



**BUSINESS
EVOLVED**

ANNUALREPORT 2022

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VOLUME 2

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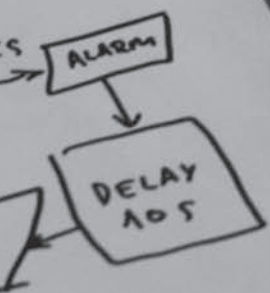
output
show output from: Debug
'Batch Calibration.exe' (Win32): Loaded 'C:\Windows\SysWow64\ntdll.dll'. Cannot find or open the PDB file.
'Batch Calibration.exe' (Win32): Loaded 'C:\Windows\SysWow64\kernel32.dll'. Cannot find or open the PDB file.
'Batch Calibration.exe' (Win32): Loaded 'C:\Windows\SysWow64\KernelBase.dll'. Cannot find or open the PDB file.
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'Batch Calibration.exe' (Win32): Loaded 'C:\Windows\SysWow64\msvcrt120d.dll'. Cannot find or open the PDB file.
Application: Batch Calibration.exe has exited with code 0 (0x0).



game.php

```
1 var g_player;
2 var move_number;
3
4 soundManager.onload = function(){
5
6 }
7
8 function init(gam_id, player){
9   soundManager.debugMode = false;
10  window.setTimeout("onTimer('+gam_id+', '+player+')", 3000);
11 }
12
13 function initBoard(gam_id, num_moves, player, color){
14   init(gam_id, player);
15   for (i=0; i<8; i++){
16     var piece = 'black' && piece && piece.alt.toLowerCase() ==
17     if (color == 'white' && piece && piece.alt.toLowerCase() !=
18     piece.alt) new Draggable(piece, i, i);
19     else if (color == 'white' && piece && piece.alt.toLowerCase() !=
20     piece.alt) new Draggable(piece, i, i);
21     Droppables.add(square, i, i);
22     accept: piece;
23     hoverClass: 'active';
24     onDrop: function(piece, square){
25       var piece_id = piece.id.substr(piece.id.indexOf('.')+1);
26       var square_id = square.id.substr(square.id.indexOf('.')+1);
27       new Ajax.Request("move.php", {
28         parameters: {gam_id: '+gam_id+', sorigin: '+piece_id+', sdestination: '+square_id+'
29         },
30         onSuccess: function(response){
31           // Handle move response
32         }
33       });
34     }
35   }
36 }
```

- arcadia
- git
- bin
- conf
- ext
- ae-breakpoints
- ae-dir-projects
- ae-editor
- ae-lang
- lib
- ae-editor.conf
- ae-editor.css
- ae-file-history
- ae-output
- ae-rad
- ae-ruby-debug
- ae-search-in-files
- ae-shell
- ae-subprocess-inspector
- ae-term
- test-shutdown-after-startup
- lib
- tcl
- test
- README
- arcadia.gemspec
- arcadia.todo



DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2022.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and provision of research and development on information technology solutions to the financial services industry. The principal activities and the details of the subsidiaries are disclosed in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group	Company
	RM	RM
Profit/(Loss) for the financial year	25,459,001	(3,649,634)
Attributable to:		
Owners of the parent	25,469,946	(3,649,634)
Non-controlling interests	(10,945)	-
	25,459,001	(3,649,634)

DIVIDENDS

No dividend has been paid, declared or proposed by the Company for the current financial year. The Directors do not propose any dividend in respect of the current financial year.

RESERVES & PROVISIONS

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

ISSUE OF SHARES & DEBENTURES

During the financial year, the issued and fully paid-up ordinary shares of the Company were increased from 241,290,340 ordinary shares to 1,067,397,460 ordinary shares by way of issuance of 826,107,120 new ordinary shares pursuant to the following:

- (i) 1,300,000 ordinary shares issued under Employee Share Grant Plan at exercise prices ranging from RM2.2991 to RM2.2539 per ordinary share at no consideration; and
- (ii) On 20 August 2021, 727,771,020 ordinary shares issued under bonus issue on the basis of 3 bonus shares for every 1 existing ordinary shares; and
- (iii) On 28 February 2022, 97,036,100 ordinary shares issued under private placement at price of RM0.55 per ordinary share for cash.

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

The Company did not issue any debentures during the financial year.

DIRECTORS' REPORT (CONT'D.)**OPTIONS GRANTED OVER UNISSUED SHARES**

At an Extraordinary General Meeting held on 17 October 2014, the Directors were authorised to proceed with the establishment and administration of the Long-Term Incentive Plan (LTIP or Scheme), which comprises an Employee Share Option Scheme (ESOS) and an Employee Share Grant Plan (ESGP) and is administered by the LTIP Committee which is 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 27 October 2014, unless extended further.

On 11 October 2019, 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 27 October 2019 on the same terms and conditions as stipulated in the said By-Laws.

The main features of the LTIP are disclosed in Note 38 to the financial statements.

During the financial year, the Company has awarded 1,300,000 new ordinary shares under the ESGP to eligible 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:

Microlink Solutions Berhad

Tun Arifin bin Zakaria
 Dato' Jaganath Derek Steven Sabapathy
 Monteiro Gerard Clair
 Tai Keat Chai
 Martin Chu Leong Meng
 Mah Xian-Zhen
 Dato' Seri Mohd Khairi bin Dato' Mat Jahya
 Dato' Sri Chee Hong Leong
 Tan Sri Mazlan bin Lazim (Appointed on 1 March 2022)

Subsidiaries of Microlink Solutions Berhad

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the list of Directors of the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year and up to the date of this report is as follows:

Ch'ng Kai Fen
 Chia Yong Wei
 Gan Khong Kiat
 Koay Soon Hoe
 Ajjis
 See Kar Fai
 Nazri bin Ismail
 Ku Azhar bin Ku Abdul Razak
 Ryan John Fernandez (Appointed on 14 April 2021)
 Ramlee bin Abdullah (Appointed on 28 December 2021)
 Ahmad Faiz bin Besah @ Sitam (Appointed on 4 March 2022)
 Trazender Anak Gunting (Appointed on 12 April 2022)

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 ended 31 March 2022 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 31.3.2022
	Balance as at 1.4.2021	Addition	Sold	
<u>Direct interests</u>				
Monteiro Gerard Clair	6,439,799	21,985,197	-	28,424,996
Mah Xian-Zhen	138,666	415,998	-	554,664
Dato' Seri Mohd Khairi bin Dato' Mat Jahya	20,000,000	58,020,000	(660,000)	77,360,000
Dato' Jaganath Derek Steven Sabapathy	4,805,500	14,416,500	-	19,222,000
<u>Indirect interest</u>				
Monteiro Gerard Clair [#]	7,866	23,598	-	31,464
Dato' Seri Mohd Khairi bin Dato' Mat Jahya ^{**}	20,000,000	60,000,000	(68,000,000)	12,000,000
Mah Xian-Zhen [*]	730,300	2,190,900	-	2,921,200

Employee Share Grant Plan (ESGP) in the Company	Number of Shares under ESGP				Balance as at 31.3.2022
	Balance as at 1.4.2021	Granted	Vested	Lapsed	
<u>Direct interests</u>					
Monteiro Gerard Clair	-	400,000	(400,000)	-	-

Shares in the ultimate holding company - Omesti Berhad	Number of Ordinary Shares			Balance as at 31.3.2022
	Balance as at 1.4.2021	Addition	Sold	
<u>Direct interests</u>				
Monteiro Gerard Clair	29,857,055	9,368,800	-	39,225,855
Mah Xian-Zhen	1,501,555	-	-	1,501,555
Dato' Jaganath Derek Steven Sabapathy	3,869,800	-	-	3,869,800
<u>Indirect interests</u>				
Monteiro Gerard Clair [#]	67,467,100	-	-	67,467,100
Mah Xian-Zhen [*]	9,645,000	-	-	9,645,000

DIRECTORS' REPORT (CONT'D.)**DIRECTORS' INTERESTS (CONTINUED)**

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 ended 31 March 2022 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: (continued)

Shares in the ultimate holding company - Omesti Berhad	Number of Redeemable Preference Shares			Balance as at 31.3.2022
	Balance as at 1.4.2021	Addition	Sold	
<u>Direct interests</u>				
Monteiro Gerard Clair	-	5,976,840	-	5,976,840
Mah Xian-Zhen	-	55,000	-	55,000
Dato' Jaganath Derek Steven Sabapathy	-	773,960	(773,960)	-
<u>Indirect interests</u>				
Monteiro Gerard Clair [#]	-	13,980,000	(500,000)	13,480,000
Mah Xian-Zhen [*]	-	1,929,000	-	1,929,000

Shares in the ultimate holding company - Omesti Berhad	Number of Warrants 2021/2026			Balance as at 31.3.2022
	Balance as at 1.4.2021	Addition	Sold	
<u>Direct interests</u>				
Monteiro Gerard Clair	-	13,945,959	-	13,945,959
Mah Xian-Zhen	-	42,000	-	42,000
Dato' Jaganath Derek Steven Sabapathy	-	3,105,906	-	3,105,906
<u>Indirect interests</u>				
Monteiro Gerard Clair [#]	-	32,620,000	-	32,620,000
Mah Xian-Zhen [*]	-	4,501,000	-	4,501,000

Deemed interest by virtue of his substantial interest in H2O Holdings Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.

* Deemed interest by virtue of her spouse's interest pursuant to Section 59(11)(c) of the Companies Act 2016.

** Deemed interest by virtue of his substantial interest in Al Khairi Group Berhad pursuant to Section 8(4) of the Companies Act 2016.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors has 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 Director is a member, or with a company in which the Director has a substantial financial interest other than those as disclosed in Note 39 to the financial statements.

There were no arrangements made 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

The Directors' remuneration paid to or receivable by the Directors of the Company from the Company and its subsidiaries are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Fees	776,406	594,517	47,196	479,598
Salaries and other short term employee benefits	1,312,110	995,954	82,790	640,129
	2,088,516	1,590,471	129,986	1,119,727

Estimated monetary value of benefits-in-kind provided to the Directors of Company from the Company and its subsidiaries are RM71,250 (2021: RM53,450).

INDEMNITY & INSURANCE FOR DIRECTORS, OFFICERS & AUDITORS

No indemnity was given by the Company to any Director or officer of the Company during the financial period. A corporate liability was effected for all the Directors and officers of Omesti Berhad, the ultimate holding company, and its subsidiaries including the Company. The cost of such insurance thereon is disclosed in the Directors' Report of Omesti Berhad.

There were 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 & 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 have satisfied themselves that there 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 have 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.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent;
 - (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 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.

(III) 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 the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

HOLDING COMPANIES

The Directors regard Omesti Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad as the ultimate holding company and Omesti Holdings Berhad as the immediate holding company, both of which are incorporated in Malaysia.

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Significant events subsequent to the end of the reporting period are disclosed in Note 41 to the financial statements.

AUDITORS

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

The details of auditors' remuneration of the Company and its subsidiaries for the financial year ended 31 March 2022 amounted to RM50,000 and RM150,500 respectively.

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

Monteiro Gerard Clair

Director

Kuala Lumpur
30 June 2022

Mah Xian-Zhen

Director

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements as set out on pages 14 to 83 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 2022 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
30 June 2022

STATUTORY DECLARATION

I, Thoo W'y-Kit (CA 31394), being the officer primarily responsible for the financial management of Microlink Solutions Berhad, do solemnly and sincerely declare that the financial statements as set out on pages 14 to 83 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)
30 June 2022) **Thoo W'y-Kit**

Before me:

MARDHIYYAH ABDUL WAHAB (W 729)
Commissioner For Oaths

INDEPENDENT AUDITORS' REPORT

To the members of Microlink Solutions Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Microlink Solutions Berhad, which comprise the statements of financial position as at 31 March 2022 of the Group and of the Company, and 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 14 to 83.

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 2022 and of their financial performance and their 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 judgment, 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.

(a) Impairment assessment of goodwill

The carrying amount of goodwill on consolidation as at 31 March 2022 amounted to RM18,409,459 as disclosed in Note 6 to the financial statements.

We determined this to be a key audit matter as the process is complex and it requires significant judgments and estimates about the future results and key assumptions applied to cash flow forecasts of the cash generating units (CGUs) in determining the 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 projections to actual outcomes to assess reliability of management's forecasting process and controls;
- (ii) assessed and evaluated the assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rates used by management 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

INDEPENDENT AUDITORS' REPORT (CONT'D.)

TO THE MEMBERS OF MICROLINK SOLUTIONS BERHAD
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**Key Audit Matters (continued)****(b) Impairment assessment of software development expenditure**

As at 31 March 2022, the carrying amount of software development expenditure of the Group and the Company with impairment indicators was RM41,237,583 and RM3,017,088 respectively as disclosed in Note 7(d) to the financial statements.

We determined this to be a key audit matter as the process is complex and it requires significant judgments and estimates about the future results and key assumptions applied to cash flow forecasts of the cash generating units (CGUs) in determining the 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 projections to actual outcomes to assess reliability of management's forecasting process and controls;
- (ii) assessed and evaluated the assumptions used in forecasting revenues, operating profit margins and growth rates;
- (iii) assessed appropriateness of pre-tax discount rates used by management 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.

(c) Impairment assessment of the carrying amount of investments in subsidiaries

As at 31 March 2022, the net carrying amount of investments in subsidiaries with impairment indicators amounted to RM26,846,417 as disclosed in Note 8(f) to the financial statements.

We determined this to be a key audit matter as the process is complex and it requires significant judgments and estimates about the future results and key assumptions applied to cash flow projections of the affected subsidiaries in determining the recoverable amounts which were based on 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 subsidiary.

