



**NETX HOLDINGS BERHAD**

Company Registration No. 200001030834 (533441-W)

The background of the cover is a dark blue, abstract digital landscape. It features a central bright orange and yellow light source that radiates outwards, creating a sense of depth and energy. The light is surrounded by concentric, glowing blue rings and a network of thin, white and blue lines that resemble a data network or a futuristic cityscape. The overall effect is one of high-tech innovation and digital connectivity.

VALUES CREATION  
THROUGH **INNOVATION**

ANNUAL  
REPORT **2024**



# 24<sup>th</sup>

## ANNUAL GENERAL MEETING

**MEETING VENUE**  
*("Physical Attendance")*

Lot 4.1, 4<sup>th</sup> Floor, Menara Lien Hoe,  
No. 8, Persiaran Tropicana,  
Tropicana Golf & Country Resort,  
47410 Petaling Jaya,  
Selangor Darul Ehsan.

**ONLINE PLATFORM**  
*("Virtual Attendance")*

<https://rebrand.ly/NetX-AGM>

**DATE**

25 April 2025, Friday

**TIME**

10:00 a.m.

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## CORPORATE INFORMATION

BOARD OF  
DIRECTORS

**Dato' Sri Wan Ahmad Najmuddin Bin Mohd**  
Independent Non-Executive Chairman

**Tan Sik Eek**  
Executive Director

**Ong Siew Min**  
Independent Non-Executive Director

**Chen Chee Peng**  
Independent Non-Executive Director

**Yong Ket Inn**  
Non-Independent Non-Executive Director

AUDIT AND RISK  
MANAGEMENT COMMITTEE

*Chairperson*  
**Ong Siew Min**

*Members*  
**Yong Ket Inn**  
**Chen Chee Peng**

NOMINATING AND  
REMUNERATION COMMITTEE

*Chairman*  
**Chen Chee Peng**

*Members*  
**Yong Ket Inn**  
**Ong Siew Min**

## SECRETARIES

**Chong Voon Wah**  
(SSM PC No. 202008001343)  
(MAICSA 7055003)

**Thai Kian Yau**  
(SSM PC No. 202008001515)  
(MIA 36921)

## REGISTERED OFFICE

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Wilayah Persekutuan

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Wilayah Persekutuan

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+603-6201 3121  
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Wilayah Persekutuan

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## CORPORATE OFFICE

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Persiaran Mahogani  
Kota Damansara, PJU 5  
47810 Petaling Jaya  
Selangor

+603-7887 8818  
+603-7886 2199  
corporate@netx.com.my

## PRINCIPAL BANKERS

United Overseas Bank  
(Malaysia) Bhd

## STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad  
(ACE Market)

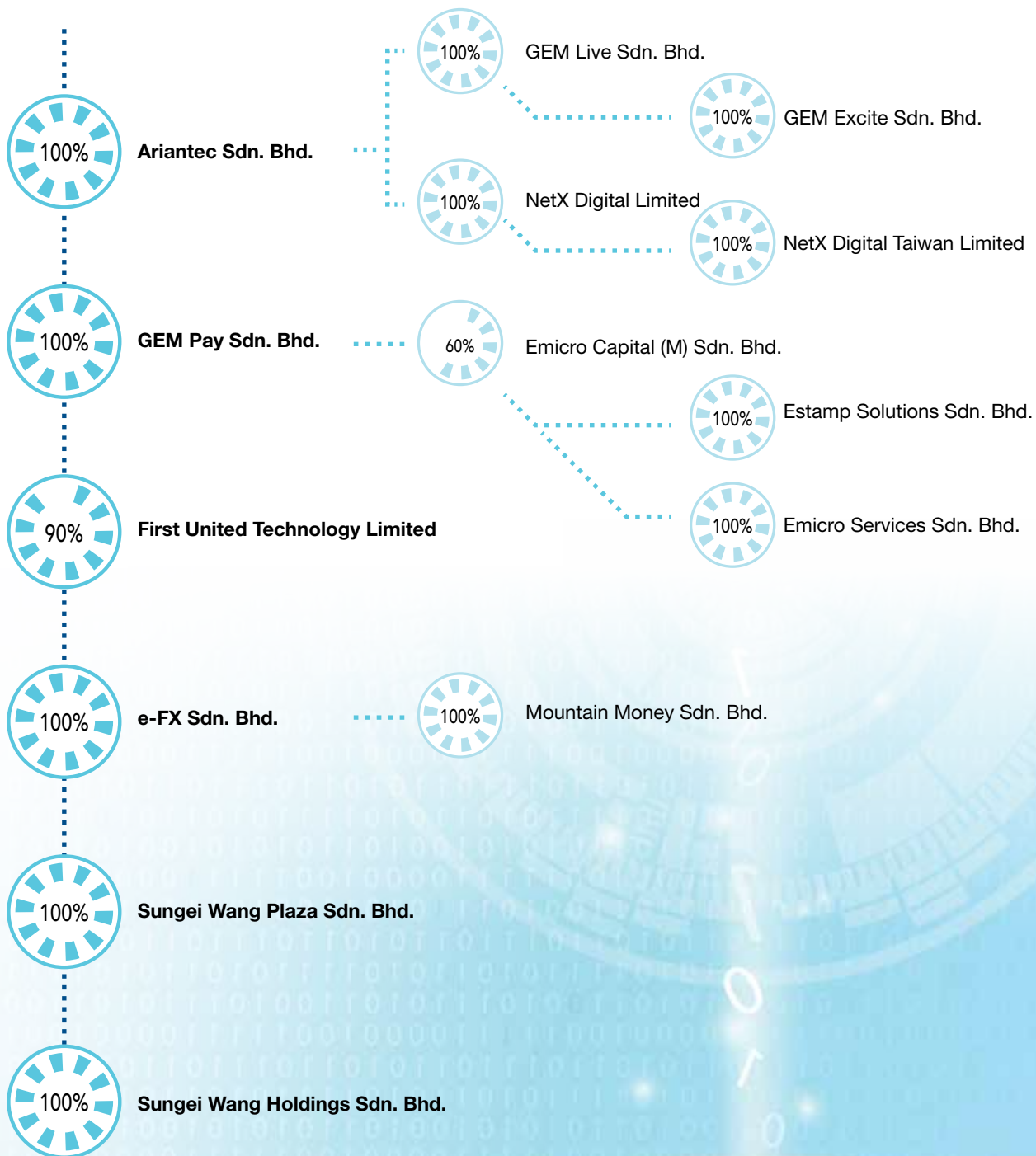
Stock Name : **NETX**  
Stock Code : **0020**

