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ANNUAL REPORT 2023
FINANCIAL STATEMENTS

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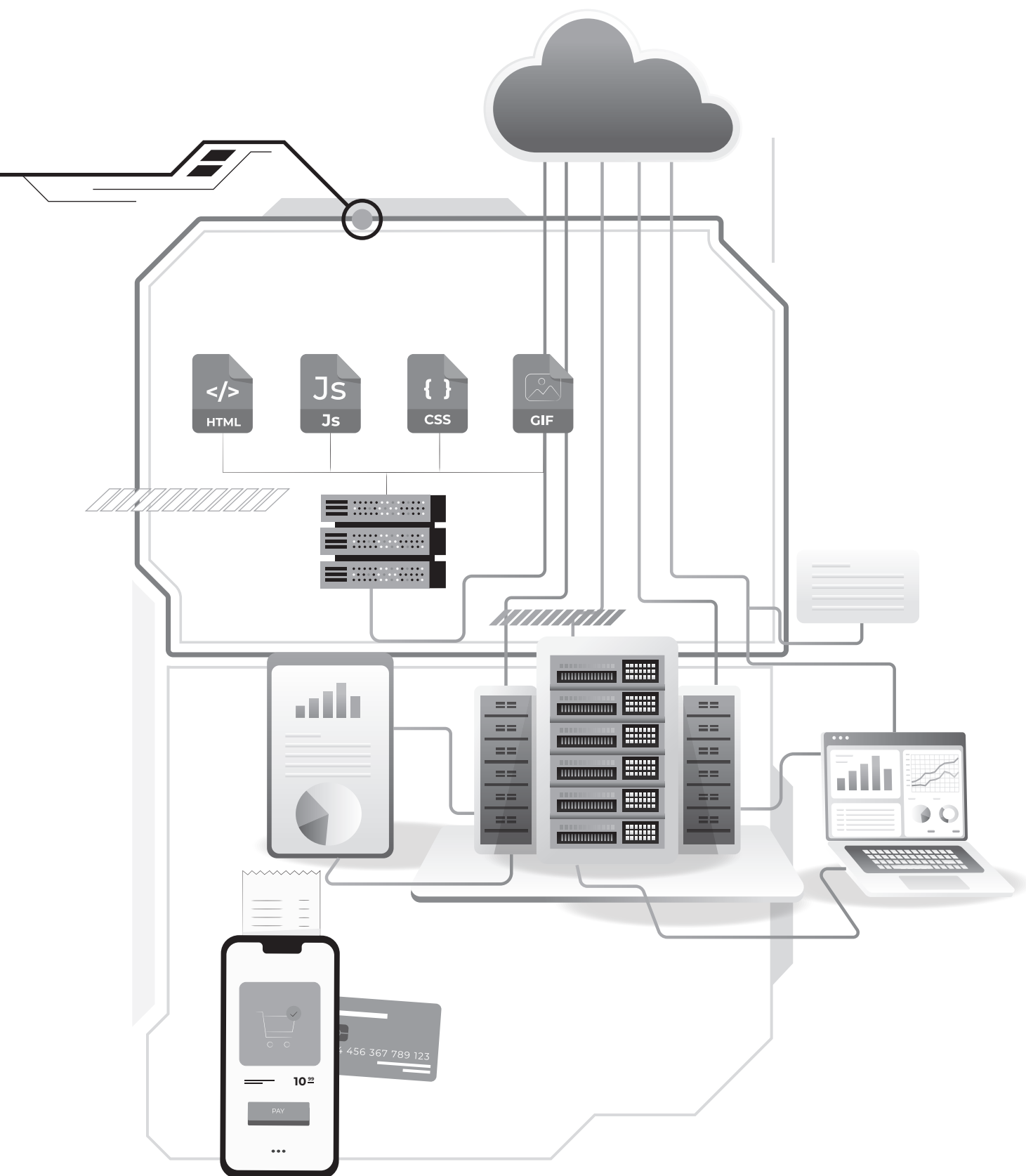
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The Directors have pleasure in presenting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2023.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities, the provision of management services and the provision of information technology and maintenance services. The principal activities of the subsidiaries are mainly provision of information technology services in terms of hardware, software, consultation services and maintenance to the telecommunication, oil and gas and government sectors, investment holding activities, provision of corporate secretarial, accounting and payroll services, design and development of application software and website, provision and management of co-working spaces, provision of medical and laboratory related services and trading of pharmaceutical products.

Further details of the subsidiaries have been disclosed in Note 7 to the financial statements.

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

RESULTS

	Group RM	Company RM
(Loss)/Profit for the financial year:		
– from continuing operations	(62,423,236)	21,303,284
– from discontinued operations	191,512,866	–
	129,089,630	21,303,284
Attributable to:		
Owners of the Company	126,512,967	21,303,284
Non-controlling interests	2,576,663	–
	129,089,630	21,303,284

DIVIDEND

No dividend has been proposed, declared or paid by the Company since the end of the previous financial year. The Directors do not recommend any payment of dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the issued and fully paid-up ordinary shares of the Company has been increased from 534,189,735 to 540,673,135 ordinary shares by way of issuance of 6,483,400 ordinary shares pursuant to the Long-Term Incentive Plan ("LTIP") to eligible employees as disclosed in Note 23 to the financial statements.

The newly issued ordinary shares rank pari passu in all respects with the existing shares of the Company. There were no other issuance of shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

LONG-TERM INCENTIVE PLAN ("LTIP")

At an Extraordinary General Meeting held on 24 September 2013, the Directors were authorised to proceed with the establishment and administration of the LTIP, which comprises an Employee Share Option Scheme ("ESOS") and an Employee Share Grant Plan ("ESGP") and is administered by the LTIP Committee appointed by the Board of Directors, in accordance with the By-Laws of the LTIP. The LTIP shall be in force for a period of 5 years from 16 October 2013, unless extended further.

On 16 August 2018, in pursuant to the By-Laws 26.3 of the Company's LTIP By-Laws and upon the recommendation by the LTIP Committee, the Board of Directors resolved to extend its existing LTIP for a period of five (5) years commencing from 16 October 2018 on the same terms and conditions as stipulated in the said By-Laws.

The main features of the LTIP are as follows:

- (a) Eligible Directors and employees are those who are confirmed employees of the Company and/or its eligible subsidiaries and has attained the age of 18 years before the date of offer;
- (b) The maximum number of options to be issued under the LTIP should not exceed in aggregate 15% of the issued and paid-up ordinary share capital of the Company at any point of time during the tenure of the LTIP. In addition, any individual Director or employee's maximum entitlement should not exceed 10% of the ordinary shares of the Company in issue in the 12 months period up to (and including) the date of the grant;
- (c) Options granted may be exercised at any time within the option period from the date of offer;
- (d) In the case of the ESGP, the shares will be vested with the grantee at no consideration on the vesting date: while in the case of the ESOS, the option price of a new ordinary share should be the 5-day weighted average market prices of the shares as quoted in the Daily Official List issued by Bursa Malaysia Securities Berhad immediately preceding the date of offer; and
- (e) Options granted are not entitled to dividends or voting rights. Upon exercise of the options, the ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

The of share options granted in the current financial year to eligible employees, was determined using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted.

Further details of the LTIP are disclosed in Note 41 to the financial statements.

During the financial year, the Company has awarded 6,483,400 new ordinary shares under the ESGP to eligible executive employees of the Company.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Omesti Berhad

YAM Tunku Zain Al-'Abidin Ibni Tuanku Muhriz

Dato' Sri Thong Kok Khee

Mah Xian-Zhen

Tan Wee Hoong

Monteiro Gerard Clair^

Danny Hoe Kam Thong

Tan Sri Jaganath Derek Steven Sabapathy^

(Resigned on 18 July 2022)

Chia Yong Wei^

(Resigned on 18 July 2022)

Wan Mai Gan^

(Resigned on 18 July 2022)

Subsidiaries of Omesti Berhad (excluding those who are already listed above)

Ch'ng Kai Fen^

Gan Khong Kiat^

Datuk Mohd Samsuri Bin Mohd Sohot

Martin Chu Leong Meng^

Nik Shazni Farhan Bin Nik Mohammad Shah

Tun Arifin Bin Zakaria^

Tai Keat Chai^

Ajis^

See Kar Fai^

Nazri bin Ismail^

Ku Azhar Bin Ku Abdul Razak^

Koay Soon Hoe^

Ngyuen Nhat Binh^

Dato' Sri Mohammad Nadjion Bin Nasir

Dato' Sri Chee Hong Leong^

Dato' Seri Mohd Khairi bin Dato' Mat Jahya^

Lim Bee Eng

Thong Mei Chuen

Ryan John Fernandez^

Chan Kong Yew

Ramlee bin Abdullah^

Lee Kong Kheong

(Alternate Director to Chan Kong Yew)

Ahmad Faiz bin Besah @ Sitam^

Trazender Anak Gunting^

(Appointed on 12 April 2022)

Lim Li Sze

(Appointed on 26 April 2022)

Yee Chun Syan

(Appointed on 26 April 2022)

Wan Mai Gan^

(Appointed as Director of subsidiary and resigned as Director of the Company on 18 July 2022)

Dr. Tomy Ling Duon Mien

(Appointed on 4 August 2022)

Noor Zaliza Yati binti Yahya^

(Appointed on 20 December 2022)

Dato' Ahmad Najmi bin Abdul Razak^

(Appointed on 20 December 2022)

Izad Shahadi Bin Mohd Sallehuddin

(Resigned on 15 April 2022)

DIRECTORS (CONT'D.)

The Directors who have held office during the financial year and up to the date of this report are as follows: (cont'd.)

Subsidiaries of Omesti Berhad (excluding those who are already listed above) (cont'd.)

Dewan Ng	(Resigned on 27 June 2022)
Ainuddin Bin Jantan	(Resigned on 30 June 2022)
Dato' Ahmad Nasir Bin Abdul Gani	(Resigned on 1 March 2023 and appointed on 3 July 2023)
Tan Sri Datuk Seri (Dr.) Mazlan bin Lazim [^]	(Resigned on 6 June 2023)
Neo Poh Lian	(Resigned on 4 July 2023)
Tevanaigam Randy Chitty	(Resigned on 4 July 2023)

[^] These Directors are Directors or Common Directors of Microlink Solutions Berhad and its subsidiaries, whereby Microlink Solutions Berhad have ceased to be a subsidiary of the Group on 18 July 2022 as further disclosed in Note 7(d) to the financial statements.

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

Shares in the Company	Number of ordinary shares			Balance as at 31.3.2023
	Balance as at 1.4.2022	Addition	Sold	
<u>Direct interests</u>				
Monteiro Gerard Clair	39,225,855	-	(84,400)	39,141,455
Mah Xian-Zhen	1,501,555	-	-	1,501,555
<u>Indirect interests</u>				
Dato' Sri Thong Kok Khee [^]	53,859,500	-	-	53,859,500
Monteiro Gerard Clair [#]	67,467,100	-	(1,133,400)	66,333,700
Mah Xian-Zhen [@]	9,645,000	-	-	9,645,000

Shares in the Company	Number of warrants			Balance as at 31.3.2023
	Balance as at 1.4.2022	Addition	Sold	
<u>Direct interests</u>				
Monteiro Gerard Clair	13,945,959	-	-	13,945,959
Mah Xian-Zhen	42,000	-	-	42,000
<u>Indirect interests</u>				
Dato' Sri Thong Kok Khee [^]	26,214,532	-	-	26,214,532
Monteiro Gerard Clair [#]	32,620,000	-	-	32,620,000
Mah Xian-Zhen [@]	4,501,000	-	-	4,501,000

DIRECTORS' INTERESTS (CONT'D.)

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows: (cont'd.)

Shares in the Company	<----- Number of redeemable preference shares ----->			
	Balance as at 1.4.2022	Addition	Sold	Balance as at 31.3.2023
<u>Direct interests</u>				
Monteiro Gerard Clair	5,976,840	-	(5,912,200)	64,640
Mah Xian-Zhen	55,000	-	-	55,000
<u>Indirect interests</u>				
Dato' Sri Thong Kok Khee^	11,234,800	-	-	11,234,800
Monteiro Gerard Clair#	13,480,000	-	(13,480,000)	-
Mah Xian-Zhen@	1,929,000	-	-	1,929,000

Shares in an associate	<----- Number of ordinary shares ----->			
	Balance as at 1.4.2022	Addition	Sold	Balance as at 31.3.2023
Microlink Solutions Berhad				
<u>Direct interests</u>				
Monteiro Gerard Clair	28,424,996	8,780,300	-	37,205,296
Mah Xian-Zhen	554,664	-	-	554,664
<u>Indirect interests</u>				
Dato' Sri Thong Kok Khee*	15,906,380	-	(6,159,400)	9,746,980
Mah Xian-Zhen@	2,921,200	8,000,000	-	10,921,200
Monteiro Gerard Clair#	31,464	-	-	31,464

Employee Share Grant Plan ("ESGP") in an associate	<----- Number of Shares under ESGP ----->				Balance as at 31.3.2023
	Balance as at 1.4.2022	Granted	Vested	Lapsed	
Microlink Solutions Berhad					
<u>Direct interests</u>					
Monteiro Gerard Clair	-	135,300	(135,300)	-	-

DIRECTORS' INTERESTS (CONT'D.)

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial year as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows: (cont'd.)

- [^] Deemed interest by virtue of his substantial interest in Insas Berhad, pursuant to Section 8(4) of the Companies Act 2016 in Malaysia.
- ^{*} Deemed interest by virtue of his substantial interest in Insas Berhad and M&A Investments International Limited pursuant to Section 8(4) of the Companies Act 2016 in Malaysia.
- [#] Deemed interest by virtue of his substantial interest in H2O Holdings Sdn. Bhd., pursuant to Section 8(4) of the Companies Act 2016 in Malaysia.
- [@] Deemed interest by virtue of her spouse's interest, pursuant to Section 59(11)(c) of the Companies Act 2016 in Malaysia.

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

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Directors is a member, or with a company in which the Director has a substantial financial interest, other than the following:

- (a) certain Directors who may be deemed to derive benefits by virtue of trade transactions entered into with companies in which certain Directors have substantial financial interests; and
- (b) certain Directors who received remuneration from the subsidiaries as Directors of the subsidiaries.

The details of the above transactions are disclosed in Note 42 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling 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

Directors' remuneration of the Group and of the Company for the financial year ended 31 March 2023 were as follows:

	Group and Company RM
Directors' fees	438,065
Directors' remuneration	1,117,704
	1,555,769

Estimated monetary value of benefits-in-kind provided to a Director of the Group and of the Company are RM54,456 and RM54,456 respectively.



INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Group and the Company effected Directors' liability insurance during the financial year to protect the Directors of the Group and of the Company against potential costs and liabilities arising from claims brought against the Directors. The amount of insurance premium paid by the Group and the Company for the financial year ended 31 March 2023 was RM53,010.

There was no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature other than the gain on disposal of subsidiaries amounted to RM184,923,264 as further disclosed in Note 7 to the financial statements.
- (c) The Directors are not aware of any circumstances:
 - (i) which would render the amount of bad debts written off or the amount of provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen any item, transaction or event of a material and unusual nature which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (CONT'D.)

(II) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 17 May 2022, Medilabz Signature Sdn. Bhd. ("Medilabz"), an indirect wholly-owned subsidiary of the Company held via Omesti Holdings Berhad ("OHB") had issued 299,999 ordinary shares for which 209,999 was subscribed by OHB and the remaining 90,000 was subscribed by a third party, representing 70% and 30% of the enlarged issued and paid-up share capital of Medilabz respectively. Consequently, Medilabz becomes an indirect 70% owned subsidiary of the Company.
- (b) On 22 June 2022, the Company announced that Formis Network Services Sdn. Bhd. ("FNS"), an indirect 51% subsidiary of the Company, had on 21 June 2022 received and accepted a Letter of Award ("LOA") from Tenaga Nasional Berhad for the "Leasing of Personal Computers for Tenaga Nasional Berhad" project for a duration of 3 years, commencing on 21 June 2022 at a total contract value of RM25,312,416 with no clause on the renewal in the LOA.
- (c) On 18 July 2022, the Company announced that Microlink Solutions Berhad ("MSB") would cease to be a subsidiary of OHB, a wholly-owned subsidiary of the Company, and would be recognised as an associate, due to the following:
 - (i) OHB had on 2 June 2022, disposed 15,000,000 ordinary shares in MSB for a total consideration of RM8,700,000. Following this transaction, OHB's equity interest in MSB had reduced from 50.6% as at 31 March 2022, to 49.2%.
 - (ii) On 18 July 2022, the Company announced the resignation of three of its Directors from the board (two of whom are common Directors of MSB), and the redesignation of a Director. As a result of the changes in the composition of the board of the Company, it would reduce the common directorships and management personnel with MSB's Board and Management. With effect from this date, the Company would now cease to have control over the Board and Management of MSB, and going forward would account for the interest in MSB as an investment in associate and no longer as a subsidiary.
- (d) On 9 December 2022, Bemed (PTJ) Sdn. Bhd. ("PTJ"), a 70% indirectly-owned subsidiary had completed the acquisition of BE Pharmacy Durian Tunggal ("BPD") (formerly known as AE Gangsa Healthcare ("Gangsa")), a partnership carrying on the business of pharmacy for a total cash consideration of RM109,153.
- (e) On 15 December 2022, OHB disposed a total of 135,000,000 ordinary MSB shares in a private placement for a total cash consideration of RM74,250,000. Subsequently, OHB's equity interest in MSB was further diluted to 36.3% as at 31 March 2023.
- (f) On 22 February 2023, PTJ, a 70% indirectly-owned subsidiary had completed the acquisition of RJ Drugstore Sdn. Bhd., a company carrying on the business of pharmacy for a total of consideration comprising cash consideration of RM900,000 and contingent consideration of RM550,000, which is subject to the achievement of net profit guarantee.

AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 31 March 2023 were as follows:

	Group RM	Company RM
Statutory audit	308,100	77,000
Other services	7,200	4,700
	315,300	81,700

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

Monteiro Gerard Clair
Director

Kuala Lumpur
18 July 2023

Mah Xian-Zhen
Director

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on pages 17 to 124 have been drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Monteiro Gerard Clair
Director

Mah Xian-Zhen
Director

Kuala Lumpur
18 July 2023

STATUTORY DECLARATION

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

I, Wong Kaixuan, being the officer primarily responsible for the financial management of Omesti Berhad, do solemnly and sincerely declare that the financial statements as set out on pages 17 to 124 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the abovenamed at)
Kuala Lumpur this)
18 July 2023)

Wong Kaixuan

Before me:

INDEPENDENT AUDITORS' REPORT

To the members of Omesti Berhad
Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Omesti Berhad, which comprise the statements of financial position as at 31 March 2023 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 17 to 124.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2023, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") 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 ("ISAs"). 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 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.

1. Impairment assessment of the carrying amount of goodwill

The carrying amount of goodwill as at 31 March 2023 amounted to RM14.1 million, as disclosed in Note 5 to the financial statements.

We determined this to be a key audit matter as the assessment of impairment based on the value-in-use model is complex and it requires significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the cash generating units ("CGU") in determining its recoverable amounts. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each CGU.

Audit response

Our audit procedures included the following:

- (i) compared prior period budgets to actual outcomes to assess reliability of management's forecasting process;
- (ii) assessed and evaluated the key assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rate used by management by comparing to the market data, weighted average cost of capital of the Group and relevant risk factors; and
- (iv) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact on the impairment assessment.

INDEPENDENT AUDITORS' REPORT (CONT'D.)

To the members of Omesti Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

KEY AUDIT MATTERS (CONT'D.)

2. *Impairment assessment on the carrying amount of other intangible assets*

As stated in Note 6(e) to the financial statements, the carrying amount of other intangible assets of the Group that has indication of impairment or that are not ready for intended use is RM145.8 million.

We determined this to be a key audit matter as the assessment of impairment based on the value in use model is complex and it requires significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the cash generating units ("CGU") in determining its recoverable amounts. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each CGU. Furthermore, the Group is in the process of a legal claim relating to certain portion of the other intangible assets as disclosed in Note 46(b) to the financial statements.

Audit response

Our audit procedures included the following:

- (i) compared prior period budgets to actual outcomes to assess reliability of management's forecasting process;
- (ii) assessed and evaluated the key assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rate used by management by comparing to the market data, weighted average cost of capital of the Group and relevant risk factors;
- (iv) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact on the impairment assessment; and
- (v) discussed the status and merit of the legal claim with management and solicitors, as well as obtained legal confirmation.

3. *Impairment of investment in an associate*

As at 31 March 2023, the net carrying amount of investment in an associate with impairment indicators, amounted to RM72.4 million as disclosed in Note 8(h) to the financial statements.

We determined this to be a key audit matter as the assessment of impairment based on the value-in-use model is complex and it requires significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the associate in determining its recoverable amounts. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for the associate.

Audit response

Our audit procedures included the following:

- (i) based on available market information, assessed and evaluated the key assumptions used in forecasting revenues, operating profit margins and growth rates;
- (ii) assessed appropriateness of pre-tax discount rate used by management by comparing to the market data, weighted average cost of capital of the associate and relevant risk factors; and
- (iii) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact on the impairment assessment.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

KEY AUDIT MATTERS (CONT'D.)

4. *Impairment assessment on the carrying amount of property, plant and equipment*

As stated in Note 13(d) to the financial statements, the carrying amount of property, plant and equipment as at 31 March 2023 of the Group which has impairment indicators was RM4.9 million. As such, management has performed impairment assessment on these Cash Generating Units ("CGUs").

We determined this to be a key audit matter as the assessment of impairment based on the value-in-use model is complex and it requires significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the CGUs in determining its recoverable amounts. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each CGU.

Audit response

Our audit procedures included the following:

- (i) compared prior period budgets to actual outcomes to assess reliability of management's forecasting process;
- (ii) assessed and evaluated the key assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rate used for the CGU by comparing to the weighted average cost of capital of the Group and relevant risk factors; and
- (iv) assessed and evaluated sensitivity analysis performed by management on the cash flow projections to evaluate the impact on the impairment assessment.

5. *Impairment assessment of the amounts owing by subsidiaries*

As at 31 March 2023, the gross amounts owing by subsidiaries of the Company were RM216.0 million and the accumulated impairment losses were RM87.2 million, as disclosed in Note 18 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the probability of default by subsidiaries, appropriate forward-looking information and significant increase in credit risk.

Audit response

Our audit procedures included the following:

- (i) recomputed probability of default using historical data and forward-looking adjustment applied by the Company;
- (ii) assessed the appropriateness of the indicators of significant increase in credit risk applied by the management and the resultant basis for classification of exposure into respective stages;
- (iii) discussed with management on the basis for determining cash flows recoverable, where applicable; and
- (iv) assessed actual loss events subsequent to the end of reporting period for its relationship with the indicators of significant increase in credit risk applied by management.



INDEPENDENT AUDITORS' REPORT (CONT'D.)

To the members of Omesti 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 financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRSs, 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 ability of the Group and of the Company 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 ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (cont'd.)

- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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



INDEPENDENT AUDITORS' REPORT (CONT'D.)

To the members of Omesti Berhad
(Incorporated in Malaysia)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

OTHER MATTERS

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

BDO PLT

201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Kuala Lumpur
18 July 2023

Koo Swee Lin

03281/08/2024 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2023

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
ASSETS					
Non-current assets					
Goodwill	5	14,099,456	51,196,060	–	–
Other intangible assets	6	161,908,907	260,881,864	76,929,233	80,004,554
Investments in subsidiaries	7	–	–	160,249,999	160,249,999
Investments in associates	8	309,245,719	87,682,611	–	–
Investment in a jointly-controlled Entity	9	–	–	–	–
Other investments	10	1,796,324	705,324	–	–
Deferred tax assets	12	720,783	3,496,828	–	–
Property, plant and equipment	13	28,854,379	53,018,034	2,523,620	5,762,712
Investment property	14	674,341	694,219	–	–
		517,299,909	457,674,940	239,702,852	246,017,265
Current assets					
Inventories and contract costs	15	12,213,153	14,762,455	1,894,385	2,627,654
Other investments	10	–	4,474,662	–	–
Trade receivables	16	15,456,143	52,416,440	5,028,227	18,603,476
Other receivables, deposits and prepayments	11	19,777,032	37,718,963	6,057,628	6,706,464
Contract assets	17	37,609	9,502,353	1,054,800	–
Amounts owing by subsidiaries	18	–	–	128,749,570	131,850,816
Amounts owing by associates	19	83,878	99,193	–	31,734
Amount owing by a jointly- controlled entity	20	1,267,015	1,111,028	82,859	65,791
Amount owing by related parties	21	5,583,854	–	300,000	6,777
Current tax assets		1,484,873	6,547,137	117,982	178,125
Cash and bank balances	22	49,296,390	97,510,235	10,954,372	11,583,020
		105,199,947	224,142,466	154,239,823	171,653,857
TOTAL ASSETS		622,499,856	681,817,406	393,942,675	417,671,122

STATEMENTS OF FINANCIAL POSITION (CONT'D.)