Audit response

Our audit procedures included the following:

- (i) compared prior period projections 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 rates 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.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (continued)

(d) *Impairment assessment of the amounts owing by subsidiaries*

As at 31 March 2022, the gross amounts owing by subsidiaries of the Company were RM108,283,263 as disclosed in Note 19 to the financial statements.

We determined this to be a key audit matter because it requires management to exercise significant judgments 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) challenged 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.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS & 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.

INDEPENDENT AUDITORS' REPORT (CONT'D.)

TO THE MEMBERS OF MICROLINK SOLUTIONS BERHAD
(Incorporated in Malaysia)

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 judgment and maintain professional scepticism throughout the audit. We also:

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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.

REPORT ON OTHER LEGAL & 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 8 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
LLP0018825-LCA & AF 0206
Chartered Accountants

Koo Swee Lin
03281/08/2022 J
Chartered Accountant

Kuala Lumpur
30 June 2022

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	4,480,015	5,671,709	2,192,839	2,800,747
Goodwill	6	18,409,459	18,409,459	-	-
Software development expenditure	7	102,425,367	63,312,730	3,017,088	3,588,366
Investments in subsidiaries	8	-	-	35,246,929	17,446,928
Investment in a joint venture	9	-	5,000	-	5,000
Other investments	10	105,000	105,000	-	-
Finance lease receivables	11	-	2,316,901	-	2,316,901
Deferred tax assets	12	2,706,940	3,010,981	266,640	266,640
		128,126,781	92,831,780	40,723,496	26,424,582
Current assets					
Inventories and contract costs	13	5,766,061	6,622,087	-	-
Other investments	10	4,474,662	99,415	3,195,629	82,126
Trade receivables	14	28,051,892	32,768,274	31,031,276	6,286,401
Other receivables, deposits and prepayments	15	20,680,809	10,150,095	2,287,275	907,955
Contract assets	16	17,285,819	7,389,392	-	-
Finance lease receivables	11	-	2,085,369	-	1,438,737
Amount owing by ultimate holding company	17	28,074,593	23,525,524	1,079,390	18,522,878
Amount owing by immediate holding company	18	36,764	15,461,397	-	15,291,505
Amounts owing by subsidiaries	19	-	-	42,874,905	13,222,407
Current tax assets		6,157,325	3,714,262	1,626,232	1,345,457
Cash and bank balances	20	63,122,153	11,013,751	1,162,808	16,172
		173,650,078	112,829,566	83,257,515	57,113,638
TOTAL ASSETS		301,776,859	205,661,346	123,981,011	83,538,220

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	21	161,896,279	105,582,794	161,896,279	105,582,794
Reserves	22	38,160	41,826	-	-
Retained earnings/(Accumulated losses)		39,321,872	13,851,926	(46,555,634)	(42,906,000)
		201,256,311	119,476,546	115,340,645	62,676,794
Non-controlling interests	8(d)	480,482	487,080	-	-
TOTAL EQUITY		201,736,793	119,963,626	115,340,645	62,676,794
LIABILITIES					
Non-current liabilities					
Provision for gratuity obligations	35	1,828,952	2,135,025	-	-
Other payables and provision	25	157,548	157,548	157,548	157,548
Lease liabilities	26	4,120,401	6,821,676	2,660,748	4,779,853
Deferred tax liabilities	12	3,744,846	-	-	-
		9,851,747	9,114,249	2,818,296	4,937,401
Current liabilities					
Trade payables	27	23,767,522	17,374,499	-	-
Other payables and provision	25	13,968,866	15,396,192	2,464,902	2,080,936
Contract liabilities	28	17,307,792	17,704,050	428,932	597,279
Amount owing to ultimate holding company	17	37,659	59,078	-	-
Amount owing to immediate holding company	18	793,765	65,392	789,075	-
Amounts owing to subsidiaries	19	-	-	-	10,708,302
Amounts owing to related companies	29	1,378,632	1,293,359	146,593	477,609
Borrowings	23	27,914,436	20,388,234	-	-
Lease liabilities	26	2,670,003	3,273,666	1,992,568	2,059,899
Provision for gratuity obligations	35	238,931	-	-	-
Current tax liabilities		2,110,713	1,029,001	-	-
		90,188,319	76,583,471	5,822,070	15,924,025
TOTAL LIABILITIES		100,040,066	85,697,720	8,640,366	20,861,426
TOTAL EQUITY AND LIABILITIES		301,776,859	205,661,346	123,981,011	83,538,220

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 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Revenue	31	218,310,178	178,111,677	7,451,025	12,272,746
Cost of sales		(153,139,383)	(139,676,418)	(1,824,179)	(476,598)
Gross profit		65,170,795	38,435,259	5,626,846	11,796,148
Other operating income		3,291,996	40,577,244	1,554,264	42,088
Lease concession	26	-	35,895	-	35,095
Distribution costs		(1,151,324)	(931,564)	(48,536)	(46,303)
Administrative expenses		(25,270,513)	(27,133,938)	(4,975,924)	(9,883,040)
Other operating expenses		(6,562,594)	(5,693,511)	(1,590,455)	(1,620,118)
Net gains/(losses) on impairment of financial assets		207,053	(10,095,695)	(3,900,490)	(866,087)
Finance costs	32	(1,454,422)	(2,007,952)	(413,730)	(383,693)
Profit/(Loss) before taxation		34,230,991	33,185,738	(3,748,025)	(925,910)
Taxation	33	(8,771,990)	(1,394,623)	98,391	136,273
Profit/(Loss) for the financial year		25,459,001	31,791,115	(3,649,634)	(789,637)
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translations for foreign operations, net of tax	33(c)	681	11,305	-	-
Total comprehensive income/(loss)		25,459,682	31,802,420	(3,649,634)	(789,637)
Profit/(Loss) attributable to:					
Owners of the parent		25,469,946	31,762,294	(3,649,634)	(789,637)
Non-controlling interests	8(d)	(10,945)	28,821	-	-
		25,459,001	31,791,115	(3,649,634)	(789,637)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		25,466,280	31,759,309	(3,649,634)	(789,637)
Non-controlling interests	8(d)	(6,598)	43,111	-	-
		25,459,682	31,802,420	(3,649,634)	(789,637)
Earnings per ordinary share attributable to equity holders of the Company:					
Basic (sen)	34	3.66	15.87		
Diluted (sen)	34	3.66	15.87		

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

	Note	Non-distributable		Retained earnings RM	Total attributable to owners of the parent RM	Non-controlling interests RM	Total equity RM
		Share capital RM	Exchange translation reserve RM				
Group							
Balance as at 1 April 2021		105,582,794	41,826	13,851,926	119,476,546	487,080	119,963,626
Profit for the financial year		-	-	25,469,946	25,469,946	(10,945)	25,459,001
Foreign currency translation for foreign operations, net of tax		-	(3,666)	-	(3,666)	4,347	681
Total comprehensive income		-	(3,666)	25,469,946	25,466,280	(6,598)	25,459,682
Transactions with owners							
Shares issued under private placement	21	53,369,855	-	-	53,369,855	-	53,369,855
Shares issued pursuant to Employee Share Grant Plan	21	2,943,630	-	-	2,943,630	-	2,943,630
Total transactions with owners		56,313,485	-	-	56,313,485	-	56,313,485
Balance as at 31 March 2022		161,896,279	38,160	39,321,872	201,256,311	480,482	201,736,793

	Note	Non-distributable		(Accumulated losses)/ Retained earnings RM	Total attributable to owners of the parent RM	Non-controlling interests RM	Total equity RM
		Share capital RM	Exchange translation reserve RM				
Group							
Balance as at 1 April 2020		52,833,057	44,811	(14,215,011)	38,662,857	443,969	39,106,826
Profit for the financial year		-	-	31,762,294	31,762,294	28,821	31,791,115
Foreign currency translation for foreign operations, net of tax		-	(2,985)	-	(2,985)	14,290	11,305
Total comprehensive income		-	(2,985)	31,762,294	31,759,309	43,111	31,802,420
Transactions with owners							
Shares issued under restricted issue	21	50,080,223	-	-	50,080,223	-	50,080,223
Shares issued pursuant to Employee Share Grant Plan	21	2,669,514	-	-	2,669,514	-	2,669,514
Dividends paid	36	-	-	(3,695,357)	(3,695,357)	-	(3,695,357)
Total transactions with owners		52,749,737	-	(3,695,357)	49,054,380	-	49,054,380
Balance as at 31 March 2021		105,582,794	41,826	13,851,926	119,476,546	487,080	119,963,626

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

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2022

	Note	Non-distributable	Accumulated losses RM	Total equity RM
		Share capital RM		
Company				
Balance as at 1 April 2021		105,582,794	(42,906,000)	62,676,794
Loss for the financial year		-	(3,649,634)	(3,649,634)
Other comprehensive loss, net of tax		-	-	-
Total comprehensive loss		-	(3,649,634)	(3,649,634)
Transactions with owners				
Shares issued under restricted issue	21	53,369,855	-	53,369,855
Shares issued pursuant to Employee Share Grant Plan	21	2,943,630	-	2,943,630
Total transactions with owners		56,313,485	-	56,313,485
Balance as at 31 March 2022		161,896,279	(46,555,634)	115,340,645

	Note	Non-distributable	Accumulated losses RM	Total equity RM
		Share capital RM		
Company				
Balance as at 1 April 2020		52,833,057	(38,421,006)	14,412,051
Loss for the financial year		-	(789,637)	(789,637)
Other comprehensive loss, net of tax		-	-	-
Total comprehensive loss		-	(789,637)	(789,637)
Transactions with owners				
Shares issued under restricted issue	21	50,080,223	-	50,080,223
Shares issued pursuant to Employee Share Grant Plan	21	2,669,514	-	2,669,514
Dividends paid	36	-	(3,695,357)	(3,695,357)
Total transactions with owners		52,749,737	(3,695,357)	49,054,380
Balance as at 31 March 2021		105,582,794	(42,906,000)	62,676,794

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

STATEMENTS OF CASH FLOWS

For the financial year ended 31 March 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before taxation		34,230,991	33,185,738	(3,748,025)	(925,910)
Adjustments for:					
Amortisation of software development expenditure	7	7,815,684	1,937,558	899,658	915,707
Depreciation of property, plant and equipment	5	1,450,028	1,155,054	649,759	677,026
Dividend income		(50,600)	-	(50,600)	-
Gain on disposals of property, plant and equipment		-	(94,311)	-	-
Impairment losses on:					
- amount owing by ultimate holding company	17(e)	100,000	56,157	-	17,603
- amount owing by immediate holding company	18(e)	-	12,440	-	12,083
- amounts owing by subsidiaries	19(e)	-	-	926,964	404,344
- trade receivables	14	270,096	10,789,473	4,384,105	773,853
- contract asset	16(c)	17,370	78,651	-	-
Interest expense	32	1,716,332	2,007,952	413,730	383,693
Interest income		(311,939)	(371,613)	(1,669)	-
Inventories written down	13(a)(iii)	-	1,311,854	-	-
Provision for gratuity obligations	35	(67,142)	226,808	-	-
Reversal of impairment losses on:					
- amount owing by ultimate holding company	17(e)	(19,228)	-	(17,603)	-
- amount owing by immediate holding company	18(e)	(14,101)	-	(12,083)	-
- amounts owing by subsidiaries	19(e)	-	-	(1,380,893)	(140,474)
- trade receivables	14	(561,190)	(841,026)	-	(201,322)
- software development expenditure	7	-	(38,743,731)	-	-
Other payables and accruals written back		(1,181,946)	-	-	-
Share options granted under Employee Share Grant Plan	21	2,943,630	2,669,514	211,913	2,669,514
Net unrealised (gain)/loss on foreign exchange		(27,421)	15,892	-	(83)
Unrealised gain on other investment		(240,271)	-	(126,500)	-
Gain on disposal of other investment		(1,710,580)	-	(1,239,300)	-
Lease termination		12,760	-	-	-
Lease concession	26	-	(35,895)	-	(35,095)
Operating profit before changes in working capital		44,372,473	13,360,515	909,456	4,550,939

STATEMENTS OF CASH FLOWS (CONT'D.)

For the financial year ended 31 March 2022

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
CASH FLOWS FROM OPERATING ACTIVITIES (continued)					
Decrease in inventories and contract costs		856,026	414,389	-	-
(Increase)/Decrease in trade and other receivables		(5,560,064)	39,285,649	(30,567,735)	538,313
Increase in contract assets		(9,913,797)	(3,828,087)	-	-
Decrease/(Increase) in finance lease receivables		4,074,426	(2,001,312)	3,755,638	(3,755,638)
Increase/(Decrease) in trade and other payables		6,264,684	(28,544,370)	45,729	6,294,156
Decrease in contract liabilities		(396,258)	(10,752,305)	(168,347)	(33,985)
Cash generated from/(used in) operations		39,697,490	7,934,479	(26,025,259)	7,593,785
Interest received		9,066	111,640	-	-
Tax paid		(6,084,454)	(3,239,650)	(182,384)	(369,191)
Tax refunded		-	2,122	-	-
Net cash from/(used in) operating activities		33,622,102	4,808,591	(26,207,643)	7,224,594
CASH FLOWS FROM INVESTING ACTIVITIES					
Addition of software development expenditure	7	(46,928,321)	(23,543,575)	(328,380)	(515,536)
Repayments (to)/from ultimate holding company		(4,651,260)	(24,004,125)	17,461,091	(19,253,403)
Repayments from/(to) immediate holding company		16,167,107	(15,229,121)	16,092,663	(15,340,977)
Advances to subsidiaries		-	-	(54,903,499)	(17,099,339)
Dividend received		50,600	-	50,600	-
Interest received		302,873	259,973	1,669	-
(Placement)/Withdrawal of deposits from licensed banks		(447,766)	2,922,343	-	-
Proceeds from disposal of property, plant and equipment		-	188,049	-	-
Net (purchase)/disposal of other investments		(2,424,396)	10,630	(1,747,703)	1,743
Purchase of property, plant and equipment	5(e)	(174,364)	(193,399)	(41,851)	-
Subscription of newly issued shares in subsidiaries	8(c)(i)	-	-	-	(1)
Acquisition of interests in joint venture		-	(5,000)	-	(5,000)
Net cash used in investing activities		(38,105,527)	(59,594,225)	(23,415,410)	(52,212,513)

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Net drawdowns of borrowings		7,896,442	6,688,770	-	-
Net repayment of lease liabilities		(3,665,924)	(6,459,712)	(2,600,166)	(1,637,444)
Proceeds from ordinary shares issued pursuant to private placement	21	53,369,855	-	53,369,855	-
Proceeds from ordinary shares issued under restricted issue	21	-	50,080,223	-	50,080,223
Interest paid		(1,123,897)	(1,371,831)	-	-
Dividends paid		-	(3,695,357)	-	(3,695,357)
Net cash from financing activities		56,476,476	45,242,093	50,769,689	44,747,422
Net increase/(decrease) in cash and cash equivalents		51,993,051	(9,543,541)	1,146,636	(240,497)
Cash and cash equivalents at beginning of financial year		4,120,794	13,616,309	16,172	256,669
Effect of changes in exchange rates		37,825	48,026	-	-
Cash and cash equivalents at end of financial year	20(d)	56,151,670	4,120,794	1,162,808	16,172

STATEMENTS OF CASH FLOWS (CONT'D.)

