulting Sdn. Bhd.	4 March 2024
	Anti-Bribery & Anti-Corruption Awareness Training	Toh Siew Pat	25 March 2024
Dr. Abu Hasan bin Ismail	Risk & Governance Training	KPMG Management and Risk Consulting Sdn. Bhd.	4 March 2024
	Anti-Bribery & Anti-Corruption Awareness Training	Toh Siew Pat	25 March 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (“LIP”)	Institute of Corporate Directors Malaysia	5 – 6 June 2024
Datuk Seri Dr. Yusof bin Ismail	Mandatory Accreditation Programme Part II	Institute of Corporate Directors Malaysia	9 – 10 October 2023
	Mandatory Accreditation Programme Part II: Leading for Impact (“LIP”)	Institute of Corporate Directors Malaysia	5 – 6 February 2024

The Board remains committed to dedicating sufficient time to continuous training sessions organised by both external and internal facilitators to enhance their knowledge and skills. This commitment ensures that Directors can actively engage in Board deliberations. Additionally, the Directors receive ongoing briefings and updates on regulatory matters from the Company Secretaries, along with insights into the Group’s businesses, operations, risk management activities, and other initiatives undertaken by Management.

With the assistance of the NRC, the Board will continue to determine and implement a continuous education programme for its members, aimed at upgrading their skills to enhance their effective contribution to the Board.



## DIRECTORS AND SENIOR MANAGEMENT REMUNERATION

The NRC aims to ensure that the Board and its subsidiaries offer a competitive remuneration package to attract, reward, retain, and motivate Directors and Senior Management, essential for the successful operation of the Company and the achievement of its long-term business objectives.

In formulating the recommended remuneration packages, the NRC considers data prepared by Management and/or independent consultants, based on information from comparable companies.

On 25 January 2021, the Company announced the establishment of a Long-term Incentive Plan (“LTIP”) as part of its strategy to retain talent and reward employees and directors for their contributions.

Under the LTIP, the Company announced on 20 June 2022 the first award of shares to eligible Directors and employees, in accordance with the LTIP By-Laws. The LTIP shares will vest in three tranches: 30 June 2022, 30 June 2023, and 30 June 2024.

A copy of the Remuneration Policy is available on the Company's website at <https://www.awantec.my/governance/>.

### Remuneration of INED

All INEDs receive an annual fee. The level of remuneration is based on their experience, skills, competencies, knowledge, and the responsibilities they undertake. Additionally, the performance of the Group in its business operations is considered.

The NRC benchmarks the remuneration against comparable companies to determine appropriate compensation for Non-Executive Directors. From time to time, the NRC may recommend changes in total fees to shareholders. Any proposed changes are presented to shareholders at general meetings for approval.

The remuneration of INEDs is a collective decision of the Board and requires shareholders' approval at the AGM.

The remuneration package for INEDs includes the following components:-

Fixed	Variable
<ul style="list-style-type: none"> <li>• Board Fee</li> <li>• Committee Fee</li> <li>• Benefits               <ul style="list-style-type: none"> <li>- Directors and Officers Liability Insurance</li> <li>- Benefits-in-kind</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Meeting Allowance</li> <li>• Other emoluments</li> </ul>

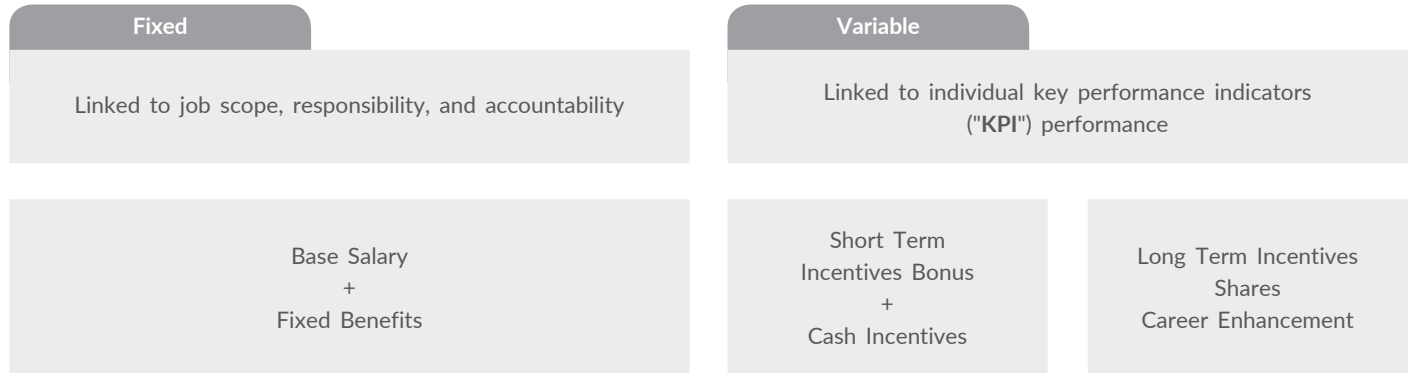
Dr. Abu Hasan bin Ismail was re-designated as Founder and Strategic Advisor cum NINED of the Company on 29 March 2024. His remuneration package includes a monthly salary along with various benefits, such as travel allowance, utilities, contributions to the Employees' Provident Fund (“EPF”) and Social Security Organisation (“SOCSO”), medical benefits, and life insurance.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Remuneration of Executive Directors and Senior Management

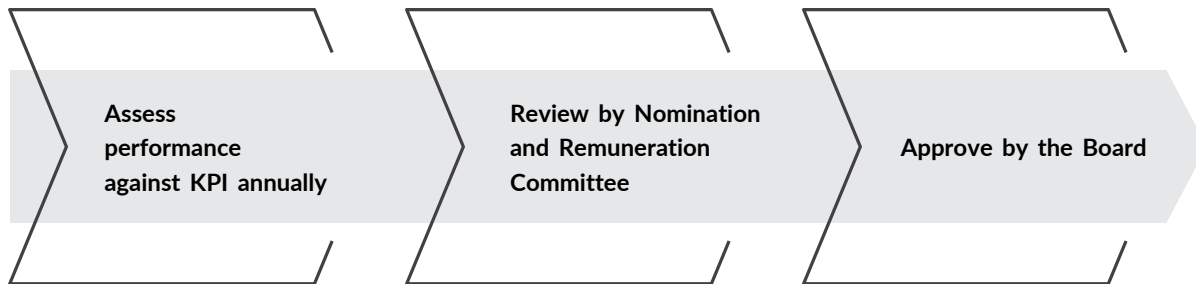
The remuneration of Executive Directors and Senior Management is aligned with the principles and practices applicable to salaried employees of the Group. The components of the remuneration package are designed to link rewards to both corporate and individual performance. Notably, Executive Directors do not receive any additional remuneration for holding directorships within the Group.

The competitive remuneration package for Executive Directors and Senior Management includes the following components:



The performance of the Executive Directors and Senior Management is evaluated based on the achievement of their annual KPI as well as the overall performance of the Group throughout the year.

Below is the summary of the procedures for determining the remuneration of Executive Directors and Senior Management:



The procedures for the remuneration of Executive Directors and Senior Management are outlined in the Remuneration Policy, which includes “malus and clawback” provisions. These provisions ensure that bonuses and/or cash incentives paid erroneously can be recouped.

The Company has approved and adopted the Subsidiary Companies Board of Directors Remuneration Policy on 27 June 2022. This Policy sets out the remuneration guiding principles in relation to the appointment of directors for subsidiaries of the Company. The details of this remuneration are disclosed in table B on page 156.

Awantec has adopted Practice 8.2 of MCCG 2021 regarding the disclosure of Senior Management’s remuneration and the details are further disclosed in the CG Report which is available on the Company’s website at [https://ir.awantec.my/shareholders\\_meeting.html](https://ir.awantec.my/shareholders_meeting.html).



## Disclosure of Directors' Remuneration

Details of the remuneration received by the Directors for the FY2024 were as follows:-

### A. Received from Awantec

	Directors' fee (RM)	Salary (RM)	Bonus (RM)	Statutory Contribution (RM)	Benefit- In-Kind (RM)	Other Emoluments (RM)	LTIP Expenses (RM)	Total (RM)
<b>Non-Executive Directors</b>								
Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	108,000	-	-	-	-	12,000	-	120,000
Lim Saw Imm	90,000	-	-	-	-	18,000	-	108,000
Ramanathan a/l Sathiamutty	84,000	-	-	-	-	25,200	-	109,200
Ginny Yeow Mei Ying	72,000	-	-	-	-	18,000	-	90,000
Professor Emeritus Dato' Dr. Hassan bin Said	84,000	-	-	-	-	22,800	-	106,800
Hafidah Aman binti Hashim <sup>1</sup>	35,000	-	-	-	-	13,200	-	48,200
YM Tunku Abang Faisal Amir bin Abang Abu Bakar	72,000	-	-	-	-	12,000	-	84,000
Dato' Tharuma Rajah @ K.T. Rajan a/l R.Krishnan <sup>2</sup>	30,000	-	-	-	-	6,000	-	36,000
Datuk Seri Dr. Yusof bin Ismail <sup>3</sup>	10,645	-	-	-	-	1,200	-	11,845
<b>Subtotal</b>	<b>585,645</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128,400</b>	<b>-</b>	<b>714,045</b>
<b>Non-Independent Non-Executive Director</b>								
Dr. Abu Hasan bin Ismail	-	480,000	-	58,343	-	-	-	538,343
<b>Subtotal</b>	<b>-</b>	<b>480,000</b>	<b>-</b>	<b>58,343</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>538,343</b>
<b>Grand Total</b>	<b>585,645</b>	<b>480,000</b>	<b>-</b>	<b>58,343</b>	<b>-</b>	<b>128,400</b>	<b>-</b>	<b>1,252,388</b>

<sup>1</sup> Retired as an Independent Non-Executive Director of the Company on 23 November 2023.

<sup>2</sup> Retired as an Independent Non-Executive Director of the Company on 23 November 2023.

<sup>3</sup> Appointed as an Independent Non-Executive Director of the Company on 7 May 2024.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### B. Received from the Group

Subsidiary Companies		Directors' fee (RM)
Chok Joon Heng		
1)	Prestariang SKIN Sdn Bhd	6,000.00
		<b>Subtotal</b> 6,000.00
Ainun Mardziah binti Hashim		
1)	Awantec Systems Sdn Bhd	12,000.00
2)	Agensi Pekerjaan Prestariang Talentxchange Sdn Bhd	6,000.00
3)	Awantec Services Sdn Bhd	3,600.00
		<b>Subtotal</b> 21,600.00
		<b>Grand Total</b> 27,600.00

**B**

PRINCIPLE

Effective Audit and Risk Management

### AUDIT COMMITTEE

Details about the composition and activities of the AC during the financial year are provided in the AC Report within this Annual Report.

### RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

#### Internal Control

The Board is responsible for maintaining an internal control and risk management system that ensures efficient operations and compliance with laws, regulations, and internal guidelines. The Board believes that the system in place during the financial year was robust and adequate to protect the Group's assets and the interests of shareholders, customers, regulators, employees, and other stakeholders.

An overview of the internal control system is available in the Statement on Risk Management and Internal Control on pages 167 to 172 of this Annual Report.

#### Internal Audit

For greater independence, the internal audit function was outsourced to KPMG Management and Risk Consulting Sdn. Bhd. during the financial year. The AC Report on pages 159 to 161 of this Annual Report provides a summary of the activities conducted by the AC and the Internal Auditors.



## C

## PRINCIPLE

## Integrity In Corporate Reporting and Meaningful Relationship with Stakeholders

### COMMUNICATION WITH STAKEHOLDERS

The Board has established and adopted a Corporate Disclosure Policy (“CDP”) to ensure the Company provides accurate, clear, timely, and complete disclosure of material information regarding its performance and operations. This Policy ensures compliance with applicable legal and regulatory requirements and is published on the Company’s website at <https://www.awantec.my/governance/>.

The CDP applies to all Directors, officers, employees of the Group, and those authorised to speak on behalf of the Company. It underscores the importance of effective communication with shareholders and stakeholders through comprehensive, timely, and continuous information disclosure. This practice not only meets the Bursa Securities MMLR requirements for ongoing disclosure but also integrates best practices to enhance shareholder engagement. Where feasible, the Company also provides additional voluntary disclosures to further support informed decision-making by shareholders and investors.

The Company ensures timely announcements through Bursa Securities, including quarterly results released within two months of each quarter’s end. Summaries and full announcements are accessible on both the Company’s website and Bursa Securities’ website.

Additionally, the Company maintains regular dialogue with shareholders and stakeholders, supported by media coverage to enhance understanding of its business. The Group also utilises social media platforms such as Twitter, Facebook, Instagram, and LinkedIn to share significant events and updates, ensuring broad and effective communication.

### INVESTOR RELATIONS (“IR”)

The annual report is one of the main channels of communication between the Company and its shareholders and stakeholders. The annual report communicates comprehensive information of the financial results and activities undertaken by the Group during the financial year under review. As a public listed company, the content and disclosure of the annual report comply with the regulations set by Bursa Securities.

The Company distributes its Annual Report along with an executive summary to shareholders in both hard copy and digital PDF formats. The executive summary highlights the Group’s and the Company’s key financial and corporate information.

In alignment with best corporate governance practices, the Company adheres to robust corporate disclosure policies, ensuring transparency and comprehensive communication with shareholders, investors, and the public. A dedicated section on the Company’s website focuses on Corporate Disclosure matters. This section includes announcements to regulators, financial results, press releases, analyst briefing presentations, and Annual Reports.

The Group and the Company maintain the following website that allows all shareholders and investors access to information about the Group: <https://ir.awantec.my/home.html>.

Any further information regarding the Group may also be obtained from the following communication channels:

Telephone : 03-8689 7000

Email : [ir@awantec.my](mailto:ir@awantec.my)

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### CONDUCT OF GENERAL MEETINGS

Another key avenue of communication with its shareholders is the Company's AGM, which provides a useful forum for shareholders to engage directly with the Directors and Senior Management. The shareholders were given at least twenty-eight (28) days from the date of notice of the AGM. The notice was given on 25 October 2023 whilst the AGM was held on 23 November 2023. Sufficient notice period is given to the shareholders for them to schedule their time to attend the Company's AGM.

For the Thirteenth AGM, the Company opted to conduct the meeting virtually from Block 11B, Level 3A, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan Malaysia. This decision was made to facilitate broader participation. By employing a share registrar to provide remote participation and voting ("RPV") services, shareholders and proxies could join the meeting from their locations, ensuring their safety and convenience.

The virtual format allowed the Company to manage the AGM effectively. During the meeting, the newly appointed Chief Executive Officer, En. Azlan bin Zainal Abidin, delivered a detailed presentation on the Group's financial performance, supplemented by visual and graphical data. The Board and Senior Management were available throughout the AGM to address shareholder inquiries. Any questions not answered during the meeting were promptly followed up via email.

This approach ensured that all shareholders had the opportunity to participate and engage in the AGM, regardless of their physical location.

The Company's AGM was attended by all its Board members and Senior Management.

The minutes of the AGM were uploaded on 8 December 2023. This ensured that all shareholders had access to the official record of the discussions and decisions made during the AGM.

### SHAREHOLDERS' REGISTRATION

During the Thirteenth (13<sup>th</sup>) AGM held last year, shareholders listed in Awantec's Record of Depositors as of 16 November 2023 were eligible to participate remotely. Shareholders could either attend the AGM themselves or appoint a proxy to act on their behalf. Registration for the Remote Participation and Voting ("RPV") platform was open from the date the notice was advertised, 25 October 2023, until the deadline of 21 November 2023 at 10:00 a.m., which was forty-eight (48) hours prior to the AGM commencement.

To access the RPV platform, available at <https://investor.boardroomlimited.com>, shareholders and proxies need to:-

1. Upload a softcopy of their identification card (front and back) or passport.
2. Enter a valid mobile number and email address.
3. Verify their email address via a verification email sent by the portal, which will direct them back to complete mobile number verification.
4. Request an OTP Code from the portal, which will be sent to the registered mobile number, enter the code, and click 'Enter'.
5. Complete registration upon receiving a confirmation email. The registration process will be verified and approved within one (1) business day.

### POLL VOTING

At the Thirteenth (13<sup>th</sup>) AGM held last year, the resolutions were voted on using a poll. This method adheres to Paragraph 8.29A of the Bursa Securities MMLR, which mandates a one-share, one-vote principle for resolutions at general meetings held on or after 1 July 2016. To ensure the accuracy and transparency of the results, an independent scrutineer verified the poll outcomes. The adoption of electronic poll voting not only improves the precision of the results but also enhances the transparency and efficiency of the voting process.

**This CG Overview Statement was approved by the Board on 9 October 2024.**



# AUDIT COMMITTEE REPORT

## CHAIRPERSON



**Lim Saw Imm**  
(Independent Non-Executive Director)  
Attendance rate:



## MEMBERS



**Ramanathan a/l Sathiamutty**  
(Independent Non-Executive Director)  
Attendance rate:



**Professor Emeritus Dato' Dr. Hassan bin Said**  
(Independent Non-Executive Director)  
Attendance rate:



## NUMBER OF AC MEETINGS HELD



**7**

## ATTENDANCE



**100%**

## AC MEETING HELD ON



- 28 August 2023
- 30 August 2023
- 4 October 2023
- 22 November 2023
- 21 February 2024
- 7 May 2024
- 28 May 2024

## 1. ROLE

The Audit Committee (“AC”) was established by the Board on 30 November 2010 to support the Board in fulfilling its oversight responsibilities. This includes reviewing the financial reporting process, overseeing the role of the external and internal auditors, monitoring the internal control systems, and ensuring overall compliance with relevant applicable legal and regulatory requirements.

The AC is formally constituted within the AC Terms of Reference (“TOR”), which sets out its key roles and responsibilities.

## 2. TERMS OF REFERENCE

The AC operates under a TOR, which define its authority, duties, and responsibilities, aligning with the Bursa Securities MMLR. The TOR can be accessed on the Company’s website at <https://www.awantec.my/governance>.

## 3. MEMBERSHIP

As of 30 June 2024, the AC is chaired by Madam Lim Saw Imm and comprises two (2) Independent Non-Executive Directors, in compliance with the Bursa Securities MMLR. All members have a working familiarity with basic finance and accounting practices, ensuring effective execution of the Committee’s responsibilities.

The AC’s membership and composition adhere to paragraph 15.09 of the Bursa Securities MMLR regarding size, independence, and expertise.

Detailed profiles of each of the AC members can be found in the Directors’ Profiles section of this Annual Report, starting on pages 130 to 133.

## 4. MEETINGS

The Chief Executive Officer, Chief Operating Officer, and the Group Financial Controller regularly attend AC meetings to facilitate direct communication and to deliberate the Group’s financial results. This setup allows for direct interaction between members of the AC and the Senior Management. Discussions within the AC have generally been thorough and focused on enhancing controls, risk management, and governance.

The AC met with the Group’s external auditors to review the external audit plan before the audit began and to discuss audit findings and observations.

## AUDIT COMMITTEE REPORT

Additionally, the AC held one (1) meeting with the external auditors without Senior Management present. During these meetings, the Committee ensured that Senior Management was cooperative with the auditors, provided necessary information, and maintained adequate resources for financial reporting.

Notices, reports, and documents for AC meetings are distributed to members at least five (5) working days in advance, allowing the Committee to review relevant information and conduct effective discussions and decision-making. At the meetings, the AC examines risk management, internal controls, financial reporting, and both internal and external audit functions within the Group.

### SUMMARY OF ACTIVITIES OF THE AC DURING THE FINANCIAL YEAR UNDER REVIEW

During FY2024, the Audit Committee engaged in the following activities:

#### Financial Reporting

- Reviewed and discussed the Group’s unaudited quarterly consolidated financial results, annual audited consolidated financial statements, and performance, along with the related announcements to Bursa Securities, before recommending them for the Board’s approval.
- Discussions included topics on accounting policies, significant issues raised by the Senior Management or external auditors, and compliance with accounting standards and other legal or regulatory requirements.

#### External Auditor

- Reviewed and approved the Audit Plan, which outlines the audit strategy and approach for FY2024, approach, scope, and proposed fees, prior to the commencement of their audit.
- Affirmed that Messrs. Crowe Malaysia PLT and all members of its engagement team maintained their independence in accordance with the provisions of the By-Laws (on Professional Ethics, Conduct, and Practice) of the Malaysian Institute of Accountants.
- Deliberated the external auditors’ reports on significant audit and accounting issues that arose from its audits, including the Management’s responses to these findings.
- Discussed with the external auditors the significant impact of any proposed or new developments in accounting standards and regulatory requirements applicable to the Group.

- Assessed the performance of the external auditors and provided a recommendation for their reappointment and remuneration to the Board.

#### Internal Audit

- Reviewed and approved the annual internal audit plan to ascertain and ensure the adequacy of the scope and coverage of major risk areas of the Group.
- Reviewed and deliberated on the internal audit reports for the Company and its subsidiaries issued by the Internal Auditors. The reports addressed key areas, including:-
  - (i) key risks and internal controls related to Governance on Adequate Procedures in relation to Anti-Bribery and Anti Corruption policies;
  - (ii) payment process, specifically the controls within the systems;
  - (iii) recruitment and interview process, including vetting of candidates and on-boarding procedures;
  - (iv) IT policies and procedures, focusing on user access control, backup procedures; and
  - (v) timeliness of billing processes.

These matters were discussed with the Senior Manager, Legal and Corporate Governance, Senior Manager of Projects, Director of Human Resources and Administration, Head of Internal IT and Services and Group Financial Controller.

- Reviewed the status of implementation, effectiveness, and adequacy of Management’s corrective actions on previous audit findings through follow-up audit reports to ensure all action plans were adequately implemented to address the key risks.

#### Related Party Transactions (“RPT”) and Recurrent Related Party Transactions (“RRPTs”)

- Reviewed the RPTs/RRPTs of the Group to ensure compliance with MMLR and are conducted at arm’s length, fairly, reasonably, and on standard commercial terms. The transactions should not be more favourable to the related party than what is typically available to the public, should not harm minority shareholders, and must be in the best interest of the Group.
- The RPTs/RRPTs of the Group were reviewed on a quarterly basis at its meetings held on 30 August 2023, 22 November 2023, 21 February 2024 and 28 May 2024 for identifying, monitoring and disclosing related party transactions for the Group, in line with the Group’s RPT Policy.



### Annual Report

- Reviewed and endorsed the AC Report and Statement on Risk and Internal Control of the Group prior to recommending the same for consideration and approval of the Board for inclusion in the Annual Report for the FY2024.

### Other matters

- Reviewed and endorsed the proposed revision to the AC's TOR, COI Policy, Anti Bribery and Anti-Corruption Policy and Whistleblowing Policy.
- Reviewed conflict of interest situations including those that are actual, potential, or perceived in nature within the Group, including any transactions, procedures, or actions that could raise concerns about the Management's integrity.

## INTERNAL AUDIT FUNCTION

Internal audit operates independently of the Group's operations and is primarily responsible for enhancing and improving the Group's activities. It actively supports the Group in achieving its objectives by employing a systematic and disciplined approach to assess and strengthen risk management, controls and governance processes within the Group.

The Group's Internal Audit function is performed by KPMG Management and Risk Consulting Sdn. Bhd. to assist the Board in maintaining a sound system of internal control. The AC recognises that having an independent and well-resourced Internal Audit function is essential for gaining assurance on the effectiveness of the internal control system.

The Internal Audit function assists the AC in its duties and responsibilities and is free from any relationships or conflicts of interest, thus retaining its objectivity and independence. To this end, the functions of the internal auditors are to:-

- (i) perform audit work in accordance with the pre-approved internal audit plan;
- (ii) carry out reviews on the internal control systems of the Group and the Company;
- (iii) review and comment on the effectiveness and adequacy of the existing control policies and procedures; and
- (iv) provide recommendations, if any, for the improvement of the control policies and procedures.