As at 31 March 2023

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	23	279,794,933	276,948,988	279,794,933	276,948,988
Reserves	24	50,544,519	50,846,806	51,784,506	51,784,506
Retained earnings/(Accumulated losses)		441,817	(133,113,992)	(148,238,914)	(169,542,198)
		330,781,269	194,681,802	183,340,525	159,191,296
Non-controlling interests	7	(4,115,419)	92,598,960	-	-
TOTAL EQUITY		326,665,850	287,280,762	183,340,525	159,191,296
LIABILITIES					
Non-current liabilities					
Borrowings	25	6,066,998	22,942,638	3,965,823	19,841,069
Redeemable preference shares	27	89,222,452	84,125,706	89,222,452	84,125,706
Lease liabilities	28	10,628,007	27,378,533	2,373,325	5,423,901
Provisions	29	115,525	4,302,628	115,525	868,349
Other payables, deposits and accruals	31	439,146	180,788	-	-
Deferred tax liabilities	12	2,030	3,746,876	-	-
		106,474,158	142,677,169	95,677,125	110,259,025
Current liabilities					
Trade payables	30	7,427,814	36,432,713	368,217	-
Other payables, deposits and accruals	31	42,846,120	38,650,349	2,665,798	6,401,824
Contract liabilities	32	24,692	18,721,852	-	1,389,367
Amounts owing to subsidiaries	18	-	-	40,823,136	114,788,262
Amounts owing to associates	19	1,089,945	233,747	-	8,446
Amounts owing to related parties	21	31,941,211	-	30,673,638	-
Amount owing to a jointly-controlled entity	20	20,076	135,627	-	-
Borrowings	25	89,437,030	131,862,241	39,889,080	24,667,781
Lease liabilities	28	16,552,365	22,882,385	505,156	725,795
Provisions	29	-	478,257	-	239,326
Current tax liabilities		20,595	2,462,304	-	-
		189,359,848	251,859,475	114,925,025	148,220,801
TOTAL LIABILITIES		295,834,006	394,536,644	210,602,150	258,479,826
TOTAL EQUITY AND LIABILITIES		622,499,856	681,817,406	393,942,675	417,671,122

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 March 2023

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
Continuing operations:					
Revenue	35	116,225,789	132,846,289	77,625,306	48,363,367
Cost of sales		(73,770,666)	(80,926,819)	(35,714,646)	(43,237,418)
Gross profit		42,455,123	51,919,470	41,910,660	5,125,949
Other operating income		19,563,936	9,860,246	1,890,306	2,326,344
Depreciation and amortisation expenses	6,13,14	(38,844,307)	(32,009,135)	(3,808,609)	(4,444,428)
Employee benefits	36	(25,807,433)	(22,247,996)	(4,624,044)	(6,948,556)
Other operating expenses		(44,999,313)	(17,153,129)	(5,320,352)	(8,722,633)
Net (losses)/gains on impairment of financial assets		(770,062)	(2,656,735)	5,079,113	(14,363,215)
Finance costs	37	(20,369,669)	(18,184,393)	(13,823,790)	(12,832,671)
Share of results of associates, net of tax	8	7,218,102	(2,511,424)	–	–
(Loss)/Profit before tax		(61,553,623)	(32,983,096)	21,303,284	(39,859,210)
Tax expense	38	(869,613)	(1,429,422)	–	(61,239)
(Loss)/Profit for the financial year from continuing operations		(62,423,236)	(34,412,518)	21,303,284	(39,920,449)
Discontinued operation:					
– Results from operation		6,589,602	25,518,816	–	–
– Gain on disposal of subsidiaries	7	184,923,264	–	–	–
Profit for the financial year from discontinued operation, net of tax		191,512,866	25,518,816	–	–
Profit/(Loss) for the financial year		129,089,630	(8,893,702)	21,303,284	(39,920,449)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D.)

For the financial year ended 31 March 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Profit/(Loss) for the financial year		129,089,630	(8,893,702)	21,303,284	(39,920,449)
Other comprehensive (loss)/income, net of tax					
Items that may be reclassified subsequently to profit or loss					
<i>Continuing operations:</i>					
Foreign currency translations for foreign operations, net of tax		369,630	(790,761)	-	-
Cumulative exchange differences reclassified to profit or loss upon disposal	7(d)	(184,900)	-	-	-
Share of other comprehensive (loss)/income of associates, net of tax	8	(220,655)	20,174	-	-
Total other comprehensive loss from continuing operations		(35,925)	(770,587)	-	-
<i>Discontinued operation:</i>					
Foreign currency translations for foreign operations, net of tax		(240,766)	681	-	-
Cumulative exchange differences reclassified to profit or loss upon disposal	7(d)	(23,733)	-	-	-
Total other comprehensive (loss)/income from discontinued operation		(264,499)	681	-	-
Total other comprehensive loss		(300,424)	(769,906)	-	-
Total comprehensive income/(loss)		128,789,206	(9,663,608)	21,303,284	(39,920,449)

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

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Profit/(Loss) attributable to:					
Owners of the Company					
– from continuing operations		(64,999,593)	(34,435,583)	21,303,284	(39,920,449)
– from discontinued operation		191,512,560	14,266,353	–	–
Non-controlling interests	7(e)	126,512,967	(20,169,230)	21,303,284	(39,920,449)
		2,576,663	11,275,528	–	–
		129,089,630	(8,893,702)	21,303,284	(39,920,449)
Total comprehensive income/(loss) attributable to:					
Owners of the Company					
– from continuing operations		(65,301,880)	(35,160,971)	21,303,284	(39,920,449)
– from discontinued operation		191,512,560	14,264,499	–	–
Non-controlling interests	7(e)	126,210,680	(20,896,472)	21,303,284	(39,920,449)
		2,578,526	11,232,864	–	–
		128,789,206	(9,663,608)	21,303,284	(39,920,449)
Basic and diluted earnings/(loss) per share (sen)					
– from continuing operations		(12.13)	(6.46)		
– from discontinued operation		35.74	2.68		
Basic (loss)/Earnings per share	39	23.61	(3.78)		

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2022

Group	Note	<----- Non-distributable ----->					Total attributable to owners of the Company RM	Non- controlling interests RM	Total equity RM
		Share capital RM	Capital reserve RM	Warrant reserve RM	Exchange translation reserve RM	Accumulated losses RM			
Balance as at 1 April 2021		276,259,614	24,663,246	27,121,260	(210,458)	(114,392,303)	213,441,359	49,721,290	263,162,649
(Loss)/Profit for the financial year		-	-	-	-	(20,169,230)	(20,169,230)	11,275,528	(8,893,702)
Foreign currency translations for foreign operations, net of tax		-	-	-	(747,416)	-	(747,416)	(42,664)	(790,080)
Share of other comprehensive income of associates, net of tax		-	-	-	20,174	-	20,174	-	20,174
Total comprehensive (loss)/income		-	-	-	(727,242)	(20,169,230)	(20,896,472)	11,232,864	(9,663,608)
Transactions with owners									
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	23	689,374	-	-	-	-	689,374	2,943,630	3,633,004
Shares issued pursuant to private placement		-	-	-	-	-	-	31,340,974	31,340,974
Effects arising from acquisition of subsidiaries		-	-	-	-	-	-	1,427,642	1,427,642
Arising from accretion of equity interests in subsidiaries		-	-	-	-	1,447,541	1,447,541	(4,067,440)	(2,619,899)
Total transactions with owners		689,374	-	-	-	1,447,541	2,136,915	31,644,806	33,781,721
Balance as at 31 March 2022		276,948,988	24,663,246	27,121,260	(937,700)	(133,113,992)	194,681,802	92,598,960	287,280,762

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

Group	Note	Non-distributable					(Accumulated losses)/ Retained earnings		Total attributable to owners of the Company	Non-controlling interests	Total equity
		Share capital	Capital reserve	Warrant reserve	Exchange translation reserve	RM	RM	RM			
		RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Balance as at 1 April 2022		276,948,988	24,663,246	27,121,260	(937,700)	(133,113,992)	194,681,802	92,598,960	287,280,762		
Profit for the financial year		-	-	-	-	126,512,967	126,512,967	2,576,663	129,089,630		
Foreign currency translations for foreign operations, net of tax		-	-	-	(81,632)	-	(81,632)	1,863	(79,769)		
Share of other comprehensive income of associates, net of tax		-	-	-	(220,655)	-	(220,655)	-	(220,655)		
Total comprehensive (loss)/income		-	-	-	(302,287)	126,512,967	126,210,680	2,578,526	128,789,206		
Transactions with owners											
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	23	2,845,945	-	-	-	-	2,845,945	513,000	3,358,945		
Effects from dilution of a subsidiary		-	-	-	-	-	-	152,839	152,839		
Effects arising from disposal of subsidiaries		-	-	-	-	-	-	(105,059,280)	(105,059,280)		
Arising from accretion of equity interests in subsidiaries		-	-	-	-	82,613	82,613	-	82,613		
Arising from dilution of equity interests in subsidiaries		-	-	-	-	6,960,229	6,960,229	5,325,936	12,286,165		
Dividend paid to non-controlling interests		-	-	-	-	-	-	(225,400)	(225,400)		
Total transactions with owners		2,845,945	-	-	-	7,042,842	9,888,787	(99,292,905)	(89,404,118)		
Balance as at 31 March 2023		279,794,933	24,663,246	27,121,260	(1,239,987)	441,817	330,781,269	(4,115,419)	326,665,850		

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2022

Company	Note	<----- Non-distributable ----->			Accumulated losses RM	Total equity RM
		Share Capital RM	Capital reserve RM	Warrant reserve RM		
Balance as at 1 April 2021		276,259,614	24,663,246	27,121,260	(129,621,749)	198,422,371
Loss for the financial year		-	-	-	(39,920,449)	(39,920,449)
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive loss		-	-	-	(39,920,449)	(39,920,449)
Transaction with owners						
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	23	689,374	-	-	-	689,374
Total transaction with owners		689,374	-	-	-	689,374
Balance as at 31 March 2022		276,948,988	24,663,246	27,121,260	(169,542,198)	159,191,296
Balance as at 1 April 2022		276,948,988	24,663,246	27,121,260	(169,542,198)	159,191,296
Profit for the financial year		-	-	-	21,303,284	21,303,284
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	21,303,284	21,303,284
Transaction with owners						
Shares issued pursuant to Employee Share Grant Plan ("ESGP")	23	2,845,945	-	-	-	2,845,945
Total transaction with owners		2,845,945	-	-	-	2,845,945
Balance as at 31 March 2023		279,794,933	24,663,246	27,121,260	(148,238,914)	183,340,525

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

STATEMENTS OF CASH FLOWS

For the financial year ended 31 March 2023

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
(Loss)/Profit before tax					
– continuing operations		(61,553,623)	(32,983,096)	21,303,284	(39,859,210)
– discontinued operation	7(d)(iii)	7,390,385	34,290,805	–	–
Adjustments for:					
Amortisation of:					
– software development costs and purchased software	6	14,126,278	7,904,017	–	–
– license agreements	6	3,255,195	4,078,271	3,075,321	3,358,775
Other intangible assets written off	6	–	1,041,800	–	1,041,800
Bad debts written off		280,453	–	28,180	–
Depreciation of:					
– property, plant and equipment	13	25,868,796	26,423,667	733,288	1,085,653
– investment property	14	19,878	19,877	–	–
Equity settled share-based payment expense		3,358,945	3,633,004	1,374,375	689,374
Net gain on disposal of equity interest in associates		(4,234,233)	–	–	–
Net (gain)/loss on fair value adjustments on other investments	10(b)	(35,500)	133,099	–	–
Net gain on disposal of:					
– property, plant and equipment		(373,949)	–	(271,191)	–
– other investments		(33,885)	(1,728,300)	–	–
– investments in subsidiaries	7(d)(iii)	(4,182,933)	–	–	–
Impairment losses on:					
– trade receivables	16(e)	663,271	793,712	–	–
– other receivables	11(c)	44,898	2,463,415	–	–
– contract assets	17(b)	–	14,189	–	–
– amounts owing by subsidiaries	18(g)	–	–	18,524,351	14,481,990
– amounts owing by related parties	21(e)	2,760,619	–	–	–
– investment property	14	–	240,000	–	–
– property, plant and equipment	13	56,345	–	–	–
– investments in associates	8(g)	14,347,624	–	–	–
Interest expense		20,432,801	19,143,077	13,823,754	12,832,671
Interest income		(629,323)	(1,026,162)	(227,993)	(210,850)
Inventories written off	15(a)(ii)	25,610	592,317	–	–
Property, plant and equipment written off	13	2,510,750	–	–	–
Dividend income				–	–
(Reversal of)/Provision for gratuity obligations	29	(2,597,477)	(17,377)	(992,150)	75,990
Reversal of impairment losses on:					
– trade receivables	16(e)	(459,665)	(800,161)	–	–
– other receivables	11(c)	(2,024,206)	(21,309)	–	–
– amounts owing by related parties	21(e)	(214,855)	–	–	–
– amounts owing by subsidiaries	18(g)	–	–	(23,603,464)	(118,775)
Share of (profit)/loss of associates	8(c)	(7,218,102)	2,511,424	–	–
Net unrealised (gain)/loss on foreign currency exchange		(177,612)	–	(498,787)	483,033
Dividend income		(47,343)	(50,600)	(46,500,000)	–
Operating profit/(loss) before changes in working capital		11,359,142	66,655,669	(13,231,032)	(6,139,549)

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

STATEMENTS OF CASH FLOWS (CONT'D.)
For the financial year ended 31 March 2023

	Group		Company	
Note	2023 RM	2022 RM	2023 RM	2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES (cont'd.)				
Changes in working capital:				
Inventories and contract costs	(11,604,444)	10,293,351	733,269	2,382,161
Trade receivables	12,864,689	(5,329,687)	13,575,249	(17,627,429)
Other receivables, deposits and prepayments	9,044,619	(22,566,947)	620,656	(4,941,699)
Contract assets	(10,929,053)	(2,045,368)	(1,054,800)	-
Trade payables	(14,083,099)	(12,420,896)	368,217	-
Other payables, deposits and accruals	19,403,978	(30,130,938)	(9,058,094)	(1,402,211)
Amounts owing by/(to) associates	(10,610,541)	-	31,734	-
Amounts owing by/(to) related parties	23,811,593	-	30,380,415	-
Contract liabilities	(1,869,976)	-	(1,389,367)	(3,248,193)
Cash generated used in operations	27,386,908	4,455,184	20,976,247	(30,976,920)
Tax paid	(5,496,957)	(7,687,773)	(38,689)	(63,532)
Tax refunded	113,027	17,560	98,832	-
Net cash from/(used in) operating activities	22,002,978	(3,215,029)	21,036,390	(31,040,452)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of additional interests in subsidiary	82,613	(24,648,780)	-	-
Net proceeds from dilution of interests in subsidiary	12,439,004	-	-	-
Net proceeds from dilution of interests/ (acquisitions of additional interests) in associates	72,282,107	(1,441,386)	-	-
Acquisition of subsidiaries and a business, net of cash acquired	7(d)(ii) (829,406)	(11,436,163)	-	-
Interest received	629,323	1,026,162	227,993	210,850
Dividend received	47,343	50,600	-	-
Net repayments from/(advances to) subsidiaries	-	-	56,650,716	(96,319,523)
Net (repayments to)/advances from subsidiaries	-	-	(73,965,126)	23,364,224
Net advances to a jointly-controlled entity	(271,538)	-	(17,068)	(70,548)
Net advances to a related companies	-	-	(8,446)	(30,065)
Proceeds from disposal of other investments	1,588,220	19,407,967	-	-
Proceeds from disposal of property, plant and equipment	91,886	-	-	-
Proceeds from disposal of subsidiaries, net of cash and cash equivalents disposed	7(d)(iii) (41,047,319)	-	-	-

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

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
CASH FLOWS FROM INVESTING ACTIVITIES (cont'd.)					
Purchase of other intangible assets	13	(14,248,150)	(80,035,705)	–	(33,107,384)
Purchase of other investments		(12,245,251)	(21,847,982)	–	–
Purchase of property, plant and equipment		(1,996,730)	(307,219)	–	–
Net placement of deposits pledged to licensed banks		(583,008)	(12,751,720)	(668,377)	(10,136,541)
Net cash from/(used in) investing activities		15,939,094	(131,984,226)	(17,780,308)	(116,088,987)
CASH FLOWS FROM FINANCING ACTIVITIES					
Drawdown of:					
– invoice financing, trust receipts and term loans		78,547,487	138,866,970	30,000,000	45,000,000
Repayments of					
– invoice financing, trust receipts and term loans		(124,760,052)	(79,710,301)	(29,684,814)	(10,440,519)
– lease liabilities		(23,045,999)	(23,632,272)	(772,673)	(1,066,015)
Interest paid		(9,459,601)	(8,028,164)	(3,126,487)	(2,259,992)
Net proceeds of a private placement exercise in a subsidiary		–	53,369,855	–	–
Dividend paid to non-controlling interests		(225,400)	–	–	–
Net cash (used in)/from financing activities		(78,943,565)	80,866,088	(3,583,974)	31,233,474
Net changes in cash and cash equivalents		(41,001,493)	(54,333,167)	(327,892)	(115,895,965)
Cash and cash equivalents at beginning of financial year		61,400,907	116,524,550	(8,502,890)	107,393,075
Effect of changes in exchange rates		297,130	(790,476)	–	–
Cash and cash equivalents at end of financial year	22	20,696,544	61,400,907	(8,830,782)	(8,502,890)

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

STATEMENTS OF CASH FLOWS (CONT'D.)
For the financial year ended 31 March 2023

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Term loans (Note 25)		Invoice financing and trust receipts (Note 25)		Redeemable preference shares (Note 27)		Lease liabilities (Note 28)	
	Group RM	Company RM	Group RM	Company RM	Group RM	Company RM	Group RM	Company RM
At 1 April 2021	61,009,837	-	19,501,902	-	79,320,107	79,320,107	54,633,249	629,056
Cash flows	48,568,539	34,559,481	10,588,130	-	-	-	(23,632,272)	(1,066,015)
Non-cash flows:								
- Unwinding of interest	-	-	-	-	4,805,599	4,805,599	987,246	445,012
- Additions of leases	-	-	-	-	-	-	16,940,559	6,141,643
- Remeasurement	-	-	-	-	-	-	31,119	-
- Acquisition of subsidiaries	2,706,283	-	-	-	-	-	1,616,101	-
- Lease termination	-	-	-	-	-	-	(315,084)	-
At 31 March 2022	112,284,659	34,559,481	30,090,032	-	84,125,706	84,125,706	50,260,918	6,149,696
At 1 April 2022	112,284,659	34,559,481	30,090,032	-	84,125,706	84,125,706	50,260,918	6,149,696
Cash flows	(29,830,078)	315,186	(16,382,487)	-	-	-	(23,045,999)	-
Non-cash flows:								
- Unwinding of interest	-	-	-	-	5,096,746	5,096,746	549,970	(772,673)
- Additions of leases	-	-	-	-	-	-	8,907,297	278,453
- Remeasurement	-	-	-	-	-	-	423,118	-
- Acquisition of subsidiaries	360,090	-	-	-	-	-	3,600	-
- Disposal of subsidiaries	-	-	(9,998,493)	-	-	-	(6,768,819)	-
- Lease termination	-	-	-	-	-	-	(3,149,713)	(2,776,995)
At 31 March 2023	82,814,671	34,874,667	3,709,052	-	89,222,452	89,222,452	27,180,372	2,878,481

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

NOTES TO THE FINANCIAL STATEMENTS

31 March 2023

1. CORPORATE INFORMATION

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

The registered office and principal place of business of the Company is located at Ho Hup Tower - Aurora Place, 2-07-01-Level 7 Plaza Bukit Jalil, No. 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur.

The consolidated financial statements for the financial year ended 31 March 2023 comprise the Company and its subsidiaries and the interests of the Group in associates and a jointly controlled entity. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company.

The financial statements were authorised for issuance in accordance with a resolution by the Board of Directors on 18 July 2023.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities, the provision of management services and the provision of information technology and maintenance services. The principal activities of the subsidiaries are mainly provision of information technology services in terms of hardware, software, consultation services and maintenance to the telecommunication, oil and gas and government sectors, investment holding activities, provision of corporate secretarial, accounting and payroll services, design and development of application software and website, provision and management of co-working spaces, provision of medical and laboratory related services and trading of pharmaceutical products.

Further details of the subsidiaries have been disclosed in Note 7 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 have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act 2016 in Malaysia.

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of new MFRSs during the financial year. The new MFRSs and Amendments to MFRSs adopted during the financial year are disclosed in Note 45.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

During the financial year ended 31 March 2023, the Group's continuing operations incurred loss of RM62,423,236 and, as of that date, the current liabilities of the Group exceeded their current assets by RM84,159,901. The Directors are of the opinion that the Group will have sufficient cash flows for the next twelve (12) months from the date of the financial statements to meet their cash flows requirement and there is no material uncertainty on the ability of the Group to continue as a going concern as the Group has sufficient unutilised banking facilities which are readily available to the Group on top of the funds to be generated from operations of the Group in the next twelve (12) months.

4. OPERATING SEGMENTS

The Company and its subsidiaries in Malaysia are principally engaged in the distribution, maintenance and development of computer hardware and software and advisory and consultancy for computer software solutions, as well as the provision of healthcare services; whilst its subsidiaries in Singapore, Indonesia, Vietnam and Brunei are principally engaged in advisory and consultancy for computer software solutions.

(a) Reportable segments

The Group has arrived at 4 reportable segments that are organised and managed separately according to the nature of products and services, specific expertise and technological requirements, which requires different business and marketing strategies. These reportable segments are as follows:

(i) **Business Performance Services**

Provision of business performance improvement related services;

(ii) **Trading and Distribution Services (discontinued, see Note 7(d)(iii))**

Distribution and reselling of hardware and software and related services;

(iii) **Digital and Infrastructure Services**

Provision of a comprehensive range of tele/data communication, networking solutions and related services; and

(iv) **Healthcare Services**

Distribution of pharmaceutical products, vaccines and medical devices and provision of various medical services.

Other segments comprise operations related to investment holding activities.

The Group evaluates performance on the basis of profit or loss from operations before tax.

Inter-segment revenue is priced along the same lines as sales to external customers and is eliminated in the consolidated financial statements. These policies have been applied consistently throughout the financial years.

The inter-segment assets are adjusted against the segment assets to arrive at total assets reported in the statements of financial position.

The inter-segment liabilities are adjusted against the segment liabilities to arrive at total liabilities reported in the statements of financial position.

4. OPERATING SEGMENTS (CONT'D.)

(a) Reportable segments (cont'd.)

2023	Continuing operations				Discontinued operation# -->			
	Business Performance Services RM	Digital and Infrastructure Services RM	Healthcare Services RM	Others RM	Business Performance Services RM	Trading and Distribution Services RM	Elimination RM	Consolidation RM
Revenue								
External sales	92,345,033	54,970	22,736,238	1,089,548	15,296,007	30,088,082	-	161,609,878
Inter-segment sales	9,873,490	-	-	49,443,350	13,813,660	2,540,105	(75,630,915)	-
Total	102,218,523	54,970	22,736,238	50,532,898	29,109,667	32,628,187	(75,630,915)	161,609,878
Results								
Segment results	(12,824,670)	2,275,452	(530,377)	994,704	8,588,075	54,478	(40,135,524)	(41,577,862)
Interest expense	(165,447)	(14,830)	(159,833)	(19,569,850)	(185,010)	(337,831)	-	(20,432,801)
Interest income	238,056	-	-	242,647	88,537	60,083	-	629,323
Share of profit in associates, net of tax	-	-	-	7,218,102	-	-	-	7,218,102
(Loss)/Profit before tax	(12,752,061)	2,260,622	(690,210)	(11,114,397)	8,491,602	(223,270)	(40,135,524)	(54,163,238)
Gain on disposal of subsidiaries								184,923,264
Tax expense								(1,670,396)
Profit for the financial year								129,089,630
Other information								
Segment assets	249,955,963	3,199,870	23,705,307	664,741,491	-	-	(319,102,775)	622,499,856
Segment liabilities	190,981,297	31,561,840	17,487,887	429,086,875	-	-	(373,283,893)	295,834,006
Capital expenditure	5,743	-	616,371	638,254	57,647	-	-	1,318,015
Depreciation and amortisation	29,432,940	107,192	1,310,791	7,993,384	3,699,849	725,993	-	43,270,148
Non-cash expenses other than depreciation and amortisation	5,184,304	83,292	196,116	44,121,392	149,913	13,095	-	49,748,112

Relates to the disposal of MSB which contributed to the Business Performance Services and Trading and Distribution Services segments.