For the financial year ended 31 March 2022

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
(i) Borrowings*					
As at 1 April 2021/2020		17,537,175	10,848,405	-	-
Cash flows		7,896,442	6,688,770	-	-
As at 31 March 2022/2021		25,433,617	17,537,175	-	-
(ii) Lease liabilities					
As at 1 April 2021/2020		10,095,342	8,776,710	6,839,752	3,150,834
Cash flows		(3,665,924)	(6,459,712)	(2,600,166)	(1,637,444)
Non-cash flows					
- Addition of leases		52,516	7,080,411	-	4,729,389
- Unwinding of interest		592,435	624,721	413,730	372,293
- Lease modification		31,119	109,107	-	259,775
- Lease concessions		-	(35,895)	-	(35,095)
- Lease termination		(315,084)	-	-	-
As at 31 March 2022/2021	26	6,790,404	10,095,342	4,653,316	6,839,752
Total liabilities from financing activities		32,224,021	27,632,517	4,653,316	6,839,752

* For reconciliation of liabilities arising from financing activities purpose, the bank overdraft has been excluded from the borrowings as cash and cash equivalents include bank overdraft.

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

NOTES TO THE FINANCIAL STATEMENTS

31 March 2022

1. CORPORATE INFORMATION

Microlink Solutions Berhad (the Company) is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the ACE Market of Bursa Malaysia Securities Berhad. The Company is also a Multimedia Super Corridor (MSC) status company.

The registered office of the Company is located at Ho Hup Tower - Aurora Place 02-07-01 - Level 7, Plaza Bukit Jalil, No 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur.

The principal place of business of the Company is located at Ho Hup Tower - Aurora Place 02-08-01, Level 8, Plaza Bukit Jalil, No 1, Persiaran Jalil 1, Bandar Bukit Jalil, 57000 Kuala Lumpur.

The immediate and ultimate holding companies are Omesti Holdings Berhad and Omesti Berhad respectively, both of which are incorporated in Malaysia.

The ultimate holding company is listed on the Main Market of Bursa Malaysia Securities Berhad.

The consolidated financial statements for the financial year ended 31 March 2022 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia (RM), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 30 June 2022.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and provision of research and development on information technology solutions to the financial services industry. The principal activities and the details of the subsidiaries are disclosed in Note 8 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 provisions 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 42.1 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.

4. OPERATING SEGMENTS

The Company and its subsidiaries in Malaysia are principally engaged in financial services, enterprise solutions, distribution services and solution delivery for computer software solutions.

(a) Business segments

The Group has arrived at four (4) reportable segments that are organised and managed separately according to the nature of products and services, which require different business and marketing strategies. The reportable segments are summarised as follows:

(i) Financial Services

Provision of business and technical services for financial institutions.

(ii) Enterprise Solutions

Provision of emerging technologies for enterprise.

(iii) Distribution Services

Distribution and maintenance of computer equipment and software.

(iv) Solution Delivery

Provision of project and software solutions delivery services.

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 year.

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 (CONTINUED)

(a) Business segments (continued)

	Financial Services RM	Enterprise Solutions RM	Distribution Services RM	Solution Delivery RM	Elimination RM	Consolidation RM
2022						
Revenue						
External sales	21,206,364	54,761,824	139,341,990	3,000,000	-	218,310,178
Inter-segment sales	7,062,529	658,970	5,497,370	4,134,844	(17,353,713)	-
Total	28,268,893	55,420,794	144,839,360	7,134,844	(17,353,713)	218,310,178
Results						
Interest income	170,035	46,339	94,721	1,202	(358)	311,939
Reversal of impairment losses on trade receivables	-	24,810	430,826	-	-	455,636
Reversal of impairment losses on related parties	1,625,343	1,024,881	9,492,333	315,424	(12,352,427)	105,554
Reversal of impairment losses on subsidiaries	1,380,893	-	-	-	(1,380,893)	-
Reversal of impairment losses on ultimate holding company	17,603	-	1,625	-	-	19,228
Reversal of impairment losses on immediate holding company	12,083	1,056	962	-	-	14,101
Gain on disposal of property, plant and equipment	-	-	-	1,725	(1,725)	-
Gain on disposal of investment	1,710,580	-	-	-	-	1,710,580
Amortisation of software development expenditure	(5,100,786)	(2,849,014)	-	(585,703)	719,819	(7,815,684)
Depreciation of property, plant and equipment	(940,304)	(26,378)	(472,460)	(19,716)	8,830	(1,450,028)
Impairment losses on amount due from ultimate holding company	-	-	-	(100,000)	-	(100,000)
Impairment losses on amounts owing by subsidiaries	(926,964)	-	-	-	926,964	-
Impairment losses on contract asset	-	-	-	(17,370)	-	(17,370)
Impairment losses on trade receivables	(4,654,201)	-	-	-	4,384,105	(270,096)
Impairment losses on related parties	(3,731,957)	(673,776)	(979,536)	-	5,385,269	-
Interest expense	(712,957)	(272,312)	(729,263)	(2,158)	358	(1,716,332)
Taxation	(125,154)	(6,797,535)	(1,088,594)	(760,707)	-	(8,771,990)
Segment profit before tax	(10,611,787)	28,752,668	14,802,055	4,284,044	(2,995,989)	34,230,991
Capital expenditure (exclude right-of-use assets)	81,219	23,178	18,232	51,735	-	174,364
Software development expenditure	1,478,380	42,226,616	-	3,315,243	(91,918)	46,928,321
Segment assets	189,523,823	101,382,956	98,543,115	25,438,021	(113,111,056)	301,776,859
Segment liabilities	107,243,065	72,090,104	122,813,464	15,573,838	(217,680,405)	100,040,066

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

4. OPERATING SEGMENTS (CONTINUED)

(a) Business segments (continued)

	Financial Services RM	Enterprise Solutions RM	Distribution Services RM	Solution Delivery RM	Elimination RM	Consolidation RM
2021						
Revenue						
External sales	25,411,574	14,623,430	131,455,933	6,620,740	-	178,111,677
Inter-segment sales	11,896,792	566,380	3,664,174	524,417	(16,651,763)	-
Total	37,308,366	15,189,810	135,120,107	7,145,157	(16,651,763)	178,111,677
Results						
Interest income	111,343	171,048	100,299	2,763	(13,840)	371,613
Reversal of impairment losses on trade receivables	88,678	26,079	726,269	-	-	841,026
Reversal of impairment losses on software development expenditure	38,743,731	-	-	-	-	38,743,731
Gain on disposal of property, plant and equipment	13,802	-	-	2,627	77,882	94,311
Amortisation of software development expenditure	(2,349,929)	(193,240)	-	(125,140)	730,751	(1,937,558)
Depreciation of property, plant and equipment	(831,392)	(19,718)	(291,223)	(12,721)	-	(1,155,054)
Impairment losses on amount due from ultimate holding company	(17,603)	(38,061)	(493)	-	-	(56,157)
Impairment losses on amount due from immediate holding company	(12,083)	(357)	-	-	-	(12,440)
Impairment losses on trade receivables	(629,374)	(114,147)	(10,025,240)	(20,712)	-	(10,789,473)
Impairment losses on contract asset	-	-	-	(78,651)	-	(78,651)
Inventories written down	-	-	(1,311,854)	-	-	(1,311,854)
Interest expense	(631,278)	(126,858)	(1,605,455)	(41,053)	396,692	(2,007,952)
Taxation	(256,446)	2,794	(81,749)	(1,059,222)	-	(1,394,623)
Segment profit before tax	38,346,332	1,776,494	(12,394,348)	3,799,042	1,658,218	33,185,738
Capital expenditure (exclude right-of-use assets)	186,214	1,584	49,751	-	(44,150)	193,399
Software development expenditure	3,685,536	16,354,053	-	3,754,201	(250,215)	23,543,575
Segment assets	138,159,555	31,858,084	73,698,672	18,776,907	(56,831,872)	205,661,346
Segment liabilities	96,261,799	26,220,368	115,882,482	11,719,847	(164,386,776)	85,697,720

4. OPERATING SEGMENTS (CONTINUED)

(b) Geographical segments

	Revenue RM	Segment assets RM	Segment liabilities RM	Capital and software development expenditure RM	Depreciation and amortisation RM
2022					
Malaysia	213,909,067	301,392,292	99,570,131	47,102,685	9,265,712
Overseas	4,401,111	384,567	469,935	-	-
	218,310,178	301,776,859	100,040,066	47,102,685	9,265,712
2021					
Malaysia	176,160,649	205,294,812	84,632,562	23,736,974	3,092,612
Overseas	1,951,028	366,534	1,065,158	-	-
	178,111,677	205,661,346	85,697,720	23,736,974	3,092,612

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

(c) Major customers

During the financial year, the Group has significant reliance on a single customer in the enterprise solutions segment, with whom the Group transacted RM38,803,345, which was more than 10 (ten) percent of its revenue.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

5. PROPERTY, PLANT & EQUIPMENT

Group

Group	Balance as at 1.4.2021 RM	Lease modification RM	Additions RM	Depreciation charge for the financial year RM	Exchange adjustments RM	Balance as at 31.3.2022 RM
Carrying amount						
Buildings	2,557,910	31,119	-	(436,871)	-	2,152,158
- Right-of-use assets	4,713	-	-	(1,104)	-	3,609
Furniture and fittings	10,160	-	3,250	(4,533)	-	8,877
Office equipment						
Computer software and hardware						
- Owned	256,622	-	171,114	(145,544)	-	282,192
- Right-of-use assets	287,446	-	52,516	(137,814)	-	202,148
Renovations	15,209	-	-	(358)	335	15,186
Motor vehicles						
- Owned	-	-	-	-	-	-
- Right-of-use assets	2,539,649	-	-	(723,804)	-	1,815,845
	5,671,709	31,119	226,880	(1,450,028)	335	4,480,015

	As at 31.3.2022		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings	3,463,075	(1,310,917)	2,152,158
- Right-of-use assets	176,585	(172,976)	3,609
Furniture and fittings	63,190	(54,313)	8,877
Office equipment			
Computer software and hardware			
- Owned	3,044,768	(2,762,576)	282,192
- Right-of-use assets	459,322	(257,174)	202,148
Renovations	191,751	(176,565)	15,186
Motor vehicles			
- Owned	20,800	(20,800)	-
- Right-of-use assets	3,432,575	(1,616,730)	1,815,845
	10,852,066	(6,372,051)	4,480,015

5. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

Group

	Balance	Lease	Disposals	Lease	Written	Depreciation	Exchange	Balance
	as at 1.4.2020	modification				charge for the financial		off
	RM	RM	RM	termination	RM	year	RM	RM
Carrying amount								
Buildings								
- Right-of-use assets	3,053,642	143,123	-	(278,612)	-	(452,753)	-	2,557,910
Furniture and fittings	4,411	-	-	-	-	(1,282)	-	4,713
Office equipment	8,591	-	(1)	-	*	(4,830)	-	10,160
Computer software and hardware								
- Owned	349,834	-	(93,737)	-	-	(184,890)	-	256,622
- Right-of-use assets	240,388	-	-	-	-	(89,954)	-	287,446
Renovations	14,464	-	-	-	-	(359)	1,104	15,209
Motor vehicles								
- Owned	-	-	-	-	-	-	-	-
- Right-of-use assets	475,786	262,472	-	-	-	(420,986)	-	2,539,649
	4,147,116	405,595	(93,738)	(278,612)	-	(1,155,054)	1,104	5,671,709

As at 31.3.2021

	Cost	Accumulated	Carrying
	RM	depreciation	amount
	RM	RM	RM
Buildings			
- Right-of-use assets	3,431,956	(874,046)	2,557,910
Furniture and fittings	176,585	(171,872)	4,713
Office equipment	59,940	(49,780)	10,160
Computer software and hardware			
- Owned	2,873,654	(2,617,032)	256,622
- Right-of-use assets	406,806	(119,360)	287,446
Renovations	191,416	(176,207)	15,209
Motor vehicles			
- Owned	20,800	(20,800)	-
- Right-of-use assets	3,432,575	(892,926)	2,539,649
	10,593,732	(4,922,023)	5,671,709

* Refers to office equipment fully depreciated.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

5. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

Company

	Balance as at 1.4.2021 RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 31.3.2022 RM
Carrying amount				
Buildings				
- Right-of-use assets	2,188,157	-	(322,506)	1,865,651
Furniture and fittings	4	-	-	4
Office equipment	6	-	-	6
Computer software and hardware	10,132	41,851	(12,046)	39,937
Motor vehicles				
- Right-of-use assets	602,448	-	(315,207)	287,241
	2,800,747	41,851	(649,759)	2,192,839

	As at 31.3.2022		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
- Right-of-use assets	2,893,344	(1,027,693)	1,865,651
Furniture and fittings	27,647	(27,643)	4
Office equipment	31,368	(31,362)	6
Computer software and hardware	250,210	(210,273)	39,937
Motor vehicles			
- Right-of-use assets	1,389,587	(1,102,346)	287,241
	4,592,156	(2,399,317)	2,192,839

5. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

Company

	Balance as at 1.4.2020 RM	Lease modification RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 31.3.2021 RM
Carrying amount					
Buildings					
- Right-of-use assets	2,539,150	(2,697)	-	(348,296)	2,188,157
Furniture and fittings	4	-	-	-	4
Office equipment	6	-	-	-	6
Computer software and hardware	23,663	-	-	(13,531)	10,132
Motor vehicles					
- Right-of-use assets	475,786	262,472	179,389	(315,199)	602,448
	3,038,609	259,775	179,389	(677,026)	2,800,747

	As at 31.3.2021		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Buildings			
- Right-of-use assets	2,893,344	(705,187)	2,188,157
Furniture and fittings	27,647	(27,643)	4
Office equipment	31,368	(31,362)	6
Computer software and hardware	208,359	(198,227)	10,132
Motor vehicles			
- Right-of-use assets	1,389,587	(787,139)	602,448
	4,550,305	(1,749,558)	2,800,747

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

5. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

- (a) All items of property, plant and equipment, except for right-of-use assets, are initially measured at cost. 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, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liabilities.