The Management ensures that corrective actions are taken within the required timeframe and all findings identified by the Internal Audit function were tracked and followed up on a quarterly basis with the status of the implementation reported to the AC accordingly.

The total cost incurred for maintaining the Internal Audit function for the year under review was approximately RM145,000. In comparison with the cost of RM84,000 in FY2023.

The additional increase of RM55,000 for FY2024 primarily resulted from the services rendered by the Internal Audit function during the Company's submission of a waiver application for exemption from complying with Paragraph 8.04(3)(a) of the Bursa Securities MMLR, which mandates that the Company to submit a regularisation plan to Bursa Securities.

This Report on AC was made in accordance with the approval of the Board on 9 October 2024.

# NOMINATION AND REMUNERATION COMMITTEE REPORT

## CHAIRMAN



**Professor Emeritus Dato' Dr. Hassan bin Said**  
(Independent Non-Executive Director)

Attendance rate:



## MEMBERS



**Ramanathan a/l Sathiamutty**  
(Independent Non-Executive Director)

Attendance rate:



**Ginny Yeow Mei Ying**  
(Independent Non-Executive Director)

Attendance rate:



## NUMBER OF NRC MEETINGS HELD



**3**

## ATTENDANCE



**100%**

## NRC MEETING HELD ON



- 19 September 2023
- 2 February 2024
- 26 April 2024

## 1. ROLE

On 12 September 2023, the Board Directors (“Board”) combined the Nomination and Remuneration Committee (“NRC”) into a single committee, now composed solely of Independent Non-Executive Directors (“INEDs”).

The main roles and responsibilities of the NRC include, but are not limited to:

- ensure the Board has the appropriate composition to fulfil its responsibilities, including adequate non-executive participation;
- recommend, nominate, and review potential Board candidates to establish a strong succession plan and selection process, following the Company’s Fit and Proper Policy; and
- recommend the Board on the remuneration, compensation, and benefits for Executive Directors, Non-Executive Directors, and Senior Management.

## 2. TERMS OF REFERENCE

The NRC Terms of Reference outline the Board’s composition, roles, responsibilities, authority, and meeting requirements. It is responsible for conducting the annual Board assessment, evaluating Board member independence and diversity, and determining the remuneration packages for Executive Directors, Non-Executive Directors and Senior Management of the Group. The updated NRC Terms of Reference can be found on the Company’s website at <https://www.awantec.my/governance>.

## 3. MEMBERSHIP

The NRC is chaired by Professor Emeritus Dato’ Dr. Hassan bin Said and supported by two (2) other INEDs.

## 4. MEETINGS

The NRC may invite other Directors and members of Management to attend meetings when their attendance is needed for specific agenda items. The Company Secretary or another designated senior official will act as Secretary of the NRC.

Meeting notices, reports, and documents are distributed to NRC members via the Boardpac application at least five (5) working days prior to the meetings.

**THE NRC'S MAIN ACTIVITIES IN 2024 ARE SUMMARISED AS FOLLOWS:-****A) Nomination matters**

- Assessed the performance of the Board and Board Committees;
- Assessed the performance of each individual Director;
- Assessed the performance of the Audit Committee ("AC") and each individual AC member;
- Assessed the independence of the Independent Directors of the Company;
- Reviewed the Directors who are subject to retirement by rotation pursuant to the Company's Constitution;
- Reviewed and recommended to the Board on retaining Mr. Ramanathan a/l Sathiamutty, who has served as an INED for a cumulative term of nine (9) years to continue to act as an INED of the Company;
- Reviewed and recommended to the Board the appointment of Datuk Seri Dr. Yusof bin Ismail as an INED;
- Reviewed and restructured the composition of the Company's Board to enhance its effectiveness;
- Reviewed the composition of the NRC; and
- Reviewed the proposed amendment to the Nomination Policy and recommended it to the Board for approval.

**B) Remuneration matters**

- Reviewed and recommended to the Board on the payment of Directors' fees of the Company;
- Reviewed and recommended to the Board on the payment of Directors' benefits of the Company;
- Reviewed and recommend to the Board on the proposed KPIs for the 2024 financial year for Mr. Chok Joon Heng, the Company's Chief Operating Officer, and En. Azlan bin Zainal Abidin, the Company's Chief Executive Officer;
- Reviewed and recommended to the Board on the remuneration package of Datuk Seri Dr Yusof Ismail as an INED; and
- Reviewed the proposed amendment to the Remuneration Policy and recommended to the Board for approval.

**C) Other matters**

- Reviewed the proposed amendment and recommended to the Board on the approval of the following policies:
  - i) Fit and Proper Policy; and
  - ii) Diversity Policy.

This Report on the NRC was made in accordance with the approval of the Board on 9 October 2024.



# LONG-TERM INCENTIVE PLAN COMMITTEE REPORT

## CHAIRMAN



**Professor Emeritus Dato' Dr. Hassan bin Said**  
(Independent Non-Executive Director)

Attendance rate:

N/A

## MEMBERS



**Dr. Abu Hasan bin Ismail**  
(Non-Independent Non-Executive Director)

Attendance rate:

N/A



**Ramanathan a/I Sathiamutty**  
(Independent Non-Executive Director)

Attendance rate:

N/A

## NUMBER OF LTIP MEETINGS HELD



Nil

## ATTENDANCE



Nil

## LTIP MEETING HELD ON



Nil

## 1. ROLE

The Long-term incentive plan committee (“**LTIP**”) was established on 25 November 2020 by the Company’s Board of Directors (“**the Board**”) to implement and administer the Employees’ Share Option Scheme (“**ESOS**”) and Employee Share Grant Plan (“**SGP**”) for eligible Directors and employees of the Group (excluding subsidiaries which are dormant) under the Long-Term Incentive Plan (“**LTIP**”) of the Company in accordance with the LTIP By-Laws as approved by the shareholders.

The LTIP Committee is formally constituted within the LTIP Committee Terms of Reference, which is available on the Company’s website at <https://www.awantec.my/governance>.

## 2. TERMS OF REFERENCE

The powers, duties, and responsibilities of the LTIP Committee is governed by its own Terms of Reference. The LTIP Committee was set up to ensure that the implementation of the LTIP is administered fairly and in accordance with the Company’s By-Laws of LTIP.

## 3. MEMBERSHIP

The LTIP Committee comprises three (3) members; appointed by the Board from among the Executive Directors and Senior Management personnel defined as Chief Executive Officer, Chief Operating Officer, Group Financial Controller of the Group.

## 4. SUMMARY OF ACTIVITIES OF THE LTIP COMMITTEE DURING THE FINANCIAL YEAR UNDER REVIEW

There were no meetings held or circular resolutions passed by the LTIP Committee of the Company during the FY2024.

This Report on LTIP Committee was made in accordance with the approval of the Board on 9 October 2024.



# RISK MANAGEMENT COMMITTEE REPORT

## CHAIRMAN



**Ramanathan a/l Sathiamutty**  
*(Independent Non-Executive Director)*  
 Attendance rate:



## MEMBERS



**Dr. Abu Hasan bin Ismail**  
*(Non-Independent Non-Executive Director, Founder and Strategic Advisor)*  
 Attendance rate:



**Ginny Yeow Mei Ying**  
*(Independent Non-Executive Director)*  
 Attendance rate:



## NUMBER OF RMC MEETINGS HELD



**2**

## ATTENDANCE



**100%**

## RMC MEETING HELD ON:



- 1 August 2023
- 14 February 2024

## 1. ROLE

The Risk Management Committee (“RMC”) was established on 30 November 2010 by the Company’s Board of Directors to oversee and enhance the Group’s risk management framework. The RMC assists the Board in fulfilling its corporate governance and statutory responsibilities by reviewing and approving risk management strategies, policies, and procedures. The Committee also monitors the effectiveness of internal control systems to mitigate overall risk exposure.

## 2. TERMS OF REFERENCE

The RMC operates under a Terms of Reference (“TOR”), which is publicly available on the Company’s website at <https://www.awantec.my/governance>. The RMC TOR outline the RMC’s composition, roles and responsibilities, authority, and meeting requirements.

## 3. MEMBERSHIP

As of 30 June 2024, the RMC is led by Mr. Ramanathan a/l Sathiamutty and supported by one (1) INED and one (1) NINED.

Leveraging a diverse range of expertise and industry knowledge, the RMC members effectively identify and monitor emerging corporate and strategic risks. They collaborate closely with the management to develop and implement strategies for managing, mitigating, and eliminating potential risks that could impact the Group.

## 4. OVERVIEW

The RMC is responsible for:

- Driving a risk-aware culture across the organisation at both strategic and operational levels;
- Continuously assessing the adequacy and effectiveness of the risk management process;
- Conducting regular reviews of the consolidated risk register for major subsidiaries to identify and assess significant risks;
- Providing the Board and Audit Committee with comprehensive and timely risk information, including the annual Risk Report, to support decision-making and oversight;
- Initiating special projects as needed to investigate specific risk areas and improve risk management practices; and
- Establishing and maintaining business continuity plans aligned with the company’s strategic objectives.

The RMC collaborates closely with the Chief Operating Officer and Group Financial Controller to enhance risk monitoring and management across the Group. Through proactive identification and assessment of corporate and strategic risks, the Committee provides valuable insights and recommendations to management to mitigate potential impacts.

## RISK MANAGEMENT COMMITTEE REPORT

### 5. MEETINGS

The Chief Executive Officer, Chief Operating Officer, and Group Financial Controller regularly attend RMC meetings to provide insights and updates on strategic and business risks. These meetings also include other relevant internal and external stakeholders who are invited to discuss matters within their areas of expertise.

To ensure thorough preparation and effective deliberation, meeting notices, reports, and papers are distributed to RMC members at least five (5) working days prior to each meeting.

#### THE RMC'S MAIN ACTIVITIES IN 2024 ARE SUMMARISED AS FOLLOWS:-

- Reviewed and recommended revisions to its TOR for Board approval;
- Reviewed and assessed the Group's and Divisional risk profiles, managing significant financial and non-financial risks identified;
- Deliberated on the Group's key operational risks and the key controls in place to manage these risks. Additional mitigations were recommended to strengthen the management of both existing and emerging risks; and
- Reviewed the RMC Report for inclusion in the Annual Report for the FY2024.

### 6. RMC EFFECTIVENESS REVIEW AND PERFORMANCE

The RMC continues to diligently exercise its risk oversight responsibilities, ensuring that risk management is an integral part of strategic planning and decision-making processes. This integration is essential for achieving the Group's strategic outcomes and long-term objectives.

The RMC's effectiveness is evidenced by its structured approach to risk management, regular assessments, and continuous improvements in risk mitigation strategies. This comprehensive oversight ensures that risks are identified, evaluated, and managed proactively, aligning with the Group's overall goals and regulatory requirements.

This Report on the RMC was made in accordance with the approval of the Board on 9 October 2024.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

## INTRODUCTION

This Statement on Risk Management and Internal Control is prepared pursuant to Paragraph 15.26(b) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”)’s Main Market Listing Requirements (“**MMLR**”) and Principle B, Chapter II, Intended Outcome 10.0, Practice 10.1 and 10.2 and Guidance 10.1 and 10.2 as set out in the Malaysian Code on Corporate Governance (“**MCCG2021**”), with guidance from Bursa Securities ‘Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers’. It outlines the key features of the risk management and internal control framework and system within AwanBiru Technology Berhad (“**Awantec**”, or “**Company**” or “**Group**”) during the financial year under review and up to the date of approval of this Statement for inclusion in the annual report.

In view of the above, the Board of Awantec is pleased to present the following statement that has been prepared in accordance with the “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers” (“**SORMIC**”) issued by Bursa Securities.

## BOARD RESPONSIBILITY

The Board affirms its overall oversight and responsibility for establishing a sound and effective risk management, internal control and accountability framework and systems, including by reviewing the adequacy and effectiveness of the Company’s governance, risk management and internal controls system. The risk appetite has been set by the Board to ensure the Company is governed and managed within the parameters and types of risk that the Company is willing to accept as it pursues its business and strategic objectives. The Board has also ensured that a sound system of risk management and internal control to safeguard shareholder’s interest and Awantec’s assets are maintained.

As there are limitations that are inherent in any system of risk management and internal control, this system is designed to manage the risk rather than eliminating such risks that may hinder the achievement of Awantec’s business objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss. The system of internal control includes strategic, financial, operational, compliance controls and risk management procedures.

In fulfilling its oversight responsibility, the Board, as a whole, or through delegation to the Audit Committee (“**AC**”) and Risk Management Committee Report (“**RMC**”) reviews the Company’s risk management system and internal control system’s adequacy and effectiveness.

The primary function of the AC is to assist the Board in overseeing the financial reporting process of the Group and evaluating the effectiveness of the Group’s internal and external audit processes, including its internal control system.

The primary function of the RMC is to assist the Board in overseeing the implementation of the risk management and business continuity management framework by identifying, assessing and monitoring key business risks, thereby strengthening risk management through the establishment of a sound and robust Enterprise Risk Management (“**ERM**”) Framework.

Notwithstanding the delegated responsibilities, the Board acknowledges its overall responsibility in the establishment and oversight of the Group’s risk management and internal control.

## MANAGEMENT RESPONSIBILITY

The Senior Management team is assigned by the Board with the responsibility to implement the policies and procedures on risk management, identify and assess various risks faced by Awantec and ensure appropriate controls are in place to mitigate, control and monitor these risks.

## RISK MANAGEMENT FRAMEWORK

The Company recognises that an embedded ERM Framework within its operations is an integral part of good corporate governance as it provides insights, improves decision-making and enhances outcomes.

The ERM Framework sets out the Group’s risk strategy, objectives, risk governance, structure, practices, tools, reporting requirements and the roles and responsibilities in managing the Group’s current and emerging material risks.

The RMC will identify and deliberate on key risks and mitigation plans to ensure risks are properly managed and mitigated before subsequently communicating these to the Board. The RMC is assisted and supported by the Group Risk Management Working Committee (“**GRMC**”). The GRMC continuously monitors and reviews the adequacy and effectiveness of the Group’s risk management, internal control and governance processes on a quarterly basis and reports to the RMC twice yearly. The Board retains overall accountability of the Group’s risk profiles within the various operating units with the aim of strengthening the risk management functions across Awantec.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

In providing a consistent and comprehensive ERM approach across the Group, Awantec adopts the globally accepted risk management standard of ISO31000 which provides a robust platform to ensure effective risk management practices within the Group.

The Group's ERM process has been designed to identify potential unfavourable events that may adversely affect the Group's objectives and strategies and priorities managing material risks to be within the Group's risk appetite and tolerance level. This is in line with ISO31000 guidelines, which has been tailored to fit the Group's business operations. The risk management process is structured and aligned with the Group's strategies, processes, people, technology and knowledge.

One of the key features of the ERM is the implementation of a "three lines of defence" which establish clear functional responsibilities and accountability for the management of risk. The three lines of defence integrate risk, control and assurance to achieve operational excellence. Each of the lines of defence plays a distinct role within the Group's governance.

The first line of defence is Management business and support functions which are responsible for managing enterprise and operational day-to-day risks. The second line of defence comprises the GRMC team and relevant support functions. Internal Audit, being the third line of defence, provides assurance via independent assessment, review and validation of risk management and governance frameworks, policies and procedures as well as related controls.

At the same time, the ERM Framework facilitates the Management in making sound business decisions with the aspiration to lead the Group towards a more proactive and inclusive risk management approach to mitigate threats and to capitalise on opportunities. Accordingly, the ERM Framework provides the foundations, components and arrangements that embed an effective risk management process within the Group.

The overview and interrelation of the ERM Framework components are illustrated in the following diagram:

Diagram 1: Risk Management Framework Diagram



The initial phase of risk management entails the establishment of policy and strategic objectives, taking into account both external and internal environments in which these objectives are to be achieved. This step ensures alignment with the Company's broader business goals. Following this, risk identification is conducted to pinpoint and define specific risks, categorising them as either internal or external factors that may influence the Company's operational performance.



Subsequent to identification, a comprehensive risk assessment is undertaken. This process involves evaluating the causes of identified risks, considering their potential positive and negative impacts, and assessing the likelihood of their occurrence. Risks are assessed based on both their impact and probability. Upon completion of this assessment, risk evaluation is carried out to determine the appropriate course of action. This includes prioritising risks for management or mitigation, considering the risk ratings, current internal controls, and a thorough cost-benefit analysis.

Once risks have been evaluated, the Company engages in risk management or treatment, which involves implementing both responsive and proactive measures to manage risks within acceptable thresholds, consistent with the Company's risk appetite. The final stage is the ongoing monitoring and review of risks. This includes tracking risk events, evaluating the effectiveness of action plans, and extracting key learnings. Given the evolving nature of risks, continuous monitoring ensures that the Company remains agile and prepared to introduce new measures as necessary to mitigate them.

## INTERNAL AUDIT FUNCTION

The Board regularly reviews the internal audit functions evaluation on the adequacy and operating effectiveness of the Group's internal control framework. In desiring to maintain total independence in the management of the risk and internal control environment, the Company outsourced its internal audit function to KPMG Management and Risk Consulting Sdn. Bhd. to assess the adequacy and integrity of the Group's internal control systems. The fees incurred for the outsourced internal audit function for the FY2024 were RM90,000 excluding Sales and Service Tax and out-of-pocket expenses.

The internal audit function serves to assist the AC and the Board by independently assessing the system of internal controls as established by Management of Awantec, the adequacy and integrity of such internal control system vis-à-vis the objectives served, and to make appropriate recommendation thereof.

KPMG Management and Risk Consulting Sdn. Bhd. reports independently and directly to the AC in respect of the internal audit function. The AC together with KPMG Management and Risk Consulting Sdn. Bhd. agree on the scope and planned internal audit activities annually and all audit findings arising therefrom are reported to the AC.

As an additional function to the Group and part of the internal audit engagement, KPMG Management and Risk Consulting Sdn. Bhd. also provides business improvement recommendations for the consideration of Management and the Board to assist in the continuous development of a more efficient system.

A summary of the activities of the internal audit function can be found in the AC Report at page 159 of this Annual Report.

## SYSTEM OF INTERNAL CONTROLS AND CONTROL ENVIRONMENT

The Board and Management have taken multiple steps to establish a controlled environment to manage risks.

The Board recognises the integral role of internal control systems in managing and mitigating risks that may impede the Group's attainment of its goals and objectives.

Internal control is a process, enforced by the Board and the Management of the Group and the Company. It is designed to provide reasonable assurance against material misstatements in management, encompassing financial information, business operations, environmental concerns, compliance and the prevention of financial losses or fraud. Although it is impossible to provide complete assurance through any control system, the control systems must be designed and applied to manage the likelihood and impact of risk to acceptable levels.

The Board and Management are committed to maintaining a strong control environment through robust and effective checks and balance. The control environment comprises integrity and ethical values, the parameters enabling the Board to carry out its governance oversight responsibilities, organisational structure and human capital management. The Group's established objectives will be achieved through its commitment to continuously enhance the design of the internal control environment through the adoption of various policies and procedures.

The Board regularly reviews the evaluation of the adequacy and operating effectiveness of the Company's internal control system.

The assessment of the adequacy and effectiveness of the internal control system is on a periodic basis. From time to time the following are taken into consideration and changes are made to improve the internal control system:

- Ensuring an appropriate organisational structure for planning, executing, controlling and monitoring business operations with appropriate authorisation limits;
- Reviewing the consolidated risk register of the Group and receiving regular reports on any significant problems that have occurred during the year and changes to the risks over the period under review;
- Reviewing external and internal audit work plans and their results;
- Effectively applying policies, processes and activities relating to internal control and risk management through control self-assessments and internal audit reviews;

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

- Reviewing periodically the long-term financial objectives and business strategies of the Awantec Group; and
- Reviewing variance reports from major operating subsidiaries and associates against business objectives.

Key elements of the Group’s internal control system that provide effective governance and oversight of internal controls include:

### i. Board Committees

The Board has formed various Board Committees such as the NRC, AC and RMC to oversee specific responsibilities on its behalf and to provide oversight of the Company’s operations.

These Board Committees play an oversight role in promoting governance, transparency and accountability, including by facilitating the decision-making process based on specific levels of authority as stipulated in their respective Terms of Reference (“TOR”). Any changes to the structure, composition and TOR of any Board Committee require the approval of the Board.

The NRC, amongst others, reviews the composition of the Board and assists the Group in new appointments of Directors and Board Committees, evaluates the effectiveness of the Board, Board Committees and each individual Director, reviews the performance and contributions for the Senior Management.

The AC regularly reviews and holds discussions with Management on the action taken with regard to internal control issues in various reports prepared by the internal auditors and external auditors.

The RMC assists the Board in reviewing and recommending the risk management policies and strategies for the Company and the Group in overseeing the overall management of the principal areas of risk of the Company and the Group including capital management and operational process.

### ii. Control Environment and Control Activities

Internal control is an integral part of risk management and a risk-based process is adopted as the main management control. The Group’s internal control framework contains primarily the integrated components of Control Environment and Control Activities:

- All departments and business divisions of the Group have clearly documented policies and procedures incorporating control and scope of responsibilities. Periodic review is done to ensure their relevance and effectiveness.

These policies and procedures focus on ensuring the effectiveness and efficiency of our operations, financial and non-financial reporting reliability, timeliness, accountability, transparency and adherence to the laws and regulations that our business is subjected to;

- Risk registers of the individual business units and departments together with the consolidated risk register of the Group and any report received on any significant problem that has occurred during the year will be reviewed. Any potential impact to the existing risk profile and risk appetite will be assessed;
- The Group’s Limit of Authority (“LoA”) sets out the authority limits in the areas corporate, operations, financial, human resource and legal. The LoA empowers Management within a defined delegation of authority for corporate, strategic, operating and capital expenditure decisions. The LoA promotes consistency in the performance of the daily business operations and activities. The LoA facilitates sound and timely decision-making as it covers significant aspects of business activities. The LoA may be reviewed by the Board upon recommendation by Management, to ensure its provisions are effective in managing risk and practical for implementation;
- The Code of Conduct and Ethics for Directors records the ethical and professional standards of corporate and individual behavior expected of the Board. Similarly, the Employees Code of Conduct records the acceptable general practices and ethics that guide the employees of the Group;
- These codes align with our shared values of:

- ▶ **Respect**, ensuring workplace professionalism through positive communication, diversity, and inclusivity;
- ▶ **Integrity**, where we hold ourselves accountable and practice trustworthiness with all stakeholders;
- ▶ **Customer Focus**, by enhancing satisfaction and building trusted relationships;
- ▶ **Passionate**, in our commitment to high-quality work driven by proficiency and productivity; and
- ▶ **Lifelong Learning**, by promoting a growth mindset through every interaction and transaction.