4. OPERATING SEGMENTS (CONT'D.)**(a) Reportable segments (cont'd.)**

	Continuing operations				Discontinued operation# -->			
	Business Performance Services	Digital and Infrastructure Services	Healthcare Services	Others	Business Performance Services	Trading and Distribution Services	Elimination	Consolidation
2022	RM	RM	RM	RM	RM	RM	RM	RM
Revenue								
External sales	116,775,732	57,120	15,367,782	645,655	36,832,980	135,614,513	-	305,293,782
Inter-segment sales	19,707,440	-	-	480,065	52,524,636	9,224,848	(81,936,989)	-
Total	136,483,172	57,120	15,367,782	1,125,720	89,357,616	144,839,361	(81,936,989)	305,293,782
Results								
Segment results	(14,906,730)	(656,345)	2,600,247	43,812,891	19,851,222	15,650,651	(44,415,888)	21,936,048
Interest expense	(13,135,919)	(22,353)	(34,171)	(4,404,905)	(602,412)	(943,317)	-	(19,143,077)
Interest income	596,945	-	19	117,259	217,218	94,721	-	1,026,162
Share of profit in associates, net of tax	-	-	-	(2,511,424)	-	-	-	(2,511,424)
(Loss)/Profit before tax	(27,445,704)	(678,698)	2,566,095	37,013,821	19,466,028	14,802,055	(44,415,888)	1,307,709
Tax expense								(10,201,411)
Loss for the financial year								(8,893,702)
Other information								
Segment assets	636,456,897	2,357,196	26,872,175	257,508,925	203,233,745	98,543,115	(543,154,647)	681,817,406
Segment liabilities	495,246,247	31,068,631	19,879,109	234,482,154	83,178,022	16,862,044	(486,179,563)	394,536,644
Capital expenditure	6,599	-	106,782	19,474	156,132	18,232	-	307,219
Depreciation and amortisation	30,553,648	107,192	225,824	402,976	6,326,246	90,451	719,495	38,425,832
Non-cash expenses other than depreciation and amortisation	19,104,317	79,468	41,726	5,355,481	10,242,766	6,137,042	-	40,960,800

Relates to the disposal of MSB which contributed to the Business Performance Services and Trading and Distribution Services segments.

4. OPERATING SEGMENTS (CONT'D.)

(b) Geographical segments

	Revenue RM	Segment assets RM	Segment liabilities RM	Capital expenditure RM	Depreciation and amortisation RM
2023					
Malaysia	161,277,944	619,112,157	280,001,897	1,316,270	43,268,403
Singapore	-	424,185	6,453,028	-	-
Indonesia	-	3,433	5,872,290	-	-
Vietnam	331,934	285,914	3,397,276	1,745	1,745
Brunei	-	2,674,167	109,515	-	-
	161,609,878	622,499,856	295,834,006	1,318,015	43,270,148
2022					
Malaysia	305,293,782	678,675,832	372,755,763	305,420	38,424,033
Singapore	-	443,300	13,248,314	-	-
Indonesia	-	3,568	5,392,475	-	-
Vietnam	-	20,538	3,030,578	1,799	1,799
Brunei	-	2,674,168	109,514	-	-
	305,293,782	681,817,406	394,536,644	307,219	38,425,832

Geographical segments of the Group are presented based on the physical geographical locations of subsidiaries of the Group.

Included in total revenue is revenue generated from one (1) customer amounting to RM29,604,019, (2022: RM47,423,649) representing 18.3% (2022: 15.5%) of the total revenue, arising from business performance services segment.

5. GOODWILL ON CONSOLIDATION

	Group	
	2023 RM	2022 RM
Cost	14,099,456	57,000,781
Less: Accumulated impairment losses	–	(5,804,721)
Carrying amount	14,099,456	51,196,060

- (a) Goodwill on consolidation is accounted for using the proportionate method. After initial recognition, goodwill on consolidation is measured at cost less any accumulated impairment losses.
- (b) Goodwill on consolidation arising from business combinations have been allocated to the CGUs of the Group based on the following reportable segments:

	Business Performance Services RM	Trading and Distribution Services RM	Healthcare Services RM	Total RM
As at 31 March 2022	36,260,111	1,767,113	13,168,836	51,196,060
Disposal of subsidiaries	(36,260,111)	(1,767,113)	–	(38,027,224)
Acquisition of a subsidiary and a pharmaceutical business	–	–	930,620*	930,620
As at 31 March 2023	–	–	14,099,456	14,099,456

* This goodwill has been determined as disclosed in Note 7(d)(ii) to the financial statements.

- (c) Impairment assessment on the carrying amount of goodwill on consolidation is performed at least on an annual basis. The Directors have made significant judgements and estimates about the future results and key assumptions applied to cash flow forecasts of the CGUs in determining its recoverable amount.

Recoverable amounts of goodwill on consolidation for both financial years have been determined based on the value-in-use method using the following assumptions:

- Cash flow forecasts based on approved financial budgets covering a five (5) year period;
- Pre-tax discount rate of the Group of 12.0% (2022: 7.40% - 9.72%) per annum;
- Average forecasted growth rates of 9.0% (2022: 5% to 10%) based on past performance of the segment;
- Terminal value based on the fifth-year cash flow without incorporating any growth rate; and
- Projected profit margins based on historical profit margins achieved.

A reasonable change in the assumptions above would not cause any further impairment loss on goodwill on consolidation.

5. GOODWILL ON CONSOLIDATION (CONT'D.)

(d) Movements in accumulated impairment losses are as follows:

	Group	
	2023 RM	2022 RM
At 1 April 2022/2021	5,804,721	-
Charge for the year	-	5,804,721
Disposal of subsidiaries	(5,804,721)	-
At 31 March 2023/2022	-	5,804,721

6. OTHER INTANGIBLE ASSETS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Software development costs and purchased software				
As at 1 April 2022/2021	180,637,507	135,986,100	-	-
Additions during the year	14,248,150	49,552,091	-	-
Acquisition of subsidiaries	-	3,003,333	-	-
Disposal of subsidiaries	(95,779,705)	-	-	-
Amortisation charge during the year	(14,126,278)	(7,904,017)	-	-
As at 31 March 2023/2022	84,979,674	180,637,507	-	-
License agreements				
As at 1 April 2022/2021	80,244,357	44,535,215	80,004,554	43,575,916
Additions during the year	-	40,829,213	-	40,829,213
Disposal of subsidiaries	(59,929)	-	-	-
Amortisation charge during the year	(3,255,195)	(4,078,271)	(3,075,321)	(3,358,775)
Written off	-	(1,041,800)	-	(1,041,800)
As at 31 March 2023/2022	76,929,233	80,244,357	76,929,233	80,004,554
Total other intangible assets	161,908,907	260,881,864	76,929,233	80,004,554

6. OTHER INTANGIBLE ASSETS (CONT'D.)

Group	<----- As at 31.3.2023 ----->			
	Cost RM	Accumulated amortisation RM	Accumulated impairment losses RM	Carrying amount RM
Software development costs and purchased software	91,637,196	(4,011,851)	(2,645,671)	84,979,674
License agreements	82,321,529	(5,392,296)	-	76,929,233
	173,958,725	(9,404,147)	(2,645,671)	161,908,907

Group	<----- As at 31.3.2022 ----->			
	Cost RM	Accumulated amortisation RM	Accumulated impairment losses RM	Carrying amount RM
Software development costs and purchased software	224,578,167	(40,353,464)	(3,587,196)	180,637,507
License agreements	88,796,962	(8,552,605)	-	80,244,357
	313,375,129	(48,906,069)	(3,587,196)	260,881,864

Company	<----- As at 31.3.2023 ----->		
	Cost RM	Accumulated amortisation RM	Carrying amount RM
License agreements	82,321,529	(5,392,296)	76,929,233

Company	<----- As at 31.3.2022 ----->		
	Cost RM	Accumulated amortisation RM	Carrying amount RM
License agreements	82,321,529	(2,316,975)	80,004,554

- (a) Software development costs, purchased software and license agreements are intangible assets with finite useful lives that are measured after initial recognition at cost less accumulated amortisation and accumulated impairment losses.

6. OTHER INTANGIBLE ASSETS (CONT'D.)

- (b) Amortisation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The estimated useful lives represent common life expectancies applied in the industry within which the Group and the Company operate. The principal amortisation periods are as follows:

Software development costs and purchased software	3 to 10 years
License agreements	5 to 10 years

Included in license agreements of the Group and of the Company are amounts of RM63,470,026 and RM63,470,026 (2022: RM66,405,822 and RM66,405,822) respectively which were not subject to amortisation as these license agreements were not ready for intended use by the management.

- (c) Movements in accumulated impairment losses are as follows:

	Group	
	2023 RM	2022 RM
As at 1 April 2022/2021	3,587,196	3,587,196
Disposal of subsidiaries	(941,525)	–
As at 31 March 2023/2022	2,645,671	3,587,196

- (d) During the financial year, the Group and the Company made the following cash payments to purchase other intangible assets:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Purchase of other intangible Assets	14,248,150	90,381,304	–	40,829,213
Capitalisation of contract costs	–	(10,345,599)	–	(7,721,829)
Cash payment on purchase of other intangible assets	14,248,150	80,035,705	–	33,107,384

- (e) Impairment assessment

The Group assessed whether there were any indicators of impairment during the financial year on intangible assets that are ready for use and also carries out impairment assessment at least on an annual basis for other intangible assets that are not ready for intended use.

In doing this, management considered the current environment and performance of the Cash Generating Units ("CGUs"). The carrying amount of other intangible assets of the Group that has indication of impairment or that are not ready for intended use is RM145.8 million. Furthermore, the Group is in the process of a legal claim relating to certain portion of the other intangible assets as disclosed in Note 46(b) to the financial statements.

6. OTHER INTANGIBLE ASSETS (CONT'D.)**(e) Impairment assessment (cont'd.)**

Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the CGUs in determining their recoverable amounts using the value-in-use model. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate used for each CGU. Management has determined that the recoverable amounts are in excess of the carrying amounts of these other intangible assets and no further impairment loss has been recorded in the current financial year.

7. INVESTMENTS IN SUBSIDIARIES

	Company	
	2023 RM	2022 RM
Unquoted shares, at cost	186,361,647	186,361,647
Less: Accumulated impairment losses	(26,111,648)	(26,111,648)
	160,249,999	160,249,999

- (a) Investments in subsidiaries are measured at cost. Non-controlling interests are measured at their proportionate share of the net assets of subsidiaries, unless another measurement basis is required by MFRSs.
- (b) Impairment assessment

The management has assessed whether there were any indicators of impairment in the subsidiaries during the financial year. In doing this, management considered the current environment and performance of the affected subsidiaries. Management has considered the shareholders' deficit as at financial year end in certain subsidiaries as impairment indicators. The carrying amount of these subsidiaries as at 31 March 2023 was RM250,000.

Management has made judgements and estimates about the future results and key assumptions applied to cash flow projections of the affected subsidiaries in determining their recoverable amounts using the value-in-use model. These key assumptions include forecasted revenue growth rates and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rate used for each subsidiary. Management has determined that the recoverable amounts are in excess of the carrying amounts of the investments in subsidiaries and no further impairment has been recorded in the current financial year.

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Details of the subsidiaries are as follows:

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiaries		
		2023 %	2022 %	2023 %	2022 %	
Continuous Network Advisers Sdn. Bhd. ("CNA")	Malaysia	100	100	–	–	Investment holding activities
Man Yau Holdings Berhad ("MYHB")	Malaysia	100	100	–	–	Investment holding activities
Omesti Holdings Berhad ("OHB")	Malaysia	100	100	–	–	Investment holding activities
Continuous Network Services Sdn. Bhd. ("CNS")	Malaysia	100	100	–	–	Provision of corporate secretarial, accounting and payroll services
Formis Research and Development Sdn. Bhd. ("FRDEV")	Malaysia	100	100	–	–	Development of application software, system integration services and the provision of hardware and software maintenance services
Subsidiaries of CNA						
Yakimbi Sdn. Bhd. ("Yakimbi")	Malaysia	–	–	94.4	94.4	Designing and development of website, software, maintenance services and other related services
Chelsea Apps Factory Bangsar Sdn. Bhd. ("CAFB")	Malaysia	–	–	80	80	Designing and development of software for mobile phone devices
Microlink Solutions Pte. Ltd. ("MSPL") (f.k.a Formis Labs Singapore Pte. Ltd. ("FLS"))†	Republic of Singapore	–	–	–	100	Distributing and marketing online video surveillance and analytics services
Omesti Actify Sdn. Bhd. ("OAS")	Malaysia	–	–	100	100	Distribution, marketing, implementing and maintenance of accounting, inventory and goods and services tax accounting software to small and medium sized enterprise in Malaysia
Omesti Data Sdn. Bhd. ("ODSB")	Malaysia	–	–	100	100	Development of information technology and software development on e-payment and remittance of funds and other related services
Bancore Asia Pte. Ltd. ("BAP")†	Republic of Singapore	–	–	100	100	Distributing, marketing, implementing and maintaining financial technology software in Asia Pacific region

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Details of the subsidiaries are as follows: (cont'd.)

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiaries		
		2023 %	2022 %	2023 %	2022 %	
Subsidiaries of BAP						
Bancore Sdn. Bhd. ("BANCORE")	Malaysia	–	–	100	100	Provision of information technology solutions and services in terms of hardware, software, consultancy and maintenance for the whole remittance industry
Microlink Solutions Vietnam Company Limited ("MSV") (f.k.a Omesti Vietnam Company Limited)#	Socialist Republic of Vietnam	–	–	100	100	Consulting services, software implementation services, data processing services, database services and maintenance services
Subsidiaries of MYHB						
Omesti Assist Sdn. Bhd. ("OASB")	Malaysia	–	–	100	100	Investment holding and development of application software, system integration services and the provision of hardware and software maintenance services
Formis Software & Technologies Sdn. Bhd. ("FSTECH")	Malaysia	–	–	100	100	Development of application software, system integration services and the provision of hardware and software maintenance services
Channel Legacy Sdn. Bhd. ("CLSB")	Malaysia	–	–	60	60	Investment holding activities
Subsidiary of OASB						
PDAC Formis Sdn. Bhd. ("PDAC")†	Brunei	–	–	70	70	Carry on businesses in Brunei amongst others, in information technology related businesses, property development
Subsidiaries of OHB						
Formis Network Services Sdn. Bhd. ("FNS")	Malaysia	–	–	51	51	Provision of information technology services in terms of hardware, software, consultancy and maintenance to telecommunication, oil and gas and government sectors
Com-Line Systems Sdn. Bhd. ("CLS")	Malaysia	–	–	85	85	Development of standard application packages and the provision of turnkey solution development services

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Details of the subsidiaries are as follows: (cont'd.)

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiaries		
		2023 %	2022 %	2023 %	2022 %	
Subsidiaries of OHB (cont'd.)						
Microlink Solutions Berhad ("MSB")^	Malaysia	–	–	–	50.6	Investment holding and provision of research and development on information technology solutions to the financial services industry
Mindforum Sdn. Bhd. ("MF")	Malaysia	–	–	70	70	Provision of training, consultancy, advisory and other related services
PT Formis Solusi Indonesia ("PTFSI")#	Republic of Indonesia	–	–	100	100	Engaging in the business activity of information technology
Formis International Limited ("FIL")	Federal Territory of Labuan	–	–	100	100	Provision of hardware and software information technology for the international market
Ohana Communications Sdn. Bhd. ("OCS")	Malaysia	–	–	100	100	Provision of network connectivity and bandwidth services in Malaysia and project management services in relation to telecommunications
Amadeus Digital Xpress Sdn. Bhd. ("ADX")	Malaysia	–	–	100	100	Automation, installation and maintenance of computer hardware and software and other automated related projects
Next Intelligent Sdn. Bhd. ("NISB")	Malaysia	–	–	100	100	Investment holding activities
Prima Arenaniaga Sdn. Bhd. ("PASB")	Malaysia	–	–	60	60	Provision of information technology solutions
Red Ape Solutions Sdn. Bhd. ("RAS")	Malaysia	–	–	100	100	Provisions of business solutions, training and consultation services in information technology, web development and applications
Yakimbi ICT Sdn. Bhd. ("Yakimbi ICT")	Malaysia	–	–	100	100	Designing and development of website and software, and providing of maintenance services and other related services
Omesti Healthcare Sdn. Bhd. ("OHSB")	Malaysia	–	–	100	–	Investment holding activities
Omesti Tree Med Sdn. Bhd. ("OTM")	Malaysia	–	–	100	100	Provision of medical and pharmaceutical services

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Details of the subsidiaries are as follows: (cont'd.)

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiaries		
		2023 %	2022 %	2023 %	2022 %	
Subsidiaries of OHB (cont'd.)						
Aurora 360 Sdn. Bhd. ("Aurora 360")	Malaysia	–	–	100	–	Provision of healthcare services
Medilabz Signature Sdn. Bhd. ("Medilabz")	Malaysia	–	–	70	100	Provision of medical and laboratory related services
Bemed Healthcare Sdn. Bhd. ("BHSB")	Malaysia	–	–	70	70	Trading of pharmaceutical products
Bemed (ITT) Sdn. Bhd. ("ITT")	Malaysia	–	–	70	70	Trading of pharmaceutical products
Bemed Lagenda Sdn. Bhd. ("BLSB")	Malaysia	–	–	70	70	Trading of pharmaceutical products
Bemed Matahari Sdn. Bhd. ("BMSB")	Malaysia	–	–	70	70	Trading of pharmaceutical products
Be Med Sdn. Bhd. ("BM")	Malaysia	–	–	70	70	Trading of pharmaceutical products
Bemed Pharma Sdn. Bhd. ("BPSB")	Malaysia	–	–	70	70	Wholesale of pharmaceutical products
Bemed (PTJ) Sdn. Bhd. ("PTJ")	Malaysia	–	–	70	70	Trading of pharmaceutical products
Bemed Tempua Sdn. Bhd. ("BTSB")	Malaysia	–	–	70	70	Trading of pharmaceutical products
Bemed Ventures Sdn. Bhd. ("BVSB")	Malaysia	–	–	70	70	Trading of pharmaceutical products
BB Boss Sdn. Bhd. ("BB")	Malaysia	–	–	70	70	Trading of pharmaceutical products
Subsidiary of OHSB						
Omesti Bemed Sdn. Bhd. ("OBSB")	Malaysia	–	–	100	–	Investment holding activities
Subsidiary of PTJ						
RJ Drugstore Sdn. Bhd. ("RJ")*	Malaysia	–	–	100	–	Carrying on the business of pharmacy

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Details of the subsidiaries are as follows: (cont'd.)

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiaries		
		2023 %	2022 %	2023 %	2022 %	
Subsidiary of FNS						
Formis Niaga Solusi Sdn. Bhd. ("FNSi")	Malaysia	–	–	100	100	Provision of information technology services of hardware, software and consultancy to the oil and gas industry and telecommunication sectors
Subsidiary of CLS						
Comline Dotcom Sdn. Bhd. ("CDC")	Malaysia	–	–	100	100	Development of multimedia technology application
Subsidiary of NISB						
O Dojo Sdn. Bhd. ("O Dojo")	Malaysia	–	–	100	100	Provision and management of co-working spaces for potential customers and all related services thereto, and investment holding activities
Subsidiaries of MSB						
CSA Servis (M) Sdn. Bhd. ("CSAS")	Malaysia	–	–	–	100	Investment holding and provision of computer repair and maintenance service, supply of computer parts, accessories, computers and peripherals
Microlink Systems Sdn. Bhd. ("MSSB")	Malaysia	–	–	–	100	Provision of information technology solutions to the financial services industry and dealing in related products
CA IT Infrastructure Solutions Sdn. Bhd. ("CAIT")	Malaysia	–	–	–	100	Trading and marketing of computer software programs and products
Microlink Innovation Sdn. Bhd. ("MISB")	Malaysia	–	–	–	100	Provision of research and development for information technology solutions to the financial service industry
Microlink Software Sdn. Bhd. ("MSB")	Malaysia	–	–	–	51	Provision of consultancy services in supporting and modifying banking software

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Details of the subsidiaries are as follows: (cont'd.)

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiaries		
		2023 %	2022 %	2023 %	2022 %	
Subsidiaries of MSB (cont'd.)						
Omesti Innovation Lab (Malaysia) Sdn. Bhd. ("OIL")	Malaysia	–	–	–	100	Development of information and multimedia technology and provision of deployment services
PT Microlink Indonesia ("PTMI")†	Republic of Indonesia	–	–	–	100	Provision of information technology solutions to the financial services industry and dealing in related products
ML Tridimas Sdn. Bhd. ("MLTridimas")	Malaysia	–	–	–	100	Development of application software, system integration services and the provision of hardware and software maintenance services
Dhanalynk Sdn. Bhd. ("Dhanalynk")	Malaysia	–	–	–	100	Development of application software, system integration services and the provision of hardware and software maintenance services
Subsidiaries of CSAS						
Applied Business Systems Sdn. Bhd. ("ABS")	Malaysia	–	–	–	100	Distribution and maintenance of computer hardware and software
Formis Systems & Technology Sdn. Bhd. ("FST")	Malaysia	–	–	–	100	Distribution and maintenance of computer hardware and software
Formis Advanced Systems Sdn. Bhd. ("FAS")	Malaysia	–	–	–	85	Provision of information technology services in terms of hardware, software, consultancy and maintenance
Formis Computer Services Sdn. Bhd. ("FCS")	Malaysia	–	–	–	100	Provision of computer technology and maintenance of computer hardware and software
First Solution Sdn. Bhd. ("FIRST")	Malaysia	–	–	–	100	Distribution and maintenance of computer hardware and software

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(c) Details of the subsidiaries are as follows: (cont'd.)

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiaries		
		2023 %	2022 %	2023 %	2022 %	
Subsidiary of MSSB						
PT Microlink International Maju ("PTMIM")†	Republic of Indonesia	–	–	–	65	Provision of information technology solutions to the financial services industry and dealing in related products

Subsidiaries audited by BDO Member Firm.

† Subsidiaries not audited by BDO PLT.

* This newly acquired subsidiary has a different financial year end from the Group. For the purpose of consolidation, the audited financial statements of RJ for the financial year ended 31 December 2022 and the unaudited financial statements for the period between 1 January 2023 and 31 March 2023 have been used.

^ In the previous financial year, 539,794,972 ordinary shares in MSB with a carrying amount of RM106,482,010 have been pledged for credit facilities granted to the Group as disclosed in Note 26 to the financial statements.

(d) Other details of investments in subsidiaries:

(i) Incorporation of new subsidiaries

- (1) On 21 April 2022, OHB, a wholly-owned subsidiary of the Company had subscribed for a total of one (1) share representing 100% of the entire issued and paid-up share capital of Aurora 360, a company incorporated in Malaysia that is engaged in the provision of healthcare services for a total cash consideration of RM1. Consequently, Aurora 360 becomes a wholly-owned subsidiary of OHB.
- (2) On 9 November 2022, OHB, a wholly-owned subsidiary of the Company had subscribed for a total of one (1) share representing 100% of the entire issued and paid-up share capital of OHSB, a company incorporated in Malaysia that is engaged in the provision of healthcare services for a total cash consideration of RM1. Consequently, OHSB becomes a wholly-owned subsidiary of OHB.
- (3) On 23 December 2022, OHSB, an indirect wholly-owned subsidiary of the Company had subscribed for a total of one (1) share representing 100% of the entire issued and paid-up share capital of OBSB, a company incorporated in Malaysia that is engaged in the provision of healthcare services for a total cash consideration of RM1. Consequently, OBSB becomes a wholly-owned subsidiary of OHSB.
- (4) In the previous financial year, on 26 April 2021, MSB, an indirectly 50.6% owned subsidiary of OHB had subscribed for a total of one (1) share representing 100% of the entire issued and paid-up share capital of Dhanalynk, a company incorporated in Malaysia that is engaged in the development of application software, system integration services and the provision of hardware and software maintenance services for a total cash consideration of RM1.