Depreciation is calculated to write down 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 operates. The principal annual depreciation rates of property, plant and equipment, except for right-of-use assets are as follows:

Furniture and fittings	15% - 20%
Office equipment	15% - 20%
Computer software and hardware	20% - 25%
Renovations	10% - 20%
Motor vehicles	20%

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 software and hardware	2 - 5 years
Motor vehicles	2 - 4 years

- (b) Net carrying amounts of right-of-use assets presented within property, plant and equipment are as follows:

	Balance as at 1.4.2021 RM	Lease modification RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 31.3.2022 RM
Group					
Carrying amount					
Buildings	2,557,910	31,119	-	(436,871)	2,152,158
Computer software and hardware	287,446	-	52,516	(137,814)	202,148
Motor vehicles	2,539,649	-	-	(723,804)	1,815,845
	5,385,005	31,119	52,516	(1,298,489)	4,170,151

5. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

(b) Net carrying amounts of right-of-use assets presented within property, plant and equipment are as follows: (continued)

	Balance as at 1.4.2021 RM	Depreciation charge for the financial year RM	Balance as at 31.3.2022 RM
Company			
Carrying amount			
Buildings	2,188,157	(322,506)	1,865,651
Motor vehicles	602,448	(315,207)	287,241
	2,790,605	(637,713)	2,152,892

	Balance as at 1.4.2020 RM	Lease modification RM	Additions RM	Lease termination RM	Depreciation charge for the financial year RM	Balance as at 31.3.2021 RM
Group						
Carrying amount						
Buildings	3,053,642	143,123	92,510	(278,612)	(452,753)	2,557,910
Computer software and hardware	240,388	-	137,012	-	(89,954)	287,446
Motor vehicles	475,786	262,472	2,222,377	-	(420,986)	2,539,649
	3,769,816	405,595	2,451,899	(278,612)	(963,693)	5,385,005

	Balance as at 1.4.2020 RM	Lease modification RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 31.3.2021 RM
Company					
Carrying amount					
Buildings	2,539,150	(2,697)	-	(348,296)	2,188,157
Motor vehicles	475,786	262,472	179,389	(315,199)	602,448
	3,014,936	259,775	179,389	(663,495)	2,790,605

(c) The Group has certain leases of buildings, office equipment, computer software and hardware with lease term of 12 months or less, and low value leases of office equipment and computer software and hardware of RM10,000 and below. The Group applies the "short-term lease" and "lease of low-value assets" exemptions for these leases.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

5. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Depreciation charge of right-of-use assets (included in administrative expenses)	1,298,489	963,693	637,713	633,495
Interest expense on lease liabilities (included in finance cost)	592,435	624,721	413,730	372,293
Expense relating to short-term leases (included in administrative expenses)	52,085	165,883	7,589	1,769
Expense relating to leases of low-value assets (included in administrative expenses)	4,788	144,847	-	113,490
Rent concessions (included in other operating income)	-	(35,895)	-	(35,095)
	1,947,797	1,863,249	1,059,032	1,085,952

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Purchase of property, plant and equipment	226,880	2,645,298	41,851	179,389
Financed by lease liabilities	(52,516)	(2,451,899)	-	(179,389)
Cash payments on purchase of property, plant and equipment	174,364	193,399	41,851	-

(f) The Group has received rent concessions in the form of rent forgiveness (e.g. reductions in rent contractually due under the terms of lease agreements) from lessors during the various movement control order.

6. GOODWILL

	Group	
	2022 RM	2021 RM
Carrying amount		
Goodwill	18,409,459	18,409,459

6. GOODWILL (CONTINUED)

	Cost RM	Accumulated impairment losses RM	Carrying amount RM
As at 31 March 2022			
Goodwill	18,473,370	(63,911)	18,409,459
As at 31 March 2021			
Goodwill	18,473,370	(63,911)	18,409,459

- (a) Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses.
- (b) Goodwill has been allocated to the Cash Generating Units (CGUs) of the Group based on the following reportable segments:

	Group	
	2022 RM	2021 RM
Financial Services	2,817,852	2,817,852
Enterprise Solutions	3,449,874	3,449,874
Distribution Services	8,672,340	8,672,340
Solution Delivery	3,469,393	3,469,393
	18,409,459	18,409,459

- (c) Impairment assessment on the carrying amount of goodwill is performed at least on an annual basis. The Directors have made significant judgments 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 for both financial years have been determined based on the value-in-use of the CGU, 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 9.72% (2021: 6.8%) per annum;
- Forecasted growth rates ranging from 5.0% to 6.0% (2021: 5.0% to 6.0%) 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.

Management believes that there is no reasonably possible change in the key assumptions on which management has based its determination of the CGUs' recoverable amounts, which would cause the CGUs' carrying amounts to materially exceed their recoverable amounts.

7. SOFTWARE DEVELOPMENT EXPENDITURE

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
At cost				
As at 1 April 2021/2020	90,505,550	66,961,975	31,919,158	31,403,622
Additions during the financial year	46,928,321	23,543,575	328,380	515,536
As at 31 March 2022/2021	137,433,871	90,505,550	32,247,538	31,919,158
Accumulated amortisation				
As at 1 April 2021/2020	(26,780,097)	(24,842,539)	(27,891,070)	(26,975,363)
Amortisation during the financial year	(7,815,684)	(1,937,558)	(899,658)	(915,707)
As at 31 March 2022/2021	(34,595,781)	(26,780,097)	(28,790,728)	(27,891,070)
Accumulated impairment losses				
As at 1 April 2021/2020	(412,723)	(39,156,454)	(439,722)	(439,722)
Reversals during the financial year	-	38,743,731	-	-
As at 31 March 2022/2021	(412,723)	(412,723)	(439,722)	(439,722)
Carrying amount	102,425,367	63,312,730	3,017,088	3,588,366

- (a) Software development expenditure are intangible assets with finite useful lives that are measured after initial recognition at cost less any accumulated amortisation and any impairment losses.
- (b) Software development expenditure comprises salaries of personnel involved in development projects. Software development expenditure are charged to profit or loss in the financial year in which it is incurred except for that relating to specific projects intended for commercial exploitation where it is expected to generate future economic benefits and can reasonably be recovered from related future revenue. Such development expenditure is amortised on a straight-line method over a period of five (5) to ten (10) years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure is written down to its recoverable amount.
- (c) During the financial year, the Group and the Company made cash payments of RM46,928,321 (2021: RM23,543,575) and RM328,380 (2021: RM515,536) respectively to purchase software development expenditure.
- (d) Impairment assessment

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 amount of the software development expenditure in the Group and the Company with indications of impairment amounted to RM41,237,583 and RM3,017,088 respectively as at 31 March 2022.

The Group has made significant judgments 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 forecast growth in future revenues and operating profit margins, as well as determining an appropriate pre-tax discount rate and growth rate. The Group has determined that the recoverable amounts are in excess of the carrying amounts of the software development expenditure and no further impairment has been recorded in the current financial year.

7. SOFTWARE DEVELOPMENT EXPENDITURE (CONTINUED)

- (e) The Group has successfully engaged multiple contracts from customers utilising the software research and development of the Group for core banking services and products. Due to potential future benefits, the Group in the previous financial year, has reversed previously impaired software development expenditure of RM38,743,731.

The recoverable amount of this software development expenditure as at 31 March 2021 of RM42,534,000 was determined based on the value-in-use method, using a pre-tax discount rate of 6.8% per annum.

Such development expenditure is amortised on a straight-line method over a period of ten (10) years when the products are ready for sale or use. In the event that the expected future economic benefits are no longer probable of being recovered, the development expenditure will be written down to its recoverable amount.

8. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022 RM	2021 RM
Unquoted shares, at cost	35,607,380	17,807,379
Less: Accumulated impairment losses	(360,451)	(360,451)
	35,246,929	17,446,928

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in separate financial statements of the Company at cost less impairment losses, if any.

All components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' shares of subsequent changes in equity.

- (b) Details of the subsidiaries are as follows:

Name of Company	Country of incorporation/ Principal place of business	Effective equity interest		Principal activities
		2022 %	2021 %	
Direct subsidiaries				
Microlink Systems Sdn Bhd (MSSB)	Malaysia	100	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	100	Trading and marketing of computer software programs and products
Microlink Innovation Sdn Bhd (MISB)	Malaysia	100	100	Provision of research and development for information technology solutions to the financial services industry

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) Details of the subsidiaries are as follows: (continued)

Name of Company	Country of incorporation/ Principal place of business	Effective equity interest		Principal activities
		2022 %	2021 %	
Direct subsidiaries (continued)				
CSA Servis (M) Sdn Bhd (CSAS)	Malaysia	100	100	Investment holding and provision of computer repair and maintenance service, supply of computer parts, accessories, computers and peripherals
Omesti Innovation Lab (Malaysia) Sdn Bhd (OIL)	Malaysia	100	100	Development of information and multimedia technology and provision of deployment services
PT Microlink Indonesia (PTMI) [®]	Republic of Indonesia	100	100	Provision of information technology solutions to the financial services industry and dealing in related products
Microlink Software Sdn Bhd (MSB)	Malaysia	51	51	Provision of consultancy services in supporting and modifying banking software
ML Tridimas Sdn Bhd (MLTSB)	Malaysia	100	100	Development of application software, system integration services and the provision of hardware and software maintenance services.
Dhanalynk Sdn Bhd	Malaysia	100	-	Development of application software, system integration services and the provision of hardware and software maintenance services.
Subsidiary of MSSB				
PT Microlink International Maju (PTMIM) [®]	Republic of Indonesia	65	65	Provision of information technology solutions to the financial services industry and dealing in related products
Subsidiaries of CSAS				
Formis Systems & Technology Sdn Bhd (FST)	Malaysia	100	100	Distribution and maintenance of computer hardware and software
First Solution Sdn Bhd (FIRST)	Malaysia	100	100	Distribution and maintenance of computer hardware and software

8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) Details of the subsidiaries are as follows: (continued)

Name of Company	Country of incorporation/ Principal place of business	Effective equity interest		Principal activities
		2022 %	2021 %	
Subsidiaries of CSAS (continued)				
Applied Business Systems Sdn Bhd (ABS)	Malaysia	100	100	Distribution and maintenance of computer hardware and software
Formis Computer Services Sdn Bhd (FCS)	Malaysia	100	100	Provision of computer technology and maintenance of computer hardware and software
Formis Advanced Systems Sdn Bhd (FAS)	Malaysia	85	85	Provision of information technology services in terms of hardware, software, consultancy and maintenance

@ Subsidiaries not audited by BDO PLT or BDO PLT member firms.

(c) Other details of investments in subsidiaries:

(i) Incorporation of a subsidiary

On 26 April 2021, the Company had subscribed for a total of 1 share represented 100% of the entire issued and paid-up share capital of Dhanalynk Sdn Bhd, 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, representing 100% of the equity interest.

(ii) Increase in investment in subsidiaries

On 25 March 2022, the Company increased its investment in subsidiaries for a total of RM17,800,000 by capitalising the amount due from subsidiaries.