- The Vendor Code of Conduct (“Code”) was established as a set of obligations on business and ethical practices, and professional conduct expected of all vendors with whom the Group does business towards upholding Awantec’s values of integrity, transparency, and accountability;
  - The Company has in place a Whistleblowing Policy to provide an avenue for employees or members of the public to report any breach or suspected breach of any laws or regulations, including business ethics and the Company’s policies and guidelines, in a safe and confidential manner. The Whistleblowing Policy has been actively communicated to stakeholders through the following channels:
    - **Internal Communications:** The policy was shared with all employees via regular email communication;
    - **Training and Awareness:** During the financial year, a series of training and awareness programs were conducted to educate employees on the importance of the Whistleblowing Policy and the steps to report any suspected breaches;
    - **Corporate Website:** The policy is publicly available on the corporate website <https://www.awantec.my/governance/>. Regular updates are posted, and stakeholders are notified of any revisions to the policy; and
    - **Periodic Reminders:** Reminders are sent to employees and key stakeholders to reinforce awareness of the policy and encourage proactive reporting where necessary;
  - In line with our commitment to ensuring robust anti-bribery and anti-corruption practices, an audit of the Company’s compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2018 was carried out in this financial year. The audit assessed the adequacy of our procedures and risk management strategies, ensuring that all anti-bribery measures are not only compliant but effectively implemented across all levels of the organisation. The results of the audit were presented to the Board and relevant committees, and necessary action plans are being implemented to address any identified gaps;
  - Monthly Group Management Meeting, attended by all Senior Management and chaired by Chief Executive Officer, are held to update and deliberate on business, financial and operational issues;
  - A well-defined organisational structure with clear lines for the segregation of duties, accountability, and the delegation of responsibilities to Senior Management and the respective division heads including appropriate authority limits to ensure accountability and approval responsibility. The structure is aligned with business and operations requirements to support the maintenance of a strong control environment;
  - An Annual Budget and Business Plan are prepared and approved by the Board to facilitate the Group in its business and financial performance. The Board reviews and monitors the achievements of the Group’s performance on a quarterly basis. Any changes or updates to the Group’s policies are deliberated by the respective Board Committees and subsequently recommended to the Board for their approval and adoption;
  - The Group is committed to ensuring the continuity of its business in the face of disruptive events and has therefore established a Business Continuity Management System (“BCMS”). This policy is structured based on ISO22301 and is intended to provide the governing statements and operating mechanisms in establishing and maintaining Awantec’s BCMS capability to minimise the risks and impacts of disruptions and incidents. This policy reflects Awantec’s mission and vision, and will be subject to an annual review; and
  - The Sustainability Governance Framework defines the roles and responsibilities of the Board, Management and the rest of the organisation in fulfilling our objective to be a high performing sustainable organisation. The framework aims to ensure that sustainability-related risks are effectively identified, assessed and managed in a timely manner, while improving transparency through disclosures and reporting to promote accountability.
- iii. The Board meets at least quarterly to review the Company’s operational and financial performance against approved budgets, approves the quarterly report to Bursa Securities and deliberates on issues that require the Board’s approval. In addition, the Board is also updated on the changes in the business environment that may adversely affect the business performance, the action plans to improve business efficiency and strategic initiatives for business development and growth.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

### NO SIGNIFICANT WEAKNESS IN RISK MANAGEMENT AND INTERNAL CONTROL RESULTING IN MATERIAL LOSS

The Board is of the opinion that there are no significant weaknesses in the system of risk management and internal control, contingencies or uncertainties that could result in material loss and adversely affect the Group and the Company.

The Board has received reasonable assurances from the Chief Executive Officer (“CEO”), Chief Operating Officer (“COO”) and the Group Financial Controller (“GFC”) that the Group’s existing risk management and internal control system, in all material aspects, is operating adequately and effectively. The Board, having taken into consideration the assurance from Management and input from relevant assurance providers, is of the view that the Group’s risk management system and internal control in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report, is generally adequate, efficient and effective to safeguard the interests of shareholders and assets of the Group.

The Management has also committed to continuously review and strengthen the Group’s risk management and internal controls system to ensure its adequacy and robustness.

The Group will continue to identify, evaluate and monitor all major risks and take measures to strengthen the internal control and risk management environment.

### REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide (“AAPG”) 3, Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants (“MIA”) for inclusion in the Annual Report of the Company for FY2024, and reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control set out above was not prepared, in all material aspects, in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control – Guidelines for Directors of Listed Issuers, nor was the Statement factually inaccurate.

AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the Company’s risk management and internal control systems of the Group.

This Statement on Risk Management and Internal Control was approved by the Board of Directors on 9 October 2024.



# ADDITIONAL COMPLIANCE INFORMATION

(In accordance with Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

## 1. UTILISATION OF PROCEEDS FROM CORPORATE PROPOSALS

The Company did not undertake any fund-raising corporate exercises during the financial year under review.

## 2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit (including assurance related services) fees paid or payable to Crowe Malaysia PLT, the auditors of the Company and Group, for work performed during the financial year are as follows:

	Group (RM'000)	Company (RM'000)
Audit Fees	211	70
Non-Audit Fees	297	297
<b>Total</b>	<b>508</b>	<b>367</b>

## 3. MATERIAL CONTRACTS INVOLVING INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

There was no material contracts entered into by the Company and/or its subsidiaries involving interests of Directors and major shareholders during the financial year.

## 4. MATERIAL LITIGATION

The Group filed and served its Originating Summons (“OS”) dated 15 April 2019 against the Government of Malaysia (“GOM”) as Defendant claiming the amount of RM733 million in relation to the termination of the Sistem Kawalan Imigresen Nasional (“SKIN”) by expropriation.

On 14 March 2024, the Kuala Lumpur High Court (“KLHC”) delivered its decision, ordering the following:

- i. The GOM is ordered to compensate Prestariang SKIN Sdn. Bhd. (“PSKIN”) with the judgment sum of RM231,549,002.90 (“**Judgment Sum**”) for the termination of the Concession Agreement through expropriation;
- ii. The GOM is ordered to pay the interest on the Judgement Sum at the rate of 5% per annum calculated from the date of judgment to the date of full satisfaction of the judgment to PSKIN; and
- iii. The GOM is to ordered to pay the costs of RM80,000 (subject to allocatur fees) to PSKIN.

**Note:**

Following the case management on 4 April 2024, the KLHC clarified that the payment of costs of RM80,000 is not subject to allocatur fees as the GOM is not obliged to pay allocatur fees pursuant to the Chief Justice's Practice Directions No.1 Year 2018.

Both the GOM and PSKIN filed Notices of Appeal to the Court of Appeal against the KLHC's decision on 8 April 2024. The appeals are currently pending further directions from the Court of Appeal.

## 5. SHARE BUY-BACK

The Company did not buy back any of its issued shares from the open market during the financial year.

## ADDITIONAL COMPLIANCE INFORMATION

(In accordance with Appendix 9C of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

### 6. LONG TERM INCENTIVE PLAN (“LTIP”)

The Company had vide the Extraordinary General Meeting of Awantec held on 15 September 2020 obtained its shareholders’ approval on the LTIP and implemented the same on 25 January 2021. The LTIP comprises the establishment of an Employees’ Share Option Scheme (“ESOS”) and Share Grant Plan (“SGP”) of up to fifteen percent (15%) of the issued share capital of the Company at any point in time during the duration of the LTIP for eligible Directors and employees of the Company and its subsidiaries.

The LTIP is governed by the By-Laws and under the administration of the LTIP Committee of the Board. The LTIP shall be in force for a period of five (5) years from the effective date and extendable which not in aggregate exceed ten (10) years from the effective date or such longer period as may be permitted by Bursa Securities or any other relevant authorities.

- (A) The Group has one (1) ESOS in existence from the date granted until FY2024 movement. The information in relation to the ESOS is as set out in the table below:-

Total Number of Options as of 30 June 2024		
Description	Total Number	Aggregate for Directors
Options granted	514,700	514,700
Options exercised	(130,000)	(130,000)
Options expired	(384,700)	(384,700)
Options outstanding	-	-

- (B) The Group has one (1) SGP in existence from the date granted until FY2024 movement. The shares were vested in three (3) tranches, specifically on 30 June 2022, 30 June 2023 and 30 June 2024. The information in relation to the SGP is as set out in the table below:-

Total Number of Shares as of 30 June 2024		
Description	Total Number	Aggregate for Directors and Chief Executive
Shares granted	922,500	498,500
Shares vested	(733,100)	(360,300)
Share lapsed	(189,400)	(138,200)
Shares outstanding	-	-

In accordance with the Company’s By-Laws, not more than fifty percent (50%) of the Company’s ordinary shares available under the LTIP shall be allocated, in aggregate to the Directors and Senior Management of the Group.

- (A) The percentage of ESOS options granted to the Directors and Senior Management are as set out in the table below:-

Options Granted to Directors and Senior Management	During the financial year	Since commencement up to 30 June 2024
Aggregate maximum allocation in percentage	0%	50%
Actual percentage granted	0%	0.43%

- (B) The percentage of SGP shares granted to the Directors and Senior Management are as set out in the table below:-

Shares Granted to Directors and Senior Management	During the financial year	Since commencement up to 30 June 2024
Aggregate maximum allocation in percentage	0%	50%
Actual percentage granted	0%	0.42%

No shares have been granted to and vested in Non-Executive Directors during the financial year under review.



# STATEMENT OF RESPONSIBILITY BY DIRECTORS

The Board of Directors (“**Board**”) is fully accountable for the preparation, integrity and fair presentation of the annual financial statements of the Group.

As required by the Companies Act 2016 (“**CA 2016**”) and the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the financial statements for the financial year ended 30 June 2024, as presented on pages 177 to 257, have been prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the CA 2016.

In preparing the audited financial statements, the Board is satisfied that the applicable approved accounting standards in Malaysia have been complied with and reasonable and prudent judgements and estimates have been made. The audited financial statements are also prepared on a going concern basis as the Board has a reasonable expectation, after having made enquiries, that the Group has adequate resources to continue its operational existence for the foreseeable future.

## BOARD APPROVAL OF FINANCIAL STATEMENTS

The annual financial statements for the financial year ended 30 June 2024 are set out on pages 177 to 257. The preparation thereof was supervised by the Group Financial Controller and approved by the Board of Directors on 9 October 2024.

# FINANCIAL STATEMENTS

177\_\_Directors' Report

186\_\_Statement by Directors

186\_\_Statutory Declaration

187\_\_Independent Auditors' Report

192\_\_Statements of Financial Position

194\_\_Statements of Profit or Loss and Other Comprehensive Income

195\_\_Statements of Changes in Equity

197\_\_Statements of Cash Flows

199\_\_Notes to the Financial Statements



# DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2024.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in "Subsidiaries" section in Directors' Report. There have been no significant changes in the nature of these activities during the financial year.

## RESULTS

	The Group RM'000	The Company RM'000
Profit/(Loss) after taxation for the financial year	2,425	(823)
Attributable to:-		
Owners of the Company	2,706	(823)
Non-controlling interests	(281)	-
	2,425	(823)

## DIVIDENDS

No dividend was recommended by the directors for the financial year.

## RESERVES AND PROVISIONS

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

## ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) the Company increased its issued and paid-up share capital from RM176,997,451 to RM177,036,237 by issuance of 94,600 new ordinary shares under the Share Grant Plan pursuant to the Company's Long-term Incentive Plan for total fair value of RM38,786.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company; and

- (b) there were no issues of debentures by the Company.

## TREASURY SHARES

As at 30 June 2024, the Company held as treasury shares a total of 1,698,500 of its 789,986,700 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM3,366,345. None of the treasury shares were resold or cancelled during the financial year.

## DIRECTORS' REPORT

### OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company except for the share options granted pursuant to the Company's Long-Term Incentive Plan below.

### LONG-TERM INCENTIVE PLAN

The Long-term Incentive Plan ("LTIP") of the Company is governed by the LTIP By-Laws which were approved by the shareholders on 15 September 2020 and is administered by the LTIP Committee of the Board of Directors. The LTIP comprises the establishment of an Employees' Share Option Scheme ("ESOS") and Share Grant Plan ("SGP") up to 15% of issued share capital of the Company at any point in time during the duration of the LTIP for eligible directors and employees of the Company and its subsidiaries.

The LTIP is implemented on 25 January 2021 ("the effective date") and will be in force for a period of five (5) years from the effective date and extendable for a period of up to another five (5) years immediately from the expiry of the five (5) years upon the recommendation of the LTIP Committee and shall not in aggregate exceed ten (10) years from the effective date or such longer period as may be permitted by the relevant authorities.

The salient features of the LTIP are as follows:-

- (i) The maximum number of new ordinary shares of the Company, which may be made available under LTIP, shall not exceed in aggregate 15% of the total number of issued Shares of the Company (excluding treasury shares) at any point of time during the tenure of the LTIP.
- (ii) The maximum number of new ordinary shares awarded to any one Eligible Person under LTIP at any point of time in ESOS Awards and/or ESOS Awards (collectively, "LTIP Award(s)") shall be at the sole and absolute discretion of the LTIP Committee (subject to by-laws and any applicable law).
- (iii) Only Eligible Person (including the Executive Director and Non-executive Director) of the Group who fulfil the following conditions as at the date of the LTIP Awards shall be eligible to participate in the LTIP:
  - is at least 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
  - is confirmed in writing as a full time employee or has been appointed as a Director of the Company or any company in the Group for such period as may be determined by the LTIP Committee prior to and up to the LTIP Award Date; and
  - fulfils any other criteria and/or falls within such category as may be determined by the LTIP Committee from time to time.
- (iv) For the ESOS, the option price shall be determined by the Board upon the recommendation by the LTIP Committee based on the 5-day weighted average market price of ordinary shares of the Company immediately preceding the offer date of the option, with a discount of not more than 10%.
- (v) The option may be exercised by the grantee by notice in writing to the Company in the prescribed form during the option period in respect of all or any part of the new ordinary shares of the Company comprised in the ESOS.
- (vi) All new ordinary shares issued upon exercise of the ESOS Options or SGP Grant will rank equally in all respects with the existing ordinary shares of the Company, provided always that new ordinary shares so allotted and issued, will not be entitled to any dividends, rights, allotments and/or other distributions declared, where the entitlement date of which is prior to date of allotment and issuance of the new ordinary shares.



## DIRECTORS' REPORT

### LONG-TERM INCENTIVE PLAN (CONT'D)

(a) ESOS

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company. The Company's ESOS had been fully exercised in the previous financial year.

(b) SGP

The LTIP shares will be awarded to the selected employees to be vested over a period of three (3) years on a pro-rata basis and after fulfilment of individual performance targets based on the Group's performance management system (such as individual performance rating) as determined by the LTIP Committee from time to time at its discretion in accordance with the terms and conditions of the LTIP.

The movement of the SGP ("LTIP Shares") is as follows:-

	Number of LTIP Shares
As at 1 July 2023	118,300
Vested during the financial year	(94,600)
Lapsed during the financial year	(23,700)
As at 30 June 2024	-

The LTIP shares which lapsed during the financial year were due to resignation of employees.

The fair value of LTIP shares under the SGP is based on observable market price of RM0.41 as of 20 June 2022.

### WARRANTS

There was no movement of Warrants during the financial year. The number of outstanding Warrants as at 30 June 2024 stands of 255,950,234 with an exercise price of RM0.385 and will be expiring on 24 November 2025.

### BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

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

### CURRENT ASSETS

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

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



## DIRECTORS' REPORT

### VALUATION METHODS

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

### CONTINGENT AND OTHER LIABILITIES

The contingent liabilities are disclosed in Note 38 to the financial statements. At the date of this report, there does not exist:-

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

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due.

### CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

### ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which the report is made.

### DIRECTORS

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

Dato' Syed Naqiz Shahabuddin Bin Syed Abdul Jabbar  
Dr. Abu Hasan Bin Ismail  
Ginny Yeow Mei Ying  
Professor Emeritus Dato' Dr. Hassan Bin Said  
Ramanathan A/L Sathiamutty  
YM Tunku Abang Faisal Amir Bin Abang Abu Bakar  
Lim Saw Imm  
Datuk Seri Dr. Yusof Bin Ismail (Appointed on 7.5.2024)  
Hafidah Aman Binti Hashim (Retired on 23.11.2023)  
Dato' Tharuma Rajah @ K.T. Rajan A/L R. Krishnan (Retired on 23.11.2023)

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

Chok Joon Heng  
Ainun Mardziah Binti Hashim



## DIRECTORS' REPORT

### DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of the directors holding office at the end of the financial year in shares or options over unissued shares of the Company and its related corporations during the financial year are as follows:-

	← Number of Ordinary Shares →			
	At 1.7.2023	Bought	Sold	At 30.6.2024
<b>The Company</b>				
<i>Indirect Interest</i>				
Dr. Abu Hasan Bin Ismail <sup>#</sup>	79,579,740	-	-	79,579,740
<b>Awantec Services Sdn. Bhd., a 70% owned subsidiary of the Company</b>				
<i>Direct Interest</i>				
Dr. Abu Hasan Bin Ismail	76,356	-	-	76,356
<i>Indirect Interest</i>				
Dr. Abu Hasan Bin Ismail <sup>*</sup>	122,170	-	-	122,170
← Number of Redeemable Preference Shares "A" →				
	At 1.7.2023	Bought	Sold	At 30.6.2024
<b>Awantec Services Sdn. Bhd., a 70% owned subsidiary of the Company</b>				
<i>Indirect Interest</i>				
Dr. Abu Hasan Bin Ismail <sup>*</sup>	151,601	-	-	151,601

**Notes:-**

<sup>#</sup> - Deemed interested by virtue of director's interest in Eco Cloud Assets Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

<sup>\*</sup> - Deemed interested by virtue of director's interest in Halaman Kapital Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares or options over unissued shares of the Company or its related corporations during the financial year.

## DIRECTORS' REPORT

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

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

### DIRECTORS' REMUNERATION

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

	The Group RM'000	The Company RM'000
Fees	622	585
Salaries, bonuses and other benefits	611	611
Defined contribution benefits	58	58
	1,291	1,254

### INDEMNITY AND INSURANCE COST

During the financial year, the amount of indemnity coverage and insurance premium paid for the directors of the Company and of the Group were RM10,000,000 and RM18,030 respectively. No indemnity was given to or insurance effected for auditors of the Company.



## DIRECTORS' REPORT

### SUBSIDIARIES

All subsidiaries are incorporated and having principal place of business in Malaysia.

The details of the subsidiary name, principal activities and percentage of issued share capital held by the Company in each subsidiary are as follows:-

Name of Subsidiary	Percentage of Issued Share Capital Held		Principal Activities
	By Parent	%	
<i>Subsidiaries of the Company</i>			
Awantec Systems Sdn. Bhd. ("ASSB")	100		Providing Information and Communication Technology ("ICT") training and certification, and software license distribution and management.
Agensi Pekerjaan Prestariang Talentxchange Sdn. Bhd.	100		To carry on the business as private employment agency, to recruit and place a worker to another employer.
Agensi Pekerjaan Awantec Sdn. Bhd. ("APASB")	49		A private employment agency, to recruit and place a worker to another employer.
Awantec Talentxchange Sdn. Bhd. (formerly known as Prestariang Technology Sdn. Bhd.) ("ATX")	100		Business services in human resources ("HR") related matters which include but are not limited to business consultancy, supply of contingent workforce, outsourcing and training.
Awantec Services Sdn. Bhd. ("ASV")	70		Investment holding.
<i>Subsidiary of ATX</i>			
Total Leap Sdn. Bhd.	100		Other services activities as general traders and provide advisory, consultancy and management services for relevant industries. The company has not commenced its business operations during the financial year.
<i>Subsidiaries of ASSB</i>			
Logisys Sdn. Bhd.	100		Other information technology service activities. The company has commenced its business operations during the financial year.
Prestariang R&D Sdn. Bhd.	#		Other services activities not elsewhere classifies ("n.e.c."). The company has not commenced its business operations during the financial year.
<i>Subsidiary of ASV</i>			
Prestariang Skin Sdn. Bhd.	100		Providing a special purpose vehicle solely for the purpose to study, design, develop, customise, supply, deliver, install, configure, integrate, interface, test, commission support and maintain the immigration system known as Sistem Kawalan Imigresen Nasional ("SKIN"). The company has ceased its business operations in prior years.
Prestariang Tech Services Sdn. Bhd. ("PTSSB")	*		Commenced Creditors' Voluntary Winding Up proceedings on 1 April 2021.

**Notes:-**

- # - The subsidiary has been struck off during the current financial year. The financial results of this subsidiary being dissolved via striking off procedures is insignificant to the Group.
- \* - The Group held 70% indirect equity interests in PTSSB. PTSSB has been deconsolidated from the Group in the prior years as the Group is deemed to have lost control over the subsidiary as a result of the liquidation of PTSSB.

## DIRECTORS' REPORT

### SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

#### **Upliftment as an Affected Listed Issuer pursuant to Paragraph 8.03A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

On 10 May 2024, Bursa Malaysia Securities Berhad ("Bursa Securities") has resolved to grant the Company a waiver from complying with Paragraph 8.04(3)(a) of the Main Market Listing Requirements which requires an Affected Listed Issuer to submit a regularisation plan to Bursa Securities.

With the above, the Company was uplifted from being classified as an Affected Listed Issuer pursuant to Paragraph 8.03A of the Main Market Listing Requirements with no conditions attached.

### SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

#### **Memorandum Of Understanding Between The Government Of Malaysia As Represented By The National Cyber Security Agency ("NACSA") and Awantec System Sdn. Bhd., a wholly-owned subsidiary of the Company**

The Company via its wholly-owned subsidiary, Awantec Systems Sdn. Bhd. ("ASSB") had on 30 July 2024 ("Effective Date") entered into a Memorandum of Understanding ("MOU") with the Government of Malaysia as represented by the National Cyber Security Agency ("NACSA"). ASSB and NACSA are each referred to as the "Party" and collectively referred to as the "Parties".

The collaboration period anticipated pursuant to this MOU is two (2) years commencing from the Effective Date and expiring on 29 July 2026. This MOU may be extended for a further period of one (1) year as may be agreed upon in writing by both Parties.

Amongst others, the scope of the proposed collaboration, encompasses the following:

- (a) Collaboration on the development and implementation of new technologies in cybersecurity;
- (b) Collaboration and partnership on new cybersecurity projects focusing on training, upskilling, and addressing industry needs, particularly in providing online learning and job platforms;
- (c) Joint promotion of information and activities outlined in the MOU on the participants' respective websites, subject to written approval for the use of logos and other assets; and
- (d) Cooperation in any other areas as mutually agreed upon from time to time.

This MOU may be terminated by either Party with a minimum of thirty (30) days' written notice.



## DIRECTORS' REPORT

### AUDITORS

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

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

	The Group RM'000	The Company RM'000
Audit fees	211	70
Non-audit fees	297	297
	508	367

Signed in accordance with a resolution of the directors dated 9 October 2024.

Dato' Syed Naqiz Shahabuddin Bin Syed Abdul Jabbar

Lim Saw Imm

# STATEMENT BY DIRECTORS

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

We, Dato' Syed Naqiz Shahabuddin Bin Syed Abdul Jabbar and Lim Saw Imm, being two of the directors of AwanBiru Technology Berhad, state that, in the opinion of the directors, the financial statements set out on pages 192 to 257 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 9 October 2024.

Dato' Syed Naqiz Shahabuddin Bin Syed Abdul Jabbar

Lim Saw Imm

# STATUTORY DECLARATION

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

I, Ainun Mardziah Binti Hashim, MIA Membership Number: 24445, being the officer primarily responsible for the financial management of AwanBiru Technology Berhad, do solemnly and sincerely declare that the financial statements set out on pages 192 to 257 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned  
Ainun Mardziah Binti Hashim,  
at Kuala Lumpur  
in the Federal Territory  
on this 9 October 2024

Ainun Mardziah Binti Hashim

Before me





# INDEPENDENT AUDITORS' REPORT

To the members of AwanBiru Technology Berhad  
(Incorporated in Malaysia)

## REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of AwanBiru Technology Berhad, which comprise the statements of financial position as at 30 June 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 192 to 257.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

### Basis for Opinion

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

#### *Independence and Other Ethical Responsibilities*

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. 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.