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(i) Incorporation of new subsidiaries (cont'd.)

- (5) In the previous financial year, on 8 March 2022, OHB, a wholly-owned subsidiary of the Company had subscribed for a total of one (1) share representing 100% of the entire issued and paid-up share capital of OTM, a company incorporated in Malaysia that is engaged in the provision of medical and pharmaceutical services for a total cash consideration of RM1. Consequently, OTM becomes a wholly-owned subsidiary of OHB.
- (6) In the previous financial year, on 9 March 2022, OHB, a wholly-owned subsidiary of the Company had subscribed for a total of one (1) share representing 100% of the entire issued and paid-up share capital of Medilabz, a company incorporated in Malaysia that is engaged in the provision of medical and laboratory related services for a total cash consideration of RM1. Consequently, Medilabz becomes a 70% owned subsidiary of OHB.

(ii) Acquisition of equity interest in new subsidiaries and a business

- (1) On 22 February 2023, PTJ, a 70% indirectly-owned subsidiary of the Company acquired 150,000 ordinary shares, representing 100% of the entire issued and paid-up share capital of RJ, a company incorporated in Malaysia that is engaged in the trading of pharmaceutical products for a total consideration of RM1,450,000 satisfied as follows:

Cash payments

- RM90,000 upon execution of Share Sale Agreement ("SSA")
- RM810,000 upon successful transfer of the shares

Contingent considerations

- RM200,000 subject to achievement of net profit guarantee of RM200,000 based on the audited results of RJ for the financial year ended 31 December 2022 ("FYE 2022")
- RM200,000 subject to achievement of net profit guarantee of RM200,000 based on the audited results of RJ for the financial year ended 31 December 2023 ("FYE 2023")
- RM150,000 subject to achievement of net profit guarantee of RM200,000 based on the audited results of RJ for the financial year ended 31 December 2024 ("FYE 2024")

Notwithstanding with the achievement of net profit guarantee above, the contingent considerations are payable only if RJ has not defaulted on the servicing of its banking facility for each profit guarantee period.

In respect of FYEs 2023 and 2024, RJ may combine the profits from Be Pharmacy Durian Tunggal ("BPD") (formerly known as AE Gangsa Healthcare ("Gangsa")) in the event that the net profit guarantee of RM200,000 for FYEs 2023 or 2024 was not met by RJ. Any losses arising from BPD for the FYEs 2023 or 2024 do not affect the calculation of net profit guarantee.

The management has assessed that the likelihood of achieving the net profit guarantee is probable and determined that the fair value of the total consideration to be RM1,411,915, comprising cash consideration of RM900,000 and contingent considerations of RM511,915.

Following the transaction, provisional goodwill amounting to RM898,877 was recognised based on fair values of identifiable assets and liabilities on the acquisition of RJ.

The Company is in the midst performing a purchase price allocation exercise in determining the fair value of the identifiable assets and liabilities of RJ as at the date of acquisition.

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(ii) Acquisition of equity interest in new subsidiaries and a business (cont'd.)

(1) The net carrying value and fair value of the identifiable assets and liabilities of RJ as at the date of acquisition were:

	Net carrying value RM	Provisional fair value recognised on date of acquisition RM
Assets		
Property, plant and equipment	87,741	87,741
Deferred tax assets	2,662	2,662
Inventories	293,580	293,580
Trade receivables	87,226	87,226
Other receivables, deposits and prepayments	472,424	472,424
Cash and bank balances	179,747	179,747
	1,123,380	1,123,380
Liabilities		
Trade payables	174,383	174,383
Other payables, deposits and accruals	51,674	51,674
Borrowings	360,090	360,090
Lease liabilities	3,600	3,600
Current tax liabilities	20,595	20,595
	610,342	610,342
Total identifiable net assets at fair value		513,038
Provisional goodwill arising on acquisition		898,877
Total consideration		1,411,915

The effect of the acquisition of RJ on cash flows is as follows:

	RM
Total cash consideration	900,000
Less: Cash and cash equivalents of a subsidiary acquired	(179,747)
Net cash outflow on acquisition	720,253

From the date of acquisition, RJ has contributed RM78,781 and loss of RM24,298 to the Group's revenue and profit respectively for the financial year ended 31 March 2023. If the business combination had taken place at the beginning of the financial year ended 31 March 2023, RJ would have contributed RM1,481,702 and RM106,786 to the Group's revenue and profit for the financial year respectively.

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(ii) Acquisition of equity interest in new subsidiaries and a business (cont'd.)

- (2) On 9 December 2022, PTJ, a 70% indirectly-owned subsidiary of the Company acquired the business of BPD (formerly known as Gangsa), a partnership carrying on the business of pharmacy for a total cash consideration of RM109,153.

Following the transaction, goodwill amounting to RM31,743 was recognised based on fair values of identifiable assets and liabilities on the acquisition of BPD.

The Company has performed a purchase price allocation exercise in determining the fair value of the identifiable assets and liabilities of BPD as at the date of acquisition.

The net carrying amount and fair value of the identifiable assets of BPD (formerly known as Gangsa) as at the date of acquisition were:

	Net carrying amount RM	Fair value recognised on date of acquisition RM
Assets		
Property, plant and equipment	47,153	47,153
Inventories	30,257	30,257
Total identifiable assets at fair Value	77,410	77,410
Goodwill arising on acquisition		31,743
Total consideration		109,153

The effect of the acquisition of BPD (formerly known as Gangsa) on cash flows is as follows:

	RM
Total cash consideration	109,153
Less: Cash and cash equivalents of a business acquired	–
Net cash outflow on acquisition	109,153

From the date of acquisition, BPD (formerly known as Gangsa) has contributed RM55,802 and loss of RM38,162 to the Group's revenue and profit respectively for the financial year ended 31 March 2023. If the business combination had taken place at the beginning of the financial year ended 31 March 2023, BPD (formerly known as Gangsa) would have contributed RM223,208 and RM 152,646 to the Group's revenue and profit for the financial year respectively.

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(ii) Acquisition of equity interest in new subsidiaries and a business (cont'd.)

- (3) In the previous financial year, on 30 August 2021, OHB, a wholly-owned subsidiary of the Company had acquired 20,000 ordinary shares and subscribed additional 400,000 ordinary shares, representing 70% of the entire issued and paid-up share capital of BTSB, a company incorporated in Malaysia that is engaged in the trading of pharmaceutical products, for a total cash consideration of RM700,000.

Following the transaction, goodwill amounting to RM377,706 was recognised based on provisional fair values of identifiable assets and liabilities on the acquisition of BTSB.

On 26 August 2022, the purchase price allocation exercise was completed and there were no changes to the fair values of identifiable assets and liabilities at the acquisition date of BTSB. Accordingly, the goodwill recognised in the previous financial year remains unchanged.

The net carrying amount and fair value of the identifiable assets and liabilities of BTSB as at the date of acquisition were:

	Net carrying amount RM	Fair value recognised on date of acquisition RM
Assets		
Property, plant and equipment	153,728	153,728
Inventories	824,280	824,280
Trade receivables	1,533,516	1,533,516
Other receivables, deposits and prepayments	6,394,080	6,394,080
Cash and bank balances	433,809	433,809
	9,339,413	9,339,413
Liabilities		
Trade payables	487,041	487,041
Other payables, deposits and accruals	8,209,656	8,209,656
Lease liabilities	182,296	182,296
	8,878,993	8,878,993
Total identifiable net assets at fair value		460,420
Net assets at fair value acquired (70%)		322,294
Goodwill arising on acquisition		377,706
Total consideration		700,000

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(ii) Acquisition of equity interest in new subsidiaries and a business (cont'd.)

(3) The effect of the acquisition of BTSB on cash flows is as follows:

	RM
Total cash consideration	700,000
Less: Cash and cash equivalents of a subsidiary acquired	(433,809)
Net cash outflow on acquisition	266,191

From the date of acquisition, BTSB has contributed RM10,832,693 and RM367,386 to the Group's revenue and profit net of tax respectively for the financial year ended 31 March 2022. If the business combination had taken place at the beginning of the financial year ended 31 March 2022, BTSB would have contributed RM18,027,684 and RM596,756 to the Group's revenue and profit net of tax respectively.

(4) In the previous financial year, on 28 January 2022, OHB, a wholly-owned subsidiary of the Company had acquired additional nine (9) entities (collectively referred as "Bemed Group") which are engaged in wholesale and trading of pharmaceutical products, as follows:

	Equity interest acquired	Cash consideration RM
Bemed Pharma Sdn. Bhd.	70%	742,000
Bemed (PTJ) Sdn. Bhd.	70%	839,000
Bemed (ITT) Sdn. Bhd.	70%	156,000
Bemed Matahari Sdn. Bhd.	70%	502,000
Bemed Ventures Sdn. Bhd.	70%	1,474,000
Bemed Lagenda Sdn. Bhd.	70%	716,000
Be Med Sdn. Bhd.	70%	7,809,000
BB Boss Sdn. Bhd.	70%	3,373,000
Bemed Healthcare Sdn. Bhd.	70%	189,000
		<u>15,800,000</u>

Following the transaction, goodwill amounting to RM12,791,130 was recognised based on provisional fair values of identifiable assets and liabilities on the acquisition of Bemed Group.

On 20 January 2023, the purchase price allocation exercise was completed and there were no changes to the fair values of identifiable assets and liabilities at the acquisition date of Bemed Group. Accordingly, the goodwill recognised in the previous financial year remains unchanged.

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(ii) Acquisition of equity interest in new subsidiaries and a business (cont'd.)

(4) The net carrying value and fair value of the identifiable assets and liabilities of Bemed Group as at the date of acquisition were:

	Net carrying amount RM	Fair value recognised on date of acquisition RM
Assets		
Property, plant and equipment	1,442,664	1,442,664
Other intangible assets	3,003,333	3,003,333
Deferred tax assets	80,347	80,347
Inventories	5,674,923	5,674,923
Trade receivables	6,120,944	6,120,944
Other receivables, deposits and Prepayments	3,805,332	3,805,332
Current tax assets	107,122	107,122
Cash and bank balances	4,630,028	4,630,028
	24,864,693	24,864,693
Liabilities		
Deferred tax liabilities	2,179	2,179
Trade payables	11,548,370	11,548,370
Other payables, deposits and accruals	4,875,670	4,875,670
Borrowings	2,706,283	2,706,283
Lease liabilities	1,433,805	1,433,805
	20,566,307	20,566,307
Total identifiable net assets at fair value		4,298,386
Net assets at fair value acquired (70%)		3,008,870
Goodwill arising on acquisition		12,791,130
Total consideration		15,800,000

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(ii) Acquisition of equity interest in new subsidiaries and a business (cont'd.)

(4) The effect of the acquisition of Bemed Group on cash flows is as follows:

	RM
Total cash consideration	15,800,000
Less: Cash and cash equivalents of subsidiaries acquired	(4,630,028)
Net cash outflow on acquisition	11,169,972

From the date of acquisition, Bemed Group has contributed RM4,535,089 and RM1,655,204 to the Group's revenue and profit net of tax respectively for the financial year ended 31 March 2022. If the business combination had taken place at the beginning of the financial year ended 31 March 2022, Bemed Group would have contributed RM30,755,912 and RM8,135,864 (which includes a one-off gain on disposal of properties of RM3,716,229) to the Group's revenue and profit net of tax respectively.

Pursuant to the Share Sale Agreement dated 10 November 2021 on the acquisition of Bemed Group, OHB and the Vendors had entered into a Profit Guarantee Agreement, whereby the Vendors shall guarantee that the actual aggregate profit after tax ("PAT") of Bemed Group for the financial year ending ("FYE") 2022, 2023 and 2024 shall be collectively RM9,000,000, with an aggregate PAT of Bemed Group of not less than RM2,500,000 per financial year.

The aggregate PAT of Bemed Group for FYE 2022 is determined based on the results from 1 January 2021 till 31 March 2022, whereas FYE 2023 and FYE 2024 will be determined based on results from 1 April 2022/2023 to 31 March 2023/2024.

On 21 April 2022, OHB and the Vendors had entered into a Supplemental Letter Agreement in respect of the Profit Guarantee Agreement to include the acquisition of BTSB with original terms and conditions as Bemed Group to now also include the results of BTSB.

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(iii) Disposal of subsidiaries

- (1) On 18 July 2022, the Company announced that MSB would cease to be a subsidiary of OHB, a wholly-owned subsidiary of the Company, and would be recognised as an associate, due to the following:
- (i) OHB had on 2 June 2022, disposed 15,000,000 ordinary shares in MSB for a total consideration of RM8,700,000. Following these transactions collectively reduced OHB's equity interest in MSB was reduced from 50.6% as at 31 March 2022, to 49.2%.
- (ii) On 18 July 2022, the Company announced the resignation of three of its Directors from the Board (two of whom are common Directors of MSB), and the redesignation of a Director. As a result of the changes in the composition of the board of the Company, it would reduce the common directorships and management personnel with MSB's Board and Management. With effect from this date, the Company would now cease to have control over the Board and Management of MSB, and going forward would account for the interest in MSB as an investment in associate and no longer as a subsidiary.

Following the cessation of control over the Board and Management of MSB, the results of MSB shall be deconsolidated from the Group on the same date. The management has accounted for the remaining interest in MSB as investment in associate with the initial fair value gain on remeasurement of RM296,961,159 being recognised and included as part of gain on disposal of subsidiaries in discontinued operation.

The comparative statements of profit or loss and other comprehensive income and relevant notes have been re-presented to show the discontinued operation separately from continuing operations.

The value of the assets and liabilities at the date of the disposal were as follows:

	MSB RM
Assets	
Property, plant and equipment	4,934,797
Software development cost	95,839,634
Other investments	14,110,078
Inventories and contract assets	34,845,770
Goodwill	38,027,224
Trade receivables	23,706,988
	211,464,491

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(iii) Disposal of subsidiaries (cont'd.)

(1) The value of the assets and liabilities disposed at the date of the disposal were as follows:

	MSB RM
Other receivables, deposits and prepayments	15,278,505
Amount owing by ultimate holding company	7,474,306
Amount owing by holding company	18,382
Amounts owing by related companies	1,158,378
Deferred tax assets	2,706,940
Current tax assets	7,775,995
Cash and bank balances	47,908,680
	293,785,678
Liabilities	
Trade payables	15,096,360
Other payables, deposits and accruals	17,426,133
Amount owing by ultimate holding company	25,471
Amount owing by holding company	403,273
Amounts owing by related companies	664,804
Borrowings	12,255,277
Lease liabilities	6,768,819
Current tax payables	1,259,720
Deferred tax liabilities	3,869,846
Contract liabilities	16,827,184
Provisions	2,067,883
	76,664,770
Net assets of MSB at date of disposal	217,120,908
Less: Non-controlling interests of certain subsidiaries	(105,059,280)
Net assets of MSB at date of disposal less non-controlling interests of certain subsidiaries	112,061,628
Fair value of 49.2% of equity interest in MSB	296,961,159
Less: Net assets of MSB at date of disposal less non-controlling interests of certain subsidiaries	(112,061,628)
Cumulative foreign exchange differences reclassified to profit or loss	23,733
Gain of disposal of subsidiaries	184,923,264

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(iii) Disposal of subsidiaries (cont'd.)

(1) The results of the discontinued operation were as follows:

	2023 RM	2022 RM
Revenue	45,384,089	172,447,493
Changes in inventories	(1,549,451)	(1,071,026)
Purchases	(20,773,892)	(99,731,742)
Other operating income	229,444	2,742,729
Depreciation and amortisation expenses	(4,425,841)	(6,416,697)
Employee benefits	(8,309,142)	(20,217,399)
Other operating expenses	(2,640,331)	(12,123,878)
Net gains on impairment of financial assets	-	207,054
Finance costs	(524,491)	(1,545,729)
Profit before tax	7,390,385	34,290,805
Tax expense	(800,783)	(8,771,989)
Results from operating activities	6,589,602	25,518,816
Gain on disposal of subsidiaries	184,923,264	-
Profit for the financial year from discontinued operation	191,512,866	25,518,816

Cash flows attributable to discontinued operation are as follows:

	2023 RM	2022 RM
Net cash (used in)/from operating activities	(1,023,662)	33,622,102
Net cash from/(used in) investing activities	2,877,033	(38,105,527)
Net cash (used in)/from financing activities	(17,045,473)	56,476,476
Net changes in cash and cash equivalents from discontinued operation	(15,192,102)	51,993,051

The effect of disposal (cessation of control) of MSB on cash flows is as follows:

	2023 RM
Total cash consideration	-
Less: Cash and cash equivalents of disposed subsidiaries	(41,009,289)
Net cash outflow on disposal	(41,009,289)

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(d) Other details of investments in subsidiaries: (cont'd.)

(iii) Disposal of subsidiaries (cont'd.)

- (2) On 4 July 2022, CNA, an indirect wholly-owned subsidiary of the Company, disposed FLS to MSB for a total consideration of RM1

The financial effects at the date of the disposal were as follows:

	2023 FLS RM
Assets	
Cash and bank balances	38,031
Liabilities	
Trade and other payables	4,036,063
Total value of net liabilities disposed	3,998,032
Consideration received	1
Cumulative foreign exchange differences reclassified to profit or loss	184,900
Net gain on disposal	4,182,933

The effect of disposal of FLS on cash flows is as follows:

	RM
Total cash consideration	1
Less: Cash and cash equivalents of a subsidiary disposed	(38,031)
Net cash outflow on disposal	(38,030)

(iv) Dilution of equity interest in a subsidiary

On 17 May 2022, Medilabz, an indirect wholly-owned subsidiary of the Company held via OHB had issued 299,999 ordinary shares for which 209,999 was subscribed by OHB and the remaining 90,000 was subscribed by a third party, representing 70% and 30% of the enlarged issued and paid-up share capital of Medilabz respectively. Consequently, Medilabz becomes an indirect 70% owned subsidiary of the Company.

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(e) Subsidiaries of the Group that have material non-controlling interests ("NCI") are as follows:

					Other individually immaterial subsidiaries RM	Total RM
	BM RM	PASB RM	FNS RM			
2023						
NCI percentage of ownership interest and voting interest	30.0%	40.0%	49.0%		–	–
Carrying amount of NCI	973,076	(9,461,448)	3,645,787		727,166	(4,115,419)
(Loss)/Profit allocated to NCI	(43,067)	(1,411,350)	685,609		3,336,581	2,576,663
Total comprehensive (loss)/income allocated to NCI	(43,067)	(1,411,350)	685,609		3,347,334	2,578,526
	BM RM	PASB RM	FNS RM	MSB RM	Other individually immaterial subsidiaries RM	Total RM
2022						
NCI percentage of ownership interest and voting interest	30.0%	40.0%	49.0%	49.4%	–	–
Carrying amount of NCI	1,029,917	(8,081,446)	3,220,039	98,204,417	(1,773,967)	92,598,960
(Loss)/Profit allocated to NCI	(806,114)	633,336	112,947	11,263,409	71,950	11,275,528
Total comprehensive (loss)/income allocated to NCI	(806,114)	633,336	112,947	11,263,745	28,950	11,232,864

7. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

- (f) Summarised financial information of the subsidiaries that have material NCI as at the end of each reporting period prior to intra-group elimination are as follows:

2023	BM RM	PASB RM	FNS RM	
Assets and liabilities				
Non-current assets	1,017,976	204,191	103,147,456	
Current assets	3,345,650	628,863	74,762,136	
Non-current liabilities	(387,372)	(159,520)	(7,107,044)	
Current liabilities	(732,666)	(24,327,155)	(163,045,555)	
Net assets/(liabilities)	3,243,588	(23,653,621)	7,756,993	
Results				
Revenue	9,973,783	-	59,174,915	
(Loss)/Profit for the financial year	(143,558)	(3,528,374)	1,399,203	
Total comprehensive (loss)/income	(143,558)	(3,528,374)	1,399,203	
Cash flows from/(used in) operating activities	512,837	(69,844)	18,424,268	
Cash flows (used in)/from investing activities	(614,032)	(38,506)	421,300	
Cash flows used in financing activities	(184,649)	(153,252)	(17,306,187)	
Net changes in cash and cash equivalents	(285,844)	(261,602)	1,539,381	
2022	BM RM	PASB RM	FNS RM	MSB RM
Assets and liabilities				
Non-current assets	841,279	3,798,100	119,005,488	128,126,781
Current assets	5,139,281	6,425,976	64,859,880	173,650,078
Non-current liabilities	(513,038)	(305,652)	(20,113,516)	(9,851,747)
Current liabilities	(2,034,466)	(30,122,040)	(157,453,997)	(90,188,319)
Net assets/(liabilities)	3,433,056	(20,203,616)	6,297,855	201,736,793
Results				
Revenue	8,254,450	836,082	65,609,356	218,310,178
(Loss)/Profit for the financial year	(2,687,048)	(1,583,341)	230,505	25,459,001
Total comprehensive (loss)/income	(2,687,048)	(1,583,341)	230,505	25,459,682
Cash flows (used in)/from operating activities	(1,933,438)	(10,264,205)	19,751,800	33,622,102
Cash flows (used in)/from investing activities	(106,610)	8,555,137	6,393,439	(38,105,527)
Cash flows from/(used in) financing activities	2,208,000	54,547	(18,718,414)	56,476,476
Net changes in cash and cash equivalents	167,952	(1,654,521)	7,426,825	51,993,051

8. INVESTMENTS IN ASSOCIATES

	Group	
	2023 RM	2022 RM
Quoted equity shares in Malaysia		
Cost	266,151,987	36,833,762
Less: Accumulated impairment losses	(14,347,624)	–
Carrying amount	251,804,363	36,833,762
Unquoted equity shares in Malaysia		
Cost	4,732,858	4,132,858
Less: Accumulated impairment losses	(1,650,000)	(1,650,000)
Carrying amount	3,082,858	2,482,858
Share of post-acquisition results, net of tax	54,358,498	48,365,991
	309,245,719	87,682,611
Market value: Quoted equity shares in Malaysia	344,471,008	16,971,980

(a) Investments in associates are measured at cost less accumulated impairment losses in the separate financial statements of the Company and accounted for using the equity method in the consolidated financial statements of the Group.

(b) Details of the associates are as follows:

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiary		
		2023 %	2022 %	2023 %	2022 %	
Associates of OHB						
Microlink Solutions Berhad ("MSB")@*	Malaysia	-	-	36.3	-	Investment holding and provision of research and development on information technology solutions to the financial services industry
Ho Hup Construction Company Berhad ("Ho Hup")#^@	Malaysia	-	-	11.4	11.4	Foundation engineering, civil engineering, building contracting works and hire of plant and machinery

8. INVESTMENTS IN ASSOCIATES (CONT'D.)

(b) Details of the associates are as follows: (cont'd.)

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiary		
		2023 %	2022 %	2023 %	2022 %	
Associates of OHB (cont'd.)						
CRIF Omesti Sdn. Bhd. ("CRIF") ^	Malaysia	-	-	30.0	30.0	Providing business information services, credit reporting services and related consultation services, system development and consultancy and information technology services
Associates of CNA						
MIHCM Asia Sdn. Bhd. ("MIHCM")	Malaysia	-	-	33.3	33.3	Distribution, marketing, implementing and maintenance and of human capital management software solutions and services in Asia
MYATM Sdn. Bhd. ("MyATM")	Malaysia	-	-	35.9	35.9	Manufacturing, trading and servicing of banking equipment and providing outsource related services
Viewqwest Holdings Sdn. Bhd. ("VHSB") ^	Malaysia	-	-	20.0	20.0	Investment holding and provision of management service

* 389,580,172 ordinary shares with a carrying amount of RM38,850,360 have been pledged for credit facilities granted to the Group as disclosed in Note 26 to the financial statements.

@ 56,576,900 (2022: 56,233,300) ordinary shares with a carrying amount of RM36,958,683 (2022: RM36,854,148) have been pledged for credit facilities granted to the Group as disclosed in Note 26 to the financial statements.