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

	MSB RM	FAS RM	PTMIM RM	Total RM
2022				
NCI percentage of ownership interest and voting interest	49%	15%	35%	
Carrying amount of NCI	298,370	144	181,968	480,482
Loss allocated to NCI	(9,805)	(1,103)	(37)	(10,945)
Total comprehensive (loss)/income allocated to NCI	(9,805)	(1,103)	4,310	(6,598)

8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

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

	MSB RM	FAS RM	PTMIM RM	Total RM
2021				
NCI percentage of ownership interest and voting interest	49%	15%	35%	
Carrying amount of NCI	308,175	1,247	177,658	487,080
Profit/(Loss) allocated to NCI	29,330	(472)	(37)	28,821
Total comprehensive income/(loss) allocated to NCI	29,330	(472)	14,253	43,111

(e) 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:

	MSB RM	FAS RM	PTMIM RM	Total RM
2022				
Assets and liabilities				
Non-current assets	573	-	14,064	14,637
Current assets	615,163	5,347	761,737	1,382,247
Current liabilities	(6,818)	(4,393)	(255,886)	(267,097)
Net assets	608,918	954	519,915	1,129,787
Results				
Revenue	991,013	55,280	-	1,046,293
Loss for the financial year	(20,011)	(7,356)	(107)	(27,474)
Total comprehensive (loss)/income	(20,011)	(7,356)	12,315	(15,052)
Cash flow from/(used in):				
- operating activities	258,474	(6,938)	(11,898)	239,638
- investing activities	1,935	1,073	-	3,008
- financing activities	-	-	(87)	(87)
Net increase/(decrease) in cash and cash equivalents	260,409	(5,865)	(11,985)	242,559

8. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

- (e) 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: (continued)

	MSB RM	FAS RM	PTMIM RM	Total RM
2021				
Assets and liabilities				
Non-current assets	2,529	-	13,728	16,257
Current assets	638,367	11,510	743,645	1,393,522
Current liabilities	(11,968)	(3,200)	(249,773)	(264,941)
Net assets	628,928	8,310	507,600	1,144,838
Results				
Revenue	2,157,498	144,225	-	2,301,723
Profit/(loss) for the financial year	59,855	(3,146)	(106)	56,603
Total comprehensive income/(loss)	59,855	(3,146)	40,723	97,432
Cash flow from/(used in):				
- operating activities	351,502	(3,324)	(39,046)	309,132
- investing activities	(245,629)	(225)	-	(245,854)
- financing activities	(6,000)	-	(86)	(6,086)
Net increase/(decrease) in cash and cash equivalents	99,873	(3,549)	(39,132)	57,192

- (f) The Company assessed whether there were any indicators of impairment during the financial year. In doing this, management considered the current environments and performance of the subsidiaries. Management has considered the shareholders' deficit as at financial year end in certain subsidiaries as impairment indicators. The carrying amount of these subsidiaries was RM26,846,417 (2021: RM15,946,416).

The Management has made significant judgments 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 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.

9. INVESTMENT IN A JOINT VENTURE

	Group and Company	
	2022 RM	2021 RM
Unquoted equity shares, at cost	-	5,000
Share of post-acquisition reserves	-	-
	-	5,000

- (a) The Group recognises its interest in a joint venture as an investment and accounts for that investment using the equity method.
- (b) Details of the joint venture are as follows:

Name of Company	Country of incorporation/ Principal place of business	Effective equity interest		Principal activities
		2022 %	2021 %	
Joint venture with Scicom (MSC) Berhad				
Asian Contact Solution Sdn Bhd	Malaysia	-	50	Provision of e-Government solutions and services which includes the design, development, implementation, operation and maintenance of software (systems and mobile applications) and the provision of associated support services

- (c) On 24 November 2021, the Company made an announcement pertaining to the termination of the Joint Venture and Shareholders' Agreement with Scicom (MSC) Berhad (Scicom) for the purpose of regulating the conditions for and of the joint venture company, Asian Contact Solutions Sdn Bhd. The shares have been transferred to Scicom on 8 January 2022.

10. OTHER INVESTMENTS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Non-current				
Equity securities:				
- Transferable club memberships	105,000	105,000	-	-
Current				
Equity securities:				
- Quoted income funds in Malaysia	83,795	99,415	83,795	82,126
- Quoted shares in Malaysia	4,390,867	-	3,111,834	-
	4,474,662	99,415	3,195,629	82,126
Total other investments	4,579,662	204,415	3,195,629	82,126

- (a) The equity securities are classified as financial assets at fair value through profit or loss.
- (b) The fair values of transferable club memberships are estimated based on references to current available counter party quotations of the same investments.
- (c) The fair values of quoted income funds in Malaysia are determined by reference to the exchange quoted market bid prices at the close of business at the end of each reporting period.
- (d) Fair value hierarchy

	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		
Group						
2022						
Equity securities						
- Quoted income funds	83,795	-	-	83,795	83,795	83,795
- Quoted shares	4,390,867	-	-	4,390,867	4,390,867	4,390,867
- Transferable golf club memberships	-	-	105,000	105,000	105,000	105,000
2021						
Equity securities						
- Quoted income funds	99,415	-	-	99,415	99,415	99,415
- Transferable golf club memberships	-	-	105,000	105,000	105,000	105,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

10. OTHER INVESTMENTS (CONTINUED)

(d) Fair value hierarchy (continued)

	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		
Company						
2022						
Equity securities						
- Quoted income funds	83,795	-	-	83,795	83,795	83,795
- Quoted shares	3,111,834	-	-	3,111,834	3,111,834	3,111,834
2021						
Equity securities						
- Quoted income funds	82,126	-	-	82,126	82,126	82,126

(e) 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		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Effects of 10% changes to stock indices				
Profit/(Loss) after tax	±800,000	Nil	±727,000	Nil

As the Group and the Company 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 and the Company are not subject to significant exposure to price risk and accordingly, no sensitivity analysis is being presented at the end of each reporting period.

(f) There is no transfer between levels in the hierarchy during the financial year.

(g) 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	Market comparison method	Counter party quotation	The higher the quotation, the higher the fair value of the other investment

11. FINANCE LEASE RECEIVABLES

- (a) Finance lease receivables are classified as financial assets measured at amortised cost.
- (b) The Group is an intermediate lessor in the sublease of software and hardware equipment. The subleases are classified as finance leases with reference to the right-of-use assets arising from the head leases. The Group derecognises the underlying assets and recognises receivables at an amount equal to net investments in finance leases. Net investments in the finance leases are measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset.
- (c) Interest income from lease receivables is recognised in the profit or loss using the effective interest rate method. Finance lease receivables bear interest ranging Nil (2021: from 3.00% to 8.47%) per annum.
- (d) All finance lease receivables of the Group are denominated in RM.
- (e) The finance lease receivables are subject to a fixed weighted average effective interest rate of Nil (2021: 3.55% per annum). Sensitivity analysis for fixed rate receivables as at the end of the reporting period is not presented as fixed rate instruments as it is not affected by changes in interest rate.
- (f) Impairment for finance lease receivables are recognised based on the simplified approach using the lifetime expected credit losses as disclosed in Note 14(d)(i) to the financial statements.
- (g) No expected credit loss is recognised arising from finance lease receivables as it is negligible.
- (h) The maturity profile of finance lease receivables at the end of each reporting period is summarised as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Present value of finance lease receivables:				
Non-current	-	2,316,901	-	2,316,901
Current	-	2,085,369	-	1,438,737
	-	4,402,270	-	3,755,638
Maturity:				
Within one year	-	2,270,725	-	1,615,017
One to two year	-	2,422,525	-	2,422,525
	-	4,693,250	-	4,037,542
Less: Unearned interest income	-	(290,980)	-	(281,904)
	-	4,402,270	-	3,755,638

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

12. DEFERRED TAX ASSETS/(LIABILITIES)

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
As at 1 April 2021/2020	3,010,981	3,333,206	266,640	266,640
Recognised in profit or loss (Note 33)	(4,048,887)	(322,225)	-	-
As at 31 March 2022/2021	(1,037,906)	3,010,981	266,640	266,640
Presented after appropriate offsetting:				
Deferred tax assets	2,706,940	3,010,981	266,640	266,640
Deferred tax liabilities	(3,744,846)	-	-	-
Deferred tax (liabilities)/assets, net	(1,037,906)	3,010,981	266,640	266,640

(b) The 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	Lease liabilities RM	Other temporary differences RM	Total RM
Deferred tax assets of the Group					
Balance as at 1 April 2021	2,436,781	28,611	97,238	3,811,992	6,374,622
Recognised in profit or loss	57,600	(28,611)	72,667	(479,437)	(377,781)
Balance as at 31 March 2022, prior to offsetting	2,494,381	-	169,905	3,332,555	5,996,841
Set-off					(3,289,901)
Balance as at 31 March 2022					2,706,940
Balance as at 1 April 2020	2,591,312	31,328	120,391	5,495,399	8,238,430
Recognised in profit or loss	(154,531)	(2,717)	(23,153)	(1,683,407)	(1,863,808)
Balance as at 31 March 2021, prior to offsetting	2,436,781	28,611	97,238	3,811,992	6,374,622
Set-off					(3,363,641)
Balance as at 31 March 2021					3,010,981

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

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

	Property, plant and equipment RM	Software development expenditure RM	Finance lease receivables RM	Other temporary differences RM	Total RM
Deferred tax liabilities of the Group					
Balance as at 1 April 2021	(345,278)	-	(6,595)	(3,011,768)	(3,363,641)
Recognised in profit or loss	10,924	(3,442,899)	6,676	(245,807)	(3,671,106)
Balance as at 31 March 2022, prior to offsetting	(334,354)	(3,442,899)	81	(3,257,575)	(7,034,747)
Set-off					3,289,901
Balance as at 31 March 2022					(3,744,846)
Balance as at 1 April 2020	(353,974)	(138,145)	(20,695)	(4,392,410)	(4,905,224)
Recognised in profit or loss	8,696	138,145	14,100	1,380,642	1,541,583
Balance as at 31 March 2021, prior to offsetting	(345,278)	-	(6,595)	(3,011,768)	(3,363,641)
Set-off					3,363,641
Balance as at 31 March 2021					-

	Lease liabilities RM	Other temporary differences RM	Total RM
Deferred tax assets of the Company			
Balance as at 1 April 2021	85,650	184,672	270,322
Recognised in profit or loss	52,658	(53,078)	(420)
Balance as at 31 March 2022, prior to offsetting	138,308	131,594	269,902
Set-off			(3,262)
Balance as at 31 March 2022			266,640
Balance as at 1 April 2020	116,041	292,112	408,153
Recognised in profit or loss	(30,391)	(107,440)	(137,831)
Balance as at 31 March 2021, prior to offsetting	85,650	184,672	270,322
Set-off			(3,682)
Balance as at 31 March 2021			266,640

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

12. DEFERRED TAX ASSETS/(LIABILITIES) (CONTINUED)

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

	Property, plant and equipment RM	Software development expenditure RM	Total RM
Deferred tax liabilities of the Company			
Balance as at 1 April 2021	(3,682)	-	(3,682)
Recognised in profit or loss	420	-	420
Balance as at 31 March 2022, prior to offsetting	(3,262)	-	(3,262)
Set-off			3,262
Balance as at 31 March 2022			-
Balance as at 1 April 2020	(3,368)	(138,145)	(141,513)
Recognised in profit or loss	(314)	138,145	137,831
Balance as at 31 March 2020, prior to offsetting	(3,682)	-	(3,682)
Set-off			3,682
Balance as at 31 March 2021			-

- (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	
	2022 RM	2021 RM	2022 RM	2021 RM
Unused tax losses				
- Expires by 31 March 2025	5,149,919	-	-	-
- Expires by 31 March 2026	171,319	9,342,446	-	-
- Expires by 31 March 2027	-	2,504,143	-	-
- Expires by 31 March 2028	674,904	536,462	-	-
- Expires by 31 March 2029	23,885	-	-	-
Unabsorbed capital allowances	6,748,244	5,942,190	-	-
Other deductible temporary differences	7,927,615	16,322,963	-	1,292,810
	20,695,886	34,648,204	-	1,292,810

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

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.

13. INVENTORIES & CONTRACT COSTS

	Note	Group	
		2022 RM	2021 RM
Inventories			
At cost			
Hardware maintenance parts and spares	(a)	1,462,838	1,126,902
Contract costs	(b)	4,303,223	5,495,185
		5,766,061	6,622,087

(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 RM99,518,023 (2021: RM122,514,706).
- (iii) The Group writes down its obsolete or slow-moving inventories based on assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyses sales trend and current economic trends when evaluating the adequacy of the write down for obsolete or slow-moving inventories. Where actual results differ from the original estimates, the differences would impact the carrying amount of inventories.

In the previous financial year, write down of RM1,311,854 was made due to decline in net realisable values of inventories. No write down has been made during the financial year.

(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 to fulfill a contract prior to the commencement of its performance are mostly general and administrative expenses that are expensed 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 asset relates. 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 asset relates 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

13. INVENTORIES & CONTRACT COSTS (CONTINUED)

(b) Contract costs (continued)

(iv) Movement of contract costs is as follows:

	Group	
	2022 RM	2021 RM
Balance as at 1 April 2021/2020	5,495,185	6,216,236
Capitalised during the financial year	3,861,368	6,609,856
	9,356,553	12,826,092
Recognised in profit or loss	(5,053,330)	(7,330,907)
Balance as at 31 March 2022/2021	4,303,223	5,495,185

No provision for impairment losses were required on contract costs as at 31 March 2022 and 31 March 2021.

14. TRADE RECEIVABLES

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Third parties		29,788,295	42,967,082	-	-
Related parties		9,353,397	7,411,006	37,356,469	8,227,489
		39,141,692	50,378,088	37,356,469	8,227,489
Less: Impairment losses					
- Third parties	(f)	(11,016,551)	(17,431,011)	-	-
- Related parties	(g)	(73,249)	(178,803)	(6,325,193)	(1,941,088)
		(11,089,800)	(17,609,814)	(6,325,193)	(1,941,088)
		28,051,892	32,768,274	31,031,276	6,286,401

(a) Trade receivables are classified as financial assets measured at amortised cost.

(b) The normal trade credit terms of trade receivables granted by the Group and by the Company range from 30 to 90 days (2021: 30 to 90 days) from date of invoice. They are recognised at their original invoice amounts, which represent their fair values on initial recognition.

(c) All trade receivables are denominated in RM.

14. TRADE RECEIVABLES (CONTINUED)

(d) Third party receivables

- (i) Impairment for third party receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses.

The Group uses 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.

The expected loss rates are based on the historical credit losses experienced by the Group over the four-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the customers of the Group. The Group has identified the base lending rate, unemployment rate, inflation rate and labor force participation as the key macroeconomic factors.