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



# INDEPENDENT AUDITORS' REPORT

To the members of AwanBiru Technology Berhad  
(Incorporated in Malaysia)

## Key Audit Matters (Cont'd)

Impairment assessment of trade receivables Refer to Notes 10 and 39.1(b)(iii) to the financial statements	
Key Audit Matter	How our audit addressed the key audit matter
<p>As at 30 June 2024, trade receivables amounted to approximately RM195.86 million (included an amount of RM182.80 million owing by the Government of Malaysia ("GOM") in relation to the development of SKIN Solution). The details of trade receivables and its credit risks are disclosed in Note 39.1(b)(iii) to the financial statements.</p> <p>The management applied assumptions in assessing the level of allowance for impairment losses on trade receivables based on the following:-</p> <ul style="list-style-type: none"> <li>• updates from the material litigation with GOM;</li> <li>• customers' payment profiles of past sales and corresponding historical credit losses;</li> <li>• specific known facts or circumstances on customers' ability to pay; or</li> <li>• by reference to past default experience.</li> </ul> <p>The impairment assessment involves significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance.</p> <p>This is considered a key audit matter due to the inherent subjectivity that is involved in making judgement in relation to the recoverability of trade receivables.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>• Obtained the confirmation from legal advisors for the updates of the material litigation with GOM;</li> <li>• Obtained an understanding of:-               <ul style="list-style-type: none"> <li>- the Group's control over the receivables collection process;</li> <li>- how the Group identifies and assesses the impairment of receivables; and</li> <li>- how the Group makes the accounting estimates for impairment;</li> </ul> </li> <li>• Reviewed subsequent cash collections for major receivables and overdue amounts;</li> <li>• Made inquiries of management regarding the action plans to recover overdue amounts; and</li> <li>• Evaluated the reasonableness and adequacy of the allowance for impairment loss recognised.</li> </ul>



## INDEPENDENT AUDITORS' REPORT

To the members of AwanBiru Technology Berhad  
(Incorporated in Malaysia)

### Key Audit Matters (Cont'd)

Revenue recognition from contracts with customers Refer to Notes 4.1(e), 12 and 25 to the financial statements	
Key Audit Matter	How our audit addressed the key audit matter
<p>During the financial year ended 30 June 2024, the Group recognised revenue amounting to RM95.08 million.</p> <p>We focused on this area as there are judgements involved in arriving at the quantum and timing of revenue recognised. Certain contracts with customers with multi element arrangements may include sales of software, maintenance and support services. Judgement is exercised in determining the number of distinct performance obligations included within these contracts with customers. The allocation of transaction price to the identified performance obligations is estimated based on the standalone selling prices. Judgement is exercised in determining the appropriate estimation of fair values of the identified performance obligations.</p> <p>The timing of revenue recognition may differ from the timing of billing to customers. When the services rendered by the Group exceed the payment, a contract asset is recognised; or when the considerations received from customers exceed the services rendered by the Group, a contract liability is recognised. Judgement is exercised in anticipating the timing between recognition of revenue and billings to the customers which may subsequently change due to specific risks and performance of the actual contract terms. As at 30 June 2024, the Group had recognised contract assets amounting to RM45.63 million and contract liabilities amounting to RM2.19 million respectively.</p> <p>As a result of the above conditions, we regard revenue recognition from contracts with customers as a key audit matter for the Group.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• Reviewed contracts with customers containing multiple performance obligations and assessed the appropriateness of revenue recognition under MFRS 15;</li> <li>• Reviewed management's assessment on the identification of separate performance obligations over material customer contracts with bundling arrangements and sighted to the customer contracts on a sampling basis;</li> <li>• Reviewed management's assessment of the allocation of transaction price between various performance obligations;</li> <li>• Evaluated the effectiveness of the Group's internal controls over revenue recognition for sales of goods and services on a sampling basis;</li> <li>• Inspected evidence for delivery of goods and services and sales invoices in respect of samples selected from sales of goods and services transacted immediately before and after the end of the reporting period to assess whether the revenue were recorded in the correct financial year; and</li> <li>• Inspected samples of credit notes issued by the Group subsequent to year end to ascertain whether they relate to return of goods or sales cancellation in respect of revenue recognised before the year end.</li> </ul>

## INDEPENDENT AUDITORS' REPORT

To the members of AwanBiru Technology Berhad  
(Incorporated in Malaysia)

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

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

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

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

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

### Responsibilities of the Directors for the Financial Statements

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



## INDEPENDENT AUDITORS' REPORT

To the members of AwanBiru Technology Berhad  
(Incorporated in Malaysia)

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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.

Crowe Malaysia PLT  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

Kuala Lumpur

Leong Pooi Kuan  
03732/04/2025 J  
Chartered Accountant

# STATEMENTS OF FINANCIAL POSITION

As at 30 June 2024

	Note	The Group			The Company	
		30.6.2024 RM'000	30.6.2023 RM'000 (Restated)	1.7.2022 RM'000 (Restated)	30.6.2024 RM'000	30.6.2023 RM'000
<b>ASSETS</b>						
<b>NON-CURRENT ASSETS</b>						
Investments in subsidiaries	5	-	-	-	20,460	20,413
Property, plant and equipment	6	22,439	23,772	22,433	426	497
Investment properties	7	21,630	21,630	24,180	-	-
Development costs	8	-	-	-	-	-
		44,069	45,402	46,613	20,886	20,910
<b>CURRENT ASSETS</b>						
Contract costs	9	65	6,267	382	-	-
Trade receivables	10	195,860	197,784	190,558	-	-
Other receivables, deposits and prepayments	11	126,986	126,662	126,681	337	236
Contract assets	12	45,633	28,756	59,362	-	-
Amount owing by subsidiaries	13	-	-	-	87,268	82,055
Short-term investments	14	300	5,529	15,313	300	5,529
Current tax assets		1,162	1,582	46	12	12
Cash and bank balances	15	19,147	7,876	4,034	849	940
		389,153	374,456	396,376	88,766	88,772
<b>TOTAL ASSETS</b>		<b>433,222</b>	<b>419,858</b>	<b>442,989</b>	<b>109,652</b>	<b>109,682</b>
<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>						
Share capital	16	177,036	176,997	176,861	177,036	176,997
Treasury shares	17	(3,366)	(3,366)	(3,366)	(3,366)	(3,366)
Warrant reserve	18	19,812	19,812	19,812	19,812	19,812
LTIP reserve	19	-	25	94	-	25
Accumulated losses		(14,323)	(17,029)	(9,671)	(85,832)	(85,009)
Equity attributable to owners of the Company		179,159	176,439	183,730	107,650	108,459
Non-controlling interests	5	11,133	11,414	11,470	-	-
<b>TOTAL EQUITY</b>		<b>190,292</b>	<b>187,853</b>	<b>195,200</b>	<b>107,650</b>	<b>108,459</b>

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



## STATEMENTS OF FINANCIAL POSITION

As At 30 June 2024

	Note	The Group			The Company	
		30.6.2024 RM'000	30.6.2023 RM'000 (Restated)	1.7.2022 RM'000 (Restated)	30.6.2024 RM'000	30.6.2023 RM'000
<b>EQUITY AND LIABILITIES (CONT'D)</b>						
<b>NON-CURRENT LIABILITIES</b>						
Redeemable preference shares "A"	20	152	152	152	-	-
Term loans	21	6,784	10,489	14,061	-	-
Deferred tax liabilities	22	16,869	16,869	16,869	-	-
		<b>23,805</b>	<b>27,510</b>	<b>31,082</b>	<b>-</b>	<b>-</b>
<b>CURRENT LIABILITIES</b>						
Trade payables	23	207,029	192,679	201,490	-	-
Contract liabilities	12	2,185	2,635	3,960	-	-
Other payables and accruals	24	6,198	5,518	7,064	2,002	1,223
Term loans	21	3,707	3,663	3,768	-	-
Current tax liabilities		6	-	425	-	-
		<b>219,125</b>	<b>204,495</b>	<b>216,707</b>	<b>2,002</b>	<b>1,223</b>
<b>TOTAL LIABILITIES</b>		<b>242,930</b>	<b>232,005</b>	<b>247,789</b>	<b>2,002</b>	<b>1,223</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>433,222</b>	<b>419,858</b>	<b>442,989</b>	<b>109,652</b>	<b>109,682</b>

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

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Financial Year Ended 30 June 2024

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
REVENUE	25	95,082	38,604	11,300	2,000
COST OF SALES		(66,314)	(22,272)	-	-
GROSS PROFIT		28,768	16,332	11,300	2,000
OTHER INCOME	26	3,725	3,438	25	296
		32,493	19,770	11,325	2,296
ADMINISTRATIVE EXPENSES		(25,442)	(21,977)	(11,986)	(9,617)
OTHER EXPENSES		(1,572)	(2,476)	(161)	(123)
FINANCE COSTS	27	(963)	(1,396)	(1)	-
NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS	28	(395)	(1,068)	-	(93)
PROFIT/(LOSS) BEFORE TAXATION	29	4,121	(7,147)	(823)	(7,537)
INCOME TAX EXPENSE	31	(1,696)	(267)	-	-
PROFIT/(LOSS) AFTER TAXATION		2,425	(7,414)	(823)	(7,537)
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE FINANCIAL YEAR		2,425	(7,414)	(823)	(7,537)
<b>PROFIT/(LOSS) AFTER TAXATION ATTRIBUTABLE TO:-</b>					
Owners of the Company		2,706	(7,358)	(823)	(7,537)
Non-controlling interests		(281)	(56)	-	-
		2,425	(7,414)	(823)	(7,537)
<b>TOTAL COMPREHENSIVE INCOME/(EXPENSES) ATTRIBUTABLE TO:-</b>					
Owners of the Company		2,706	(7,358)	(823)	(7,537)
Non-controlling interests		(281)	(56)	-	-
		2,425	(7,414)	(823)	(7,537)
<b>EARNINGS/(LOSS) PER SHARE (SEN)</b>	32				
Basic		0.34	(0.93)		
Diluted		0.35	(0.92)		

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



# STATEMENTS OF CHANGES IN EQUITY

For The Financial Year Ended 30 June 2024

The Group	Note	← Non-Distributable → Distributable					Attributable to Owners		Total Equity RM'000
		Share Capital RM'000	Treasury Shares RM'000	Warrant Reserve RM'000	LTIP Reserve RM'000	Accumulated Losses RM'000	of the Company RM'000	Non-controlling Interests RM'000	
Balance at 1.7.2022		176,861	(3,366)	19,812	94	(9,671)	183,730	11,470	195,200
Loss after taxation/Total comprehensive expenses for the financial year									
- as previously reported		-	-	-	-	(6,506)	(6,506)	(56)	(6,562)
- prior year adjustments	43	-	-	-	-	(852)	(852)	-	(852)
- as restated		-	-	-	-	(7,358)	(7,358)	(56)	(7,414)
LTIP:									
- ESOS exercised		64	-	-	(12)	-	52	-	52
- Share options and LTIP shares granted		-	-	-	15	-	15	-	15
- Shares issued under SGP		72	-	-	(72)	-	-	-	-
Total contributions by and distributions to owners		136	-	-	(69)	-	67	-	67
Balance at 30.6.2023		176,997	(3,366)	19,812	25	(17,029)	176,439	11,414	187,853
Balance at 1.7.2023									
- as previously reported		176,997	(3,366)	19,812	25	(16,177)	177,291	11,414	188,705
- prior year adjustments	43	-	-	-	-	(852)	(852)	-	(852)
- as restated		176,997	(3,366)	19,812	25	(17,029)	176,439	11,414	187,853
Profit after taxation/Total comprehensive income/ (expenses) for the financial year		-	-	-	-	2,706	2,706	(281)	2,425
LTIP:									
- Share options and LTIP shares granted		-	-	-	14	-	14	-	14
- Shares issued under SGP		39	-	-	(39)	-	-	-	-
Total contributions by and distributions to owners		39	-	-	(25)	-	14	-	14
Balance at 30.6.2024		177,036	(3,366)	19,812	-	(14,323)	179,159	11,133	190,292

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



## STATEMENTS OF CHANGES IN EQUITY

For The Financial Year Ended 30 June 2024

The Company	Share Capital RM'000	Treasury Shares RM'000	← Non-Distributable →		Distributable	Total Equity RM'000
			Warrant Reserve RM'000	LTIP Reserve RM'000	Accumulated Losses RM'000	
Balance at 1.7.2022	176,861	(3,366)	19,812	94	(77,472)	115,929
Loss after taxation/Total comprehensive expenses for the financial year	-	-	-	-	(7,537)	(7,537)
LTIP:						
- ESOS exercised	64	-	-	(12)	-	52
- Share options and LTIP shares granted	-	-	-	15	-	15
- Shares issued under SGP	72	-	-	(72)	-	-
Total contributions by and contributions to owners	136	-	-	(69)	-	67
Balance at 30.6.2023/1.7.2023	176,997	(3,366)	19,812	25	(85,009)	108,459
Loss after taxation/Total comprehensive expenses for the financial year	-	-	-	-	(823)	(823)
LTIP:						
- Share options and LTIP shares granted	-	-	-	14	-	14
- Shares issued under SGP	39	-	-	(39)	-	-
Total contributions by and contributions to owners	39	-	-	(25)	-	14
Balance at 30.6.2024	177,036	(3,366)	19,812	-	(85,832)	107,650

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



# STATEMENTS OF CASH FLOWS

For The Financial Year Ended 30 June 2024

	The Group		The Company	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES</b>				
Profit/(Loss) before taxation	4,121	(7,147)	(823)	(7,537)
Adjustments for:-				
Depreciation of property, plant and equipment	1,571	1,875	124	123
Impairment losses on:				
- trade receivables	55	-	-	-
- other receivables	360	1,485	-	-
Imputed interest expense	159	630	-	-
Interest expense:				
- term loans	660	758	-	-
- cash line financing	97	-	-	-
LTIP expenses	14	15	17	6
Loss on disposal of property, plant and equipment	-	14	-	-
Unrealised loss on foreign exchange	8	-	-	-
Written off:				
- Property, plant and equipment	-	464	-	-
- amount owing by subsidiaries	-	-	38	93
Imputed interest income	(128)	(512)	-	-
Interest income	(130)	(484)	(10)	(296)
Reversal of impairment losses on:				
- trade receivables	(20)	(92)	-	-
- other receivables	-	(325)	-	-
Operating profit/(loss) before working capital changes	6,767	(3,319)	(654)	(7,611)
Decrease/(Increase) in contract costs	6,202	(5,885)	-	-
Decrease/(Increase) in trade and other receivables	1,428	(7,763)	(101)	(129)
(Increase)/Decrease in contract assets	(16,877)	30,606	-	-
Increase/(Decrease) in trade and other payables	14,863	(10,987)	779	(505)
Decrease in contract liabilities	(450)	(1,325)	-	-
Increase in amount owing by subsidiaries	-	-	(5,251)	-
<b>CASH FLOW FROM/(FOR) OPERATIONS</b>	<b>11,933</b>	<b>1,327</b>	<b>(5,227)</b>	<b>(8,245)</b>
Interest paid	(97)	-	-	-
Income tax paid	(1,365)	(2,228)	-	-
<b>NET CASH FROM/(FOR) OPERATING ACTIVITIES</b>	<b>10,471</b>	<b>(901)</b>	<b>(5,227)</b>	<b>(8,245)</b>

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

## STATEMENTS OF CASH FLOWS

For The Financial Year Ended 30 June 2024

	Note	The Group		The Company	
		2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
<b>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES</b>					
Acquisition of subsidiary		-	-	(50)	-
Advances to subsidiaries		-	-	-	(1,224)
Interest income received		130	484	10	296
Proceeds from disposal of property, plant and equipment		-	2	-	-
Purchase of property, plant and equipment	33(a)	(238)	(1,144)	(53)	(94)
Placement of deposit pledged with licensed banks		235	558	-	-
<b>NET CASH FROM/(FOR) INVESTING ACTIVITIES</b>		<b>127</b>	<b>(100)</b>	<b>(93)</b>	<b>(1,022)</b>
<b>CASH FLOWS (FOR)/FROM FINANCING ACTIVITIES</b>					
(Repayment to)/Advances from directors		-	-	-	123
Drawdown of cash line financing	33(b)	5,000	-	-	-
Proceeds from issuance of ordinary shares		-	52	-	52
Repayment of cash line financing	33(b)	(5,000)	-	-	-
Repayment of term loans	33(b)	(3,661)	(3,677)	-	-
Interest paid		(660)	(758)	-	-
<b>NET CASH (FOR)/FROM FINANCING ACTIVITIES</b>		<b>(4,321)</b>	<b>(4,383)</b>	<b>-</b>	<b>175</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>6,277</b>	<b>(5,384)</b>	<b>(5,320)</b>	<b>(9,092)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		<b>11,872</b>	<b>17,256</b>	<b>6,469</b>	<b>15,561</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	33(d)	<b>18,149</b>	<b>11,872</b>	<b>1,149</b>	<b>6,469</b>

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



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:-

Registered office : Level 7, Menara Milenium,  
Jalan Damanlela,  
Pusat Bandar Damansara,  
Damansara Heights,  
50490 Kuala Lumpur.

Principal place of business : Star Central, Block 11B,  
Lingkar Cyber Point Timur,  
Cyber 12,  
63000 Cyberjaya,  
Selangor Darul Ehsan.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 9 October 2024.

## 2. PRINCIPAL ACTIVITIES

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

## 3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

MFRS 17 Insurance Contracts

Amendments to MFRS 17 Insurance Contracts

Amendment to MFRS 17: Initial Application of MFRS 17 and MFRS 9 – Comparative Information

Amendments to MFRS 101: Disclosure of Accounting Policies

Amendments to MFRS 108: Definition of Accounting Estimates

Amendments to MFRS 112: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Amendments to MFRS 112: International Tax Reform – Pillar Two Model Rules

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 3. BASIS OF PREPARATION (CONT'D)

- 3.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any) (Cont'd):-

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statement of the Group and of the Company except as follows:-

Amendments to MFRS 101: Disclosure of Accounting Policies

The Amendments to MFRS 101 'Disclosure of Accounting Policies' did not result in any changes to the existing accounting policies of the Group and of the Company. However, the amendments require the disclosure of 'material' rather than 'significant' accounting policies and provide guidance on how entities apply the concept of materiality in making decisions about the material accounting policy disclosures. The Group and the Company have made updates to the accounting policies presented in Note 4 to the financial statements in line with the amendments.

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective for the current financial year:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101: Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 4. MATERIAL ACCOUNTING POLICY INFORMATION

### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

#### *Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

#### (a) Valuation of Investment Properties

Investment properties of the Group are reported at fair value which is based on valuations performed by independent professional valuers.

The independent professional valuers have exercised judgement in determining the selling prices of recent transactions and asking prices of similar properties of nearby location and where necessary, adjusting for tenure, location, size, existing condition and usage and surrounding developments used in the valuation process. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting fair value. The carrying amount of investment properties as at the reporting date is disclosed in Note 7 to the financial statements.

#### (b) Impairment of Property, Plant and Equipment

The Group and the Company determine whether an item of their property, plant and equipment are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 6 to the financial statements.

#### (c) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 10 and 12 to the financial statements respectively.

#### (d) Impairment of Non-Trade Receivables (including amount owing by subsidiaries)

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables and amount owing by subsidiaries as at the reporting date are disclosed in Notes 11 and 13 to the financial statements respectively.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

*Key Sources of Estimation Uncertainty (Cont'd)*

#### (e) Revenue recognition

Certain contracts with customers are bundled packages that may include sales of solution services, hardware, software and maintenance and support services. The Group accounts for products and services as separate performance obligations if they are distinct promises of goods and services, i.e. if a product or service is separately identifiable from other item in the bundled package and if a customer can benefit from it separately. The Group exercises judgement to identify if products and services within the bundled package are distinct performance obligations.

The Group uses estimates and judgements in determining the amount and timing of revenue recognised, particularly for the allocation of transaction price to the performance obligations identified under the contract by referring to their stand-alone selling prices. Revenue for solution services are recognised over time based on cost plus expected margin under the input method. This method is dependent on the estimated cost of each performance obligation in the contract. The Group exercises judgement when determining the appropriate estimation of costs that best reflects the progress of completion and are aligned with key acceptance stages identified within the contracts.

The timing of revenue recognition may differ from the timing of billing to customers. When the services rendered by the Group exceeds the payment, a contract asset is recognised. In determining the impact of significant financing component for the contract balances, the Group had used judgement to anticipate the expected timing between revenue recognition and billing. The billings milestones vary between customers based on the contract terms. The actual timing for the billing may differ due to subsequent changes in specific risk and performance of the actual contract terms. The carrying amounts of contract assets and contract liabilities as at the reporting date are disclosed in Note 12 to the financial statements.

#### (f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amounts of net current tax assets of the Group and of the Company as at the reporting date are RM1,155,871 and RM11,938 (2023 - RM1,582,407 and RM11,938) respectively.

*Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

#### (a) Classification between Investment Properties and Owner-occupied Properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

*Critical Judgements Made in Applying Accounting Policies (Cont'd)*

##### (b) Contingent Liabilities

The recognition and measurement for contingent liabilities are based on management's view of the expected outcome on contingencies after consulting legal counsel for litigation cases and experts, for matters in the ordinary course of business. Furthermore, management is of the view that the chances of the financial institutions to call upon the corporate guarantees issued by the Company is remote.

#### 4.2 FINANCIAL INSTRUMENTS

##### (a) Financial Assets

###### Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

###### Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

##### (b) Financial Liabilities

###### Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

Redeemable preference shares are classified as financial liabilities in accordance with the substance of the contractual arrangement of the instruments.

##### (c) Equity

###### Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

###### Treasury Shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 4.2 FINANCIAL INSTRUMENTS (CONT'D)

#### (d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

### 4.3 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries (including the share options granted to employees of the subsidiaries), which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

### 4.4 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Freehold buildings	50 years
Computer systems and equipment	5 years
Furniture and fittings	10 years
Office equipment	10 years
Office renovation	10 years
Motor vehicles	5 years

Capital work-in-progress represent computer systems and equipment under installation. They are not depreciated until such time when the assets are available for use.

### 4.5 INVESTMENT PROPERTIES

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are measured at fair value with fair value changes recognised in profit or loss.

### 4.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

#### Leases of Low-value Assets

The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 4.7 RESEARCH AND DEVELOPMENT COSTS

Research costs are recognised as an expense when they are incurred.

Capitalised development costs are initially measured at cost. Subsequent to the initial recognition, the development costs are stated at cost less accumulated amortisation and any accumulated impairment losses.

Capitalised development costs are amortised from the point at which the asset is available for use using the straight-line method over a period of 3 years when the products are ready for sale or use. Prior to that, the capitalised development costs are tested for impairment annually and whenever there is an indication that they may be impaired.

### 5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2024 RM'000	2023 RM'000
Unquoted shares, at cost:-		
At 1 July 2023/2022	20,837	20,837
Incorporation of a subsidiary	50	-
Deconsolidation of subsidiaries	-	*
At 30 June	20,887	20,837
LTIP vested to the employees of subsidiaries:-		
At 1 July 2023/2022	76	67
(Adjustments)/Addition during the financial year	(3)	9
At 30 June	73	76
Less: Accumulated impairment losses	(500)	(500)
	20,460	20,413

Note:-

\* - Negligible

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

All subsidiaries are incorporated and having principal place of business in Malaysia. The details of the subsidiaries are as follows:-

Name of Subsidiary	Percentage of Issued Share Capital Held by Parent		Principal Activities
	2024	2023	
	%	%	
<i>Subsidiaries of the Company</i>			
Awantec Systems Sdn. Bhd. ("ASSB")	100	100	Providing Information and Communication Technology ("ICT") training and certification, and software license distribution and management.
Agensi Pekerjaan Prestariang Talentxchange Sdn. Bhd.	100	100	To carry on the business as private employment agency, to recruit and place a worker to another employer.
Agensi Pekerjaan Awantec Sdn. Bhd. ("APASB")	49	-	A private employment agency, to recruit and place a worker to another employer.
Awantec Talentxchange Sdn Bhd (formerly known as Prestariang Technology Sdn. Bhd.) ("ATX")	100	100	Business services in human resources ("HR") related matters which include but are not limited to business consultancy, supply of contingent workforce, outsourcing and training.
Prestariang Digital Sdn. Bhd.	-	^	Other information technology service activities (N.E.C).
Prestariang Capital Sdn. Bhd.	-	^	Investment holding.
Awantec Services Sdn. Bhd. ("ASV")	70	70	Investment holding.
<i>Subsidiary of ATX</i>			
Total Leap Sdn. Bhd.	100	100	Other services activities as general traders and provide advisory, consultancy and management services for relevant industries. The company has not commenced its business operations during the financial year.
<i>Subsidiaries of ASSB</i>			
Logisys Sdn. Bhd.	100	100	Other information technology service activities. The company has commenced its business operations during the financial year.
Prestariang R&D Sdn. Bhd.	#	100	Other services activities not elsewhere classifies ("n.e.c."). The company has not commenced its business operations during the financial year.
<i>Subsidiary of ASV</i>			
Prestariang Skin Sdn. Bhd.	100	100	Providing a special purpose vehicle solely for the purpose to study, design, develop, customise, supply, deliver, install, configure, integrate, interface, test, commission, support and maintain the immigration system known as Sistem Kawalan Imigresen Nasional ("SKIN"). The company has not ceased its business operations in prior years.
Prestariang Tech Services Sdn. Bhd. ("PTSSB")	*	*	Commenced Creditors' Voluntary Winding Up proceedings on 1 April 2021.