This associate has a different financial year end from the Group. In applying the equity method of accounting, the audited financial statements of the associate for the financial year ended 31 December 2022 and the unaudited financial statements for the period between 1 January 2023 and 31 March 2023 have been used.

^ Associates not audited by BDO PLT.

8. INVESTMENTS IN ASSOCIATES (CONT'D.)

- (c) Reconciliation of net assets of the significant associates to the carrying amount of investments in associates is as follows:

	MSB RM	Ho Hup RM	Other individually immaterial associates RM	Total RM
2023				
Share of net assets of the Group	82,202,827	55,293,400	1,074,142	138,570,369
Share of other reserve	(77,860)	(9,042,525)	–	(9,120,385)
Goodwill on consolidation	–	26,164,125	–	26,164,125
Remeasurement on remaining interest based on fair value of shares held at date of cease control	153,631,610	–	–	153,631,610
Carrying amount in the statements of financial position	235,756,577	72,415,000	1,074,142	309,245,719
Share of results of the Group for the financial year ended 31 March 2023				
Share of profit/(loss) of the Group	7,640,263	2,757	(424,918)	7,218,102
Share of other comprehensive loss of the Group, net of tax	(92,436)	(128,219)	–	(220,655)
Share of total comprehensive income/(loss) of the Group	7,547,827	(125,462)	(424,918)	6,997,447
2022				
Share of net assets of the Group		55,186,109	899,059	56,085,168
Share of other reserve		(8,914,306)	–	(8,914,306)
Goodwill on consolidation		40,511,749	–	40,511,749
Carrying amount in the statements of financial position		86,783,552	899,059	87,682,611
Share of results of the Group for the financial year ended 31 March 2022				
Share of loss of the Group		(2,164,948)	(346,476)	(2,511,424)
Share of other comprehensive income of the Group, net of tax		20,174	–	20,174
Share of total comprehensive loss of the Group		(2,144,774)	(346,476)	(2,491,250)

8. INVESTMENTS IN ASSOCIATES (CONT'D.)

(d) Summarised financial information of the significant associates are as follows:

2023	MSB RM	Ho Hup RM
Assets and liabilities		
Non-current assets	142,323,282	542,736,000
Current assets	193,345,563	945,213,000
Non-current liabilities	(10,204,168)	(387,700,000)
Current liabilities	(99,225,098)	(682,675,000)
Net assets	226,239,579	417,574,000
Results		
Revenue	248,448,515	236,418,000
Profit/(Loss) for the financial year	26,033,422	(27,365,000)
Total comprehensive income/(loss)	25,783,987	(27,652,000)
Cash flows from/(used in) operating activities	4,698,922	(22,034,000)
Cash flows (used in)/ from investing activities	(24,933,130)	19,531,000
Cash flows used in financing activities	(9,961,575)	(6,670,000)
Net changes in cash and cash equivalents	(30,195,783)	(9,173,000)
2022		Ho Hup RM
Assets and liabilities		
Non-current assets		550,161,000
Current assets		956,102,000
Non-current liabilities		(395,392,000)
Current liabilities		(677,583,000)
Net assets		433,288,000
Results		
Revenue		192,036,000
Loss for the financial year		(46,073,000)
Total comprehensive loss		(47,094,000)
Cash flows used in operating activities		(19,794,000)
Cash flows used in investing activities		(23,473,000)
Cash flows used in financing activities		(32,581,000)
Net changes in cash and cash equivalents		(75,848,000)

8. INVESTMENTS IN ASSOCIATES (CONT'D.)

(e) Change in equity interest in associates

Accretion

- (i) During the financial year, OHB acquired additional 343,600 ordinary shares in Ho Hup in the open market for a total cash consideration of RM105,435. OHB's equity interest in Ho Hup remains at approximately 11.4% as at 31 March 2023.
- (ii) In the previous financial year, OHB acquired a total of 3,716,900 ordinary shares in Ho Hup representing 0.8% of the equity interest in Ho Hup, in the open market for a total cash consideration of RM1,141,386. Following the acquisition, OHB as at 31 March 2022 held approximately 11.4% equity interest in Ho Hup.

Dilution

During the financial year, OHB disposed shares held in MSB, amongst others, 135,000,000 ordinary shares in a private placement for a total cash consideration of RM74,250,000. OHB's equity interest in MSB was further diluted from 49.4% to 36.3% as at 31 March 2023.

(f) Significant influence – Interest in Ho Hup

As at financial year end, the Group holds 11.4% (2022: 11.4%) interest in Ho Hup.

The Group has representation on the Board of Directors of Ho Hup who are able to participate in policy-making processes, including participation in decisions about dividends or other distributions.

Based on the preceding, the Group considers that it has the ability to exercise significant influence and has treated its interest in Ho Hup as investments in associates.

(g) Movements in impairment losses are as follows:

	Group	
	2023 RM	2022 RM
As at 1 April 2021/2022	1,650,000	1,650,000
Charge for the year	14,347,624	–
As at 31 March 2023/2022	15,997,624	1,650,000

(h) Impairment assessment

The Group assessed whether there were any indicators of impairment during the financial year.

Due to the consistent losses incurred by Ho Hup, management assessed the recoverable amount of the investment in Ho Hup which has a carrying amount of RM72,415,000 and determined that as at 31 March 2023, the recoverable amount based on value-in-use model using a discount rate of 12.0%, was lower than its carrying amount by RM14,347,624. In arriving at the recoverable amount, management has made significant judgements and estimates. Consequently, the management has impaired the carrying amount of Ho Hup in the current financial year as disclosed in Note 8(g) above.

9. INVESTMENTS IN JOINTLY-CONTROLLED ENTITIES

	Group	
	2023 RM	2022 RM
Unquoted shares, at cost	150,000	150,000
Share of post-acquisition reserve, net of tax	(150,000)	(150,000)
	-	-

- (a) Investment in a jointly-controlled entity are stated at cost in the separate financial statements. The Group recognises its interest in jointly-controlled entity as an investment and accounts for its investments using the equity method.
- (b) Details of the jointly-controlled entity are as follows:

Name of company	Country of incorporation/ Principal place of business	Interest in equity held by				Principal activities
		Company		Subsidiary		
		2023 %	2022 %	2023 %	2022 %	
Jointly-controlled entity of OHB						
Quadrant Biz Solutions Sdn. Bhd. ("QBS") ^#	Malaysia	–	–	50.0	50.0	Provision of corporate secretarial, share registration and management services

^ Not audited by BDO PLT.

This jointly-controlled entity has a different financial year end from the Group. In applying the equity method of accounting, the unaudited financial statements of the jointly-controlled entity as at 31 March 2022 have been used.

- (c) The joint venture, in which the Group participates, is an unlisted separate structured entity whose quoted market prices are not available. The contractual arrangement stipulates unanimous consent of all parties over relevant activities of joint ventures and provides the Group with only the rights to the net assets of the joint arrangements, with the rights to the assets and obligation for liabilities of the joint arrangements resting primarily with the joint ventures. This joint arrangement has been classified as joint ventures and have been included in the consolidated financial statements using the equity method.
- (d) The financial results of the joint-controlled entities are not disclosed as it is not material to the Group.

10. OTHER INVESTMENTS

	Group	
	2023 RM	2022 RM
Non-current		
Equity securities:		
– Quoted shares in Malaysia	1,796,324	600,324
Transferable club memberships	–	105,000
Total non-current other investments	1,796,324	705,324
Current		
Equity securities:		
– Quoted income funds in Malaysia	–	83,795
– Quoted shares in Malaysia	–	4,390,867
Total current other investments	–	4,474,662
Total other investments	1,796,324	5,179,986

- (a) The equity securities are classified as financial assets at fair value through profit or loss.
- (b) Net fair value gain of RM35,500 (2022: Net fair value loss of RM133,099) was recognised during the financial year due to the changes in market value of quoted shares. The fair value was determined based on the last transacted price on 31 March 2023 (2022: 31 March 2022).
- (c) Fair value hierarchy

Group	Fair value of financial instruments carried at fair value				Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM		
2023						
Financial assets at fair value through profit or loss						
– Quoted shares	1,796,324	–	–	1,796,324	1,796,324	1,796,324

10. OTHER INVESTMENTS (CONT'D.)

(c) Fair value hierarchy (cont'd.)

Group	Fair value of financial instruments carried at fair value				Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM		
2022						
Financial assets at fair value through profit or loss						
- Quoted shares	4,991,191	-	-	4,991,191	4,991,191	4,991,191
- Quoted income funds	83,795	-	-	83,795	83,795	83,795
- Transferable golf club memberships	-	-	105,000	105,000	105,000	105,000

(d) Sensitivity analysis of quoted shares against stock indices at the end of each reporting period, assuming that all other variables remain constant, is as follows:

	Group	
	2023 RM	2022 RM
Effects of 10% changes to stock indices		
Profit/(Loss) for the financial year	±137,000	±379,000

As the Group neither have the intention, nor historical trend of active trading in transferable golf club memberships and quoted income funds, the Directors are of the opinion that the Group is not subject to significant exposure to price risk and accordingly, no sensitivity analysis is being presented at the end of each reporting period.

(e) In the previous financial year, the valuation technique and significant unobservable input used in determining the fair value measurement of Level 3 financial instruments as well as the relationship between key unobservable inputs and fair value, is detailed in the table below:

Financial asset	Valuation technique used	Significant unobservable input	Inter-relationship between key unobservable inputs and fair value
Transferable golf club memberships	Cost approach	Counter party quotation	The higher the quotation, the higher the fair value of the other investment

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Other receivables	22,513,533	30,751,184	6,379,829	5,901,701
Less: Accumulated impairment losses	(11,164,759)	(13,173,792)	(4,758,070)	(4,758,070)
	11,348,774	17,577,392	1,621,759	1,143,631
Deposits	2,730,782	4,474,121	32,040	381,853
Prepayments	5,697,476	15,667,450	4,403,829	5,180,980
	19,777,032	37,718,963	6,057,628	6,706,464

- (a) Other receivables and deposits are classified as financial assets measured at amortised cost.
- (b) Impairment for other receivables and deposits are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At the end of the reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised. The Group defined significant increase in credit risk based on payment trends and past due information.

The probability of non-payment by other receivables is adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit loss for the other receivables.

It requires management to exercise significant judgement in determining the probability of default by other receivables, appropriate forward-looking information and significant increase in credit risk.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D.)

- (c) The reconciliation of movements in allowance for impairment accounts in other receivables of the Group and of the Company are as follows:

	Group		
	Lifetime ECL allowance RM	Individually credit impaired RM	Total allowance RM
At 1 April 2021	135,535	10,596,151	10,731,686
Charge for the year	122,713	2,340,702	2,463,415
Reversal of impairment losses	(21,309)	-	(21,309)
At 31 March 2022	236,939	12,936,853	13,173,792
Charge for the year	19,961	24,937	44,898
Written off	(29,725)	-	(29,725)
Reversal of impairment losses	(67,188)	(1,957,018)	(2,024,206)
At 31 March 2023	159,987	11,004,772	11,164,759

	Company
	Individually credit impaired RM
As at 31 March 2023/2022	4,758,070

- (d) No expected credit loss is recognised arising from deposits as it is negligible.
- (e) The currency exposure profile of other receivables and deposits are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia	9,533,394	21,946,266	1,653,799	1,525,484
Singapore Dollar	196,905	52,666	-	-
Vietnamese Dong	64,722	52,581	-	-
	9,795,021	22,051,513	1,653,799	1,525,484

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D.)

- (f) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group	
	2023 RM	2022 RM
Effects of 10% changes to RM against foreign currencies		
Profit/(Loss) for the financial year	±20,000	±8,000

12. DEFERRED TAX

- (a) Deferred tax assets and liabilities are made up of the following:

	Group	
	2023 RM	2022 RM
As at 1 April 2022/2021	250,048	(3,490,749)
Acquisition of subsidiaries	(2,662)	(78,168)
Disposal of subsidiaries	(1,162,906)	–
Recognised in profit or loss		
– continuing operations (Note 38)	71,767	(229,921)
– discontinued operation	125,000	4,048,886
As at 31 March 2023/2022	(718,753)	250,048
Presented after appropriate offsetting:		
Deferred tax assets, net	(720,783)	(3,496,828)
Deferred tax liabilities, net	2,030	3,746,876
	(718,753)	250,048

12. DEFERRED TAX (CONT'D.)

- (b) Components and movements of deferred tax assets and deferred tax liabilities during the financial year prior to offsetting are as follows:

	Unused tax losses RM	Unabsorbed capital allowances RM	Other temporary differences RM	Total RM
Deferred tax assets of the Group				
Balance as at 1 April 2022	(2,570,244)	–	(4,058,519)	(6,628,763)
Recognised in profit or loss	(6,140)	(39,539)	123,047	77,368
Acquisition of a subsidiary	(6,037)	(229)	(31)	(6,297)
Disposal of subsidiaries	2,494,381	–	3,212,356	5,706,737
Balance as at 31 March 2023, prior to offsetting	(88,040)	(39,768)	(723,147)	(850,955)
Set-off				130,172
Balance as at 31 March 2023				(720,783)
Balance as at 1 April 2021	(2,436,781)	(28,611)	(4,281,002)	(6,746,394)
Recognised in profit or loss	(133,463)	28,611	302,830	197,978
Acquisition of subsidiaries	–	–	(80,347)	(80,347)
Balance as at 31 March 2022, prior to offsetting	(2,570,244)	–	(4,058,519)	(6,628,763)
Set-off				3,131,935
Balance as at 31 March 2022				(3,496,828)

12. DEFERRED TAX (CONT'D.)

- (b) Components and movements of deferred tax assets and deferred tax liabilities during the financial year prior to offsetting are as follows: (cont'd.)

	Plant, property and equipment RM	Software development costs RM	Other temporary differences RM	Total RM
Deferred tax liabilities of the Group				
Balance as at 1 April 2022	175,972	3,442,899	3,259,940	6,878,811
Recognised in profit or loss	119,399	-	-	119,399
Acquisition of a subsidiary	3,635	-	-	3,635
Disposal of subsidiaries	(168,834)	(3,442,899)	(3,257,910)	(6,869,643)
Balance as at 31 March 2023, prior to offsetting	130,172	-	2,030	132,202
Set-off				(130,172)
Balance as at 31 March 2023				2,030
Balance as at 1 April 2021	235,252	-	3,020,393	3,255,645
Recognised in profit or loss	(59,280)	3,442,899	237,368	3,620,987
Acquisition of subsidiaries	-	-	2,179	2,179
Balance as at 31 March 2022, prior to offsetting	175,972	3,442,899	3,259,940	6,878,811
Set-off				(3,131,935)
Balance as at 31 March 2022				3,746,876

- (c) The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Unused tax losses				
Expires by 31 March 2028	86,242,087	91,096,585	6,033,231	6,033,231
Expires by 31 March 2029	4,724,004	5,816,337	2,093,676	2,093,676
Expires by 31 March 2030	4,923,396	4,923,396	2,921,790	2,921,790
Expires by 31 March 2031	10,915,005	12,145,319	4,597,323	4,597,323
Expires by 31 March 2032	9,522,657	9,594,288	7,829,296	7,829,296
Expires by 31 March 2033	24,646,161	-	21,117,495	-
Unabsorbed capital allowances	14,055,680	19,143,369	501,651	589,588
Other temporary differences	391,275	6,502,526	-	1,847,358
	155,420,265	149,221,820	45,094,462	25,912,262

12. DEFERRED TAX (CONT'D.)

- (c) Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that future taxable profits of the subsidiaries would be available against which the temporary differences could be utilised.

The unutilised tax losses which were previously allowed to be utilised for seven (7) consecutive years of assessments ("YAs") effective from YA 2019 was extended to ten (10) consecutive YAs in the previous financial year.

The amount and availability of these items to be carried forward up to the periods as disclosed above are subject to the agreement of the respective local tax authorities.

During the current financial year, the temporary differences for which no deferred tax assets have been recognised in the statements of financial position amounted to RM15,747,436 (2022: Nil) has been derecognised following the disposal of subsidiaries.

13. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.4.2022 RM	Acquisition of a subsidiary and a business RM	Disposal of subsidiaries RM	Additions RM	Re-measurement RM	Depreciation charge for the financial year RM	Written off RM	Re-classification RM	Disposals RM	Impairment loss RM	Balance as at 31.3.2023 RM
2023											
Carrying amount											
Buildings											
- Right-of-use assets	8,798,673	3,582	(2,011,105)	2,950,057	423,275	(2,173,861)	-	-	(2,459,983)	(40,376)	5,490,262
Computer equipment and software											
- Owned	3,837,450	8,954	(267,127)	100,366	-	(1,139,469)	(2,510,750)	-	-	(1,345)	28,079
- Right-of-use assets	36,147,147	-	-	5,697,318	-	(21,528,908)	-	-	-	-	20,315,557
Office equipment, furniture, fittings and renovation											
- Owned	717,400	113,411	(23,739)	1,133,114	-	(246,550)	-	47,007	-	(13,918)	1,726,725
- Right-of-use assets	292,941	-	(176,203)	582,866	-	(89,827)	-	-	-	-	609,777
Motor vehicles											
- Owned	1	-	-	-	-	-	-	-	-	-	1
- Right-of-use assets	3,158,228	-	(2,456,623)	968,258	-	(685,740)	-	-	(407,667)	-	576,456
Signboard											
- Owned	19,187	8,947	-	34,550	-	(4,441)	-	-	-	(706)	57,537
Work-in-progress											
- Owned	47,007	-	-	49,985	-	-	-	(47,007)	-	-	49,985
	53,018,034	134,894	(4,934,797)	11,516,514	423,275	(25,868,796)	(2,510,750)	-	(2,867,650)	(56,345)	28,854,379

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

	<----- As at 31.3.2023 ----->			
	Cost RM	Accumulated depreciation RM	Accumulated impairment loss RM	Carrying amount RM
Buildings				
– Right-of-use assets	10,315,214	(4,784,576)	(40,376)	5,490,262
Computer equipment and software				
– Owned	7,459,877	(7,430,453)	(1,345)	28,079
– Right-of-use assets	83,670,768	(63,355,211)	–	20,315,557
Office equipment, furniture, fittings and renovation				
– Owned	6,316,098	(4,575,455)	(13,918)	1,726,725
– Right-of-use assets	696,356	(86,579)	–	609,777
Motor vehicles				
– Owned	519,035	(519,034)	–	1
– Right-of-use assets	2,372,602	(1,796,146)	–	576,456
Signboard				
– Owned	81,642	(23,399)	(706)	57,537
Work-in-progress				
– Owned	49,985	–	–	49,985
	111,481,577	(82,570,853)	(56,345)	28,854,379

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

Group	Balance as at 1.4.2021 RM	Acquisition of subsidiaries RM	Additions RM	Re- measurement RM	Depreciation charge for the financial year RM	Translation adjustment RM	Balance as at 31.3.2022 RM
2022							
Carrying amount							
Buildings							
- Right-of-use assets	8,634,887	1,331,315	458,983	31,119	(1,657,631)	-	8,798,673
Computer equipment and software							
- Owned	5,840,935	7,626	197,371	-	(2,208,546)	64	3,837,450
- Right-of-use assets	38,682,969	-	18,228,147	-	(20,763,969)	-	36,147,147
Office equipment, furniture, fittings and renovation							
- Owned	600,756	243,584	56,891	-	(184,166)	335	717,400
- Right-of-use assets	287,446	-	166,007	-	(160,512)	-	292,941
Motor vehicles							
- Owned	4,958	-	-	-	(4,957)	-	1
- Right-of-use assets	4,358,905	-	242,579	-	(1,443,256)	-	3,158,228
Signboard							
- Owned	-	13,867	5,950	-	(630)	-	19,187
Work-in-progress							
- Owned	-	-	47,007	-	-	-	47,007
	58,410,856	1,596,392	19,402,935	31,119	(26,423,667)	399	53,018,034

	<----- As at 31.3.2022 ----->		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
- Right-of-use assets	13,323,877	(4,525,204)	8,798,673
Computer equipment and software			
- Owned	20,740,376	(16,902,926)	3,837,450
- Right-of-use assets	77,973,450	(41,826,303)	36,147,147
Office equipment, furniture, fittings and renovation			
- Owned	5,739,411	(5,022,011)	717,400
- Right-of-use assets	572,813	(279,872)	292,941
Motor vehicles			
- Owned	570,587	(570,586)	1
- Right-of-use assets	6,753,237	(3,595,009)	3,158,228
Signboard			
- Owned	32,668	(13,481)	19,187
Work-in-progress			
- Owned	47,007	-	47,007
	125,753,426	(72,735,392)	53,018,034

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

Company	Balance as at 1.4.2022 RM	Disposals RM	Depreciation charge for the financial year RM	Balance as at 31.3.2023 RM
2023				
Carrying amount				
Buildings				
– Right-of-use assets	5,335,645	(2,459,983)	(532,665)	2,342,997
Computer equipment and software				
– Owned	3,634	–	(1,817)	1,817
– Right-of-use assets	16,289	–	(16,289)	–
Office equipment, furniture and fittings				
– Owned	65,782	–	(25,315)	40,467
Motor vehicles				
– Right-of-use assets	341,362	(45,821)	(157,202)	138,339
	5,762,712	(2,505,804)	(733,288)	2,523,620

	<----- As at 31.3.2023 ----->		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
– Right-of-use assets	3,134,996	(791,999)	2,342,997
Computer equipment and software			
– Owned	337,961	(336,144)	1,817
– Right-of-use assets	59,697	(59,697)	–
Office equipment, furniture and fittings			
– Owned	1,889,938	(1,849,471)	40,467
Motor vehicles			
– Right-of-use assets	691,676	(553,337)	138,339
	6,114,268	(3,590,648)	2,523,620

13. PROPERTY, PLANT & EQUIPMENT (CONT'D.)

Company	Balance as at 1.4.2021 RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 31.3.2022 RM
2022				
Carrying amount				
Buildings				
– Right-of-use assets	–	6,141,643	(805,998)	5,335,645
Computer equipment and software				
– Owned	5,515	–	(1,881)	3,634
– Right-of-use assets	36,189	–	(19,900)	16,289
Office equipment, furniture and fittings		–		
– Owned	152,980	–	(87,198)	65,782
Motor vehicles		–		
– Right-of-use assets	512,038	–	(170,676)	341,362
	706,722	6,141,643	(1,085,653)	5,762,712

	<----- As at 31.3.2022 ----->		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
– Right-of-use assets	6,141,643	(805,998)	5,335,645
Computer equipment and software			
– Owned	337,961	(334,327)	3,634
– Right-of-use assets	59,697	(43,408)	16,289
Office equipment, furniture and fittings			
– Owned	1,889,938	(1,824,156)	65,782
Motor vehicles			
– Right-of-use assets	853,395	(512,033)	341,362
	9,282,634	(3,519,922)	5,762,712

- (a) Each class of property, plant and equipment (excluding right-of-use assets) are measured after initial recognition at cost less accumulated depreciation and any accumulated impairment losses.
- (b) Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The estimated useful lives represent common life expectancies applied in the industry within which the Group and the Company operate. The principal depreciation rates are as follows:

Computer equipment and software	20% to 33.3%
Office equipment, furniture, fittings and renovation	10% to 20%
Motor vehicles	20%
Signboard	10%

13. PROPERTY, PLANT & EQUIPMENT (CONT'D.)

- (c) The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Buildings	2 – 10 years
Computer equipment	2 – 5 years
Office equipment, furniture, fittings and renovation	5 – 7 years
Motor vehicles	2 – 5 years

- (d) The Group assessed whether there were any indicators of impairment during the financial year. In doing this, management considered the current environment and performance of the Cash Generating Units ("CGUs"). The carrying amounts of the property, plant and equipment in certain subsidiaries with indications of impairment amounted to RM4,925,691 as at 31 March 2023.

Management has made significant judgements and estimates about the future results and key assumptions applied to cash flow projections of the CGU in determining the recoverable amount based on the value in use model using a discount rate of 12.0%. Accordingly, impairment losses on property, plant and equipment amounting to RM56,345 have been recognised during the year to bring the carrying amounts to their recoverable amounts due to decline in operations of certain subsidiaries.