During the financial year, the Group identified changes in key macroeconomic factors for the purpose of determining forward-looking information affecting the measurement of expected credit losses.

For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within administrative expenses in the statements of profit or loss and other comprehensive income. 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.

Management exercised judgments in determining the probability of default by trade receivables and appropriate forward-looking information.

- (ii) Lifetime expected loss provision for third party receivables of the Group is as follows:

	Gross carrying amount RM	Total allowance RM	Net carrying amount RM
Group			
2022			
Current	12,116,283	-	12,116,283
Past due:			
1 to 30 days	3,279,185	(9,508)	3,269,677
31 to 60 days	1,819,964	(21,051)	1,798,913
More than 60 days	12,572,863	(10,985,992)	1,586,871
	17,672,012	(11,016,551)	6,655,461
	29,788,295	(11,016,551)	18,771,744
2021			
Current	12,076,282	(9,669)	12,066,613
Past due:			
1 to 30 days	7,381,001	(21,208)	7,359,793
31 to 60 days	3,353,298	(21,386)	3,331,912
More than 60 days	20,156,501	(17,378,748)	2,777,753
	30,890,800	(17,421,342)	13,469,458
	42,967,082	(17,431,011)	25,536,071

14. TRADE RECEIVABLES (CONTINUED)

(e) Related party receivables

Impairment for related party receivables that do not contain a significant financing component 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. 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 operating performance of the receivables, changes to contractual terms, payment delays and past due information.

Evidence that a financial asset is credit impaired includes the following observable data:

- (i) Significant financial difficulties of the debtor;
- (ii) It is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- (iii) The disappearance of an active market for a security because of financial difficulties.

The probability of non-payment by the related parties is adjusted by forward-looking information as stated in Note 14(d)(i) and multiplied by the amount of the expected loss arising from default to determine the twelve month or lifetime expected credit loss for the related parties.

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

(f) Movements in the lifetime expected credit loss for third party receivables are as follows:

	Group	
	2022 RM	2021 RM
At 1 April 2021/2020	17,431,011	7,605,537
Charge for the financial year	270,096	10,700,026
Reversal of impairment losses	(455,636)	(841,026)
Written off	(6,228,920)	(33,526)
At 31 March 2022/2021	11,016,551	17,431,011

14. TRADE RECEIVABLES (CONTINUED)

(g) Movements in the impairment allowance for related party receivables are as follows:

	12-month expected credit loss RM	Lifetime expected credit loss		Total allowance RM
		Not credit- impaired RM	Credit- impaired RM	
Group				
At 1 April 2020	50,573	19,672	19,111	89,356
Charge for the financial year	24,075	-	65,372	89,447
At 31 March/1 April 2021	74,648	19,672	84,483	178,803
Reversal of impairment losses	(4,849)	(19,672)	(81,033)	(105,554)
At 31 March 2022	69,799	-	3,450	73,249

	12-month expected credit loss RM	Lifetime expected credit loss		Total allowance RM
		Not credit- impaired RM	Credit- impaired RM	
Company				
At 1 April 2020	27,897	19,803	1,320,857	1,368,557
Charge for the financial year	455	-	773,398	773,853
Reversal of impairment losses	(675)	(19,803)	(180,844)	(201,322)
At 31 March/1 April 2021	27,677	-	1,913,411	1,941,088
Charge for the financial year	-	4,029,925	354,180	4,384,105
Transfer to life time ECL				
- not credit impaired	-	342,795	(342,795)	-
Transfer to 12-mth ECL	632,864	-	(632,864)	-
At 31 March 2022	660,541	4,372,720	1,291,932	6,325,193

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. The Group considers advance to be credit impaired when the related parties advance is 90 days past due.

(h) As at the end of each reporting period, no collateral has been obtained by the Group. Thus, the maximum credit risk exposure is equivalent to the gross carrying amount of trade receivables of the Group.

14. TRADE RECEIVABLES (CONTINUED)

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

	Group			
	2022		2021	
	RM	% of total	RM	% of total
By country				
Malaysia	28,042,602	99.97%	32,768,274	100.00%
Singapore	9,290	0.03%	-	-
	28,051,892	100.00%	32,768,274	100.00%

	Company			
	2022		2021	
	RM	% of total	RM	% of total
By country				
Malaysia	31,031,276	100.0%	6,286,401	100.00%

At the end of each reporting period, approximately 43% (2021: 30%) of the trade receivables of the Group were due from three (3) customers (2021: four (4) customers).

At the end of each reporting period, the Company does not have significant concentration of credit risk other than related parties of RM31,031,276 (2021: RM6,286,401), which contributes 100% (2021: 100%) of total receivables of the Company.

- (j) The Directors are of the opinion that the Group are not subject to significant exposure to foreign currencies, thus, no sensitivity analysis is being presented at the end of reporting period.

15. OTHER RECEIVABLES, DEPOSITS & PREPAYMENTS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Other receivables	9,905,974	1,265,019	858,597	526,244
Deposits	820,180	564,498	320,613	320,613
	10,726,154	1,829,517	1,179,210	846,857
Prepayments	9,954,655	8,320,578	1,108,065	61,098
	20,680,809	10,150,095	2,287,275	907,955

- (a) Other receivables and deposits are classified as financial assets measured at amortised cost.

15. OTHER RECEIVABLES, DEPOSITS & PREPAYMENTS (CONTINUED)

(b) The currency exposure profile of other receivables and deposits is as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Ringgit Malaysia	10,384,509	1,496,034	1,179,210	846,857
Indonesian Rupiah	341,645	333,483	-	-
	10,726,154	1,829,517	1,179,210	846,857

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

	Group	
	2022 RM	2021 RM
Effects of 10% changes to RM against foreign currencies		
Profit after tax	±26,000	±26,000

(d) Impairment for other receivables and deposits are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 14(e) to the financial statements.

(e) No expected credit loss is recognised arising from other receivables and deposits as it is negligible.

16. CONTRACT ASSETS

	Note	Group	
		2022 RM	2021 RM
Aggregate contract costs incurred to date		18,408,776	16,276,447
Add: Attributable profits		57,373,948	13,911,780
		75,782,724	30,188,227
Less: Progress billings		(59,291,545)	(23,595,059)
Less: Impairment losses		(96,021)	(78,651)
		16,395,158	6,514,517
Represented by:			
Contract assets			
Projects		17,285,819	7,389,392
Contract liabilities			
Projects	28	(890,661)	(874,875)
		16,395,158	6,514,517

16. CONTRACT ASSETS (CONTINUED)

(a) Projects

Projects represent the timing differences in revenue recognition and 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.

- (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 14(d)(i) to the financial statements.
- (c) Movements in the lifetime expected credit loss for contract asset are as follows:

	Group	
	2022 RM	2021 RM
At 1 April 2021/2020	78,651	-
Charge for the financial year	17,370	78,651
At 31 March 2022/2021	96,021	78,651

17. AMOUNT OWING BY/(TO) ULTIMATE HOLDING COMPANY

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Amount owing by ultimate holding company	28,213,823	23,583,982	1,079,390	18,540,481
Less: Impairment losses	(139,230)	(58,458)	-	(17,603)
	28,074,593	23,525,524	1,079,390	18,522,878
Amount owing to ultimate holding company	(37,659)	(59,078)	-	-

- (a) Amount owing by/(to) ultimate holding company is classified as a financial asset/(liability) measured at amortised cost.
- (b) Amount owing by/(to) ultimate holding company represents payments made on behalf, which are unsecured, interest-free and collectible/payable within twelve months in cash and cash equivalents.
- (c) All amounts owing by/(to) ultimate holding company of the Group and the Company are denominated in RM.
- (d) Impairment for amount owing by ultimate holding company is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 14(e) to the financial statements.

17. AMOUNT OWING BY/(TO) ULTIMATE HOLDING COMPANY (CONTINUED)

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

	Group		Company	
	12-month expected credit loss			
	2022 RM	2021 RM	2022 RM	2021 RM
At 1 April 2021/2020	58,458	2,301	17,603	-
Charge for the financial year	100,000	56,157	-	17,603
Reversal of impairment losses	(19,228)	-	(17,603)	-
At 31 March 2022/2021	139,230	58,458	-	17,603

(f) The maturity profile of amount owing to ultimate holding company of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligation is repayable within one year.

18. AMOUNT OWING BY/(TO) IMMEDIATE HOLDING COMPANY

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Amount owing by immediate holding company	36,764	15,475,498	-	15,303,588
Less: Impairment losses	-	(14,101)	-	(12,083)
	36,764	15,461,397	-	15,291,505
Amount owing to immediate holding company	(793,765)	(65,392)	(789,075)	-

- (a) Amount owing by/(to) immediate holding company is classified as a financial asset/(liability) measured at amortised cost.
- (b) Amount owing by/(to) immediate holding company represents payments made on behalf, which are unsecured, interest-free and collectible/payable within twelve months in cash and cash equivalents.
- (c) All amounts owing by/(to) immediate holding company of the Group and the Company are denominated in RM.
- (d) Impairment for amount owing by immediate holding company is recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 14(e) to the financial statements.

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31 March 2022

18. AMOUNT OWING BY/(TO) IMMEDIATE HOLDING COMPANY (CONTINUED)

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

	Group		Company	
	12-month expected credit loss			
	2022 RM	2021 RM	2022 RM	2021 RM
At 1 April 2021/2020	14,101	1,661	12,083	-
Charge for the financial year	-	12,440	-	12,083
Reversal of impairment losses	(14,101)	-	(12,083)	-
At 31 March 2022/2021	-	14,101	-	12,083

(f) The maturity profile of amount owing to immediate holding company of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligation is repayable within one year.

19. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	Company	
	2022 RM	2021 RM
Amounts owing by subsidiaries	108,283,263	79,084,694
Less: Impairment losses	(65,408,358)	(65,862,287)
	42,874,905	13,222,407
Amounts owing to subsidiaries	-	(10,708,302)

(a) Amounts owing by/(to) subsidiaries are classified as financial assets/(liabilities) measured at amortised cost.

(b) Amounts owing by/(to) subsidiaries represent management fees, advances and payments made on behalf, which are unsecured, interest-free and collectible/payable within twelve months in cash and cash equivalents.

(c) All amounts owing by/(to) subsidiaries are denominated in RM.

(d) Impairment for amounts owing by subsidiaries are recognised based on the general approach within MFRS 9 using the forward-looking expected credit loss model as disclosed in Note 14(e) to the financial statements. Management has made significant judgments in determining the probability of default by subsidiaries, appropriate forward-looking information and significant increase in credit risk.

19. AMOUNTS OWING BY/(TO) SUBSIDIARIES (CONTINUED)

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

	12-month expected credit loss RM	Lifetime expected credit loss		Total allowance RM
		Not credit- impaired RM	Credit- impaired RM	
Company				
At 31 March/1 April 2020	1,080	-	65,597,337	65,598,417
Charge for the financial year	10,171	-	394,173	404,344
Reversal of impairment losses	(1,080)	-	(139,394)	(140,474)
At 31 March 2021	10,171	-	65,852,116	65,862,287
At 31 March/1 April 2021	10,171	-	65,852,116	65,862,287
Charge for the financial year	-	926,964	-	926,964
Transfer to life time ECL				
- not credit impaired	(10,171)	64,911,233	(64,901,062)	-
Transfer to 12-mth ECL	882,340	-	(882,340)	-
Reversal of impairment losses	-	(1,380,893)	-	(1,380,893)
At 31 March 2022	882,340	64,457,304	68,714	65,408,358

(f) 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 year.

20. CASH & BANK BALANCES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Cash and bank balances	58,632,489	6,950,898	1,162,808	16,172
Deposits with licensed banks	4,489,664	4,062,853	-	-
	63,122,153	11,013,751	1,162,808	16,172

(a) Cash and bank balances are classified as financial assets measured at amortised cost.

(b) Included in deposits with licensed banks of the Group are amounts of RM4,489,664 (2021: RM4,041,898) pledged to licensed banks for credit facilities granted to the Group as disclosed in Note 24 to the financial statements.

20. CASH & BANK BALANCES (CONTINUED)

- (c) The interest rate profile and weighted average effective interest rates (WAEIR) per annum of deposits placed with licensed banks are as follows:

	Group			
	2022		2021	
	WAEIR %	RM	WAEIR %	RM
Fixed rates				
Deposits placed with licensed banks	1.64	4,489,664	1.91	4,062,853

Sensitivity analysis for fixed rate deposits placed with licensed banks at the end of the reporting period is not presented as it is not affected by changes in interest rates.