**Notes:-**

- ^ - The subsidiaries have been struck off in the previous financial year. The financial results of these subsidiaries being dissolved via striking off procedures were insignificant to the Group and the Company.
- # - The subsidiary has been struck off during the current financial year. The financial results of this subsidiary being dissolved via striking off procedures is insignificant to the Group.
- \* - The Group held 70% indirect equity interests in PTSSB. PTSSB has been deconsolidated from the Group in the prior years as the Group is deemed to have lost control over the subsidiary as a result of the liquidation of PTSSB.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) On 25 April 2024, the Company subscribed 49% equity interests in APASB for a cash consideration of RM24,500. On 15 May 2024, a shareholders agreement has been entered with another shareholder which set out that although the Company owns 49% in APASB, it has exclusive control over APASB.

(b) The non-controlling interests at the end of the reporting period comprise the following:-

	Effective Equity Interest		The Group	
	2024 %	2023 %	2024 RM'000	2023 RM'000
ASV	30	30	11,133	11,414

(c) The summarised financial information (before intra-group elimination) for the subsidiary that has non-controlling interests that are material to the Group is as follows:-

	ASV and its subsidiaries	
	2024 RM'000	2023 RM'000
<u>At 30 June</u>		
Non-current assets	-	-
Current assets	304,128	304,326
Non-current liabilities	(17,020)	(17,020)
Current liabilities	(250,080)	(249,340)
Net assets	37,028	37,966
<u>Financial Year Ended 30 June</u>		
Revenue	-	-
Loss for the financial year	(929)	(187)
Total comprehensive expenses	(929)	(187)
Net cash flows for operating activities	(4)	(347)
Net cash flows for investing activities	-	-
Net cash flows from financing activities	-	327

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 6. PROPERTY, PLANT AND EQUIPMENT

The Group	Freehold buildings RM'000	Computer systems and equipment RM'000	Furniture and fittings RM'000	Office equipment RM'000	Office renovation RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
<b>2024</b>								
<b>Cost</b>								
At 1 July 2023	19,234	5,699	3,031	3,697	5,768	176	47	37,652
Additions (Note 33(a))	-	124	10	15	40	-	49	238
Write-offs	-	(210)	-	(146)	-	-	-	(356)
Transfer	-	-	22	-	25	-	(47)	-
At 30 June 2024	19,234	5,613	3,063	3,566	5,833	176	49	37,534
<b>Accumulated Depreciation</b>								
At 1 July 2023	1,729	4,459	2,003	2,043	3,470	176	-	13,880
Charge for the financial year (Note 29)	327	349	237	299	359	-	-	1,571
Write-offs	-	(210)	-	(146)	-	-	-	(356)
At 30 June 2024	2,056	4,598	2,240	2,196	3,829	176	-	15,095
<b>Carrying Amount</b>								
At 30 June 2024	17,178	1,015	823	1,370	2,004	-	49	22,439



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	Freehold buildings RM'000 (Restated)	Computer systems and equipment RM'000	Furniture and fittings RM'000	Office equipment RM'000	Office renovation RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000 (Restated)
<b>2023</b>								
<b>Cost</b>								
At 1 July 2022	16,684	5,406	2,980	3,996	5,460	176	100	34,802
Additions (Note 33(a))	-	299	51	138	308	-	348	1,144
Write-offs	-	(6)	-	-	-	-	(459)	(465)
Disposal	-	-	-	(379)	-	-	-	(379)
Transfer	-	-	-	(58)	-	-	58	-
Transfer from investment properties (Note 7)	2,550	-	-	-	-	-	-	2,550
At 30 June 2023	19,234	5,699	3,031	3,697	5,768	176	47	37,652
<b>Accumulated Depreciation</b>								
At 1 July 2022	1,401	3,815	1,758	2,098	3,121	176	-	12,369
Charge for the financial year (Note 29)	328	645	245	308	349	-	-	1,875
Write-offs	-	(1)	-	-	-	-	-	(1)
Disposals	-	-	-	(363)	-	-	-	(363)
At 30 June 2023	1,729	4,459	2,003	2,043	3,470	176	-	13,880
<b>Carrying Amount</b>								
At 30 June 2023	17,505	1,240	1,028	1,654	2,298	-	47	23,772

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 6. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Company	Computer systems and equipment RM'000	Furniture and fittings RM'000	Office equipment RM'000	Capital Work-in-progress RM'000	Total RM'000
<b>Cost</b>					
At 1 July 2022	526	-	-	-	526
Additions (Note 33(a))	86	-	8	-	94
At 30 June 2023/1 July 2023	612	-	8	-	620
Additions (Note 33(a))	-	4	-	49	53
At 30 June 2024	612	4	8	49	673
<b>Accumulated Depreciation</b>					
At 1 July 2022	-	-	-	-	-
Charge for the financial year (Note 29)	(123)	-	-	-	(123)
At 30 June 2023/1 July 2023	(123)	-	-	-	(123)
Charge for the financial year (Note 29)	(123)	-	(1)	-	(124)
At 30 June 2024	(246)	-	(1)	-	(247)
<b>Carrying Amount</b>					
At 30 June 2023	489	-	8	-	497
At 30 June 2024	366	4	7	49	426

- (a) The freehold buildings of the Group amounted to RM13,389,449 (2023 - RM13,618,049) have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Notes 21(b) and 21(c) to the financial statements.
- (b) The titles of the freehold buildings are in the process of being issued to the Group by the relevant authority.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 7. INVESTMENT PROPERTIES

	The Group	
	2024 RM'000	2023 RM'000 (Restated)
<i>Carrying Amount</i>		
Freehold commercial buildings, at fair value		
At 1 July 2023/2022	21,630	24,180
Transfer to property, plant and equipment (Note 6)	-	(2,550)
At 30 June	21,630	21,630

- (a) The investment properties of the Group are leased to customers under operating leases with rentals payable monthly. The leases contain initial non-cancellable periods of 3 (2023 - Nil) years and an option that is exercisable by the customers to extend their leases of 2 (2023 - Nil) years.

As at the reporting date, the future minimum rentals receivable under the non-cancellable operating leases are as follows:-

	The Group	
	2024 RM'000	2023 RM'000
Within 1 year	1,496	-
Between 1 and 2 years	1,496	-
Between 2 and 3 years	324	-
	3,316	-

- (b) The freehold buildings amounted to RM21,630,000 (2023 - RM21,630,000) have been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 21(b) to the financial statements.
- (c) The fair value of the investment properties have been determined based on valuations performed by independent professional valuers at the end of the reporting date using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size, location and market trends. The most significant input into this valuation approach is price per square foot of comparable properties. There has been no change to the valuation technique during the financial year.

The fair values of the investment properties are within level 2 of the fair value hierarchy.

There were no transfers between the level 1 and level 2 during the financial year.

The fair value measurements of the investment properties are based on the highest and best use which does not differ from their actual use.

- (d) The titles of the freehold buildings are in the process of being issued to the Group by the relevant authority.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 8. DEVELOPMENT COSTS

	The Group	
	2024 RM'000	2023 RM'000
Cost	14,037	14,037
Accumulated amortisation	(1,390)	(1,390)
Accumulated impairment losses	(12,647)	(12,647)
Carrying amount	-	-

### 9. CONTRACT COSTS

	The Group	
	2024 RM'000	2023 RM'000
Costs to fulfil a contract:		
- customer's order in future	843	7,045
Allowance for impairment losses	(778)	(778)
	65	6,267

The costs to fulfil a contract represent cost incurred for software and services that is used to fulfil the contract in future. The costs are to be amortised over the period when the related revenue is recognised.

### 10. TRADE RECEIVABLES

	The Group	
	2024 RM'000	2023 RM'000
Trade receivables	205,226	207,497
Unbilled receivables	25	-
	205,251	207,497
Allowance for impairment losses (Note 39.1(b)(iii))	(9,391)	(9,713)
	195,860	197,784

- (a) The Group's normal trade credit terms ranging from 30 to 60 (2023 - 30) days credit terms. No late interest is charged on the balance.
- (b) Included in the trade receivables of the Group is an amount of RM182,797,518 (2023 - RM182,797,518) owing by the Government of Malaysia ("GOM") in relation to the development of SKIN Solution.

As disclosed in Note 42 to the financial statements, the termination of the SKIN Project took effect on 22 January 2019. The amount owing is expected to be recovered through legal claims from the GOM.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Other receivables:-				
Third parties	131,113	130,100	2,701	2,703
Sale and service tax recoverable	123	9	-	-
	131,236	130,109	2,701	2,703
Allowance for impairment losses (Note 39.1(b)(iii))	(6,468)	(6,109)	(2,599)	(2,599)
	124,768	124,000	102	104
Other deposits	150	146	40	-
Prepayments	2,068	2,516	195	132
	126,986	126,662	337	236

Included in other receivables of the Group is an amount of RM123,628,928 (2023 - RM123,375,800) owing by PTSSB, a subsidiary which has been deconsolidated as explained in Note 5 to the financial statements. The Group, via PSKIN, in turn owes PTSSB a total of RM149,416,009 (2023 - RM149,416,009) as explained in Note 23. The debt owed by PSKIN to PTSSB shall be settled in accordance with the scheme of arrangement with the creditors i.e. upon receipt of the claim against the GOM pursuant to the PSKIN Project which is under litigation. The amount owing by PTSSB to the Group will be settled thereafter.

### 12. CONTRACT ASSETS/(LIABILITIES)

#### Contract Assets

	The Group	
	2024 RM'000	2023 RM'000 (Restated)
At 1 July 2023/2022	28,756	59,362
Performance obligations performed	79,937	20,090
Transfer to trade receivables	(63,060)	(50,696)
At 30 June	45,633	28,756
Represented by:-		
Software and services	45,471	22,435
Job placement services	-	4,469
Training fees	162	1,852
	45,633	28,756

The contract assets primarily relate to the Group's right to consideration for work completed but not yet billed as at the reporting date. The amount will be transferred to trade receivables when the Group issues billing in the manner as established in the contracts with customers.

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 12. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

#### Contract Liabilities

	The Group	
	2024 RM'000	2023 RM'000
At 1 July 2023/2022	(2,635)	(3,960)
Contract liabilities at the beginning of financial year recognised as revenue	87	3,100
Performance obligations performed	2,451	2,255
Amounts billed for unfulfilled performance obligations	(2,668)	(1,664)
Advances refunded to/(received from) customers	580	(2,366)
At 30 June	(2,185)	(2,635)

- (a) The contract liabilities primarily relate to advances received from few customers for software and services. The amount will be recognised as revenue when the performance obligations are satisfied.
- (b) The transaction price allocated to unsatisfied and/or partially unsatisfied performance obligations as at the reporting date are as below:-

	The Group	
	2024 RM'000	2023 RM'000
<u>Software and services</u>		
Within 1 year	2,185	2,635



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 13. AMOUNT OWING BY SUBSIDIARIES

	The Company	
	2024 RM'000	2023 RM'000
Trade balances	13,910	2,810
Non-trade balances	73,654	79,541
	87,564	82,351
Allowance for impairment losses (Note 39.1(b)(iii))	(296)	(296)
	87,268	82,055

(a) The following table provides information on the amounts owing by subsidiaries prior to their offsetting:-

The Company	Gross Amount RM'000	Amount Offset RM'000	Net Carrying Amount RM'000
<b>2024</b>			
Amounts owing by	172,705	(85,141)	87,564
Amounts owing to	(85,141)	85,141	-
<b>2023</b>			
Amounts owing by	165,323	(82,972)	82,351
Amounts owing to	(82,972)	82,972	-

(b) The trade balances are subject to credit term of 30 (2023 - 30) days.

(c) The non-trade balances represent unsecured interest-free advances and payments made on behalf. The amounts owing are repayable on demand and are to be settled in cash.

### 14. SHORT-TERM INVESTMENTS

	The Group/The Company	
	2024 RM'000	2023 RM'000
Money market funds, at fair value (Note 33(d))	300	5,529

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 15. CASH AND BANK BALANCES

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed deposits with licensed banks	4,298	1,533	-	-
Cash and bank balances	14,849	6,343	849	940
	<b>19,147</b>	<b>7,876</b>	<b>849</b>	<b>940</b>

- (a) The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 2.60% to 3.50% (2023 - 2.00% to 2.95%) per annum. The fixed deposits have maturity periods ranging from 30 to 366 (2023 - 30 to 365) days.
- (b) Included in fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM1,298,079 (2023 - RM1,532,865) which has been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 33(d) to the financial statements.

### 16. SHARE CAPITAL

	The Group/The Company			
	← Number Of Shares '000 →		2024 RM'000	2023 RM'000
<b>Issued and Fully Paid-Up</b>				
Ordinary Shares				
At 1 July 2023/2022	789,892	789,585	176,997	176,861
Issuance of shares through:				
- Share grant to employees	95	177	39	72
- Exercise of ESOS	-	130	-	64
At 30 June	<b>789,987</b>	<b>789,892</b>	<b>177,036</b>	<b>176,997</b>

- (a) The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.
- (b) During the financial year, the Company increased its issued and paid-up share capital from RM176,997,451 to RM177,036,237 by issuance of 94,600 new ordinary shares under the Share Grant Plan pursuant to the Company's Long Term Incentive Plan for total fair value of RM38,786.
- The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.
- (c) In the previous financial year, the Company increased its issued and paid-up share capital from RM176,861,202 to RM176,997,451 by:-
- an issuance of 177,400 new ordinary shares under the Share Grant Plant pursuant to the Company's Long Term Incentive Plan for total fair value of RM72,734; and
  - an issuance of 130,000 new ordinary shares from exercise of options under the Company's ESOS which amounted to RM63,515.
- The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 17. TREASURY SHARES

During the financial year, the Company has not purchased any ordinary shares from the open market. At the end of the reporting period, 1,698,500 (2023 - 1,698,500) ordinary shares are held as treasury shares by the Company. None of the treasury shares were resold or cancelled during the financial year.

### 18. WARRANT RESERVE

The warrant reserve relates to the portion of proceeds from the private placement and rights shares issue ascribed to the attached warrants. As and when the warrants are exercised, the related balance in the warrant reserve will be transferred to the share capital account. Each warrant carries the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of RM0.385. The warrants will expire on 24 November 2025. At the expiry of the warrants, the balance in the warrant reserve will be transferred to accumulated losses.

### 19. LTIP RESERVE

The LTIP reserve represents the equity-settled share options and ordinary shares granted to employees. The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options and share grant, and is reduced by the expiry or exercise of the share options or vest of share grant.

The LTIP of the Company is governed by the LTIP By-Laws which were approved by the shareholders on 15 September 2020 and is administered by the LTIP Committee of the Board of Directors. The LTIP comprises the establishment of an ESOS and SGP up to 15% of issued share capital of the Company at any point in time during the duration of the LTIP for eligible directors and employees of the Company and its subsidiaries.

The LTIP is implemented on 25 January 2021 ("the effective date") and will be in force for a period of five (5) years from the effective date and extendable for a period of up to another five (5) years immediately from the expiry of the five (5) years upon the recommendation of the LTIP Committee and shall not in aggregate exceed ten (10) years from the effective date or such longer period as may be permitted by the relevant authorities.

The salient features of the LTIP are as follows:-

- (i) The maximum number of new ordinary shares of the Company, which may be made available under LTIP, shall not exceed in aggregate 15% of the total number of issued Shares of the Company (excluding treasury shares) at any point of time during the tenure of the LTIP.
- (ii) The maximum number of new ordinary shares awarded to any one Eligible Person under LTIP at any point of time in ESOS Awards and/or ESOS Awards (collectively, "LTIP Award(s)") shall be at the sole and absolute discretion of the LTIP Committee (subject to by-laws and any applicable law).
- (iii) Only Eligible Person (including the Executive Director and Non-executive Director) of the Group who fulfil the following conditions as at the date of the LTIP Awards shall be eligible to participate in the LTIP:
  - is at least 18 years of age and is not an undischarged bankrupt nor subject to any bankruptcy proceedings;
  - is confirmed in writing as a full time employee or has been appointed as a Director of the Company or any company in the Group for such period as may be determined by the LTIP Committee prior to and up to the LTIP Award Date; and
  - fulfils any other criteria and/or falls within such category as may be determined by the LTIP Committee from time to time.

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 19. LTIP RESERVE (CONT'D)

The salient features of the LTIP are as follows (Cont'd):-

- (iv) For the ESOS, the option price shall be determined by the Board upon the recommendation by the LTIP Committee based on the 5-day weighted average market price of ordinary shares of the Company immediately preceding the offer date of the option, with a discount of not more than 10%.
- (v) The option may be exercised by the grantee by notice in writing to the Company in the prescribed form during the option period in respect of all or any part of the new ordinary shares of the Company comprised in the ESOS.
- (vi) All new ordinary shares issued upon exercise of the ESOS Options or SGP Grant will rank equally in all respects with the existing ordinary shares of the Company, provided always that new ordinary shares so allotted and issued, will not be entitled to any dividends, rights, allotments and/or other distributions declared, where the entitlement date of which is prior to date of allotment and issuance of the new ordinary shares.

#### (a) ESOS

The option price and the details in the movement of the options granted are as follows:-

Grant Date	Exercise Price	Remaining Contractual Life of Options	← Number of Options over Ordinary Shares ('000) →			
			At 1 July 2022	Granted	Exercised	At 30 June 2023
<b>2023</b>						
20 June 2022	RM0.393	-	130	-	(130)	-

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company. The Company's ESOS had been fully exercised in the previous financial year.

No person to whom the share option has been granted above has any right to participate by virtue of the option in any share issue of any other company.

The fair values of the share options granted were estimated using a binomial model, taking into account the terms and conditions upon which the options were granted. The inputs used in the measurement of the fair value at grant date were as follows:-

	The Group/ The Company
	Grant Date 20 June 2022
Fair value of share options at the grant date (RM)	0.0971
Weighted average ordinary share price (RM)	0.41
Exercise price of share option (RM)	0.393
Expected volatility (%)	54.11
Expected life (years)	1
Risk free rate (%)	2.97
Expected dividend yield	Nil



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 19. LTIP RESERVE (CONT'D)

#### (b) SGP

The LTIP shares will be awarded to the selected employees to be vested over a period of 3 years on a pro-rata basis and after fulfilment of individual performance targets based on the Group's performance management system (such as individual performance rating) as determined by the LTIP Committee from time to time at its discretion in accordance with the terms and conditions of the LTIP.

The movement in the total number of LTIP shares is as follows:-

← Number of LTIP shares ('000) →						
2024						
Tranche	Grant date	Vesting date	At 1 July 2023	Vested	Lapsed	At 30 June 2024
Tranche 3	20 June 2022	30 June 2024	118	(95)	(23)	-
← Number of LTIP shares ('000) →						
2023						
Tranche	Grant date	Vesting date	At 1 July 2022	Vested	Lapsed	At 30 June 2023
Tranche 2	20 June 2022	30 June 2023	277	(177)	(100)	-
Tranche 3	20 June 2022	30 June 2023	185	-	(67)	118
			462	(177)	(167)	118

The LTIP shares which lapsed during the financial year were due to resignation of employees.

The fair value of LTIP shares under the SGP is based on observable market price of RM0.41 as of 20 June 2022.



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 20. REDEEMABLE PREFERENCE SHARES “A”

	The Group			
	2024 Number Of Shares '000	2023	2024 RM'000	2023 RM'000
<b>RPS “A”</b>				
At 30 June	152	152	152	152

The salient features of RPS “A”, which were issued by ASV, are as follows:-

Terms	Details
Dividend	<p>Each RPS “A” shall carry the right to receive fixed cumulative dividend at such rate or in such amount to be mutually agreed between ASV and the holder.</p> <p>The Board shall not declare and pay dividends to the holders of the ordinary shares without declaring and paying the cumulative dividend to the holders of RPS “A”. For avoidance of doubt, the Board may declare and pay the cumulative dividend to the RPS “A” holder without declaring or paying dividends to holders of the ordinary shares.</p>
Redemption sum	The redemption sum per RPS “A” shall be equivalent to the Issue Price.
Redemption	<p>The RPS “A” shall be redeemed:-</p> <ul style="list-style-type: none"> <li>(i) on a date failing on the 13<sup>th</sup> anniversary of the effective date;</li> <li>(ii) in the event of the Proposed Listing Exercise, at such time as may be determined by the Board and notified in writing to the holder, prior to the date of Listing approved by the relevant authorities; or</li> <li>(iii) on a date as may be mutually agreed between the holder and ASV; whichever is be the earlier (“Redemption Date”).</li> </ul>
Voting rights	<p>RPS “A” does not carry any right to vote at any general meeting of ASV except for the right to vote in person or by proxy at such meeting in each of the following circumstances:-</p> <ul style="list-style-type: none"> <li>(i) in respect of any resolution which varies the rights and privileges attaching to the RPS “A”;</li> <li>(ii) in respect of any resolution to reduce the share capital of ASV;</li> <li>(iii) in respect of any resolution for the winding-up of ASV; and</li> <li>(iv) any other circumstances as may be provided under the law.</li> </ul>
Conversion	The RPS “A” is not convertible into ordinary shares and the RPS “A” holder shall not have any convertible rights whatsoever in respect of the RPS “A”.
Ranking	The RPS “A” shall rank equally amongst themselves and shall rank in priority to RCPS “B” and any other preference shares (if any). The RPS “A” shall rank in priority to the shares, but shall rank behind all secured and unsecured obligations of ASV.

On 23 April 2019, ASV declared the payment of a single-tier dividend amounting to RM28,804,190 (Note 38) for RPS “A” which is payable contingent upon the following events:-

- (i) PSKIN receiving the contractual payment for the legal claim amounting to RM733 million from the GOM; or
- (ii) Approval by the directors of ASV in the event the payment received by PSKIN is less than the contractual payment; or
- (iii) The reinstatement of the SKIN project by the GOM to PSKIN, with the project value and scope agreed by the parties.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 21. TERM LOANS (SECURED)

	The Group	
	2024 RM'000	2023 RM'000
Current liabilities	3,707	3,663
Non-current liabilities	6,784	10,489
	<b>10,491</b>	<b>14,152</b>

(a) The interest rate profile of the term loans is summarised below:-

	Effective Interest Rate		The Group	
	2024 %	2023 %	2024 RM'000	2023 RM'000
Floating rate term loans				
I	6.11	5.68	6,135	8,835
II	4.30	4.30	4,356	5,317
			<b>10,491</b>	<b>14,152</b>

(b) Term loan I is secured by:-

- (i) a general facility agreement;
- (ii) a deed of assignment over its rights, title and intent as contained in the Sale and Purchase Agreement in respect of the buildings as disclosed in Notes 6(a) and 7(a) to the financial statements;
- (iii) a charge over Financing Payment Reserve Account;
- (iv) letter of support from the Company in form and substance acceptable to the bank; and
- (v) deed of assignment of takaful/insurance proceeds in relation to the buildings as disclosed in Notes 6(a) and 7(a) to the financial statements.