- (e) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Purchase of property, plant and equipment	11,516,514	19,402,935	–	6,141,643
Financed by hire purchase and lease liabilities	(8,907,297)	(16,940,559)	–	(6,141,643)
Unsettled and remained as other payables	(581,000)	(2,155,157)	–	–
Provision for restoration cost capitalised in right-of-use assets	(31,487)	–	–	–
Cash payments on purchase of property, plant and equipment	1,996,730	307,219	–	–

14. INVESTMENT PROPERTY

Group	Balance as at 1.4.2022 RM	Depreciation charge for the financial year RM	Impairment loss charge for the financial year RM	Balance as at 31.3.2023 RM
Carrying amount				
Freehold building	694,219	(19,878)	–	674,341

	<----- As at 31.3.2023 ----->			
	Cost RM	Accumulated depreciation RM	Accumulated impairment losses RM	Carrying amount RM
Freehold building	993,850	(79,509)	(240,000)	674,341

Group	Balance as at 1.4.2021 RM	Depreciation charge for the financial year RM	Impairment loss charge for the financial year RM	Balance as at 31.3.2022 RM
Carrying amount				
Freehold building	954,096	(19,877)	(240,000)	694,219

	<----- As at 31.3.2022 ----->			
	Cost RM	Accumulated depreciation RM	Accumulated impairment losses RM	Carrying amount RM
Freehold building	993,850	(59,631)	(240,000)	694,219

- (a) Investment property is initially measured at cost, which includes transaction costs. After initial recognition, investment property is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of the investment property to its residual values on a straight-line basis over its estimated useful life. The estimated useful life represents common life expectancy applied in the industry within which the Group operates. The principal depreciation period for the investment property is fifty (50) years.

- (b) The Level 3 fair value of investment property is RM734,333. The fair value is determined by the Directors based on market values for similar properties in the same vicinity obtained from property agencies. There is no transfer between levels in the hierarchy during the financial year.

15. INVENTORIES AND CONTRACT COSTS

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Inventories					
At cost					
Hardware and software		–	25,610	–	–
Hardware maintenance parts and spares		–	1,462,838	–	–
Healthcare products		8,442,803	7,039,339	–	–
	(a)	8,442,803	8,527,787	–	–
Contract costs	(b)	3,770,350	6,234,668	1,894,385	2,627,654
		12,213,153	14,762,455	1,894,385	2,627,654

(a) Inventories

- (i) Inventories are determined on the first-in, first-out basis and stated at the lower of cost and net realisable value.
- (ii) Cost of inventories of the Group recognised as an expense during the financial year amounted to RM16,077,818 (2022: RM175,775,162). The amount of inventories written off recognised as expenses during the financial year amounted to RM25,610 (2022: RM592,317).

(b) Contract costs

- (i) Contract costs represent directly attributable costs incurred in fulfilling a contract that are expected to be recovered in satisfying future performance obligations. Costs incurred by the Group and the Company to fulfil a contract prior to the commencement of its performance are mostly general and administrative expenses that are expensed in profit or loss as incurred.
- (ii) Contract costs are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate. The basis of amortisation is reviewed at the end of the year to reflect any significant change to the expected timing of transfer to the customer of the goods or services to which the assets relate in accordance with MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors.
- (iii) An impairment loss is recognised in profit or loss to the extent that the carrying amount of the asset exceeds the remaining amount of consideration expected to be received in exchange for goods or services to which the asset relates, net of remaining directly attributable costs yet to be expensed.

At the end of the year, the Group and the Company assess if there is any indication of impairment. If such indication exists, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable.

15. INVENTORIES AND CONTRACT COSTS (CONT'D.)

(b) Contract costs (cont'd.)

(iv) Movements of contract costs are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
At 1 April 2022/2021	6,234,668	17,955,643	2,627,654	12,731,644
Capitalised during the financial year	14,147,275	42,092,810	11,548,826	15,825,267
Disposal of subsidiaries	(4,303,224)	-	-	-
Transfer to software development costs	-	(10,345,599)	-	(7,721,829)
Recognised in profit or loss	(12,308,369)	(43,468,186)	(12,282,095)	(18,207,428)
At 31 March	3,770,350	6,234,668	1,894,385	2,627,654

No provision for impairment losses were required on contract costs of the Group and the Company as at 31 March 2023 and 2022.

16. TRADE RECEIVABLES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Trade receivables	23,921,253	71,822,277	5,042,693	18,617,942
Less: Accumulated impairment losses	(8,465,110)	(19,405,837)	(14,466)	(14,466)
	15,456,143	52,416,440	5,028,227	18,603,476

- (a) Trade receivables are classified as financial assets measured at amortised cost.
- (b) Trade credit terms of trade receivables granted by the Group and the Company ranging from 30 to 90 days (2022: 30 to 90 days) from date of invoice. They are recognised at their original amounts, which represent their fair values on initial recognition.
- (c) Impairment for trade receivables is recognised based on the simplified approach using the lifetime expected credit losses.

The Group considers credit loss experience and observable data such as current changes and future forecasts in economic conditions by market segment of the Group as identified in Note 4 to the financial statements to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

16. TRADE RECEIVABLES (CONT'D.)

- (d) The Group and the Company use an allowance matrix to measure the expected credit loss of trade receivables from individual customers. Expected loss rates are calculated using the roll rate method separately for exposures in different segments based on the following common credit risk characteristic which is age of customer relationship.

During this process, the probability of non-payment by the trade receivables is adjusted by forward-looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. The Group has identified the gross domestic product, unemployment rate, inflation rate, labour force participation rate and consumer price index as the key macroeconomic factors of the forward-looking information. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within the statements of profit or loss. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

- (e) The reconciliation of movements in allowance for impairment accounts in trade receivables is as follows:

	Group		
	Lifetime ECL allowance RM	Individually credit impaired RM	Total allowance RM
At 1 April 2021	11,335,353	14,265,693	25,601,046
Charge for the year	667,318	126,394	793,712
Written off	(6,228,920)	–	(6,228,920)
Reversal of impairment losses	(503,337)	(296,824)	(800,161)
Acquisition of subsidiaries	40,160	–	40,160
At 31 March 2022/1 April 2022	5,310,574	14,095,263	19,405,837
Charge for the year	61,217	602,054	663,271
Written off	–	(84,124)	(84,124)
Reversal of impairment losses	(383,080)	(76,585)	(459,665)
Disposal of subsidiaries	–	(11,060,209)	(11,060,209)
At 31 March 2023	4,988,711	3,476,399	8,465,110

16. TRADE RECEIVABLES (CONT'D.)

- (e) The reconciliation of movements in allowance for impairment accounts in trade receivables is as follows: (cont'd.)

	Company		
	Lifetime ECL allowance RM	Individually credit impaired RM	Total allowance RM
At 1 April 2021	7,116	7,350	14,466
Charge for the year	-	-	-
At 31 March 2022/1 April 2022	7,116	7,350	14,466
Charge for the year	-	-	-
At 31 March 2022	7,116	7,350	14,466

- (f) Credit impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the end of the reporting period.

During the financial year, the Group and the Company did not renegotiate the terms of any trade receivables.

- (g) Lifetime expected loss provision for trade receivables of the Group and of the Company are as follows:

Group	Gross carrying amount RM	Total allowance RM	Net carrying amount RM
2023			
Current	4,957,925	(892)	4,957,033
Past due:			
31 to 60 days	3,757,394	(806)	3,756,588
61 to 90 days	135,686	(87)	135,599
91 to 120 days	3,677,384	(13,123)	3,664,261
More than 120 days	11,392,864	(8,450,202)	2,942,662
	18,963,328	(8,464,218)	10,499,110
	23,921,253	(8,465,110)	15,456,143

31 March 2023

16. TRADE RECEIVABLES (CONT'D.)

- (g) Lifetime expected loss provision for trade receivables of the Group and of the Company are as follows: (cont'd.)

Company	Gross carrying amount RM	Total allowance RM	Net carrying amount RM
2023			
Current	763,200	–	763,200
Past due:			
31 to 60 days	2,406,819	–	2,406,819
61 to 90 days	86,416	–	86,416
91 to 120 days	1,446,008	–	1,446,008
More than 120 days	340,250	(14,466)	325,784
	5,042,693	(14,466)	5,028,227

Group	Gross carrying amount RM	Total allowance RM	Net carrying amount RM
2022			
Current	24,794,804	(32,528)	24,762,276
Past due:			
31 to 60 days	5,285,635	(34,912)	5,250,723
61 to 90 days	3,966,704	(43,912)	3,922,792
91 to 120 days	1,619,812	(258,151)	1,361,661
More than 120 days	36,155,322	(19,036,334)	17,118,988
	47,027,473	(19,373,309)	27,654,164
	71,822,277	(19,405,837)	52,416,440

Company	Gross carrying amount RM	Total allowance RM	Net carrying amount RM
2022			
Current	4,042,071	–	4,042,071
Past due:			
31 to 60 days	855,450	–	855,450
61 to 90 days	1,448,668	–	1,448,668
More than 120 days	12,271,753	(14,466)	12,257,287
	18,617,942	(14,466)	18,603,476

16. TRADE RECEIVABLES (CONT'D.)

- (h) The credit risk concentration profile of the trade receivables at the end of the reporting period are as follows:

	Group			
	2023		2022	
	RM	% of total	RM	% of total
By country				
Malaysia	15,260,724	99%	52,416,440	100%
Vietnam	190,419	1%	–	–
	15,456,143	100%	52,416,440	100%

	Company			
	2023		2022	
	RM	% of total	RM	% of total
By country				
Malaysia	5,028,227	100%	18,603,476	100%

The Group and the Company do not have any significant exposure to any individual customer. The Group and the Company do not anticipate the carrying amounts recorded at the end of the reporting period to be significantly different from the values that would eventually be received.

- (i) The currency exposure profile of trade receivables are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia	15,260,724	52,416,440	5,028,227	18,603,476
Vietnamese Dong	195,419	–	–	–
	15,456,143	52,416,440	5,028,227	18,603,476

- (j) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group	
	2023 RM	2022 RM
Effects of 10% changes to RM against foreign currencies		
Profit/(Loss) for the financial year	±14,000	–

17. CONTRACT ASSETS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Aggregate pre-contract costs incurred to date	1,610,294	19,997,511	1,054,800	-
Less: Accumulated impairment losses	-	(96,021)	-	-
Add: Attributable profits	137,295	42,151,498	-	-
	1,747,589	62,052,988	1,054,800	-
Less: Progress billings	(1,734,672)	(54,855,354)	-	-
	12,917	7,197,634	1,054,800	-
Represented by:				
Contract assets				
Projects	21,109	9,502,353	-	-
Management fees	-	-	1,054,800	-
Consultancy services	16,500	-	-	-
	37,609	9,502,353	1,054,800	-
Contract liabilities (Note 32)				
Projects	(24,692)	(2,304,719)	-	-
	12,917	7,197,634	1,054,800	-

(a) Projects

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

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

There were no significant changes in the contract assets and liabilities during the financial year.

17. CONTRACT ASSETS (CONT'D.)

- (b) Impairment for contract assets that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 16(c) to the financial statements.

The reconciliation of movements in allowance for impairment accounts in contract assets is as follows:

	Group	
	Lifetime ECL allowance	
	2023 RM	2022 RM
At 31 March 2022/1 April 2021	96,021	81,832
Disposal of subsidiaries	(96,021)	–
Charge for the year	–	14,189
At 31 March 2023/31 March 2022	–	96,021

18. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	Company	
	2023 RM	2022 RM
Amounts owing by subsidiaries	215,982,829	227,499,482
Less: Accumulated impairment losses	(87,233,259)	(95,648,666)
	128,749,570	131,850,816
Amounts owing to subsidiaries	(40,823,136)	(114,788,262)

- (a) Amounts owing by/(to) subsidiaries are classified as financial assets and financial liabilities respectively, and measured at amortised cost.
- (b) Amounts owing by/(to) subsidiaries represent payments made on behalf, which are unsecured, interest-free and payable/(repayable) within next twelve (12) months in cash and cash equivalents.
- (c) Amounts owing by subsidiaries are denominated in Ringgit Malaysia.
- (d) The currency exposure profile of amounts owing to subsidiaries are as follows:

	Company	
	2023 RM	2022 RM
Ringgit Malaysia	38,215,894	112,181,020
Brunei Dollar	2,607,242	2,607,242
	40,823,136	114,788,262

18. AMOUNTS OWING BY/(TO) SUBSIDIARIES (CONT'D.)

- (e) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Company	
	2023 RM	2022 RM
Effects of 10% changes to RM against foreign currencies		
Profit/(Loss) for the financial year	±198,000	±198,000

- (f) Impairment for amounts owing by subsidiaries are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At the end of the reporting period, the Company assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised. The Company defined significant increase in credit risk based on payment trends and past due information.

The probability of non-payment by the subsidiaries is adjusted by forward-looking information (gross domestic product ("GDP"), unemployment rate, inflation rate, labour force participation rate and consumer price index) and multiplied by the amount of the expected loss arising from default to determine the twelve-month or lifetime expected credit loss for the subsidiaries.

It requires management to exercise significant judgement in determining the probability of default by subsidiaries, appropriate forward-looking information and significant increase in credit risk.

- (g) Movements in the impairment allowance for amounts owing by subsidiaries of the Company are as follows:

	Lifetime ECL allowance RM	Individually credit impaired RM	Total allowance RM
At 1 April 2021	4,723,742	76,561,709	81,285,451
Charge for the year	14,481,990	–	14,481,990
Reversal of impairment losses	(118,775)	–	(118,775)
At 31 March 2022/1 April 2022	19,086,957	76,561,709	95,648,666
Charge for the year	18,524,351	–	18,524,351
Reversal of impairment losses	(23,603,464)	–	(23,603,464)
Written off	–	(3,336,294)	(3,336,294)
At 31 March 2023	14,007,844	73,225,415	87,233,259

- (h) The maturity profile of amounts owing to subsidiaries of the Company at the end of the reporting period based on contractual undiscounted repayment obligation is repayable within one (1) year.

19. AMOUNTS OWING BY/(TO) ASSOCIATES

- (a) Amounts owing by/(to) associates are classified as financial assets and financial liabilities respectively, and measured at amortised cost.
- (b) Amounts owing by/(to) associates are trade in nature, which are unsecured, interest-free and the credit terms granted by/(to) for amounts owing by/(to) associates are generally for a period of 60 days (2022: 60 days).
- (c) Amounts owing by/(to) associates are denominated in RM.
- (d) Impairment for amounts owing by associates is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 18(f) to the financial statements.

No expected credit loss is recognised arising from amounts owing by associates as it is negligible.

- (e) The maturity profile of amounts owing to associates of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligation is repayable within one (1) year.

20. AMOUNT OWING BY/(TO) A JOINTLY-CONTROLLED ENTITY

- (a) Amount owing by/(to) a jointly-controlled entity is classified as financial asset and financial liability respectively, measured at amortised cost.
- (b) Amount owing by/(to) a jointly-controlled entity represents payments made on behalf, which are unsecured, interest-free and collectible/payable within next twelve (12) months in cash and cash equivalents.
- (c) Amount owing by/(to) a jointly-controlled entity is denominated in RM.
- (d) Impairment for amount owing by a jointly-controlled entity is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 18(f) to the financial statements.

No expected credit loss is recognised arising from amount owing by a jointly-controlled entity as it is negligible.

- (e) The maturity profile of amount owing to a jointly-controlled entity of the Group and the Company at the end of the reporting period based on contractual undiscounted repayment obligation is repayable within one (1) year.

21. AMOUNTS OWING BY/(TO) RELATED PARTIES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Amounts owing by related parties	6,322,367	-	300,000	6,777
Less: Accumulated impairment losses	(738,513)	-	-	-
	5,583,854	-	591,496	6,777
Amounts owing to related parties	31,941,211	-	30,673,638	-

- (a) Amounts owing by/(to) related parties are classified as financial assets and financial liabilities respectively, and measured at amortised cost.
- (b) Amounts owing by/(to) related parties are trade in nature, which are unsecured, interest-free and the credit terms granted by/(to) for amounts owing by/(to) related parties are generally for a period of 60 days (2022: 60 days).
- (c) Amounts owing by/(to) related parties are denominated in Ringgit Malaysia.
- (d) Impairment for amounts owing by related parties are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 18(f) to the financial statements.
- (e) Movements in the impairment allowance for amounts owing by related parties of the Group are as follows:

Group	Lifetime ECL allowance RM
At 1 April 2021/31 March 2022/1 April 2022	-
Charge for the year	2,760,619
Written off	(1,807,251)
Reversal of impairment losses	(214,855)
At 31 March 2023	738,513

- (f) No expected credit losses are recognised arising from amount due from related parties of the Company because the probability of default are negligible.
- (g) The maturity profile of amounts owing to related parties of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligation is repayable within one (1) year.

22. CASH AND BANK BALANCES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Cash and bank balances	29,676,849	73,831,095	149,454	1,446,479
Fixed deposits	19,619,541	23,679,140	10,804,918	10,136,541
	49,296,390	97,510,235	10,954,372	11,583,020

- (a) Cash and bank balances are classified as financial assets measured at amortised cost.
- (b) Fixed deposits of the Group and of the Company amounting to RM19,619,541 and RM10,804,918 (2022: RM23,679,140 and RM10,136,541) respectively are pledged to licensed banks for credit facilities granted to the Company and certain subsidiaries as disclosed in Note 26 to the financial statements.
- (c) Fixed deposits of the Group and of the Company with a carrying amount of RM19,619,541 and RM10,804,918 (2022: RM23,679,140 and RM10,136,541) respectively are subject to interest rates ranging from 1.40% to 2.65% and 1.85% to 2.65% (2022: 1.05% to 1.85% and 1.60% to 1.65%) respectively.
- (d) Sensitivity analysis for fixed deposits at the end of the reporting period is not presented as fixed rate instruments is not affected by changes in interest rates.
- (e) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Cash and bank balances	29,676,849	73,831,095	149,454	1,446,479
Fixed deposits	19,619,541	23,679,140	10,804,918	10,136,541
	49,296,390	97,510,235	10,954,372	11,583,020
Less: Fixed deposits pledged to licensed banks	(19,619,541)	(23,679,140)	(10,804,918)	(10,136,541)
Less: Bank overdrafts (Note 25)	(8,980,305)	(12,430,188)	(8,980,236)	(9,949,369)
	20,696,544	61,400,907	(8,830,782)	(8,502,890)

- (f) No expected credit losses are recognised arising from cash and bank balances because the probability of default by these financial institutions are negligible.

22. CASH AND BANK BALANCES (CONT'D.)

(g) The currency exposure profile of cash and bank balances are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia	49,183,039	97,316,837	10,954,372	11,583,020
Singapore Dollar	–	37,051	–	–
United States Dollar	2,327	3,118	–	–
Indonesian Rupiah	3,433	21,423	–	–
Brunei Dollar	100,949	100,949	–	–
Vietnamese Dong	6,642	30,857	–	–
	49,296,390	97,510,235	10,954,372	11,583,020

(h) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group	
	2023 RM	2022 RM
Effects of 10% changes to RM against foreign currencies		
Profit/(Loss) for the financial year	±9,000	±14,000

23. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2023	2022	2023 RM	2022 RM
Issued and fully paid-up share capital				
As at 1 April 2022/2021	534,189,735	532,478,635	276,948,988	276,259,614
Ordinary shares issued pursuant to Long Term Incentive Plan ("LTIP")	6,483,400	1,711,100	2,845,945	689,374
As at 31 March	540,673,135	534,189,735	279,794,933	276,948,988

(a) During the financial year, the issued and fully paid-up share capital of the Company has been increased from RM276,948,988 comprising 534,189,735 ordinary shares to RM279,794,933 comprising 540,673,135 ordinary shares. The increase in the issued and paid-up share capital of the Company arose from the issuance of 6,483,400 new ordinary shares pursuant to the LTIP to eligible employees.

23. SHARE CAPITAL (CONT'D.)

- (b) In the previous financial year, the issued and fully paid-up share capital of the Company has been increased from RM276,259,614 comprising 532,478,635 ordinary shares to RM276,948,988 comprising 534,189,735 ordinary shares. The increase in the issued and paid-up share capital of the Company arose from the issuance of 1,711,100 new ordinary shares pursuant to the LTIP to eligible employees.
- (c) The owners of the Company are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

24. RESERVES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Non-distributable:				
Capital reserve	24,663,246	24,663,246	24,663,246	24,663,246
Exchange translation reserve	(1,239,987)	(937,700)	–	–
Warrant reserve	27,121,260	27,121,260	27,121,260	27,121,260
	50,544,519	50,846,806	51,784,506	51,784,506

- (a) Capital reserve

Capital reserve arose in the previous years from a par value reduction exercise.

- (b) Exchange translation reserve

Exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items, which form part of the net investment in foreign operations of the Group.

- (c) Warrant reserve

Warrant reserve represents the fair value assigned to Warrants 2021/2026 of RM0.1092 at the grant date in March 2021. Fair value was determined using the Black-Scholes-Merton option pricing model.

248,362,936 free detachable warrants ("Warrants C") was issued on the basis of 1 RPS for every 5 existing Omesti Shares held together with 7 Warrants C for every 3 RPS subscribed at an issue price of RM1.00 per redeemable preference shares in the Company. The exercise price of each warrant has been fixed at RM0.50.

25. BORROWINGS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Non-current liabilities				
Term loans	6,066,998	22,942,638	3,965,823	19,841,069
Current liabilities				
Invoice financing	3,709,052	4,656,415	–	–
Bank overdrafts	8,980,305	12,430,188	8,980,236	9,949,369
Trust receipts	–	25,433,617	–	–
Term loans	76,747,673	89,342,021	30,908,844	14,718,412
	89,437,030	131,862,241	39,889,080	24,667,781
	95,504,028	154,804,879	43,854,903	44,508,850
Total borrowings				
Invoice financing (Note 26)	3,709,052	4,656,415	–	–
Bank overdrafts (Note 26)	8,980,305	12,430,188	8,980,236	9,949,369
Trust receipts (Note 26)	–	25,433,617	–	–
Term loans (Note 26)	82,814,671	112,284,659	34,874,667	34,559,481
	95,504,028	154,804,879	43,854,903	44,508,850

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) The table below summarises the maturity profile of the borrowings at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	Weighted average incremental borrowing rate per annum %	On demand or within one year RM	One to five years RM	Total RM
31 March 2023				
Invoice financing	5.91	3,928,257	–	3,928,257
Bank overdrafts	6.70	8,980,305	–	8,980,305
Term loans	7.27	81,951,643	6,209,471	88,161,114
Total undiscounted financial liabilities		94,860,205	6,209,471	101,169,676

25. BORROWINGS (CONT'D.)

- (b) The table below summarises the maturity profile of the borrowings at the end of the reporting period based on contractual undiscounted repayment obligations: (cont'd.)

Group	Weighted average incremental borrowing rate per annum %	On demand or within one year RM	One to five years RM	Total RM
31 March 2022				
Invoice financing	4.29	4,856,175	–	4,856,175
Trust receipts	6.88	26,995,241	–	26,995,241
Bank overdrafts	6.14	12,430,188	–	12,430,188
Term loans	9.41	97,750,525	23,234,545	120,985,070
Total undiscounted financial liabilities		142,032,129	23,234,545	165,266,674

Company	Weighted average incremental borrowing rate per annum %	On demand or within one year RM	One to five years RM	Total RM
31 March 2023				
Bank overdrafts	6.70	8,980,236	–	8,980,236
Term loans	6.41	33,004,656	4,234,730	37,239,386
Total undiscounted financial liabilities		41,984,892	4,234,730	46,219,622

31 March 2022				
Bank overdrafts	6.70	9,949,369	–	9,949,369
Term loans	6.95	16,662,000	20,770,888	37,432,888
Total undiscounted financial liabilities		26,611,369	20,770,888	47,382,257

- (c) In the previous financial year, included in term loans amounted to RM41,521,289 was amount owing to a company related to a Director of the Company.

25. BORROWINGS (CONT'D.)

- (d) Sensitivity analysis of interest rates for the floating rate instruments at the end of the reporting period, assuming all other variables remain constant is as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Effects of 100bp changes to profit/(loss) for the financial year				
Floating rate instruments	±726,000	±1,177,000	±333,000	±338,000

- (e) All borrowings are denominated in Ringgit Malaysia.

26. BANK OVERDRAFTS, INVOICE FINANCING, TRUST RECEIPTS AND TERM LOANS

Bank overdrafts, invoice financing, trust receipts and term loans are secured by the following:

- (a) Pledge of fixed deposits as disclosed in Note 22 to the financial statements;
- (b) Corporate guarantees from the Company and certain subsidiaries; and
- (c) First legal charge over the following:
 - (i) 389,580,172 (2022: 539,794,972) shares in MSB with carrying amount of RM38,850,360 (2022: RM106,482,010) as disclosed in Notes 7 and 8 to the financial statements respectively;
 - (ii) 56,576,900 (2022: 56,233,300) ordinary shares in Ho Hup with a total carrying amount of RM36,958,683 (2022: RM36,854,148) as disclosed in Note 8 to the financial statements.