- (d) 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	
	2022 RM	2021 RM	2022 RM	2021 RM
Cash and bank balances	58,632,489	6,950,898	1,162,808	16,172
Deposits with licensed banks	4,489,664	4,062,853	-	-
	63,122,153	11,013,751	1,162,808	16,172
Less: Deposits pledged to licensed banks	(4,489,664)	(4,041,898)	-	-
Bank overdraft (Note 23)	(2,480,819)	(2,851,059)	-	-
	56,151,670	4,120,794	1,162,808	16,172

- (e) The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Ringgit Malaysia	63,104,297	10,996,098	1,162,808	16,172
Indonesian Rupiah	17,856	17,653	-	-
	63,122,153	11,013,751	1,162,808	16,172

20. CASH & BANK BALANCES (CONTINUED)

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

	Group	
	2022 RM	2021 RM
Effects of 10% changes to RM against foreign currencies		
Profit after tax	±1,000	±1,000

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

21. SHARE CAPITAL

	Group and Company			
	2022		2021	
	Number of shares	RM	Number of shares	RM
Issued and fully paid				
As at 1 April 2021/2020	241,290,340	105,582,794	184,104,900	52,833,057
Ordinary shares issued pursuant to private placement	97,036,100	53,369,855	-	-
Ordinary shares issued pursuant to bonus issue	727,771,020	-	-	-
Ordinary shares issued under restricted issue	-	-	55,629,240	50,080,223
Ordinary shares issued under Employee Share Grant Plan	1,300,000	2,943,630	1,556,200	2,669,514
As at 31 March 2022/2021	1,067,397,460	161,896,279	241,290,340	105,582,794

- (a) During the financial year, the issued and fully paid-up ordinary shares of the Company were increased from 241,290,340 ordinary shares to 1,067,397,460 ordinary shares by way of issuance of 826,107,120 new ordinary shares pursuant to the following:
- (i) 1,300,000 ordinary shares issued under Employee Share Grant Plan at exercise prices ranging from RM2.2991 to RM2.2539 per ordinary share at no consideration; and
 - (ii) On 20 August 2021, 727,771,020 ordinary shares issued under bonus issue on the basis of 3 bonus shares for every 1 existing ordinary shares; and
 - (iii) On 28 February 2022, 97,036,100 ordinary shares issued under private placement at price of RM0.55 per ordinary share for cash.
- (b) Owners of the parent 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.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

22. RESERVES

	Group	
	2022 RM	2021 RM
Non-distributable:		
Exchange translation reserve	38,160	41,826

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, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

23. BORROWINGS

	Group	
	2022 RM	2021 RM
Current liabilities		
Bank overdraft	2,480,819	2,851,059
Trust receipts (Note 24)	25,433,617	17,537,175
	27,914,436	20,388,234
Total borrowings		
Bank overdraft	2,480,819	2,851,059
Trust receipts (Note 24)	25,433,617	17,537,175
	27,914,436	20,388,234

- (a) Borrowings are classified as financial liabilities measured at amortised cost.
- (b) All borrowings are denominated in RM.

23. BORROWINGS (CONTINUED)

- (c) The table below summarises the maturity profile of the borrowings at the end of the reporting period based on contractual undiscounted repayment obligations:

	On demand or within one year RM	One to five years RM	Total RM
Group			
31 March 2022			
Bank overdraft	2,480,819	-	2,480,819
Trust receipts	25,868,221	-	25,868,221
Total undiscounted financial liabilities	28,349,040	-	28,349,040
31 March 2021			
Bank overdraft	2,851,059	-	2,851,059
Trust receipts	17,840,444	-	17,840,444
Total undiscounted financial liabilities	20,691,503	-	20,691,503

- (d) The bank overdraft of the Group is secured by the corporate guarantee given by the Company.
- (e) Bank overdraft and trust receipts of the Group are subject to floating weighted average effective interest rates of 6.89% (2021: 5.40%) and 6.14% (2021: 6.38%) per annum respectively.
- (f) Sensitivity analysis of interest rates at the end of the reporting period, assuming that all other variables remain constant, are as follows:

	Group	
	2022 RM	2021 RM
Effects of 100bp changes to profit after tax		
Floating rate instruments	±211,512	±154,195

24. TRUST RECEIPTS

The trust receipts are secured by the following:

- (a) Pledge of deposits as disclosed in Note 20 to the financial statements; and
- (b) Corporate guarantee from the ultimate holding company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

25. OTHER PAYABLES & PROVISION

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Non-current				
Provision for restoration cost	157,548	157,548	157,548	157,548
Current				
Other payables and accruals	13,968,866	15,068,337	2,464,902	2,080,936
Refundable deposits	-	327,855	-	-
	13,968,866	15,396,192	2,464,902	2,080,936
	14,126,414	15,553,740	2,622,450	2,238,484

- (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		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
At 1 April 2021/2020	157,548	146,148	157,548	146,148
Unwinding of discount	-	11,400	-	11,400
At 31 March 2022/2021	157,548	157,548	157,548	157,548

Under the provision of lease agreements, the Group and the Company have 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 of 7.8% per annum.

- (c) The currency exposure profile of other payables and accruals (excluding provision) is as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Ringgit Malaysia	13,612,538	15,099,849	2,464,902	2,075,093
Indonesia Rupiah	356,328	284,323	-	-
United States Dollar	-	6,177	-	-
Euro	-	5,843	-	5,843
	13,968,866	15,396,192	2,464,902	2,080,936

25. OTHER PAYABLES & PROVISION (CONTINUED)

- (d) 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		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Effects of 10% changes to RM against foreign currencies				
Profit/(Loss) after tax	±28,000	±23,000	Nil	±1,000

- (e) The table below summarises the maturity profile of the other payables and provision at the end of the reporting period based on contractual undiscounted repayment obligations:

	On demand or within one year RM	More than five years RM	Total RM
Group			
31 March 2022			
Other payables	13,968,866	-	13,968,866
Provision	-	262,016	262,016
	13,968,866	262,016	14,230,882
31 March 2021			
Other payables	15,396,192	-	15,396,192
Provision	-	262,016	262,016
	15,396,192	262,016	15,658,208
Company			
31 March 2022			
Other payables	2,464,902	-	2,464,902
Provision	-	262,016	262,016
	2,464,902	262,016	2,726,918
31 March 2021			
Other payables	2,080,936	-	2,080,936
Provision	-	262,016	262,016
	2,080,936	262,016	2,342,952

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

26. LEASE LIABILITIES

	Balance as at 1.4.2021 RM	Lease modification RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense RM	Balance as at 31.3.2022 RM
Carrying amount							
Group							
Buildings	2,765,639	31,119	-	-	(599,954)	208,419	2,405,223
Computer software and hardware	4,757,024	-	52,516	(315,084)	(2,255,135)	220,390	2,459,711
Motor vehicles	2,572,679	-	-	-	(810,835)	163,626	1,925,470
	10,095,342	31,119	52,516	(315,084)	(3,665,924)	592,435	6,790,404
Company							
Buildings	2,383,371	-	-	-	(470,100)	189,485	2,102,756
Computer software and hardware	3,844,354	-	-	-	(1,790,931)	191,671	2,245,094
Motor vehicles	612,027	-	-	-	(339,135)	32,574	305,466
	6,839,752	-	-	-	(2,600,166)	413,730	4,653,316

	Balance as at 1.4.2020 RM	Lease modification RM	Additions RM	Lease termination RM	Lease payments RM	Interest expense RM	Lease concession RM	Balance as at 31.3.2021 RM
Carrying amount								
Group								
Buildings	3,212,529	143,123	92,510	(296,488)	(600,102)	249,962	(35,895)	2,765,639
Computer software and hardware	5,092,084	-	4,765,524	-	(5,399,960)	299,376	-	4,757,024
Motor vehicles	472,097	262,472	2,222,377	-	(459,650)	75,383	-	2,572,679
	8,776,710	405,595	7,080,411	(296,488)	(6,459,712)	624,721	(35,895)	10,095,342
Company								
Buildings	2,678,737	(2,697)	-	-	(471,726)	214,152	(35,095)	2,383,371
Computer software and hardware	-	-	4,550,000	-	(826,583)	120,937	-	3,844,354
Motor vehicles	472,097	262,472	179,389	-	(339,135)	37,204	-	612,027
	3,150,834	259,775	4,729,389	-	(1,637,444)	372,293	(35,095)	6,839,752

26. LEASE LIABILITIES (CONTINUED)

Represented by:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Current liabilities	2,670,003	3,273,666	1,992,568	2,059,899
Non-current liabilities	4,120,401	6,821,676	2,660,748	4,779,853
	6,790,404	10,095,342	4,653,316	6,839,752
Lease liabilities owing to financial institutions	2,954,945	4,805,289	2,276,578	3,962,695
Lease liabilities owing to non-financial institutions	3,835,459	5,290,053	2,376,738	2,877,057
	6,790,404	10,095,342	4,653,316	6,839,752

- (a) Lease liabilities are classified as financial liabilities measured at amortised cost.
- (b) All lease liabilities are denominated in RM.
- (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:

	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
Group					
31 March 2022					
Lease liabilities	3.00% - 8.70%	3,063,076	4,807,280	140,380	8,010,736
31 March 2021					
Lease liabilities	3.00% - 8.70%	3,881,480	6,825,367	994,210	11,701,057
Company					
31 March 2022					
Lease liabilities	3.00% - 8.58%	2,252,466	2,970,087	140,380	5,362,933
31 March 2021					
Lease liabilities	3.00% - 8.58%	2,462,402	4,518,037	982,660	7,963,099

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27. 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 range from 30 days to 90 days (2021: 30 days to 90 days) from date of invoice.
- (c) The currency exposure profile of trade payables is as follows:

	Group	
	2022 RM	2021 RM
Ringgit Malaysia	23,653,915	16,605,684
United States Dollar	113,607	768,815
	23,767,522	17,374,499

- (d) 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	
	2022 RM	2021 RM
Effects of 10% changes to RM against foreign currencies		
Profit after tax	±10,000	±61,000

- (e) The maturity profile of trade payables of the Group at the end of the reporting period based on contractual undiscounted repayment obligation is repayable within one year.

28. CONTRACT LIABILITIES

	Note	Group		Company	
		2022 RM	2021 RM	2022 RM	2021 RM
Contract liabilities in relation to:					
Projects	16	890,661	874,875	-	-
Deferred income:					
- maintenance income		16,417,131	16,829,175	428,932	597,279
		17,307,792	17,704,050	428,932	597,279

- (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. Deferred maintenance income and software licensing fees are billings have been made to the customers before the services are provided to the customers.

28. CONTRACT LIABILITIES (CONTINUED)

- (b) The amounts of RM16,664,542 (2021: RM26,045,052) of the Group and RM597,279 (2021: RM631,264) of the Company recognised in contract liabilities at the beginning of the financial year have been recognised as revenue for current financial year.
- (c) 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	
	Within 1 year RM	Between 1 and 4 years RM	Within 1 year RM	Between 1 and 4 years RM
2022				
Projects	890,661	-	-	-
Maintenance income	15,602,312	814,819	428,932	-
	16,492,973	814,819	428,932	-
2021				
Projects	874,875	-	-	-
Maintenance income	15,789,667	1,039,508	597,279	-
	16,664,542	1,039,508	597,279	-

29. AMOUNTS OWING TO RELATED COMPANIES

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Trade	1,057,105	683,070	-	-
Non-trade	321,527	610,289	146,593	477,609
	1,378,632	1,293,359	146,593	477,609

- (a) Amounts owing to related companies are classified as financial liabilities measured at amortised cost.
- (b) The trade amounts owing to related companies are unsecured, interest-free and payable within twelve months in cash and cash equivalents. Credit terms of trade amounts owing to related companies granted to the Group are 30 days (2021: 30 days) from date of invoice.
- (c) The non-trade amounts due to related companies mainly comprise of payments on behalf which are unsecured, interest-free and payable within twelve month in cash and cash equivalents.
- (d) All amounts owing to related companies are denominated in RM.
- (e) The maturity profile of amounts owing to related companies of the Group and the Company at the end of the reporting period based on contractual undiscounted repayment obligation is repayable within one year.

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30. CONTINGENT LIABILITIES

	Company	
	2022 RM	2021 RM
Corporate guarantees given to banks for credit facilities granted to subsidiaries		
- Limit of guarantee	37,500,000	32,882,475
- Amount utilised	26,035,117	17,824,290

The Company designates corporate guarantees given to banks for credit facilities granted to subsidiaries as insurance contracts as defined in MFRS 4 *Insurance Contracts*. The Company recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

At the end of each reporting period, the Company assesses whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If this assessment shows that the carrying amount of the insurance liabilities is inadequate, the entire deficiency shall be recognised in profit or loss.

Recognised insurance liabilities are only removed from the statements of financial position when, and only when, it is extinguished via a discharge, cancellation or expiration.

The Directors are of the view that the chances of the bank to call upon the corporate guarantees are not probable. Accordingly, the fair values of the above corporate guarantees given to subsidiaries for credit facilities are negligible.

31. REVENUE

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Revenue from contracts with customers:				
Projects	62,357,486	23,093,012	987,790	-
Maintenance income	41,502,078	61,111,340	1,486,619	3,365,738
Sales of hardware equipment and software	113,492,534	92,949,245	-	-
Management fees	958,080	958,080	4,246,080	4,492,080
Software licensing fees	-	-	250,000	250,000
Integration charges	-	-	480,536	469,571
	218,310,178	178,111,677	7,451,025	8,577,389
Other revenue				
Dividend income	-	-	-	3,695,357
	218,310,178	178,111,677	7,451,025	12,272,746
Timing of revenue recognition				
Transferred over time	103,859,564	84,204,352	2,724,409	3,615,738
Transferred at a point in time	114,450,614	93,907,325	4,726,616	8,657,008
	218,310,178	178,111,677	7,451,025	12,272,746

31. REVENUE (CONTINUED)

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.

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 by reference to the labour hours expended relative to the total expected labour hours for satisfaction of that performance obligation, as the customer simultaneously receives and consumes the benefits provided by the Group.

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 estimates 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) Sales of hardware equipment and software

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

Some contracts include multiple deliverables, such as the installation of hardware 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 and software, the revenue for installation services are recognised at a point in time when the customer has accepted the installation of the hardware or software.

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

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

31. REVENUE (CONTINUED)

(d) Management fees

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

(e) Software licensing fees

Revenue from sale of internally developed software licensing is recognised over the period of the contract when the customers activate or upon acceptance of delivery of the access code to customers. Such performance obligation is met over time as customer simultaneously receives and consumes benefits of services as and when the Company grants the right to access of the software license as well as keeps possession of the software.

(f) Integration charges

Revenue from sale of integration charges is recognised at a point in time when the services has been rendered to the customers and coincides with the delivery of services and acceptance by customers.

There is no significant financing component in the revenue arising from services rendered as the services are made on the normal credit terms not exceeding twelve months.