(c) Term loan II is secured by:-

- (i) open all monies facility agreement;
- (ii) open all monies first party deed of assignment over the rights, benefits, titles and interests as contained in the Sale and Purchase Agreement in respect of the buildings as disclosed in Note 6(a) to the financial statements; and
- (iii) a corporate guarantee of the Company.

(d) Term loan I is secured by negative pledge that imposed certain covenants on the subsidiary that received the loan. The significant covenants of the term loan are as follows:-

- (i) the subsidiary shall obtain the bank's prior written consent for changing its shareholding;
- (ii) the subsidiary shall not declare any dividend in the event of default; and
- (iii) the Group shall grant the bank the right to bid for any Shariah-compliant cash management, treasury products, debt capital market fund raisings and corporate exercise.

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 21. TERM LOANS (SECURED) (CONT'D)

- (e) The significant covenants of the term loan II are as follows:-
- (i) the Group shall maintain a consolidated Total Debt to Equity ratio of not more than 1 time throughout the tenure of the facility, failing which, the bank reserves the absolute right to withdraw, revise, restructure or cancel the facility as it deems fit;
  - (ii) the subsidiary shall not declare any dividend in the event of default has occurred under the term loan or if such declaration would result in an event of default; and
  - (iii) the subsidiary shall obtain the bank's prior written consent for changing its shareholding structure and its key management personnel.

### 22. DEFERRED TAX LIABILITIES

	The Group	
	2024 RM'000	2023 RM'000
Deferred tax liabilities:-		
Temporary difference on concession	16,869	16,869

At the end of the reporting period, the amounts of deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Unutilised tax losses:				
- expires in year of assessment ("YA") 2030	4,839	6,444	4,839	6,444
- expires in YA 2031	4,957	4,957	4,957	4,957
- expires in YA 2032	2,106	2,106	2,106	2,106
- expires in YA 2033	7,076	7,314	6,912	6,912
- expires in YA 2034	160	-	-	-
Unabsorbed capital allowances	-	857	-	318
Advances from customers	2,185	2,545	-	-
Provisions	15,087	13,265	840	-
Accelerated of capital allowances over property, plant and equipment	(6,212)	(6,271)	(232)	(229)
Temporary difference on rental income	(3,416)	(3,416)	-	-
	<b>26,782</b>	<b>27,801</b>	<b>19,422</b>	<b>20,508</b>

No deferred tax assets are recognised in respect of these items as it is not probable that taxable profits of the Company and subsidiaries will be available against which the deductible temporary differences can be utilised.

Based on the current legislation, the unutilised tax losses are allowed to be utilised for 10 (2023 - 10) consecutive years of assessment immediately following that year of assessment; whereas, the unabsorbed capital allowances are allowed to be carried forward indefinitely.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 23. TRADE PAYABLES

The normal trade credit term granted to the Group is 60 (2023 - 60) days. Other credit terms are granted on a case-by-case basis.

Included in trade payables is an amount of RM149,416,000 (2023 - RM149,416,000) owing by PSKIN to PTSSB, the repayment of which is subject to the proposed scheme of arrangement with the creditors.

### 24. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Other payables:-				
Third parties	2,869	3,825	596	455
Directors	-	123	-	123
Sales and services tax payable	260	187	-	-
	3,129	4,135	596	578
Accruals	3,069	1,383	1,406	645
	6,198	5,518	2,002	1,223

In the previous financial year, the amount owing to directors was unsecured, interest-free and non-trade in nature which were repayable on demand. The amount was settled in cash during the current financial year.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 25. REVENUE

	The Group		The Company	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
<b>Revenue from Contracts with Customers</b>				
<u>Recognised at a point in time</u>				
Software and services:-				
Sales of hardware and software licences	82,225	14,040	-	-
Training fees	2,001	5,400	-	-
Job placement services	3,311	9,518	-	-
	87,537	28,958	-	-
<u>Recognised over time</u>				
Software and services:-				
(a) Deployment and implementation services	397	261	-	-
(b) Operation, management and support services	3,354	5,928	-	-
(c) Cloud Platform Services	3,209	430	-	-
(d) Other services	438	3,027	-	-
(e) Resource augmentation	147	-	-	-
	7,545	9,646	-	-
<b>Revenue from Other Sources</b>				
Management fee	-	-	11,300	2,000
	95,082	38,604	11,300	2,000

- (a) The revenue is derived primarily from local sales.
- (b) The information on transaction price allocated to unsatisfied and/or partially unsatisfied performance obligations as at the reporting date is disclosed in Note 12 to the financial statements.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 25. REVENUE (CONT'D)

(c) The information about the performance obligations in contracts with customers is summarised below:-

Nature of Goods or Services	Timing and Method of Revenue Recognition	Significant Payment Terms	Variable Considerations	Warranty and Obligation for Returns or Refunds
Sales of hardware and software licenses	When hardware and software licenses have been delivered and loaded to customers.	Credit period of 30 days from the invoice date.	Not applicable.	Not applicable.
Training fees	When trainings have been conducted.	Credit period of 30 days from the invoice date.	Not applicable.	Not applicable.
Job Placement services	When the candidate has received letter of appointment and secure a job.	Credit period of 45 days from the invoice date.	Not applicable.	Not applicable.
Deployment and implementation services	Over time revenue recognition on a straight-line basis over the term of the contract.	Credit period ranging from 30 to 60 days from the invoice date.	Not applicable.	Not applicable.
Operation, management and support services	Over time revenue recognition on a straight-line basis over the term of the contract.	Credit period ranging from 30 to 60 days from the invoice date.	Not applicable.	Not applicable.
Cloud platform services	Over time revenue recognition on a straight-line basis over the term of the contract.	Credit period of 30 days from the invoice date.	Not applicable.	Not applicable.
Other services	When services are rendered and accepted by customers.	Credit period of 30 days from the invoice date.	Not applicable.	Not applicable.
Resource augmentation	When services are rendered and accepted by customers.	Credit period of 30 days from the invoice date.	Not applicable.	Not applicable.

(d) The information of the revenue from other sources is summarised below:-

#### Management fees

Management fees are recognised in the period in which the services are rendered.

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 26. OTHER INCOME

	The Group		The Company	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Interest income (Note 26(a))	130	484	10	296
Imputed interest income	128	512	-	-
Rental income (Note 26(b))	1,127	1,392	-	-
Realised gain on foreign exchange	98	58	-	-
Others	2,242	992	15	-
	<b>3,725</b>	<b>3,438</b>	<b>25</b>	<b>296</b>

The information of the other income is summarised below:-

(a) Interest income

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

(b) Rental income

Rental income is recognised on a straight-line basis over the lease term.

### 27. FINANCE COSTS

	The Group		The Company	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Bank charges	44	8	1	-
Other finance charges	3	-	-	-
Imputed interest expense	159	630	-	-
Interest expense:				
- term loans	660	758	-	-
- cash line financing	97	-	-	-
	<b>963</b>	<b>1,396</b>	<b>1</b>	<b>-</b>



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 28. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Impairment losses (Note 39.1(b)(iii)):				
- trade receivables	55	-	-	-
- other receivables	360	1,485	-	-
Reversal of impairment losses (Note 39.1(b)(iii)):				
- trade receivables	(20)	(92)	-	-
- other receivables	-	(325)	-	-
Write off of amount owing by subsidiaries	-	-	-	93
	<b>395</b>	<b>1,068</b>	<b>-</b>	<b>93</b>

### 29. PROFIT/(LOSS) BEFORE TAXATION

In addition to those disclosed in Notes 26, 27 and 28 to the financial statements, profit/(loss) before taxation is arrived at after charging:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Auditors' remuneration:				
- audit fees:				
- for the financial year	211	198	70	66
- under/(over)provision in the previous financial year	7	31	-	(4)
- non-audit fees:				
- for the financial year	297	14	297	14
- underprovision in the previous financial year	-	11	-	11
Depreciation of property, plant and equipment (Note 6)	1,571	1,875	124	123
Direct operating expenses on investment properties	184	95	-	-
Leases expenses:				
- low-value assets	63	97	1	-
Loss on disposal of property, plant and equipment	-	14	-	-
Loss on foreign exchange:				
- realised	328	21	1	1
- unrealised	8	-	-	-
Penalty	1	123	-	-
Staff costs (including directors' remuneration and other key management personnel as disclosed in Note 30)	19,106	16,348	9,099	7,701
Written off:				
- Property, plant and equipment (Note 6)	-	464	-	-
- amount owing by related companies	-	-	38	-



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 30. STAFF COSTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Salaries, bonuses and other benefits	16,586	13,880	8,043	6,521
Defined contribution benefits	1,711	1,517	784	629
Social security costs	131	124	47	39
LTIP expenses	(2)	15	19	7
Other staff related expenses	680	812	206	505
	<b>19,106</b>	<b>16,348</b>	<b>9,099</b>	<b>7,701</b>

Included in the staff costs of the Group and of the Company are:-

- (a) directors' fees and non-fee emoluments amounting to RM1,290,788 and RM1,253,588 (2023 - RM2,462,313 and RM2,434,713) respectively, as further disclosed in Note 34 to the financial statements.
- (b) termination costs incurred on the Voluntary Separation Scheme paid to staff amounting to RM42,536 (2023 - RM140,000).

### 31. INCOME TAX EXPENSE

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Current tax:-				
- for the financial year	1,600	370	-	-
- under/(over)provision in the previous financial year	96	(103)	-	-
	<b>1,696</b>	<b>267</b>	<b>-</b>	<b>-</b>



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 31. INCOME TAX EXPENSE (CONT'D)

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

	The Group		The Company	
	2024 RM'000	2023 RM'000 (Restated)	2024 RM'000	2023 RM'000
Profit/(Loss) before taxation	4,121	(7,147)	(823)	(7,537)
Tax at the statutory rate of 24% (2023 - 24%)	989	(1,715)	(197)	(1,809)
Tax effects of:-				
Non-taxable income	(117)	(119)	(4)	-
Non-deductible expenses	973	1,345	462	288
Deferred tax assets not recognised during the financial year	53	1,560	-	1,521
Utilisation of deferred tax assets previously not recognised	(298)	(701)	(261)	-
Under/(Over)provision of current tax in the previous financial year	96	(103)	-	-
Income tax expense for the financial year	1,696	267	-	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year.

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Income tax savings during the financial year arising from:-				
Tax losses:				
- previously not recognised	1,842	-	1,606	-
Capital allowances:				
- for the current financial year	1,023	586	125	-
- previously not recognised	857	-	317	-
	3,722	586	2,048	-

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 32. EARNINGS/(LOSS) PER SHARE

#### (a) Basic Earnings/(Loss) Per Share

The basic earnings/(loss) per share is calculated by dividing the consolidated profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after deducting treasury shares.

	The Group	
	2024	2023 (Restated)
Profit/(Loss) after taxation attributable to owners of the Company (RM'000)	2,706	(7,358)
Weighted average number of ordinary shares ('000):-		
Ordinary shares at 1 July 2023/2022	789,892	789,585
Effect of treasury shares held (Note 17)	(1,699)	(1,699)
Effect of new ordinary shares issued	-	1
Weighted average number of ordinary shares at 30 June ('000)	788,193	787,887
Basic earnings/(loss) per share (sen)	0.34	(0.93)

#### (b) Dilutive Earnings/(Loss) Per Share

The diluted earnings/(loss) per share is calculated by dividing the consolidated profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after deducting for treasury shares and adjusted for the effects of dilutive potential ordinary shares.

	The Group	
	2024	2023 (Restated)
Profit/(Loss) after taxation attributable to owners of the Company (RM'000)	2,706	(7,358)
Weighted average number of ordinary shares at 30 June ('000)	788,193	787,887
Weighted average number of shares under warrants and LTIP option ('000)	255,950	256,072
Weighted average number of shares that would have been issued at average market price ('000)	(280,282)	(240,392)
Weighted average number of ordinary shares used in the calculation of diluted earnings per share ('000)	763,861	803,567
Diluted earnings/(loss) per share (sen)	0.35	(0.92)



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 33. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment is as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Property, Plant and Equipment</b>				
Cost of property, plant and equipment purchased (Note 6)	238	1,144	53	94

(b) The reconciliation of liabilities arising from financing activities are as follows:-

The Group	Term Loans RM'000	Cash line Financing RM'000	Total RM'000
<b>2024</b>			
At 1 July 2023	14,152	-	14,152
<u>Changes in Financing Cash Flows</u>			
Drawdown of principal	-	5,000	5,000
Repayment of principal	(3,661)	(5,000)	(8,661)
Repayment of interests	(660)	-	(660)
	(4,321)	-	(4,321)
<u>Other Changes</u>			
Interest expense recognised in profit or loss (Note 27)	660	97	757
Repayment of interests	-	(97)	(97)
	660	-	660
At 30 June	10,491	-	10,491

The Group	Term Loans RM'000
<b>2023</b>	
At 1 July 2022	17,829
<u>Changes in Financing Cash Flows</u>	
Repayment of principal	(3,677)
Repayment of interests	(758)
	(4,435)
<u>Other Change</u>	
Interest expense recognised in profit or loss (Note 27)	758
At 30 June	14,152

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 33. CASH FLOW INFORMATION (CONT'D)

(c) Total cash outflows for leases as a lessee are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Payment of low-value assets	63	97	1	-

(d) The cash and cash equivalents comprise the following:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Fixed deposits with licensed banks (Note 15)	4,298	1,533	-	-
Short-term investments (Note 14)	300	5,529	300	5,529
Cash and bank balances (Note 15)	14,849	6,343	849	940
	19,447	13,405	1,149	6,469
Less: Fixed deposits pledged with licensed banks (Note 15)	(1,298)	(1,533)	-	-
	18,149	11,872	1,149	6,469



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 34. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>(a) Directors</b>				
<u>Directors of the Company</u>				
<i>Executive Directors</i>				
Short-term employee benefits:				
- salaries, bonuses and other benefits	-	976	-	976
- Defined contribution benefits	-	100	-	100
	-	1,076	-	1,076
<i>Independent Non-Executive Directors</i>				
Short-term employee benefits:				
- fees	585	1,140	585	1,140
- allowances	130	219	130	219
	715	1,359	715	1,359
<i>Non-Independent Non-Executive Directors</i>				
Short-term employee benefits:				
- salaries, bonuses and other benefits	481	-	481	-
- Defined contribution benefits	58	-	58	-
	539	-	539	-
<u>Directors of the Subsidiaries</u>				
Short-term employee benefit:				
- fees	37	28	-	-
<b>Total directors' remuneration (Note 30(a))</b>	<b>1,291</b>	<b>2,463</b>	<b>1,254</b>	<b>2,435</b>
<b>(b) Other Key Management Personnel</b>				
Short-term employee benefits	3,275	2,388	2,749	1,974
Defined contribution benefits	392	286	329	236
LTIP expenses	83	84	83	84
<b>Total compensation for other key management personnel</b>	<b>3,750</b>	<b>2,758</b>	<b>3,161</b>	<b>2,294</b>

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 35. RELATED PARTY DISCLOSURES

### (a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

### (b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following transactions with the related parties during the financial year:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Subsidiaries</b>				
Advances from	-	-	2,650	9,475
Advances to	-	-	10	8,299
Management fee	-	-	11,300	2,000
Payment on behalf of	-	-	9,361	678
Payment on behalf from	-	-	273	276

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

## 36. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Group Chief Executive Officer as its chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on their products and services provided.

The Group is organised into 4 main business reportable segments as follows:-

- Software and services – license distribution, implementation, system integration, managed services, application development, other cloud related solutions and services (IaaS, SaaS, PaaS, XaaS).
- Talent – provision of career placement, talent upskilling, reskilling, e-learning software, training and certification.
- Concession – delivery of total solution for the integrated and comprehensive core immigration system includes design, customise, install, configure, test, commission and maintain throughout the concession period in relation to the development of SKIN solution with GOM.
- Others – investment holding and other inactive subsidiaries.

- (a) Management assesses the performance of the reportable segments based on their profit before interest expense and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Borrowings and investment-related activities are managed on a group basis by the central treasury function and are not allocated to reportable segments.

- (b) Each reportable segment assets is measured based on all assets of the segment other than tax-related assets.
- (c) Each reportable segment liabilities is measured based on all liabilities of the segment other than borrowings and tax-related liabilities.
- (d) Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 36. OPERATING SEGMENTS (CONT'D)

Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

#### 36.1 BUSINESS SEGMENTS

The Group	Software and Services RM'000	Talent RM'000	Concession RM'000	Other RM'000	Consolidation Adjustments and Eliminations RM'000	The Group RM'000
<b>2024</b>						
<b>Revenue</b>						
External revenue	79,583	15,499	-	-	-	95,082
Inter-segment revenue	-	248	-	11,300	(11,548)	-
<b>Total revenue</b>	<b>79,583</b>	<b>15,747</b>	<b>-</b>	<b>11,300</b>	<b>(11,548)</b>	<b>95,082</b>
<b>Results</b>						
Segment profit/(loss) before interest and taxation	10,456	593	(928)	(3,484)	(1,369)	5,268
Finance costs	(358)	(87)	-	(135)	15	(565)
	<b>10,098</b>	<b>506</b>	<b>(928)</b>	<b>(3,619)</b>	<b>(1,354)</b>	<b>4,703</b>
Unallocated expenses						(582)
<b>Profit/(Loss) before taxation</b>						<b>4,121</b>
<b>Other Information</b>						
Depreciation of property, plant and equipment	713	406	-	601	(149)	1,571
Imputed interest expense	159	-	-	-	-	159
Interest expense:						
- term loans	130	46	-	86	-	262
- cash line financing	97	-	-	-	-	97
Impairment losses:						
- trade receivables	55	-	-	-	-	55
- other receivables	360	-	-	-	-	360
Loss on foreign exchange:						
- realised	327	-	-	1	-	328
- unrealised	8	-	-	-	-	8
Penalty	-	-	1	-	-	1
LTIP expenses	2	(13)	-	9	-	(2)
Realised gain on foreign exchange	(98)	-	-	-	-	(98)
Interest income	-	-	(3)	(127)	-	(130)
Reversal of impairment losses on trade receivables	(20)	-	-	-	-	(20)



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 36. OPERATING SEGMENTS (CONT'D)

### 36.1 BUSINESS SEGMENTS (CONT'D)

The Group	Software and Services RM'000	Talent RM'000	Concession RM'000	Other RM'000	Consolidation Adjustments and Eliminations RM'000	The Group RM'000
<b>2024</b>						
<b>Assets</b>						
Segment assets	143,721	22,935	304,129	110,831	(171,186)	410,430
Unallocated assets:						
- Investment properties						21,630
- Current tax assets						1,162
Consolidated total assets						<u>433,222</u>
Additions to non-current assets other than financial instrument is:						
- property, plant and equipment	185	-	-	53	-	238
<b>Liabilities</b>						
Segment liabilities	99,689	17,662	250,226	3,848	(151,505)	219,920
Unallocated liabilities:						
- Term loans						6,135
- Deferred tax liabilities						16,869
- Current tax liabilities						6
Consolidated total liabilities						<u>242,930</u>



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 36. OPERATING SEGMENTS (CONT'D)

#### 36.1 BUSINESS SEGMENTS (CONT'D)

The Group	Software and Services RM'000	Talent RM'000	Concession RM'000	Other RM'000	Consolidation Adjustments and Eliminations RM'000	The Group RM'000 (Restated)
<b>2023</b>						
<b>Revenue</b>						
External revenue	22,517	16,087	-	-	-	38,604
Inter-segment revenue	-	608	-	2,000	(2,608)	-
<b>Total revenue</b>	<b>22,517</b>	<b>16,695</b>	<b>-</b>	<b>2,000</b>	<b>(2,608)</b>	<b>38,604</b>
<b>Results</b>						
Segment profit/(loss) before interest and taxation	1,574	1,547	(186)	(8,590)	-	(5,655)
Finance costs	(738)	(115)	-	(72)	-	(925)
	<b>836</b>	<b>1,432</b>	<b>(186)</b>	<b>(8,662)</b>	<b>-</b>	<b>(6,580)</b>
Unallocated expenses						(567)
<b>Profit/(Loss) before taxation</b>						<b>(7,147)</b>
<b>Other information</b>						
Depreciation of property, plant and equipment	640	685	-	550	-	1,875
Imputed interest expense	630	-	-	-	-	630
Interest expense on term loan	105	112	-	70	-	287
Impairment losses on other receivables	-	-	-	1,485	-	1,485
Realised loss on foreign exchange	21	-	-	-	-	21
Loss on disposal of property, plant and equipment	14	-	-	-	-	14
LTIP expenses	2	4	-	9	-	15
Penalty	106	-	-	17	-	123
Property, plant and equipment written off	464	-	-	-	-	464
Interest income	-	-	-	(484)	-	(484)
Realised gain on foreign exchange	(58)	-	-	-	-	(58)
Reversal of impairment losses:						
- trade receivables	(92)	-	-	-	-	(92)
- other receivables	-	-	-	(325)	-	(325)

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 36. OPERATING SEGMENTS (CONT'D)

#### 36.1 BUSINESS SEGMENTS (CONT'D)

	Software and Services RM'000	Talent RM'000	Concession RM'000	Other RM'000	Consolidation Adjustments and Eliminations RM'000	The Group RM'000 (Restated)
<b>The Group</b>						
<b>2023</b>						
<b>Assets</b>						
Segment assets	108,468	24,498	304,323	109,772	(150,415)	396,646
Unallocated assets:						
- Investment properties						21,630
- Current tax assets						1,582
Consolidated total assets						<u>419,858</u>
Additions to non-current assets other than financial instrument is:						
- property, plant and equipment	1,050	-	-	94	-	1,144
<b>Liabilities</b>						
Segment liabilities	76,334	8,381	249,492	4,122	(132,028)	206,301
Unallocated liabilities:						
- Term loans						8,835
- Deferred tax liabilities						16,869
Consolidated total liabilities						<u>232,005</u>



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 36. OPERATING SEGMENTS (CONT'D)

#### 36.2 GEOGRAPHICAL INFORMATION

The Group operates predominantly all business segments in Malaysia. Accordingly, the information by geographical segments is not presented.

#### 36.3 MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of the Group's total revenue.

	Revenue		Business Segment
	2024 RM'000	2023 RM'000	
Customer A	-	7,636	Software and services
Customer B	-	11,248	Software and services
Customer C	50,000	-	Software and services
	50,000	18,884	

### 37. CAPITAL COMMITMENTS

	The Group	
	2024 RM'000	2023 RM'000
Property, plant and equipment		
Furniture and fittings	-	29
Office equipment	10	-
Computer systems and equipment	29	59
	39	88

### 38. CONTINGENT LIABILITIES

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	The Group	
	2024 RM'000	2023 RM'000
Dividend payable on RPS "A" (Note 20)	28,804	28,804

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 39. FINANCIAL INSTRUMENTS

The activities of the Group and the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and the Company.

### 39.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) **Market Risk**

(i) **Foreign Currency Risk**

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currency other than the respective functional currency of entities within the Group. The currencies giving rise to the risk are primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes.

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:-

	← USD →	
	2024 RM'000	2023 RM'000
<b>The Group</b>		
<u>Financial Assets</u>		
Cash and bank balances	96	1
Other receivables	30	30
	<b>126</b>	<b>31</b>
<u>Financial Liabilities</u>		
Trade payables	(1,034)	(7,060)
Other payables	-	(37)
	<b>(1,034)</b>	<b>(7,097)</b>
<b>Net financial liabilities</b>	<b>(908)</b>	<b>(7,066)</b>

The Company does not have any transactions or balances denominated in foreign currencies exposure and hence, is not exposed to foreign currency risk.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (a) Market Risk (Cont'd)

##### (i) Foreign Currency Risk (Cont'd)

###### *Foreign Currency Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:-

	The Group	
	2024 RM'000	2023 RM'000
<b>Effects on Profit/(Loss) After Taxation</b>		
USD/RM – strengthened by 5%	(35)	(269)
– weakened by 5%	35	269

There is no impact on the Group's equity.