27. REDEEMABLE PREFERENCE SHARES

	Group and Company	
	Number of shares	Amount RM
As at 1 April 2021	106,441,367	79,320,107
Unwinding of interest	-	4,805,599
As at 31 March 2022/1 April 2022	106,441,367	84,125,706
Unwinding of interest	-	5,096,746
As at 31 March 2023	106,441,367	89,222,452

27. REDEEMABLE PREFERENCE SHARES (CONT'D.)

- (a) In March 2021, the Company issued 106,441,367 new redeemable preference shares ("RPS") in the Company together with up to 248,362,936 free detachable warrants ("Warrants C") on the basis of 1 RPS for every 5 existing Omesti Shares held together with 7 Warrants C for every 3 RPS subscribed at an issue price of RM1.00 per shares in accordance with the provision of the Company's Constitution. The exercise price of each warrant has been fixed at RM0.50.
- (b) The salient features of the RPS are as follows:
- (i) tenure of the RPS is 5 years commencing from and including the issuance date;
 - (ii) the RPS are not convertible to ordinary shares of the Company;
 - (iii) a cumulative gross preferential dividend rate out of the distribution profits of the Company, at a fixed rate of 5% per annum; and
 - (iv) the RPS, at the option of the Company, is to be redeemed at any time during the tenure of the RPS on a pro-rata basis at 100% of RM1.00 per RPS up to the maturity date. Any outstanding RPS as at the maturity date which have not already been redeemed by the Company shall be mandatorily redeemed by the Company.
- (c) Redeemable preference shares are denominated in Ringgit Malaysia.
- (d) The table below summarises the maturity profile of the redeemable preference shares of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

	On demand or within one year RM	One to five years RM	Total RM
31 March 2023			
Redeemable preference shares	5,322,068	117,085,504	122,407,572
31 March 2022			
Redeemable preference shares	5,322,068	122,407,572	127,729,640

31 March 2023

28. LEASE LIABILITIES

Group	Balance as at 1.4.2022 RM	Acquisition of a subsidiary RM	Disposal of subsidiaries RM	Additions RM	Lease modifications and reassessment RM	Lease termination RM	Lease payments RM	Interest expense RM	Balance as at 31.3.2023 RM
Carrying amount									
Buildings	10,072,892	3,600	(2,405,224)	2,912,073	423,118	(2,708,307)	(2,179,546)	485,530	6,604,136
Computer equipment and software	34,138,096	-	-	4,462,837	-	-	(19,498,167)	(171,797)	18,930,969
Office equipment, furniture, fittings and renovation	2,459,710	-	(1,627,228)	582,866	-	-	(383,469)	84,645	1,116,524
Motor vehicles	3,590,220	-	(2,736,367)	949,521	-	(441,406)	(984,817)	151,592	528,743
	50,260,918	3,600	(6,768,819)	8,907,297	423,118	(3,149,713)	(23,045,999)	549,970	27,180,372

Company	Balance as at 1.4.2022 RM	Acquisition of a subsidiary RM	Disposal of subsidiaries RM	Additions RM	Lease modifications and reassessment RM	Lease termination RM	Lease payments RM	Interest expense RM	Balance as at 31.3.2023 RM
Carrying amount									
Buildings	5,333,789	-	-	-	-	(2,708,307)	(568,826)	256,486	2,313,142
Computer equipment and software	32,106	-	-	-	-	-	(17,652)	1,307	15,761
Motor vehicles	783,801	-	-	-	-	(68,688)	(186,195)	20,660	549,578
	6,149,696	-	-	-	-	(2,776,995)	(772,673)	278,453	2,878,481

28. LEASE LIABILITIES (CONT'D.)

Group	Balance as at 1.4.2021 RM	Acquisition of subsidiaries RM	Additions RM	Lease modifications and reassessment RM	Lease termination RM	Lease payments RM	Interest expense RM	Balance as at 31.3.2022 RM
Carrying amount								
Buildings	9,443,667	1,616,101	459,373	31,119	-	(2,163,982)	686,614	10,072,892
Computer equipment and software	35,842,672	-	16,186,091	-	-	(17,682,053)	(208,614)	34,138,096
Office equipment, furniture, fittings and renovation	4,757,023	-	52,516	-	(315,084)	(2,255,135)	220,390	2,459,710
Motor vehicles	4,589,887	-	242,579	-	-	(1,531,102)	288,856	3,590,220
	54,633,249	1,616,101	16,940,559	31,119	(315,084)	(23,632,272)	987,246	50,260,918

Company	Balance as at 1.4.2021 RM	Acquisition of subsidiaries RM	Additions RM	Lease modifications and reassessment RM	Lease termination RM	Lease payments RM	Interest expense RM	Balance as at 31.3.2022 RM
Carrying amount								
Buildings	-	-	6,141,643	-	-	(842,280)	34,426	5,333,789
Computer equipment and software	51,474	-	-	-	-	(21,639)	2,271	32,106
Motor vehicles	577,582	-	-	-	-	(202,096)	408,315	783,801
	629,056	-	6,141,643	-	-	(1,066,015)	445,012	6,149,696

28. LEASE LIABILITIES (CONT'D.)

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Represented by:				
Non-current liabilities	10,628,007	27,378,533	2,373,325	5,423,901
Current liabilities	16,552,365	22,882,385	505,156	725,795
	27,180,372	50,260,918	2,878,481	6,149,696
Lease liabilities owing to financial institutions	755,419	3,118,898	–	–
Lease liabilities owing to non-financial institutions	26,424,953	47,142,020	2,878,481	6,149,696
	27,180,372	50,260,918	2,878,481	6,149,696

(a) The Group and the Company have certain leases of certain assets with lease term of 12 months or less, and low value leases of RM10,000 and below. The Group applies the “short-term lease” and “lease of low-value assets” exemptions for these leases.

(b) The following are the amounts recognised in profit or loss:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Depreciation charge of right-of-use assets (included in depreciation and amortisation expenses)	24,478,336	24,025,368	706,156	996,574
Interest expense on lease liabilities (included in finance costs)	549,970	987,246	278,453	445,012
Expenses relating to short-term leases and low-value assets (included in other operating expenses)	203,355	164,354	10,378	10,378
Impairment loss on right-of-use assets	40,376	–	–	–
	25,272,037	25,176,968	994,987	1,451,964

28. LEASE LIABILITIES (CONT'D.)

- (c) The table below summarises the maturity profile of the lease liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

Group	Weighted average incremental borrowing rate per annum %	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
31 March 2023					
Lease liabilities	2.77% – 8.70%	19,750,150	10,618,046	1,060,688	31,428,884
31 March 2022					
Lease liabilities	2.77% – 8.70%	26,946,095	24,423,009	2,163,268	53,532,372

Company	Weighted average incremental borrowing rate per annum %	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
31 March 2023					
Lease liabilities	5.30% – 6.95%	1,190,852	4,542,065	758,404	6,491,321
31 March 2022					
Lease liabilities	5.30% – 6.95%	1,125,149	4,577,274	1,971,288	7,673,711

- (d) The Group and the Company lease several lease contracts that include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the Group's and the Company's operations. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The followings are the undiscounted potential future rental payments that are not included in the lease term:

Group	Within 5 years RM	More than 5 years RM	Total RM
31 March 2023			
Extension options expected not to be exercised	5,436,276	984,540	6,420,816
31 March 2022			
Extension options expected not to be exercised	–	–	–

28. LEASE LIABILITIES (CONT'D.)

- (e) Lease liabilities are fixed rate instruments. Sensitivity analysis at the end of the reporting period is not presented as it is not affected by changes in the interest rates.
- (f) The Group and the Company lease several lease contracts that include extension and termination options. These are used to maximise operational flexibility in terms of managing the assets used in the Group's and the Company's operations. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

29. PROVISIONS

The Group and the Company operate an unfunded defined Retirement Benefit Scheme ("the Scheme") and gratuity for the eligible employees. Under the Scheme, eligible employees are entitled to post-employment benefits calculated by reference to their length of service and earnings.

The amount recognised in the statements of financial position is as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Present value of unfunded defined benefit obligations:				
Gratuity obligations	115,525	4,780,885	115,525	1,107,675
Analysed as follows:				
Current liabilities	–	478,257	–	239,326
Non-current liabilities				
– later than 1 year and not later than 5 years	–	1,833,146	–	520,340
– more than 5 years	115,525	2,469,482	115,525	348,009
	115,525	4,302,628	115,525	868,349
Total provisions	115,525	4,780,885	115,525	1,107,675

Movements during the financial year in the amount recognised in the statements of financial position in respect of the Scheme are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Balance as at 1 April 2022/2021	4,780,885	4,798,262	1,107,675	1,031,685
Early settlement before retirement	(2,597,477)	–	(992,150)	–
Disposal of subsidiaries	(2,067,883)	–	–	–
Current service cost recognised in profit or loss	–	(17,377)	–	75,990
Balance as at 31 March 2023/2022	115,525	4,780,885	115,525	1,107,675

29. PROVISIONS (CONT'D.)

Key assumptions used for this valuation (presented by weighted average) are as follows:

Group	2023	2022
Discount rate	4.59%	3.71%
Salary increase rate	2.74%	2.49% - 5.51%
Annual voluntary resignation rate	11.11%	11.11% - 60.00%
Mortality rate table	Malaysia Ordinary Insured 2011-2015	Malaysia Ordinary Insured 2011-2015
Normal retirement age	60 years	60 years

Company	2023	2022
Discount rate	4.59%	3.71%
Salary increase rate	2.74%	3.03%
Annual voluntary resignation rate	11.11%	11.11%
Mortality rate table	Malaysia Ordinary Insured 2011-2015	Malaysia Ordinary Insured 2011-2015
Normal retirement age	60 years	60 years

Significant assumptions for the determination of the present value of the gratuity obligations are discount rate, salary increase rate and annual voluntary resignation rate. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, assuming that all other assumptions remain constant.

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Effects of 100bp changes in:				
- discount rate	±3,693	±279,033	±3,693	±36,150
- salary increase rate	±3,952	±285,676	±3,952	±38,318
- annual voluntary resignation rate	±988	±422,675	±988	±54,567

Sensitivity analysis may not be representative of the actual change in the gratuity obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

30. TRADE PAYABLES

- (a) Trade payables are classified as financial liabilities measured at amortised cost.
- (b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company ranging from 1 to 6 months (2022: 1 to 6 months) from date of invoice.
- (c) The currency exposure profile of trade payables are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia	6,602,057	35,282,455	368,217	-
United States Dollar	768,069	1,080,278	-	-
Singapore Dollar	40,186	37,308	-	-
Great Britain Pound	17,502	17,502	-	-
Vietnamese Dong	-	15,170	-	-
	7,427,814	36,432,713	368,217	-

- (d) The maturity profile of the trade payables of the Group and the Company at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within one (1) year.
- (e) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group	
	2023 RM	2022 RM
Effects of 10% changes to RM against foreign currencies		
Profit/(Loss) for the financial year	±63,000	±87,000

31. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Non-current:				
Other payable	63,578	-	-	-
Provision for restoration cost	60,893	180,788	-	-
Contingent consideration payable	314,675	-	-	-
	439,146	180,788	-	-
Current:				
Other payables and accruals	42,322,126	38,264,460	2,665,798	6,401,824
Refundable deposits	323,994	385,889	-	-
Contingent consideration payable	200,000	-	-	-
	42,846,120	38,650,349	2,665,798	6,401,824

(a) Other payables, deposits and accruals are classified as financial liabilities measured at amortised cost.

(b) A reconciliation of the provision for restoration cost is as follows:

	Group	
	2023 RM	2022 RM
At 1 April 2022/2021	180,788	157,548
Acquisition of subsidiaries	4,353	22,277
Disposal of subsidiaries	(157,548)	-
Provision made during the year	31,487	-
Remeasurement	157	-
Unwinding of discount	1,656	963
At 31 March 2023/2022	60,893	180,788

Under the provision of lease agreements, the Group has obligations to dismantle and remove refurbishments on the demised premise and restore it at the end of the lease term to an acceptable condition. The liabilities for restoration are recognised at present value of the compounded future expenditure estimated using current price and discounted using a discount rate ranging from 3.40% to 4.06% (2022: 3.40% to 4.06%).

31. OTHER PAYABLES, DEPOSITS AND ACCRUALS (CONT'D.)

- (c) The contingent consideration payable represents the fair value of purchase consideration payable subject to achievement of net profit guarantee over the profit guarantee period in respect of the acquisition of RJ. The fair value of the contingent consideration payable was discounted at 6.47%. Further details on the acquisition of RJ were disclosed in Note 7(d).

The fair value of contingent consideration of the Company is categorised as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
31 March 2023				
Contingent consideration payable	–	–	514,675	514,675

Contingent consideration payable is included in Level 3 of the fair value hierarchy. The fair value is determined considering the expected payment, discounted to present value using a risk adjusted pre-tax discount rate. The expected payment is determined separately in respect of each tranche taking into consideration the expected level of profitability of RJ for each financial year, which is based on management's best estimate profit projections. The significant unobservable inputs are:

Significant unobservable inputs	2023	Inter-relationship between key unobservable inputs and fair value
Average revenue growth rate	9.0%	Lower revenue growth rate, lower fair value.
Pre-tax discount rate	6.47%	Higher discount rate, lower fair value.

The following table shows a reconciliation of Level 3 fair values:

Group	2023 RM	2022 RM
Balance as at 1 April 2022/2021	–	–
Provision made during the year	511,915	–
Unwinding of discount	2,760	–
Balance as at 31 March 2023/2022	514,675	–

For the fair value of contingent consideration payable, a reasonably possible change to one of the significant unobservable inputs at the end of the reporting period, holding the other inputs constant, would have insignificant financial effect on the fair value of contingent consideration at the end of the reporting period. Hence, the management did not separately disclose the effect of this sensitivity in the financial statements.

31. OTHER PAYABLES, DEPOSITS & ACCRUALS (CONT'D.)

- (d) The table below summarises the maturity profile of the other payables, deposits and accruals (excluding provision and contingent consideration payable) of the Group at the end of the reporting period based on contractual undiscounted repayment obligations:

Group	On demand or within one year RM	One to five years RM	Total RM
31 March 2023			
Other payables, deposits and accruals	42,646,120	63,578	42,709,698
31 March 2022			
Other payables, deposits and accruals	38,650,349	–	38,650,349

- (e) The maturity profile of the other payables, deposits and accruals (excluding provision and contingent consideration payable) of the Company at the end of the reporting period based on contractual undiscounted repayment obligations is repayable on demand or within one (1) year.

- (f) The currency exposure profile of other payables and accruals (excluding provision and contingent consideration payable) is as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Ringgit Malaysia	42,241,422	38,088,880	2,665,798	6,401,824
Brunei Dollar	12,900	12,900	–	–
Indonesia Rupiah	384,842	385,966	–	–
Singapore Dollar	25,654	29,924	–	–
United States Dollar	6,633	16,902	–	–
Vietnamese Dong	38,247	115,777	–	–
	42,709,698	38,650,349	2,665,798	6,401,824

Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	2023 RM	2022 RM
Effects of 10% changes to RM against foreign currencies		
Profit/(Loss) for the financial year	+36,000	+43,000

32. CONTINGENT LIABILITIES

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Contract liabilities in relation to:					
Projects	17	24,692	2,304,719	–	–
Deferred income:					
– maintenance income		–	16,417,133	–	1,389,367
		24,692	18,721,852	–	1,389,367

- (a) Contract liabilities are the obligations to transfer goods or services to customers for which the Group and the Company have received the consideration, the fair values at initial recognition, or has billed the customers. For projects, contract liabilities are excess of the progress billings to customers over the project costs incurred plus profit accrued. In the previous financial year, deferred maintenance income and software licensing fees were billings that had been made to the customers before the services were provided to the customers.
- (b) In the previous financial year, deferred income represented advance billings for contract works and maintenance services.
- (c) The amount of RM6,224,508 (2022: RM21,339,817) recognised in contract liabilities at the beginning of the financial year has been recognised as revenue at the end of reporting period. The remaining RM12,497,344 has been derecognised following the disposal of subsidiaries.
- (d) Contract value yet to be recognised as revenue

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the end of the reporting period, are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Within 1 year	24,692	17,907,033	–	1,389,367
Between 1 and 4 years	–	814,819	–	–
	24,692	18,721,852	–	1,389,367

33. CONTINGENT LIABILITIES

	Company	
	2023 RM	2022 RM
Corporate guarantees given to financial institutions and leasing corporations for facilities granted to certain subsidiaries		
- Unsecured	34,122,580	34,122,580
- Secured	211,742,246	259,955,500

- (i) Corporate guarantees given to financial institutions and leasing corporations for facilities granted to subsidiaries are financial guarantee contracts designated as insurance contracts as defined in MFRS 4 Insurance Contracts.
- (ii) The Directors are of the view that the chances of the counter parties to call upon the corporate guarantees are remote. Accordingly, the fair values of the above corporate guarantees given to the subsidiaries for banking facilities are negligible.
- (iii) Corporate guarantees given to financial institutions and leasing corporations are disclosed in Note 26 to the financial statements.

34. CAPITAL COMMITMENTS

	Group	
	2023 RM	2022 RM
Capital expenditure in respect of purchase of property, plant and equipment:		
- Contracted but not provided for	62,183	-
- Approved but not contracted for	4,236,000	-

35. REVENUE

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<i>Continuing operations</i>				
Revenue from contracts with customers:				
Maintenance income	11,698,211	31,740,354	–	–
Sales of hardware equipment and software	18,919,836	23,797,816	–	–
Management fees	–	1,216,800	2,525,700	3,143,520
Consultancy services	34,245,317	45,318,907	28,599,606	45,219,847
Healthcare products	22,744,898	15,367,782	–	–
Dividend income from a subsidiary	–	–	46,500,000	–
	87,608,262	117,441,659	77,625,306	48,363,367
Other revenue:				
Rental income	28,617,527	15,404,630	–	–
	116,225,789	132,846,289	77,625,306	48,363,367
Timing of revenue recognition				
Transferred over time	45,943,528	77,059,261	28,599,606	45,219,847
Transferred at a point in time	41,664,734	40,382,398	49,025,700	3,143,520
	87,608,262	117,441,659	77,625,306	48,363,367

Disaggregation of revenue from contracts with customers

Disaggregation of revenue from contracts with customers has been presented in the operating segments, Note 4 to the financial statements, which has been presented based on geographical location from which the sale transactions originated.

(a) Projects

Projects may include multiple promises to customers and therefore accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

Revenue from projects is measured at the fixed transaction price agreed under the agreement.

The Group determines the transaction price of a contract after considering the effect of variable consideration, constraining estimates of variable consideration, effect of significant financing component, non-cash consideration and consideration payable to customer.

When the fair value of variable consideration is uncertain, the Group estimates the amount of consideration by using the most likely amount method and only recognises to the extent that is highly probable that a significant reversal in cumulative revenue will not occur.

35. REVENUE (CONT'D.)

(a) Projects (Cont'd.)

Revenue is recognised as and when control of the asset is transferred to the customer and it is probable that the Group would collect the consideration to which it will be entitled in exchange for the asset that would be transferred to the customer. Control of the asset is transferred over time if the performance of the Group does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group recognises revenue over time using an input method to measure progress towards complete satisfaction of the service, as the customer simultaneously received and consumes the benefits provided by the Group. Revenue is recognised on a straight-line basis over the contracted period as services are provided on a continuous basis.

The Group identifies performance obligations that are distinct and material, which are judgmental in the context of contracts. Transaction prices are determined based on estimated profit margins prior to its allocation to the identified performance obligations. The Group also estimate total performance period in applying the input method to recognise revenue over time. In estimating total performance period to complete, the Group considers the completeness and accuracy of its performance period estimation, including performance period for contract variations.

(b) Maintenance income

Revenue from sale of maintenance and software support services rendered is recognised over time throughout the period of contracts using an input method. Income for the expired period is recognised in the profit or loss on accrual basis and income relating to the unexpired period is carried forward as deferred maintenance income.

(c) Sale of hardware equipment and software

Revenue from sale of hardware equipment and software is recognised at a point in time when the hardware equipment and software has been transferred to the customers and coincides with the delivery of products and acceptance by customers.

Some contracts include multiple deliverables, such as the installation of hardware equipment and/or software. In most cases, the installation is simple, does not include an integration service and could be performed by another party. Therefore, it is accounted for as a separate performance obligation. The transaction price will be allocated to each performance obligation based on stand-alone selling prices. Where these are not directly observable, they are estimated based on cost plus expected margin. If contracts include the installation of hardware equipment and software, the revenue for installation services are recognised at a point in time when the customer has accepted the installation of the hardware equipment or software.

There is no significant financing component in the revenue arising from sale of hardware equipment and software as the sales are made on the normal credit terms not exceeding twelve (12) months.

(d) Management fees

Management fees is recognised at a point in time when management services is rendered and upon acceptance by customers.

35. REVENUE (CONT'D.)

(e) Consultancy services

Revenue from provision of management consultancy services is recognised over time throughout the period of contracts. Income for the expired period is recognised in the profit or loss on accrual basis and income relating to the unexpired period is carried forward as deferred income.

(f) Dividend income from subsidiaries

Dividend income is recognised when the rights of the Group and of the Company to receive payment are established.

(g) Rental income

Rental income is accounted for on a straight-line basis over the lease term of an ongoing lease.

(h) Sales of healthcare products

Revenue from sale of healthcare products is recognised at a point in time when the healthcare products have been transferred to the customers and coincides with the delivery of products and acceptance by customers.

There is no significant financing component in the revenue arising from sale of healthcare products as the sales are made on the normal credit terms not exceeding twelve (12) months.

36. EMPLOYEE BENEFITS

Total employee benefits recognised in profit or loss are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<i>Continuing operations</i>				
Salaries, wages, bonuses and allowances	21,737,160	17,998,709	3,558,370	5,042,552
Defined contribution plan	2,428,257	2,371,125	502,894	677,667
Shares granted under ESGP	3,358,945	689,374	1,374,375	689,374
(Reversal of)/Provision for gratuity obligations	(2,597,477)	49,765	(992,150)	75,990
Other employee benefits	880,548	1,139,023	180,555	462,973
	25,807,433	22,247,996	4,624,044	6,948,556

(a) Included in the employee benefits of the Group and of the Company are remuneration paid to Executive Directors' amounting to RM1,117,704 (2022: RM4,759,939) and RM1,117,704 (2022: RM1,555,321) respectively.

(b) Estimated monetary value of benefits-in-kind provided to the Directors of the Group and of the Company are RM54,456 (2022: RM92,500).

36. EMPLOYEE BENEFITS (CONT'D.)

(c) Remuneration of Directors and other key management personnel during the financial year are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<i>Continuing operations</i>				
Directors' fees	438,065	1,553,056	438,065	444,150
Salaries, and other short term employee benefits:				
Directors' remuneration	1,117,704	4,759,939	1,117,704	1,555,321
Other key management personnel	1,306,222	4,245,418	633,423	1,501,613
	2,423,926	9,005,357	1,751,127	3,056,934

37. FINANCE COSTS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<i>Continuing operations</i>				
Interest expenses on:				
- bank guarantee charges	459,673	27,013	-	-
- bank overdrafts	140	51	-	-
- lease liabilities	416,629	394,811	278,453	445,012
- letter of credit, invoice financing and trust receipts	60,952	261,910	-	-
- term loans	9,006,607	6,904,216	3,126,487	2,259,992
- redeemable preference shares	10,418,814	10,127,667	10,418,814	10,127,667
- provision for restoration cost	1,656	-	-	-
- contingent consideration	2,760	-	-	-
- others	2,438	468,725	36	-
	20,369,669	18,184,393	13,823,790	12,832,671

38. TAX EXPENSE

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Current income tax				
Malaysian income tax	954,390	1,220,549	–	50,604
(Over)/Under provision in prior years				
Malaysian income tax	(162,558)	438,794	–	10,635
Deferred tax (Note 12)	791,832	1,659,343	–	61,239
Relating to originating and reversal of temporary Differences	16,248	(215,491)	–	–
Under/(Over) provision in prior years	55,519	(14,430)	–	–
	71,767	(229,921)	–	–
Real property gains tax	6,014	–	–	–
Income tax from continuing operations	869,613	1,429,222	–	61,239
Income tax from discontinued operation (Note 7(d))	800,783	8,771,989	–	–
	1,670,396	10,201,411	–	61,239

Malaysian income tax is calculated at the statutory tax rate of 24% (2022: 24%) of the estimated taxable (loss)/profit for the fiscal year.