(g) Dividend income

Dividend income is recognised when the right of the Group to receive payment is established.

32. FINANCE COSTS

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Interest expense on:				
- trust receipt	930,348	1,217,956	-	-
- lease liabilities	592,435	624,721	413,730	372,293
- bank overdraft	193,549	153,875	-	-
- provision for restoration cost	-	11,400	-	11,400
	1,716,332	2,007,952	413,730	383,693
Included in cost of sales	(261,910)	-	-	-
	1,454,422	2,007,952	413,730	383,693

33. TAXATION

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Current tax expense based on profit for the financial year	4,601,399	1,081,819	-	100,023
Under/(Over) provision in prior years	121,704	(9,421)	(98,391)	(236,296)
	4,723,103	1,072,398	(98,391)	(136,273)
Deferred tax (Note 12)				
Relating to origination on and reversal of temporary differences	4,728,289	990,963	-	-
Over provision in prior years	(679,402)	(668,738)	-	-
	4,048,887	322,225	-	-
	8,771,990	1,394,623	(98,391)	(136,273)

- (a) Malaysian income tax is calculated at the statutory tax rate of 24% (2021: 24%) of the estimated taxable profit for the fiscal year.
- (b) Numerical reconciliation between the taxation and the product of accounting profit/(loss) multiplied by the applicable tax rate of the Group and of the Company are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Tax at Malaysian statutory tax rate of 24% (2021: 24%)	8,215,437	7,964,577	(899,526)	(222,218)
Tax effects in respect of:				
Non-deductible expenses	7,862,031	3,015,578	1,548,339	1,634,339
Income not subject to tax	(3,399,224)	(9,972,966)	(338,539)	(969,379)
Deferred tax assets not recognised during the year	189,499	2,637,243	-	-
Utilisation of deferred tax previously not recognised	(3,538,055)	(1,571,650)	(310,274)	(342,719)
	9,329,688	2,072,782	-	100,023
Under/(Over) provision of tax in prior years:				
Income tax	121,704	(9,421)	(98,391)	(236,296)
Deferred tax	(679,402)	(668,738)	-	-
	(557,698)	(678,159)	(98,391)	(236,296)
	8,771,990	1,394,623	(98,391)	(136,273)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

33. TAXATION (CONTINUED)

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

	Group		
	Before tax RM	Tax effect RM	After tax RM
Items that may be reclassified subsequently to profit or loss			
2022			
Foreign currency translations	681	-	681
2021			
Foreign currency translations	11,305	-	11,305

34. EARNINGS PER ORDINARY SHARE

(a) Basic earnings per ordinary share

Basic earnings per ordinary share of the Group is calculated by dividing the profit attributable for the financial year to equity holders of the parent for the year by the weighted average number of ordinary shares in issued during the financial year.

	Group	
	2022	2021
Profit attributable to equity holders of the parent (RM)	25,469,946	31,762,294
Weighted average number of ordinary shares in issue (unit)	696,338,023	200,203,482
Basic earnings per ordinary share (sen)	3.66	15.87

(b) Diluted earnings per ordinary share

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

35. PROVISION FOR GRATUITY OBLIGATIONS

- (a) The Group operates an unfunded defined Retirement Benefit Scheme (the Scheme) 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.
- (b) The amount recognised in the statements of financial position is as follows:

	Group	
	2022 RM	2021 RM
Present value of unfunded defined benefit obligations	2,067,883	2,135,025
Analysed as follows:		
Current liabilities	238,931	-
Non-current liabilities		
- more than 1 year and less than 2 years	280,287	-
- more than 2 years and less than 3 years	234,509	-
- more than 3 years and less than 4 years	407,263	499,586
- more than 4 years and less than 5 years	129,768	671,115
- more than 5 years	777,125	964,324
	1,828,952	2,135,025
	2,067,883	2,135,025

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

	Group	
	2022 RM	2021 RM
Balance as at 1 April 2021/2020	2,135,025	1,908,217
Current service cost recognised in profit or loss	(67,142)	226,808
Balance as at 31 March 2022/2021	2,067,883	2,135,025

- (d) The key assumptions used in the computation of the provision are as follows:

	Group	
	2022	2021
Discount rate	3.71%	3.22%
Salary increase rate	3.24%	3.65%
Annual voluntary resignation rate	41.70% - 60.00%	41.70% - 60.00%
Mortality rate	0.0003 - 0.0119	0.0002 - 0.0055
Normal retirement age	60 years	60 years

35. PROVISION FOR GRATUITY OBLIGATIONS (CONTINUED)

- (e) 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 have 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	
	2022 RM	2021 RM
Effects of 100bp changes in:		
- discount rate	±114,356	±142,711
- salary increase rate	±128,007	±159,287
- annual voluntary resignation rate	±38,980	±40,267

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.

36. DIVIDENDS

	Group and Company 2021	
	Dividend per share sen	Amount of dividend RM
First interim cash dividend paid	1.00	1,841,049
Second interim cash dividend paid	1.00	1,854,308
	2.00	3,695,357

No dividend has been paid, declared or proposed by the Company for the current financial year. The Directors do not propose any dividend in respect of the current financial year.

37. EMPLOYEE BENEFITS

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Salaries, wages, bonuses and allowances	13,568,575	12,121,915	2,318,885	2,033,132
Defined contribution plan	1,620,796	1,470,000	269,141	240,747
Share options granted under Employee Share Grant Plan:				
- Directors	908,340	431,609	40,560	431,609
- Other employees	2,035,290	2,237,905	171,353	2,237,905
Provision for gratuity obligations	(67,142)	226,808	-	-
Other employee benefits	2,151,540	1,386,041	885,979	669,397
	20,217,399	17,874,278	3,685,918	5,612,790

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

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Directors' fees	776,406	594,517	47,196	479,598
Salaries and other short term employee benefits:				
- Directors	1,312,110	995,954	82,790	640,129
- Other key management personnel	3,743,098	2,586,374	2,121,004	1,271,713
	5,055,208	3,582,328	2,203,794	1,911,842

Estimated monetary value of benefits-in-kind provided to the Directors and key management personnel of both the Group and the Company are RM71,250 and RM21,250 respectively (2021: RM53,450 and RM21,250).

38. LONG-TERM INCENTIVE PLAN (LTIP)

At an Extraordinary General Meeting held on 17 October 2014, the Directors were authorised to proceed with the establishment and administration of the Long-Term Incentive Plan (LTIP or Scheme), which comprises an Employee Share Option Scheme (ESOS) and an Employee Share Grant Plan (ESGP) and is administered by the LTIP Committee which is 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 27 October 2014, unless extended further.

On 11 October 2019, 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 27 October 2019 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 20% 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;
- (c) Options granted may be exercised at any time within the option period of 18 months or 3 years 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 or at RM0.10, whichever is higher; 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.

During the current financial year, the Company awarded 1,300,000 new ordinary shares under ESGP to eligible employees of the Company.

39. 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 subsidiaries, ultimate and immediate holding companies and their subsidiaries.

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

	Group	
	2022 RM	2021 RM
Ultimate holding company		
Management fee income	958,080	958,080
Sales	34,398,449	4,767,139
Purchases	5,072	4,824
Management fee expense	1,216,800	1,216,800
HR Services	-	76,480
Immediate holding company		
Office rental expense	48,960	85,680
Related companies		
Sales	4,530,672	1,742,777
Purchases of goods & services	1,769,387	617,937
Office rental expense	551,640	547,745
Secretarial fee	299,342	108,992
HR Services	250,510	159,970
Related party		
Equipment rental expense	27,900	106,900
Purchases of goods & services	3,654	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D.)

31 March 2022

39. RELATED PARTY DISCLOSURES (CONTINUED)

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

	Company	
	2022 RM	2021 RM
Ultimate holding company		
Management fee income	958,080	958,080
Management fee expense	1,216,800	1,216,800
Purchases	1,829	-
HR Services	-	10,240
Immediate holding company		
Office rental expense	48,960	85,680
Subsidiaries		
Management fee income	3,288,000	3,534,000
Maintenance income	1,345,209	3,581,752
Integration income	480,536	469,571
Software licensing fee expense	15,132	15,114
Integration charges	460,919	380,508
Dividend income	-	3,695,357
Related companies		
Purchases of goods & services	905,247	-
Office rental expense	421,140	-
HR Services	26,800	18,990
Secretarial fee expense	243,524	59,442

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

- (c) Key management personnel are the persons who have authorities and responsibilities for planning, directing and controlling the activities of the Group or the Company either directly or indirectly. This includes any Director, whether executive or otherwise, of the Group and of the Company.

The remuneration of the Directors and other members of key management are disclosed in the Note 37 to the financial statements.

40. CAPITAL & FINANCIAL RISK 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 a going concern whilst maximising return to shareholders through the optimisation of the debt and equity balance. The overall strategy of the Group remains unchanged from that in the previous financial year.

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 years ended 31 March 2022 and 31 March 2021.

40. CAPITAL & FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Capital management

The Group monitors capital using a gearing ratio, which is total borrowings divided by total equity. The gearing ratios as at 31 March 2022 and 31 March 2021 are as follows:

	Group		Company	
	2022 RM	2021 RM	2022 RM	2021 RM
Total borrowings (Note 23)	27,914,436	20,388,234	-	-
Total equity attributable to owners of the parent	201,256,311	119,476,546	115,340,645	62,676,794
Gearing ratio	13.87%	17.06%	-	-

Pursuant to the requirement of Bursa Malaysia Guidance Note No. 3/2006, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up share capital of the Group. The Group has complied with this requirement for the financial year ended 31 March 2022.

(b) Financial risk management

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from foreign currency risk, liquidity and cash flow risk, interest rate risk, credit risk and market risk.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors and does not trade in derivative financial instruments. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to foreign currency risk, liquidity and cash flow risk, interest rate risk, credit risk and market risk. Information on the management of the related exposures is detailed below.

(i) 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 rate.

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the functional currencies of the operating entities.

The sensitivity analysis for foreign currency risk has been disclosed in Notes 14, 15, 20, 25 and 27 to the financial statements respectively.

40. CAPITAL & FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity and cash flow risk

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.

The Group is actively managing its operating cash flows to ensure all commitments and funding needs are met. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

The analysis of financial instruments by remaining contractual maturities has been disclosed in Notes 11, 17, 18, 19, 23, 25, 26, 27 and 29 to the financial statements respectively.

(iii) Interest rate risk

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

The primary interest rate risk of the Group relates to interest-earning deposits and interest-bearing borrowings from financial institutions. The fixed-rate deposit and borrowings of the Group are not exposed to a risk of changes in their fair values due to changes in interest rates. The floating rate borrowings of the Group are exposed to a risk of change in cash flows due to changes in interest rates. The Group does not use derivative financial instruments to hedge its risk. The Group borrows in the desired currencies at both fixed and floating rates of interest.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 11, 20 and 23 to the financial statements respectively.

(iv) 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 reputable institutions and 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 receivables. The trading terms of the Group with its customers are mainly on credit, except for new customers, where deposits in advance are normally required. The credit period is generally for a period of one (1) month to three (3) months.

The credit risk profiles have been disclosed in Note 14(i) to the financial statements.

(v) Market risk

Market risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risks arising from quoted income funds and quoted shares held by the Group. These instruments are classified as financial assets designated at fair value through profit or loss.

The sensitivity analysis of market risk has been disclosed in Note 10 to the financial statements.

41. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 30 May 2022, the Company has made an award of 900,000 new ordinary shares at issue price of RM2.25 per ordinary share under the ESGP pursuant to the LTIP to a Director at no consideration.

42. ADOPTION OF NEW MFRSs & AMENDMENT TO MFRSs

42.1 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
<i>Interest Rate Benchmark Reform - Phase 2</i> (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)	1 January 2021

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

42.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2022

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
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
<i>Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)</i>	1 January 2023
<i>Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)</i>	1 January 2023
<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)</i>	1 January 2023
<i>Initial Application of MFRS 17 and MFRS 9 Comparative Information (Amendments to MFRS 17 Insurance Contracts)</i>	1 January 2023
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 does not expect the adoption of the above Standards to have a significant impact on the financial statements.



CONTACT DETAILS OF SUBSIDIARIES

APPLIED BUSINESS SYSTEMS SDN BHD

[Reg. No. 198901010967 (188269-D)]

CA IT INFRASTRUCTURE SOLUTIONS SDN BHD

[Reg. No. 201101043921 (972041-X)]

CSA SERVIS (M) SDN BHD

[Reg. No. 199201001228 (232732-T)]

DHANALYNK SDN BHD

(FKA MICROLINK TECHNOLOGIES SDN BHD)

[Reg. No. 202101015160 (1415460-M)]

FIRST SOLUTION SDN BHD

[Reg. No. 199601025665 (398017-P)]

FORMIS COMPUTER SERVICES SDN BHD

[Reg. No. 198301016935 (112344-P)]

FORMIS SYSTEMS & TECHNOLOGY SDN BHD

[Reg. No. 199401026577 (312258-W)]

MICROLINK INNOVATION SDN BHD

[Reg. No. 200801038491 (839837-A)]

MICROLINK SOFTWARE SDN BHD

[Reg. No. 200801023058 (824378-V)]

MICROLINK SYSTEMS SDN BHD

[Reg. No. 199401023450 (309131-H)]

ML TRIDIMAS SDN BHD

[Reg. No. 202001042912 (1399233-X)]

OMESTI INNOVATION LAB (MALAYSIA) SDN BHD

[Reg. No. 199901011709 (486609-V)]

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Ho Hup Tower - Aurora Place

2-08-01 - Level 8

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BLOCK 01

BLOCK 02

NODE 01

NODE 04

NODE 05

NODE 02

NODE 06

NODE 03

BLOCK 01

BLOCK 01

NODE 01


NODE 02


NODE 03




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