##### (ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopts a policy of obtaining the most favorable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 21 to the financial statements.

The Company does not have any interest-bearing borrowings and hence, are not exposed to interest rate risk.

###### *Interest Rate Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
	2024 RM'000	2023 RM'000
<b>Effects on Profit/(Loss) After Taxation</b>		
Increase of 100 basis points	(80)	(108)
Decrease of 100 basis points	80	108

There is no impact on the Group's equity.

##### (iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence, is not exposed to equity price risk.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 39. FINANCIAL INSTRUMENTS (CONT'D)

### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances and short-term investments), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

#### (i) Credit Risk Concentration Profile

At the end of reporting period, the Group's major concentration of credit risk relates to the amounts owing by 2 (2023 - 2) customers which constituted approximately 89% (2023 - 95%) of its total trade receivables and contract assets, net of loss allowance.

#### (ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries of RM11,713,571 (2023 - RM15,993,420), representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair values on initial recognition were not material.

#### (iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group uses a more lagging past due criterion for certain trade receivables when it is more appropriate to reflect their loss patterns.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Trade Receivables, Contract Assets and Amount Owing by Subsidiaries (Trade Balance)

The Group applies the simplified approach to measure expected credit losses using a lifetime expected loss allowance for all trade receivables (including related parties) and contract assets.

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

To measure the expected credit losses, trade receivables (including related parties) and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 12 months (2023 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts. The Group has identified the short-term bills interest rate as the key macroeconomic factor of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

##### *Allowance for Impairment Losses*

The reconciliations of allowance for impairment losses are as follows:-

<b>The Group</b>	<b>Non-credit Impaired RM'000</b>	<b>Credit Impaired RM'000</b>	<b>Total RM'000</b>
<u>Trade Receivables</u>			
Balance at 1.7.2022	(519)	(9,286)	(9,805)
Reversals (Note 28)	-	92	92
Balance at 30.6.2023/1.7.2023	(519)	(9,194)	(9,713)
Additions (Note 28)	(55)	-	(55)
Reversals (Note 28)	-	20	20
Written offs	-	357	357
Balance at 30.6.2024	(574)	(8,817)	(9,391)



# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 39. FINANCIAL INSTRUMENTS (CONT'D)

### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables, Contract Assets and Amount Owing by Subsidiaries (Trade Balance) (Cont'd)

*Allowance for Impairment Losses (Cont'd)*

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:-

The Group	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
<b>2024</b>				
Current (not past due)	11,694	-	(69)	11,625
1 to 30 days past due	664	-	-	664
31 to 60 days past due	239	-	-	239
61 to 90 days past due	101	-	-	101
Past due more than 90 days	183,736	-	(505)	183,231
Credit impaired	8,817	(8,817)	-	-
Trade receivables	205,251	(8,817)	(574)	195,860
Contract assets	45,633	-	-	45,633
	250,884	(8,817)	(574)	241,493
<b>2023</b>				
Current (not past due)	5,335	-	(43)	5,292
1 to 30 days past due	8,636	-	-	8,636
31 to 60 days past due	12	-	-	12
61 to 90 days past due	117	-	(4)	113
Past due more than 90 days	184,203	-	(472)	183,731
Credit impaired	9,194	(9,194)	-	-
Trade receivables	207,497	(9,194)	(519)	197,784
Contract assets	28,756	-	-	28,756
	236,253	(9,194)	(519)	226,540



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables, Contract Assets and Amount Owing by Subsidiaries (Trade Balance) (Cont'd)

*Allowance for Impairment Losses (Cont'd)*

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:-

The Company	Gross Amount RM'000	Lifetime Individual Allowance RM'000	Lifetime Collective Allowance RM'000	Carrying Amount RM'000
<b>2024</b>				
Current (not past due)	11,300	-	-	11,300
Past due more than 90 days	2,610	-	-	2,610
Amount owing by subsidiaries (trade)	13,910	-	-	13,910
<b>2023</b>				
Current (not past due)	2,000	-	-	2,000
Past due more than 90 days	810	-	-	810
Amount owing by subsidiaries (trade)	2,810	-	-	2,810

Trade receivables and contract assets that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables and contract assets that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

There has not been any significant change in the gross amounts of trade receivables and contract assets that impacted the allowance for impairment losses.

##### Other Receivables

The Group and the Company apply the 3-stage general approach to measure expected credit losses for its other receivables.

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Company consider there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 39. FINANCIAL INSTRUMENTS (CONT'D)

### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Other Receivables (Cont'd)

The Group and the Company use 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of Category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group and the Company measure the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Other Receivables (Cont'd)

##### *Allowance for Impairment Losses*

The reconciliations of allowance for impairment losses are as follows:-

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
At 1 July 2023/2022	(6,109)	(4,956)	(2,599)	(2,599)
Addition (Note 28)	(360)	(1,485)	-	-
Reversal (Note 28)	-	325	-	-
Written offs	1	7	-	-
At 30 June	(6,468)	(6,109)	(2,599)	(2,599)

The allowance for impairment losses (determined on an individual basis) relates to credit impaired other receivables who are in significant financial difficulties and have defaulted on payments. No impairment losses are provided for the remaining other receivables because there have been no significant changes in their credit quality and the amounts are considered recoverable but with slower repayment records.

There has not been any significant change in the gross amounts of other receivables that impacted the allowance for impairment losses.

##### Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

##### Amount Owing By Subsidiaries (Non-trade Balances)

The Company also applies the 3-stage general approach (see information in other receivables above) to measure expected credit losses for all inter-company balances.

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 39. FINANCIAL INSTRUMENTS (CONT'D)

### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Amount Owing By Subsidiaries (Non-trade Balances) (Cont'd)

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)*

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

##### *Allowance for Impairment Losses*

	The Company	
	2024 RM'000	2023 RM'000
At 1 July 2023/2022	(296)	(8,430)
Written off	-	8,134
At 30 June	(296)	(296)

The allowance for impairment losses (determined on an individual basis) relates to credit impaired subsidiaries who are in significant financial difficulties and have defaulted on payments.

There has not been any significant change in the gross amounts of amount owing by subsidiaries that impacted the allowance for impairment losses.

##### Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries are financial guarantee contract.

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Company closely monitors the subsidiaries' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Financial Guarantee Contracts (Cont'd)

##### *Allowance for Impairment Losses*

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

##### (c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

##### *Maturity Analysis*

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Contractual Coupon/ Interest Rate %	Contractual Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
<b>The Group</b>						
<b>2024</b>						
<u>Non-derivative Financial Liabilities</u>						
RPS "A"	4.60	152	152	-	152	-
Term loans	4.30 - 6.11	10,491	11,331	4,172	7,159	-
Trade payables	-	207,029	207,029	207,029	-	-
Other payables and accruals	-	5,938	5,938	5,938	-	-
		223,610	224,450	217,139	7,311	-
<b>2023</b>						
<u>Non-derivative Financial Liabilities</u>						
RPS "A"	4.60	152	152	-	152	-
Term loans	4.30 - 5.68	14,152	15,604	4,306	11,238	60
Trade payables	-	192,679	192,679	192,679	-	-
Other payables and accruals	-	5,331	5,331	5,331	-	-
		212,314	213,766	202,316	11,390	60

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 39. FINANCIAL INSTRUMENTS (CONT'D)

### 39.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (b) Liquidity Risk (Cont'd)

*Maturity Analysis (Cont'd)*

The Company	Contractual Interest Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	1 - 5 Years RM'000	Over 5 Years RM'000
<b>2024</b>						
<u>Non-derivative Financial Liabilities</u>						
Other payables and accruals	-	2,002	2,002	2,002	-	-
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries <sup>#</sup>	-	-	11,332	4,173	7,159	-
		2,002	13,334	6,175	7,159	-
<b>2023</b>						
<u>Non-derivative Financial Liabilities</u>						
Other payables and accruals	-	1,223	1,223	1,223	-	-
Financial guarantee contracts in relation to corporate guarantee given to certain subsidiaries <sup>#</sup>	-	-	15,604	4,306	11,238	60
		1,223	16,827	5,529	11,238	60

**Note:-**

<sup>#</sup> The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.2 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debt, loans and borrowings from financial institutions less cash and cash equivalents. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:-

	The Group	
	2024 RM'000	2023 RM'000 (Restated)
RPS "A" (Note 20)	152	152
Term loans (Note 21)	10,491	14,152
Less: Cash and cash equivalents (Note 33(d))	(18,149)	(11,872)
Net (cash)/debt	(7,506)	2,432
Total equity	190,292	187,853
Debt-to-equity ratio	*	0.013

Note:-

\* - Not applicable as the Group's cash and cash equivalents exceed its borrowings.

There was no change in the approach to capital management during the financial year.

The Group is also required to maintain a not more than 1 time to comply with loan covenant, as disclosed in Note 21 to the financial statements, failing which, the bank may call an event of default. The Group has complied with this requirement.



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Financial Assets</b>				
<u>Amortised Cost</u>				
Trade receivables (Note 10)	195,860	197,784	-	-
Other receivables (Note 11)	124,645	123,991	102	104
Amount owing by subsidiaries (Note 13)	-	-	87,268	82,055
Cash and bank balances (Note 15)	19,147	7,876	849	940
	<b>339,652</b>	<b>329,651</b>	<b>88,219</b>	<b>83,099</b>
<u>Fair Value Through Profit or Loss</u>				
Short-term investments (Note 14)	300	5,529	300	5,529
<b>Financial Liability</b>				
<u>Amortised Cost</u>				
RPS "A" (Note 20)	152	152	-	-
Term loans (Note 21)	10,491	14,152	-	-
Trade payables (Note 23)	207,029	192,679	-	-
Other payables and accruals (Note 24)	5,938	5,331	2,002	1,223
	<b>223,610</b>	<b>212,314</b>	<b>2,002</b>	<b>1,223</b>

#### 39.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Financial Assets</b>				
<u>Amortised Cost</u>				
Net (losses)/gains recognised in profit or loss	(123)	(229)	-	80
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss	10	216	10	216
<b>Financial Liability</b>				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	(1,177)	(1,409)	(1)	-



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

The Group	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>2024</b>								
<u>Financial Asset</u>								
Short-term investments:								
- money market funds	-	300	-	-	-	-	300	300
<u>Financial Liabilities</u>								
RPS "A"	-	-	-	-	152	-	152	152
Term loans	-	-	-	-	10,491	-	10,491	10,491
<b>2023</b>								
<u>Financial Asset</u>								
Short-term investments:								
- money market funds	-	5,529	-	-	-	-	5,529	5,529
<u>Financial Liabilities</u>								
RPS "A"	-	-	-	-	152	-	152	152
Term loans	-	-	-	-	14,152	-	14,152	14,152

## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 39. FINANCIAL INSTRUMENTS (CONT'D)

#### 39.5 FAIR VALUE INFORMATION (CONT'D)

The Company	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
<b>2024</b>								
<u>Financial Asset</u>								
Short-term investments:								
- money market funds	-	300	-	-	-	-	300	300
<b>2023</b>								
<u>Financial Asset</u>								
Short-term investments:								
- money market funds	-	5,529	-	-	-	-	5,529	5,529

(a) Fair Value of Financial Instruments Carried at Fair Value

- (i) The fair value of short-term investments - money market funds is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.
- (ii) There were no transfer between level 1 and level 2 during the financial year.

(b) Fair Value of Financial Instruments not Carried at Fair Value

The fair values, which are for disclosure purposes, and have been determined using the following basis:-

- (i) The fair values of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (ii) The fair values of RPS "A" that carry fixed interest rate are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rate used to discount the estimated cash flows are as follows:-

	The Group	
	2024 %	2023 %
RPS "A"	4.60	4.60



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 40. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

#### **Upliftment as an Affected Listed Issuer pursuant to Paragraph 8.03A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad**

On 10 May 2024, Bursa Malaysia Securities Berhad (“Bursa Securities”) has resolved to grant the Company a waiver from complying with Paragraph 8.04(3)(a) of the Main Market Listing Requirements which requires an Affected Listed Issuer to submit a regularisation plan to Bursa Securities.

With the above, the Company was uplifted from being classified as an Affected Listed Issuer pursuant to Paragraph 8.03A of the Main Market Listing Requirements with no conditions attached.

### 41. SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

#### **Memorandum Of Understanding Between The Government Of Malaysia As Represented By The National Cyber Security Agency (“NACSA”) and Awantec System Sdn. Bhd., a wholly-owned subsidiary of the Company**

The Company via its wholly-owned subsidiary, Awantec Systems Sdn. Bhd. (“ASSB”) had on 30 July 2024 (“Effective Date”) entered into a Memorandum of Understanding (“MOU”) with the Government of Malaysia as represented by the National Cyber Security Agency (“NACSA”). ASSB and NACSA are each referred to as the “Party” and collectively referred to as the “Parties”.

The collaboration period anticipated pursuant to this MOU is two (2) years commencing from the Effective Date and expiring on 29 July 2026. This MOU may be extended for a further period of one (1) year as may be agreed upon in writing by both Parties.

Amongst others, the scope of the proposed collaboration, encompasses the following:

- (i) Collaboration on the development and implementation of new technologies in cybersecurity;
- (ii) Collaboration and partnership on new cybersecurity projects focusing on training, upskilling, and addressing industry needs, particularly in providing online learning and job platforms;
- (iii) Joint promotion of information and activities outlined in the MOU on the participants’ respective websites, subject to written approval for the use of logos and other assets; and
- (iv) Cooperation in any other areas as mutually agreed upon from time to time.

This MOU may be terminated by either Party with a minimum of thirty (30) days’ written notice.

# NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

## 42. MATERIAL LITIGATION

### Details of Circumstances Leading to the Filing of the OS against the GOM

The Group initiated legal action by filing an Originating Summons (“OS”) dated 15 April 2019 against the Government of Malaysia (“GOM”), seeking RM733 million in connection with the termination of the Sistem Kawalan Imigresen Nasional (“SKIN”) due to expropriation.

On 14 March 2024, the Kuala Lumpur High Court (“KLHC”) delivered its decision, ordering the following:-

- (i) The GOM is ordered to compensate Prestariang SKIN Sdn. Bhd. (“PSKIN”) with the judgment sum of RM231,549,002.90 (“Judgment Sum”) for the termination of the Concession Agreement through expropriation;
- (ii) The GOM is ordered to pay the interest on the Judgement Sum at the rate of 5% per annum calculated from the date of judgment to the date of full satisfaction of the judgment to PSKIN; and
- (iii) The GOM is to ordered to pay the costs of RM80,000 (subject to allocatur fees) to PSKIN.

Both the GOM and PSKIN filed Notices of Appeal to the Court of Appeal against the KLHC’s decision on 8 April 2024. The appeals are currently pending further directions from the Court of Appeal.

Following the case management on 4 April 2024, the KLHC clarified that the payment of costs of RM80,000 is not subject to allocatur fees as the GOM is not obliged to pay allocatur fees pursuant to the Chief Justice’s Practice Directions No.1 Year 2018.

## 43. PRIOR YEAR ADJUSTMENTS (“PYA”) AND COMPARATIVE FIGURES

	As Previously Reported RM’000	Note	PYA RM’000	Note	Conform With Current Financial Year’s Presentation RM’000	As Restated RM’000
<b>Consolidated Statement of Financial Position (Extract):-</b>						
<b>30.6.2023</b>						
Property, plant and equipment	21,222		-	43.2	2,550	23,772
Investment properties	24,180		-	43.2	(2,550)	21,630
Contract assets	29,608	43.1	(852)		-	28,756
Accumulated losses	16,177	43.1	852		-	17,029
Trade payables	189,023		-	43.2	3,656	192,679
Other payables and accruals	9,174		-	43.2	(3,656)	5,518
<b>1.7.2022</b>						
Trade payables	199,943		-	43.2	1,547	201,490
Other payables and accruals	8,611		-	43.2	(1,547)	7,064



## NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 30 June 2024

### 43. PRIOR YEAR ADJUSTMENTS (“PYA”) AND COMPARATIVE FIGURES (CONT’D)

	As Previously Reported RM’000	Note	PYA RM’000	Note	Conform With Current Financial Year’s Presentation RM’000	As Restated RM’000
<b>Consolidated Statement of Profit or Loss and Other Comprehensive Income (Extract):-</b>						
<b>For The Financial Year Ended 30 June 2023</b>						
Revenue	39,968	43.1	(852)	43.2	(512)	38,604
Cost of sales	22,902		-	43.2	(630)	22,272
Other income	2,926		-	43.2	512	3,438
Finance costs	766		-	43.2	630	1,396
Loss before taxation	(6,295)	43.1	(852)		-	(7,147)
Loss after taxation	(6,562)	43.1	(852)		-	(7,414)
<b>Consolidated Statement of Cash Flows (Extract):-</b>						
<b>For The Financial Year Ended 30 June 2023</b>						
Net cash for operating activities	(1,782)		-	43.2	881	(901)
Net cash for investing activities	(658)		-	43.2	558	(100)
Net cash for financing activities	(2,944)		-	43.2	(1,439)	(4,383)

### NOTES TO RECONCILIATION

#### 43.1 PRIOR YEAR ADJUSTMENTS

During the current financial year, prior year adjustments were made in accordance with MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, certain comparatives have been restated as set out above.

The prior year adjustments relate to the overstatement of contract assets and revenue.

#### 43.2 COMPARATIVE FIGURES

In addition to the information disclosed in Note 43.1 to the financial statements, the above figures have been reclassified to conform with the presentation of the current financial year.

# LIST OF PROPERTIES

No.	Location	Registered Owner	Tenure	Built-up Area (sq ft)	Description/ Existing Use	Approximate Age of Building (Years)	Net Book Value as at 30/6/2024	Date of Acquisition
1	Unit No. 70-1, Lingkaran Cyber Point Barat, NeoCyber, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	1,710	Office Building	15.5	189,000	4 Sept 2007
2	Unit No. 71-1, Lingkaran Cyber Point Barat, NeoCyber, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	1,710	Office Building	15.5	189,000	4 Sept 2007
3	Unit No. 72-1, Lingkaran Cyber Point Barat, NeoCyber, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	1,710	Office Building	15.5	189,000	4 Sept 2007
4	Unit No. 73-1, Lingkaran Cyber Point Barat, NeoCyber, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	1,847	Office Building	15.5	228,000	4 Sept 2007
5	Unit No. 72-G, Lingkaran Cyber Point Barat, NeoCyber, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	1,446	Office Building	15.5	360,000	4 Sept 2007
6	Unit No. 73-G, Lingkaran Cyber Point Barat, NeoCyber, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	2,440	Office Building	15.5	569,000	15 Sept 2007
7	Unit No. 71-G, Lingkaran Cyber Point Barat, NeoCyber, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	1,446	Office Building	15.5	371,000	1 July 2009
8	Unit No. 70-G, Lingkaran Cyber Point Barat, NeoCyber, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	1,446	Office Building	15.5	371,000	1 July 2009
9	Unit No. 73A-G, Lingkaran Cyber Point Barat, NeoCyber, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	2,440	Office Building	15.5	753,000	3 Sept 2010
10	Unit No. 73A-1, Lingkaran Cyber Point Barat, NeoCyber, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	1,847	Office Building	15.5	569,000	3 Sept 2010
11	Block 12 Corporate Park Star Central @ Cyberjaya, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	40,375	Office Building	6.5	24,180,000	27 Jan 2017
12	Block 11-2 (11B) Corporate Park Star Central @ Cyberjaya, 63000 Cyberjaya, Selangor Darul Ehsan	ASSB	Freehold	17,999	Office Building	6.5	10,840,000	19 Oct 2017



# ANALYSIS OF SHAREHOLDINGS

As at 30 September 2024

## SHARE CAPITAL

Total number of issued shares	: 789,986,700 Ordinary Shares (Including 1,698,500 treasury shares)
Class of shares	: Ordinary Shares
Voting rights	: One (1) vote per Ordinary Share
Number of shareholders	: 5,863

## DISTRIBUTION OF SHAREHOLDINGS

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS		NO. OF SHARES	
		%		%
1 - 99	143	2.44	4,795	0.00
100 - 1,000	854	14.57	499,950	0.06
1,001 - 10,000	2,640	45.03	14,429,120	1.83
10,001 - 100,000	1,767	30.14	63,012,007	7.99
100,001 - 39,414,409*	455	7.76	429,444,688	54.48
39,414,410 and above**	4	0.06	280,897,640	35.64
<b>Total</b>	<b>5,863</b>	<b>100.00</b>	<b>788,288,200</b>	<b>100.00</b>

Notes:-

(\*) Less than 5% of issued holdings

(\*\*) 5% and above of issued holdings

## SUBSTANTIAL SHAREHOLDERS AS AT 30 SEPTEMBER 2024

NO.	NAME OF SUBSTANTIAL SHAREHOLDER	DIRECT		INDIRECT	
		NO. OF SHARES HELD	%	NO. OF SHARES HELD	%
1.	Maybank Trustees Berhad for Areca Dynamic Growth Fund	102,929,400	13.06	-	-
2.	Eco Cloud Assets Sdn. Bhd.	79,579,740	10.10	-	-
3.	CIMB Islamic Trustee Berhad	55,301,700	7.02	-	-
4.	CIMB Commerce Trustee Berhad	43,086,800	5.47	-	-
5.	Lembaga Tabung Amanah Warisan Negeri Terengganu	39,791,200	5.05	-	-
6.	Dr. Abu Hasan bin Ismail	-	-	79,579,740 <sup>(a)</sup>	10.10
7.	Eco Cloud Ventures Sdn. Bhd.	-	-	79,579,740 <sup>(a)</sup>	10.10

Note:-

<sup>(a)</sup> Deemed interested in the shares held by Eco Cloud Assets Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.