Tax expense for other taxation authorities is calculated at the rates prevailing in those respective jurisdictions.

38. TAX EXPENSE (CONT'D.)

Numerical reconciliation between the tax expense and the product of accounting (loss)/profit multiplied by applicable tax rates of the Group and of the Company are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Tax at Malaysian statutory tax rate of 24% (2022: 24%)	31,382,406	313,850	5,112,788	(9,566,210)
Tax effects in respect of:				
Non-allowable expenses	11,964,624	30,542,627	7,108,315	5,661,344
Non-taxable income	(47,009,692)	(20,542,141)	(16,824,831)	(28,506)
Differential in tax rates	-	-	-	-
Effect of tax savings from Small and Medium Enterprise incentive	-	(96,091)	-	-
Real property gains tax	6,014	-	-	-
Movements in deferred tax assets not recognised	5,267,012	116,501	4,603,728	3,983,976
(Over)/Under provision of income tax in prior years	1,610,364	10,334,746	-	50,604
- continuing operations	(162,558)	438,794	-	10,635
- discontinued operation	42,071	121,704	-	-
Under/(Over) provision of deferred tax in prior years				
- continuing operations	55,519	(14,430)	-	-
- discontinued operation	125,000	(679,403)	-	-
	1,670,396	10,201,411	-	61,239

Tax on each component of other comprehensive income/(loss) is as follows:

	Group		
	Before tax RM	Tax effect RM	After tax RM
Items that may be reclassified subsequently to profit or loss			
2023			
Foreign currency translations	184,730	-	184,730
Share of other comprehensive income of associates	(220,655)	-	(220,655)
Discontinued operation	(264,499)	-	(264,499)
2022			
Foreign currency translations	(790,761)	-	(790,761)
Share of other comprehensive income of associates	20,714	-	20,714
Discontinued operation	681	-	681

39. LOSS PER ORDINARY SHARE

(a) Basic loss per ordinary share

	Group	
	2023	2022
Profit/(loss) attributable to owners of the Company (RM)		
– from continuing operations	(64,999,593)	(34,435,583)
– from discontinued operations	191,512,560	14,266,353
Total profit/(loss) attributable to owners of the Company	126,512,967	(20,169,230)
Number of ordinary shares in issue at the beginning of financial year	534,189,735	532,478,635
Effects of issuance of shares pursuant to LTIP	1,662,925	598,541
Weighted average number of ordinary shares applicable to basic earnings/(loss) per ordinary share	535,852,660	533,077,176
Basic and diluted earnings/(loss) per ordinary share (sen) for:		
– from continuing operations	(12.13)	(6.46)
– from discontinued operations	35.74	2.68
	23.61	(3.78)

(a) Diluted loss per ordinary share

The diluted loss per ordinary share equal basic loss per ordinary share because there were no potential dilutive ordinary shares as at the end of the reporting period.

40. DIVIDEND

The Directors do not recommend any payment of final dividend in respect of the current financial year.

41. LONG-TERM INCENTIVE PLAN (“LTIP”)

At an Extraordinary General Meeting held on 24 September 2013, the Directors were authorised to proceed with the establishment and administration of the LTIP, which comprises an Employee Share Option Scheme (“ESOS”) and an Employee Share Grant Plan (“ESGP”) and is administered by the LTIP Committee appointed by the Board of Directors, in accordance with the By-Laws of the LTIP. The LTIP should be in force for a period of 5 years from 16 October 2013, unless extended further.

On 16 August 2018, in pursuant to the By-Laws 26.3 of the Company's LTIP By-Laws and upon the recommendation by the LTIP Committee, the Board of Directors resolved to extend its existing LTIP for a period of five (5) years commencing from 16 October 2018 on the same terms and conditions as stipulated in the said By-Laws.

The main features of the LTIP are as follows:

- (a) Eligible Directors and employees are those who are confirmed employees of the Company and/or its eligible subsidiaries and has attained the age of 18 years before the date of offer;

41. LONG-TERM INCENTIVE PLAN (“LTIP”) (CONT’D.)

The main features of the LTIP are as follows: (Cont’d.)

- (b) The maximum number of options to be issued under the LTIP should not exceed in aggregate 15% of the issued and paid-up ordinary share capital of the Company at any point of time during the tenure of the LTIP. In addition, any individual Director or employee’s maximum entitlement should not exceed 10% of the ordinary shares of the Company in issue in the 12 months period up to (and including) the date of the grant;
- (c) Options granted may be exercised at any time within the option period from the date of offer;
- (d) In the case of the ESGP, the shares will be vested with the grantee at no consideration on the vesting date: while in the case of the ESOS, the option price of a new ordinary share should be the 5-day weighted average market prices of the shares as quoted in the Daily Official List issued by Bursa Malaysia Securities Berhad immediately preceding the date of offer; and
- (e) Options granted are not entitled to dividends or voting rights. Upon exercise of the options, the ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

The fair value of share options granted in the current financial year to eligible employees, was determined using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted.

The fair value of share options measured at the grant date and the input assumed by the Company in arriving the fair value are as follows:

ESOS	Offer 1	Offer 2
Exercise price (RM)	0.660	0.500
Date of grant	6 January 2014	6 April 2015
Share price of the Company at grant date (RM)	0.715	0.505
Option life (years)	3	3
Volatility (%)	50.030	35.491
Risk-free rate (%)	3.172	3.314

42. RELATED PARTY DISCLOSURES

- (a) Identities of related parties

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

The Company has controlling related party relationship with its direct and indirect subsidiaries.

Related parties of the Group include:

- (i) Direct and indirect subsidiaries as disclosed in Note 7 to the financial statements;
- (ii) Associates as disclosed in Note 8 to the financial statements;
- (iii) Jointly-controlled entities as disclosed in Note 9 to the financial statements;

42. RELATED PARTY DISCLOSURES (CONT'D.)

(a) Identities of related parties (Cont'd.)

Related parties of the Group include: (Cont'd.)

(iv) Companies in which certain Directors have financial interests; and

(v) Key management personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Company, and certain members of the senior management of the Group.

(b) In addition to transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Subsidiaries				
- Management fee income	-	-	1,054,800	2,411,520
- Human resources consultancy services	-	-	30,720	41,530
- Purchase of goods and services	-	-	-	34,046,621
- Rental paid	-	-	-	-
- Rental income	-	-	906,685	2,052,219
- Dividend income	-	-	46,500,000	-
Associates				
- Management fee income	222,391	-	222,391	-
- Lease/Rent paid	133,470	-	133,470	-
Related parties (companies related to associates)				
- Purchase of goods	28,928,125	-	28,928,125	-
- Rental income	19,402	-	19,402	-
Jointly-controlled entity				
- Rental income	-	-	44,342	49,296
Company related to a Director of the Company				
- Interest expense	-	2,642,250	-	-
- Sales of goods	-	1,600,000	-	-

Related parties transactions described above were carried out on terms and conditions mutually agreed with the respective related parties.

43. CAPITAL MANAGEMENT

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as going concern whilst maximising the return to shareholders through the optimisation of the debt and equity balance. The overall strategy of the Group remains unchanged from financial year ended 31 March 2022.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2023.

The gearing ratios as at 31 March 2023 and 31 March 2022 are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Total borrowings (Note 25)	95,504,028	154,804,879	43,854,903	44,508,850
Total equity attributable to owners of the Company	330,781,269	194,681,802	183,340,525	159,191,296
Gearing ratio	28.9%	79.5%	23.9%	28.0%

Pursuant to the requirements of Practice Note No. 17/2005 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than 25% of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40.0 million. The Company has complied with this requirement for the financial year ended 31 March 2023.

The Group is not subject to any other externally imposed capital requirements.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities are exposed to a variety of financial risks, including foreign currency risk, interest rate risk, credit risk and liquidity and cash flow risks. The Group's overall financial risk management objective is to minimise potential adverse effects on the financial performance of the Group.

Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to financial risk management policies.

There have been no significant changes on the Group's exposure to financial risks from the previous year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

The Group's management reviews and agrees on policies managing each of the financial risks and they are summarised as follows:

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument would fluctuate because of changes in foreign exchange rates.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, mainly Singapore Dollar ("SGD"), United States Dollar ("USD"), Great Britain Pound ("GBP"), Indonesian Rupiah ("IDR"), Vietnam Dong ("VND") and Brunei Dollar ("BND"). Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

A sensitivity analysis for foreign currency risk has been disclosed in Notes 11, 16, 18, 22, 30 and 31 to the financial statements respectively.

(b) Interest rate risk

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

The income and operating cash flows of the Group are independent of changes in market interest rate. Interest rate exposure arises mainly from bank borrowings of the Group and is managed through effective negotiation with financial institutions for best available rates.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 22, 25 and 28 to the financial statements respectively.

(c) Credit risk

Cash deposits and trade receivables could give rise to credit risk, which requires the loss to be recognised if a counter party fails to perform as contracted. The counter parties are major international institutions and reputable multinational organisations. It is the policy of the Group to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The primary exposure of the Group to credit risk arises through its trade and other receivables, while the primary exposure of the Company arises through its other receivables and amounts owing by subsidiaries. The trading terms of the Group with its customers are mainly on credit. The credit period is generally for a period of 30 days, extending up to 90 days for major customers.

The credit risk concentration profile has been disclosed in Note 16 to the financial statements.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

The Group's management reviews and agrees on policies managing each of the financial risks and they are summarised as follows: (Cont'd.)

(d) Liquidity and cash flow risks

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

During the financial year ended 31 March 2023, the Group's continuing operations incurred loss of RM62,423,236 and, as of that date, the current liabilities of the Group exceeded their current assets by RM84,159,901. The Directors are of the opinion that the Group will have sufficient cash flows for the next twelve (12) months from the date of the financial statements to meet their cash flows requirement and there is no material uncertainty on the ability of the Group to continue as a going concern as the Group has sufficient unutilised banking facilities which are readily available to the Group on top of the funds to be generated from operations of the Group in the next twelve (12) months.

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 18, 19, 20, 21, 25, 27, 28, 30 and 31 to the financial statements respectively.

45. ADOPTION OF NEW MFRSS AND AMENDMENT TO MFRSS

45.1 New MFRSS adopted during the financial year

The Group and the Company adopted the following Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Annual Improvements to MFRS Standards 2018-2020	1 January 2022
Amendments to MFRS 3 <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116 <i>Property, Plant and Equipment Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137 <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022

Adoption of the above Standards did not have any material effect on the financial performance or position of the Group and of the Company.

45. ADOPTION OF NEW MFRSS AND AMENDMENT TO MFRSS (CONT'D.)**45.2 New MFRSS that have been issued, but only effective for annual periods beginning on or after 1 January 2023**

The following are Standards of the MFRS Framework that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been early adopted by the Group and the Company:

Title	Effective Date
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts (Initial Application of MFRS 17 and MFRS 9 – Comparative Information)</i>	1 January 2023
Amendments to MFRS 101 <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108 <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Deferred tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 16 <i>Lease liability in a sale and leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
<i>International Tax Reform–Pillar Two Model Rules</i> (Amendments to MFRS 112 <i>Income Taxes</i>)	Refer paragraph 98M of MFRS 112
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Group and the Company do not expect the adoption of the above Standards to have a significant impact on the financial statements.

46. MATERIAL LITIGATION

- (a) Foster Moore International Limited ("the Plaintiff") vs. Formis Network Services Sdn. Bhd. ("FNS") and Omesti Berhad ("Omesti")

On 13 May 2020, the Group announced that the Company, together with FNS (collectively "the Defendants"), received a Writ of Summons ("Writ") and Statement of Claim both dated 2 April 2020 filed by the Plaintiff.

It alleged that FNS has failed to pay the Plaintiff for works done in accordance with a Master Service Agreement dated 20 November 2017 entered into between the Plaintiff, Omesti (as corporate guarantor to guarantee the payment obligation of FNS) and FNS. The works in question relate to the provision of services and deliverables by the Plaintiff to FNS in connection with an online register of companies solution to the Companies Commission of Malaysia ("CCM"). The Plaintiff's claim against both FNS and the Company are, amongst others, in the sum of USD786,283 together with interest and costs.

The Defendants filed a Statement of Defence and Counterclaim against the Plaintiff on 10 July 2020. In the Counterclaim, the Defendants are claiming for damages for overpayment to the Plaintiff and licence fees in the approximate sum of USD1.0 million.

The Court has fixed for a case management on 29 August 2023 for both parties to finalise pre-trial documents, and also fixed for trial dates from 5 February 2024 to 7 February 2024.

The Group is of the view that the Group has reasonable prospects of success in defending the claim and also in succeeding with the Counterclaim. The Group assessed that the expected losses arising from the litigation are the expenses in engaging advocates and solicitors to address the litigation as well as the cost of the litigation and litigation proceedings.

- (b) Formis Network Services Sdn. Bhd. ("FNS") vs. Suruhanjaya Syarikat Malaysia ("the Defendant")

On 11 February 2021, the Group announced that FNS ("the Plaintiff"), filed a Writ and Statement of Claim ("SOC") as Plaintiff against SSM ("the Defendant") in relation to the termination of the Agreement.

As announced on 9 July 2020, FNS had received a letter dated 8 July 2020 confirming that SSM had maintained its decision to terminate the Agreement in accordance with SSM's 5 August 2019 letter as SSM believes that no amicable solution can be reached between the parties. Prior thereto, the parties were in dispute resolution discussions, a mechanism provided for under the Agreement, since FNS took the position that SSM had wrongfully terminated the Agreement and that FNS did not accept the said termination as it was invalid. The Plaintiff's claim against the Defendant in the sum of RM128,178,068.

On 5 April 2021, the Group announced that FNS was served with the Defendant's Defence and Counterclaim on 2 April 2021. The Defendant is alleging that FNS is not entitled to any of the reliefs claimed in its SOC, and by way of counterclaim, the Defendant has claimed in sum of RM49,298,651 with no fixed rate on the interests, inter alia, liquidated ascertained damages, costs and expenses purportedly incurred, including for FNS' alleged failure to complete the services under the Agreement, as well as interests.

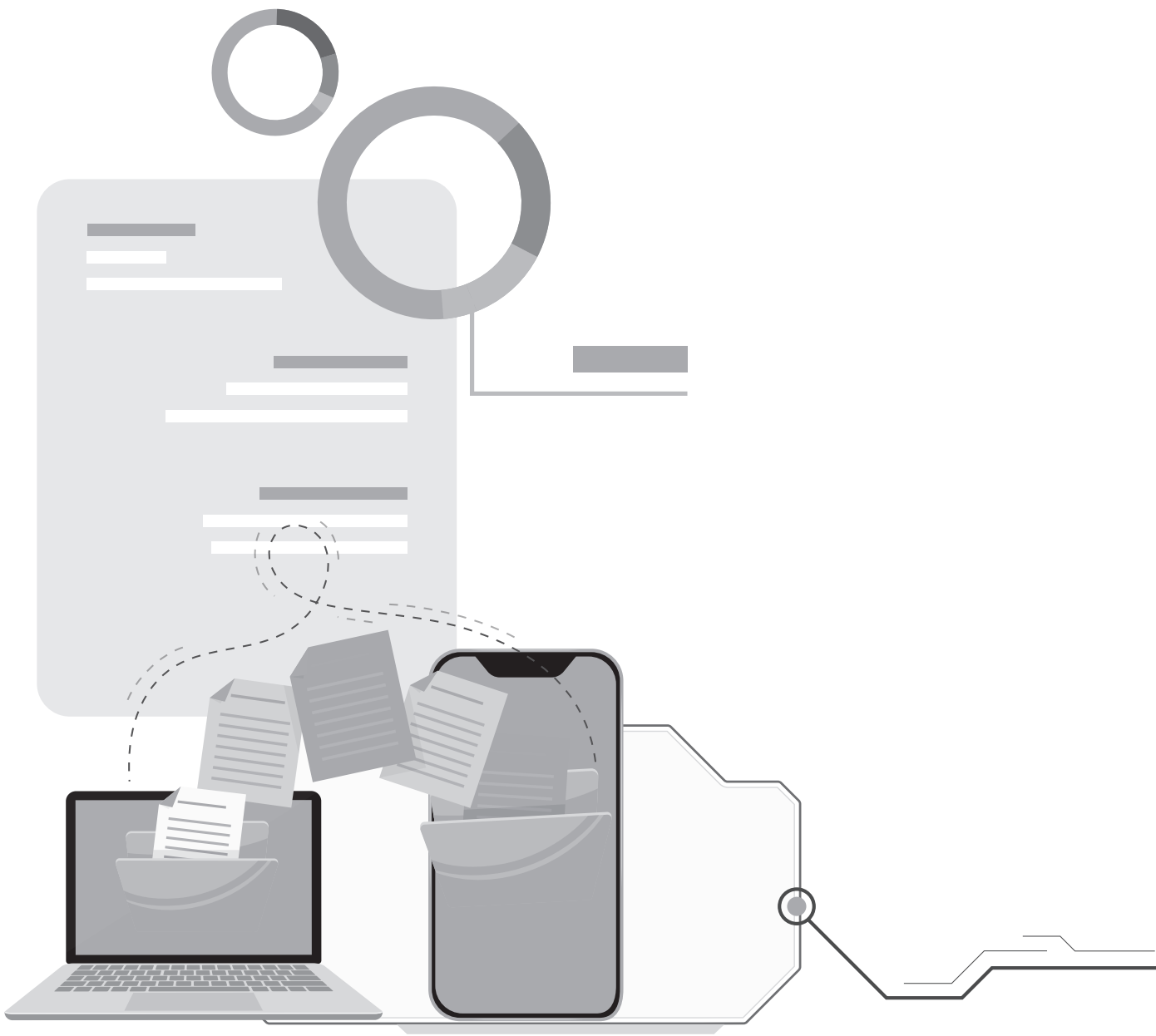
On 12 May 2021, FNS also filed and served its reply to the Defendant, denying and disputing the Defendant's Defence and Counterclaim.

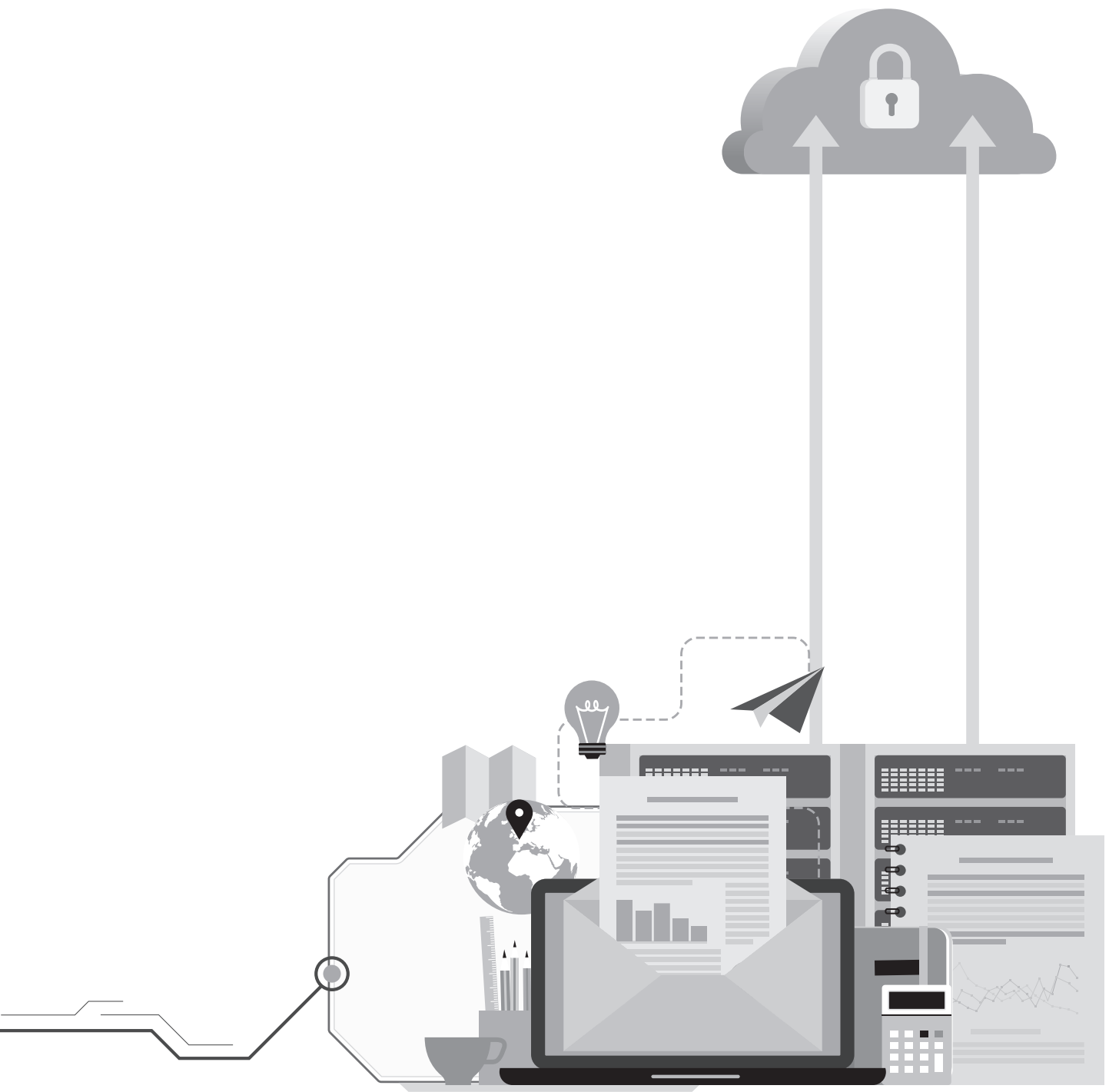
This Court had fixed this matter for trial on 18th-19th September and 2nd, 3rd and 7th November 2023.

Management is of the view that the Group has reasonable prospects of success in the claim and defending against SSM's counterclaim. The Group assessed that the expected losses arising from the litigation are the expenses in engaging advocates and solicitors to address the litigation as well as the cost of the litigation and litigation proceedings.

47. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 17 May 2022, Medilabz, became an indirect 70% owned subsidiary of the Company as disclosed in Note 7(d) to the financial statements.
- (b) On 22 June 2022, the Company announced that Formis Network Services Sdn. Bhd. ("FNS"), an indirect 51% subsidiary of the Company, had on 21 June 2022 received and accepted a Letter of Award ("LOA") from Tenaga Nasional Berhad for the "Leasing of Personal Computers for Tenaga Nasional Berhad" project for a duration of 3 years, commencing on 21 June 2022 at a total contract value of RM25,312,416 with no clause on the renewal in the LOA.
- (c) On 18 July 2022, the Company announced that MSB would cease to be a subsidiary of OHB, a wholly-owned subsidiary of the Company, and would be recognised as an associate, due to the following:
 - (i) OHB had on 2 June 2022 disposed 15,000,000 ordinary shares in MSB for a total consideration of RM8,700,000. Following this transaction, OHB's equity interest in MSB had reduced from 50.6% as at 31 March 2022, to 49.2%.
 - (ii) On 18 July 2022, the Company announced the resignation of three of its Directors from the board (two of whom are common Directors of MSB), and the redesignation of a Director. As a result of the changes in the composition of the board of the Company, it would reduce the common directorships and management personnel with MSB's Board and Management. With effect from this date, the Company would now cease to have control over the Board and Management of MSB, and going forward would account for the interest in MSB as an investment in associate and no longer as a subsidiary.
- (d) On 15 December 2022, OHB disposed a total of 135,000,000 ordinary MSB shares in a private placement for a total cash consideration of RM74,250,000. Subsequently, OHB's equity interest in MSB was further diluted to 36.3% as at 31 March 2023.
- (e) On 22 February 2023, PTJ, a 70% indirectly-owned subsidiary had completed the acquisition of RJ Drugstore Sdn. Bhd., a company carrying on the business of pharmacy for a total of consideration comprising cash consideration of RM900,000 and contingent consideration of RM550,000, which is subject to the achievement of net profit guarantee.







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