## ANALYSIS OF SHAREHOLDINGS

As at 30 September 2024

### DIRECTORS' SHAREHOLDINGS AS AT 30 SEPTEMBER 2024

NO.	NAME OF SUBSTANTIAL SHAREHOLDER	DIRECT		INDIRECT	
		NO. OF SHARES HELD	%	NO. OF SHARES HELD	%
1.	Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	-	-	-	-
2.	Dr. Abu Hasan bin Ismail	-	-	79,579,740 <sup>(a)</sup>	10.10
3.	Ramanathan a/l Sathiamutty	-	-	-	-
4.	Professor Emeritus Dato' Dr. Hassan bin Said	-	-	-	-
5.	Ginny Yeow Mei Ying	-	-	-	-
6.	YM Tunku Abang Faisal Amir bin Abang Abu Bakar	-	-	-	-
7.	Lim Saw Imm	-	-	-	-
8.	Datuk Seri Dr. Yusof bin Ismail	-	-	-	-

Note:-

<sup>(a)</sup> Deemed interested in the shares held by Eco Cloud Assets Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

### THIRTY (30) LARGEST SHAREHOLDERS AS AT 30 SEPTEMBER 2024

NO.	NAME	NO. OF SHARES	%
1.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MAYBANK TRUSTEES BERHAD FOR ARECA DYNAMIC GROWTH FUND (411901)	102,929,400	13.06
2.	ECO CLOUD ASSETS SDN. BHD.	79,579,740	10.10
3.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. CIMB ISLAMIC TRUSTEE BERHAD FOR AHAM MULTI-ASSET FUND	55,301,700	7.02
4.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. CIMB COMMERCE TRUSTEE BERHAD FOR AHAM MULTI-ASSET FUND 3	43,086,800	5.47
5.	LEMBAGA TABUNG AMANAH WARISAN NEGERI TERENGGANU	36,291,200	4.60
6.	ONG OO THEAM	26,500,000	3.36
7.	HLB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	22,200,000	2.82
8.	CIMSEC NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR CIMB INVESTMENT BANK BERHAD (88008208-PB)	18,000,000	2.28
9.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR KENSINGTON TRUST LABUAN (AMAT CLASS-E)	16,388,000	2.08
10.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR YEOH ENG HUA (PB)	14,386,000	1.82
11.	HLIB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH ENG HUA	11,835,900	1.50
12.	CHIN CHIN SEONG	9,198,266	1.17
13.	HLIB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	8,270,000	1.05


**THIRTY (30) LARGEST SHAREHOLDERS AS AT 30 SEPTEMBER 2024 (CONT'D)**

NO.	NAME	NO. OF SHARES	%
14.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH ENG HUA	8,138,000	1.03
15.	LIANNEX CORPORATION (S) PTE. LTD.	7,800,100	0.99
16.	MERCSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HO LIH MENG	7,620,000	0.97
17.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. RHB TRUSTEES BERHAD FOR ARECA PROGRESSIVE INCOME FUND 2.0	6,666,000	0.85
18.	LIM KOK HAN	5,361,500	0.68
19.	LAI HOONG WYE	5,240,900	0.66
20.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM HAN WENG	5,000,000	0.63
21.	CHIN CHIN SEONG	4,600,000	0.58
22.	LIM SOO KIOW	4,230,000	0.54
23.	LOW CHU MOOI	4,100,000	0.52
24.	JESSIE LIM ME XIAN	4,086,900	0.52
25.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR ARECA CAPITAL SDN. BHD. (CLIENTS' ACCOUNT)	3,629,000	0.46
26.	CHIN YAT YIN	3,500,000	0.44
27.	LEMBAGA TABUNG AMANAH WARISAN NEGERI TERENGGANU	3,500,000	0.44
28.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN LEONG KIAT (M02)	3,301,700	0.42
29.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM SIN SEONG (6000461)	3,300,000	0.42
30.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO (MY2095)	3,070,000	0.39
	<b>TOTAL</b>	<b>527,111,106</b>	<b>66.87</b>

# ANALYSIS OF WARRANT A HOLDINGS

As at 30 September 2024

Total Number of Outstanding Warrant A Issued : 255,950,234 Warrants  
 Number of Warrant A holders : 1,309

## DISTRIBUTION OF WARRANT A HOLDINGS

SIZE OF HOLDINGS	NO. OF WARRANT HOLDERS		NO. OF WARRANT	
		%		%
1 - 99	126	9.63	5,641	0.00
100 - 1,000	151	11.54	84,623	0.03
1,001 - 10,000	473	36.13	2,525,313	0.99
10,001 - 100,000	421	32.16	16,553,156	6.47
100,001 - 12,797,511*	135	10.31	110,498,001	43.17
12,797,512 and above **	3	0.23	126,283,500	49.34
<b>Total</b>	<b>1,309</b>	<b>100.00</b>	<b>255,950,234</b>	<b>100.00</b>

Notes:-

(\*) Less than 5% of issued holdings

(\*\*) 5% and above of issued holdings

## DIRECTORS' WARRANT A HOLDINGS AS AT 30 SEPTEMBER 2024

NO.	NAME OF DIRECTORS	DIRECT		INDIRECT	
		NO. OF WARRANTS	%	NO. OF WARRANTS	%
1.	Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	-	-	-	-
2.	Dr. Abu Hasan bin Ismail	-	-	-	-
3.	Ramanathan a/l Sathiamutty	-	-	-	-
4.	Professor Emeritus Dato' Dr. Hassan bin Said	-	-	-	-
5.	Ginny Yeow Mei Ying	-	-	-	-
6.	YM Tunku Abang Faisal Amir bin Abang Abu Bakar	-	-	-	-
7.	Lim Saw Imm	-	-	-	-
8.	Datuk Seri Dr. Yusof bin Ismail	-	-	-	-



### THIRTY (30) LARGEST WARRANT A HOLDERS AS AT 30 SEPTEMBER 2024

NO.	NAME	NO. OF WARRANTS	%
1.	MAYBANK NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR KENSINGTON TRUST LABUAN (AMAT CLASS-C)	85,000,000	33.21
2.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. MAYBANK TRUSTEES BERHAD FOR ARECA DYNAMIC GROWTH FUND (411901)	25,733,000	10.05
3.	HLB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	15,550,500	6.08
4.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. CIMB COMMERCE TRUSTEE BERHAD FOR AHAM MULTI-ASSET FUND 3	10,771,700	4.21
5.	HLIB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	9,000,000	3.52
6.	CIMB GROUP NOMINEES (TEMPATAN) SDN. BHD. CIMB ISLAMIC TRUSTEE BERHAD FOR AHAM MULTI-ASSET FUND	8,615,840	3.37
7.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH ENG HUA	5,530,000	2.16
8.	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	5,120,000	2.00
9.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR KENSINGTON TRUST LABUAN (AMAT CLASS-E)	4,097,000	1.60
10.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR ARECA CAPITAL SDN. BHD. (CLIENTS' ACCOUNT)	4,031,300	1.58
11.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR YEOH ENG HUA (PB)	3,600,000	1.41
12.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHIN CHIN SEONG (7014455)	3,221,400	1.26
13.	CHIN CHIN SEONG	2,895,166	1.13
14.	HLIB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH ENG HUA	2,200,000	0.86
15.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. RHB TRUSTEES BERHAD FOR ARECA PROGRESSIVE INCOME FUND 2.0	1,860,000	0.73
16.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHIN CHIN SEONG	1,800,000	0.70
17.	TEONG PECK JOO	1,705,100	0.67
18.	MERCSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR HO LIH MENG	1,600,000	0.63
19.	TAMILSELVI A/P SUPPIAH	1,588,000	0.62
20.	LOW CHU MOOI	1,550,000	0.61

## ANALYSIS OF WARRANT A HOLDINGS

As at 30 September 2024

### THIRTY (30) LARGEST WARRANT A HOLDERS AS AT 30 SEPTEMBER 2024 (CONT'D)

NO.	NAME	NO. OF WARRANTS	%
21.	KONG PAK LIM	1,522,500	0.59
22.	LEMBAGA TABUNG AMANAH WARISAN NEGERI TERENGGANU	1,358,100	0.53
23.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO (MY2095)	1,230,000	0.48
24.	WONG KANG YEOW	1,200,000	0.47
25.	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR ANDREW SAW KHAY CHIN (PB)	1,100,000	0.43
26.	LIEW KUO AUN	1,083,500	0.42
27.	KONG PAK LIM	1,061,000	0.41
28.	PTB VENTURES SDN. BHD.	946,900	0.37
29.	CHIN YAT YIN	943,000	0.37
30.	PHILLIP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEOH POH CHOO	852,200	0.33
<b>TOTAL</b>		<b>206,766,206</b>	<b>80.78</b>



# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Fourteenth Annual General Meeting (“**14th AGM**”) of AwanBiru Technology Berhad (“**Company**”) will be held on a virtual basis from the broadcast venue at Block 11B, Level 3A, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan on Wednesday, 27 November 2024 at 10:00 a.m. for the following purposes:-

## AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and the Auditors thereon. **(Please refer to Note No. 7)**
2. To approve the payment of Directors’ fees up to an amount of RM663,600.00 for the period from 28 November 2024 until the next Annual General Meeting of the Company to be held in year 2025. **(Resolution 1)**
3. To approve the payment of Directors’ benefits up to an amount of RM282,000.00 from 28 November 2024 until the next Annual General Meeting of the Company to be held in year 2025. **(Resolution 2)**
4. To re-elect the following Directors who are retiring pursuant to Clause 119 of the Company’s Constitution and being eligible, have offered themselves for re-election:-
  - (a) Dr. Abu Hasan bin Ismail; and **(Resolution 3)**
  - (b) Dato’ Syed Naqiz Shahabuddin bin Syed Abdul Jabbar. **(Resolution 4)**
5. To re-elect Datuk Seri Dr. Yusof bin Ismail who is retiring pursuant to Clause 118 of the Company’s Constitution and being eligible, has offered himself for re-election. **(Resolution 5)**
6. To re-appoint Messrs. Crowe 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. **(Resolution 6)**

### As Special Business

To consider and if thought fit, with or without any modification, to pass the following Ordinary Resolutions:-

7. **ORDINARY RESOLUTION NO. 1** **(Resolution 7)**  
**- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016**

“**THAT** subject always to the Companies Act 2016 (“**Act**”), the Constitution of the Company and approvals from Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and any other relevant governmental and/or regulatory authorities, the Directors be and are hereby empowered pursuant to the Act, to issue and allot shares in the capital of the Company from time to time at such price and upon such terms and conditions, for such purposes and to such person or persons whomsoever the Directors may in their absolute discretion deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

**THAT** pursuant to Section 85 of the Act to be read together with Clause 15 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Act;

**THAT** the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

**AND THAT** such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company.”

## NOTICE OF ANNUAL GENERAL MEETING

### 8. ORDINARY RESOLUTION NO. 2

(Resolution 8)

#### - PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES OF UP TO 10% OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")

"THAT subject always to the Companies Act 2016, the Constitution of the Company, the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and all other applicable laws, guidelines, rules and regulations, if applicable, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities as the Directors may deem fit and expedient in the interest of the Company, provided that:-

- (i) the aggregate number of shares purchased does not exceed ten percent (10%) of the total number of issued shares of the Company including the shares previously purchased and retained as Treasury Shares (if any);
- (ii) the maximum amount of funds to be allocated for the Proposed Renewal of Share Buy-Back Authority shall not exceed the aggregate of the retained profits of the Company, based on the latest audited financial statements and/or latest management accounts of the Company (where applicable); and
- (iii) the Directors of the Company may decide in their absolute discretion either to retain the shares purchased as treasury shares or cancel the shares or retain part of the shares so purchased as treasury shares and cancel the remainder or to resell the shares or distribute the shares as dividends;

THAT authority conferred by this Resolution shall commence immediately upon the passing of this Resolution and will only continue to be in force until:-

- (i) the conclusion of the next Annual General Meeting of the Company, unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- (iii) revoked or varied by resolution passed by shareholders of the Company in general meeting,

whichever occurs first;

AND THAT authority be and is hereby given to the Directors of the Company to act and take all such steps and do all things as are necessary or expedient to implement, finalise and give full effect to the aforesaid purchase."

### 9. ORDINARY RESOLUTION NO. 3

(Resolution 9)

#### - RETENTION OF MR. RAMANATHAN A/L SATHIAMUTTY AS INDEPENDENT NON-EXECUTIVE DIRECTOR

"THAT authority be and is hereby given to Mr. Ramanathan a/l Sathiamutty who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company."

10. To transact any other ordinary business of which due notice shall have been given.

By Order of the Board

CHUA SIEW CHUAN (SSM PC NO. 201908002648) (MAICSA 0777689)

LIM LIH CHAU (SSM PC NO. 201908001454) (LS 0010105)

Company Secretaries

Kuala Lumpur

Dated: 25 October 2024

**NOTES:**

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 November 2024 shall be eligible to attend the Meeting.
2. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one (1) or more proxies to attend, participate, speak and vote in his stead. A member may appoint more than one (1) proxy in relation to the Meeting, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy.
3. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to attend, participate, speak and vote at the Meeting.

As guided by the Securities Commission Malaysia's Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, the primary mode of communication by shareholders for the Meeting is via text messaging facilities provided under the online meeting platform. In the event of any technical glitch in the primary mode of communication, all other reasonable modes of communication are acceptable for the Meeting. The questions and/or remarks submitted by the shareholders and/or proxies will be broadcasted and responded by the Chairman/Board of Directors/relevant advisers during the Meeting. In the event of any unattended questions and/or remarks submitted, the Company will respond to the said unattended questions and/or remarks after the Meeting via email.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.
5. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA) which holds ordinary shares in the Company for multiple beneficial owners in one (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.
6. Appointment of proxy and registration for remote participation and voting

The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd., at Level 11, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. Alternatively, the Form of Proxy may also be lodged electronically via the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> or email to [BSR.helpdesk@boardroomlimited.com](mailto:BSR.helpdesk@boardroomlimited.com) not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof i.e. Monday, 25 November 2024 at 10:00 a.m. All resolutions set out in this notice of meeting are to be voted by poll.

Should you wish to personally participate at the 14<sup>th</sup> AGM remotely, please register electronically via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> by registration not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof i.e. Monday, 25 November 2024 at 10:00 a.m.

Please refer to the Administrative Guide for the 14<sup>th</sup> AGM of the Company, which is available for download at [https://ir.awantec.my/shareholders\\_meeting.html](https://ir.awantec.my/shareholders_meeting.html) in order to register, participate and vote remotely.

7. This Agenda item is meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
8. Explanatory Notes:-

(i) Approval for the payment of Directors' benefits

The proposed Directors' benefits payable comprises allowances and other benefits. The total estimated amount of Directors' benefits payable is calculated based on the number of scheduled Board and Board Committees meetings for the period from 28 November 2024 until the next AGM and other benefits. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

(ii) Re-election of Directors who retire pursuant to Clause 119 of the Company's Constitution

Clause 119 of the Company's Constitution expressly states that at the subsequent AGM after the first AGM held, at least one-third (1/3rd) or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3rd) of the Directors for the time being shall retire from office, provided always that all Directors including Managing Director shall retire from office at least once every three (3) years. A Director retiring at a meeting shall retain office until the conclusion of the meeting. A retiring Director shall be eligible for re-election.

Dr. Abu Hasan bin Ismail and Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar (each referred to as "**retiring Director**"), being eligible, have offered themselves for re-election at the 14<sup>th</sup> AGM pursuant to Clause 119 of the Company's Constitution.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 14<sup>th</sup> AGM of the Company, the Board had through its Nomination and Remuneration Committee, undertaken a formal evaluation to determine the eligibility of each retiring Director in line with the Malaysian Code on Corporate Governance, which includes the following:

- (i) Performance and effectiveness of the Board as a whole, Board Committees and individual Directors;
- (ii) Independence of the Independent Non-Executive Director; and
- (iii) Fit and proper assessment.

Based on the results of the abovementioned evaluations, the Board considered the performance of the retiring Directors to be effective. The retiring Directors were able to meet the Board's expectations in terms of experience, expertise, integrity, competency, participation and contribution. Each retiring Director demonstrates a commitment to the role and has sufficient time to meet his commitments to the Company. The retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the meetings of the Board.

The details of the retiring Directors are available in the Directors' Profile of the Annual Report 2024.



## NOTICE OF ANNUAL GENERAL MEETING

(iii) **Re-election of Director who retires pursuant to Clause 118 of the Company's Constitution**

Pursuant to Clause 118 of the Constitution of the Company, the Directors shall have power at any time to appoint any other person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, so long as the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with the Constitution of the Company. Any Director so appointed shall hold office only until the conclusion of the next AGM of the Company and shall be eligible for re-election at such meeting.

Datuk Seri Dr. Yusof bin Ismail ("retiring Director"), being eligible, has offered himself for re-election at the 14<sup>th</sup> AGM pursuant to Clause 118 of the Company's Constitution.

For the purpose of determining the eligibility of the Director to stand for re-election at the 14<sup>th</sup> AGM of the Company, the Board had through its Nomination and Remuneration Committee, undertaken a formal evaluation to determine the eligibility of the retiring Director in line with the Malaysian Code on Corporate Governance, which includes the following:

- (i) Independence of the Independent Non-Executive Director; and
- (ii) Fit and proper assessment.

Based on the results of the abovementioned evaluations, the Board considered the performance of the retiring Director to be effective. The retiring Director was able to meet the Board's expectations in terms of experience, expertise, integrity, competency, participation and contribution. The retiring Director demonstrates a commitment to the role and has sufficient time to meet his commitments to the Company. The retiring Director had abstained from deliberations and decisions on his own eligibility to stand for re-election at the meetings of the Board.

The details of the retiring Director are available in the Director's Profile of the Annual Report 2024.

(iv) **Authority to issue shares pursuant to the Companies Act 2016**

The Company wishes to renew the mandate on the authority to issue shares pursuant to the Companies Act 2016 at the 14<sup>th</sup> AGM of the Company (hereinafter referred to as the "General Mandate").

The Company had been granted a general mandate by its shareholders at the 13<sup>th</sup> AGM of the Company held on 23 November 2023 (hereinafter referred to as the "Previous Mandate").

The Previous Mandate granted by the shareholders had not been utilised and hence no proceed was raised therefrom.

The purpose to seek the General Mandate is to enable the Directors of the Company to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 10% of the total number of issued shares of the Company for the time being. The General Mandate, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next AGM of the Company.

The General Mandate will enable the Directors to take swift action for allotment of shares for any possible fundraising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

(v) **Proposed Renewal of Share Buy-Back Authority**

The Proposed Renewal of Share Buy-Back Authority is to renew the authority granted by the shareholders of the Company at the 13<sup>th</sup> AGM of the Company held on 23 November 2023. The proposed renewal will allow the Company to purchase its own shares up to 10% of the total number of issued shares of the Company at any time within the time period stipulated in Bursa Malaysia Securities Berhad Main Market Listing Requirements.

Please refer to the Statement to Shareholders dated 25 October 2024 for further information.

(vi) **Retention of Independent Non-Executive Director**

The proposed Resolution 9 is to seek approval from the shareholders for Mr. Ramanathan a/l Sathiamutty to continue in office as an Independent Non-Executive Director of the Company. Mr. Ramanathan a/l Sathiamutty was appointed as an Independent Non-Executive Director of the Company on 16 April 2014. Therefore, he has served the Board in that capacity for a cumulative term of more than nine (9) years.

Pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance 2021, the tenure of an independent director should not exceed a term limit of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board as a non-independent director. If the board intends to retain as an independent director beyond nine (9) years, shareholders' approval must be sought through a two-tier process and the Board must provide justifications for the retention.

The Board, through the Nomination and Remuneration Committee, recommends that approval of the shareholders be sought through a two-tier voting process as described in Practice 5.3 of the Malaysian Code on Corporate Governance to retain Mr. Ramanathan a/l Sathiamutty as an Independent Non-Executive Director, based on the following justifications:-

- a. Mr. Ramanathan a/l Sathiamutty has fulfilled the criteria stated under the definition of Independent Director as defined in the Listing Requirements of Bursa Malaysia Securities Berhad and he would be able to provide proper check and balance thus bringing an element of objectivity to the Board;
- b. His length of services on the Board for a cumulative term of more than nine (9) years do not in any way interfere his exercise of objective judgement or his ability to act in the best interest of the Company and the Group;
- c. He is familiar with the Group's business operations and has always actively participated in Board and Board Committee discussions and has continuously provided an independent view to the Board; and
- d. He has exercised due care during his tenure as Independent Director of the Company and has discharged his duties with reasonable skill and competence, bringing independent judgement into the decision making of the Board and in the best interest of the Company and its shareholders.



AWANBIRU TECHNOLOGY BERHAD  
[Registration No. 201001038336 (922260-K)]  
(Incorporated in Malaysia)

# FORM OF PROXY

CDS Account No.	
Number of ordinary shares	

\*I/We (full name), \_\_\_\_\_

E-mail: \_\_\_\_\_ Telephone no.: \_\_\_\_\_

bearing \*NRIC No./Passport No./Company No.: \_\_\_\_\_

of (full address) \_\_\_\_\_

being \*member/members to AwanBiru Technology Berhad ("Company") hereby appoint:

First Proxy "A"

Full Name:	NRIC No./Passport No.:	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address:			
Telephone No.:			
Email Address:			

and/or failing \*him/her,

Second Proxy "B"

Full Name:	NRIC No./Passport No.:	Proportion of Shareholdings Represented	
		No. of Shares	%
Full Address:			
Telephone No.:			
Email Address:			

100%

or failing \*him/her, the Chairman of the Meeting as \*my/our proxy to vote for \*me/us and on \*my/our behalf at the Fourteenth Annual General Meeting of the Company to be held on a virtual basis from the broadcast venue at Block 11B, Level 3A, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan on Wednesday, 27 November 2024 at 10:00 a.m. and at any adjournment thereof.

# to put on a separate sheet where there are more than two (2) proxies.

(Please indicate with an "X" in the spaces provided below as to how you wish your votes to be casted. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her discretion.)

Items	Agendas	Resolutions	For	Against
1.	To receive the Audited Financial Statements for the financial year ended 30 June 2024 together with the Reports of the Directors and the Auditors thereon.			
2.	To approve the payment of Directors' fees up to an amount of RM663,600.00 for the period from 28 November 2024 until the next Annual General Meeting of the Company to be held in year 2025.	1		
3.	To approve the payment of Directors' benefits up to an amount of RM282,000.00 from 28 November 2024 until the next Annual General Meeting of the Company to be held in year 2025.	2		
4(a).	To re-elect Dr. Abu Hasan bin Ismail as Director.	3		
4(b).	To re-elect Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar as Director.	4		
5.	To re-elect Datuk Seri Dr. Yusof bin Ismail as Director.	5		
6.	To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	6		
<b>Special Business</b>				
7.	Authority to Issue Shares pursuant to the Companies Act 2016.	7		
8.	Proposed Renewal of Share Buy-Back Authority.	8		
9.	Retention of Mr. Ramanathan a/l Sathiamutty as Independent Non-Executive Director.	9		

As witness \*my/our hand(s) this day \_\_\_\_\_ of \_\_\_\_\_ 2024.

\*Strike out whichever not applicable

\_\_\_\_\_  
\*Signature of Member/Common Seal

**NOTES:**

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 November 2024 shall be eligible to attend the Meeting.
2. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one (1) or more proxies to attend, participate, speak and vote in his stead. A member may appoint more than one (1) proxy in relation to the Meeting, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy.
3. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to attend, participate, speak and vote at the Meeting.

As guided by the Securities Commission Malaysia's Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers, the right to speak is not limited to verbal communication only but includes other modes of expression. Therefore, the primary mode of communication by shareholders for the Meeting is via text messaging facilities provided under the online meeting platform. In the event of any technical glitch in the primary mode of communication, all other reasonable modes of communication are acceptable for the Meeting. The questions and/or remarks submitted by the shareholders and/or proxies will be broadcasted and responded by the Chairman/Board of Directors/relevant advisers during the Meeting. In the event of any unattended questions and/or remarks submitted, the Company will respond to the said unattended questions and/or remarks after the Meeting via email.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under Seal or under the hand of an officer or attorney duly authorised.

*Fold here*

To:

**Boardroom Share Registrars Sdn. Bhd.**

Level 11, Menara Symphony

No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13

46200 Petaling Jaya, Selangor Darul Ehsan

*Fold here*

5. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA) which holds ordinary shares in the Company for multiple beneficial owners in one (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.

6. Appointment of proxy and registration for remote participation and voting

The instrument appointing a proxy and the power of attorney or other authority (if any), under which it is signed or a duly notarised certified copy of that power or authority, shall be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn. Bhd., at Level 11, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan. Alternatively, the Form of Proxy may also be lodged electronically via the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> or email to [BSR.helpdesk@boardroomlimited.com](mailto:BSR.helpdesk@boardroomlimited.com) not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof i.e. Monday, 25 November 2024 at 10:00 a.m. All resolutions set out in this notice of meeting are to be voted by poll.

Should you wish to personally participate at the 14<sup>th</sup> AGM remotely, please register electronically via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> by registration not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof i.e. Monday, 25 November 2024 at 10:00 a.m.

Please refer to the Administrative Guide for the 14<sup>th</sup> AGM of the Company, which is available for download at [https://ir.awantec.my/shareholders\\_meeting.html](https://ir.awantec.my/shareholders_meeting.html) in order to register, participate, and vote remotely.

**AWANBIRU TECHNOLOGY BERHAD**

201001038336 (922260-K)

Block 11B, Star Central, Lingkaran Cyber Point Timur,  
Cyber 12, 63000 Cyberjaya, Selangor Darul Ehsan, Malaysia

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