## WEBSITE

<http://www.netx.com.my>



# CORPORATE STRUCTURE



# MANAGEMENT DISCUSSION AND ANALYSIS

## COMPANY PROFILE AND BUSINESS

NetX Holdings Berhad (“**NetX**” or “**Company**” or “**Group**”) is a technology-driven company listed on Bursa Malaysia Securities Berhad’s ACE Market. Since its inception in 2000, the Group has evolved from a provider of network infrastructure solutions into a dynamic player in multiple industries, leveraging disruptive technologies to enhance business efficiency and customer experience.

Today, NetX operates in key sectors, including money lending, foreign currencies exchange services, e-commerce, IT infrastructure, and digital advertising. The latest addition to the Group’s business portfolio is Digital Out-of-Home (DOOH) advertising through GEM Live, marking NetX’s expansion into the fast-growing digital media sector.

### BUSINESS ACTIVITIES OF THE GROUP:

<p><b>i) NON-PAYMENT SERVICES</b></p> <ul style="list-style-type: none"> <li>• Provision of turnkey solutions on network infrastructure and security management</li> <li>• Information Technology system design, system integration and installation</li> <li>• Supply of software and hardware</li> <li>• Software and hardware maintenance and support services</li> <li>• Trading of all kinds of machinery and equipment</li> </ul>	
<p><b>ii) ELECTRONIC PAYMENT SERVICES</b></p> <ul style="list-style-type: none"> <li>• Provision of mobile payment solutions</li> <li>• Supply and maintenance of payment terminals</li> <li>• Sales of foreign currencies from Licensed Money changer</li> <li>• Provision of EFX platform services</li> </ul>	
<p><b>iii) MONEY LENDING SERVICES</b></p> <ul style="list-style-type: none"> <li>• In the business of Licensed moneylender</li> <li>• Trading of motor vehicles</li> </ul>	
<p><b>iv) GEM</b></p> <ul style="list-style-type: none"> <li>• Events consultation, planning and management services</li> <li>• Supply of events props and party supplies</li> <li>• Venue decoration services for corporate clients and F&amp;B merchants</li> <li>• Digital Out-of-Home (“DOOH”) media advertising solutions</li> </ul>	
<p><b>v) PROPERTY INVESTMENT</b></p> <ul style="list-style-type: none"> <li>• Investment holding of properties</li> </ul>	

## Management Discussion and Analysis (Continued)

### CORPORATE VISION

In line with the Group's strategy and vision in rethinking possibilities, NetX focuses on improving its existing innovative technologies in order to gain competitive edge and turn itself into one of the market leaders.

NetX firmly believes in its philosophy of finding new and improved ways of doing things through technology. Its businesses are geared towards redefining and challenging established and conventional practices that bring value to benefit the entire community. The Group believes in harnessing existing technologies that have the potential to disrupt conventional standards and change the landscape of industries.

### GROUP FINANCIAL PERFORMANCE REVIEW

	Year Ended	Year Ended	Variance	
	30-Nov-24	30-Nov-23	RM'000	%
	RM'000	RM'000		
Revenue	12,347	16,832	(4,485)	(27)
Gross Profit	7,980	8,425	(445)	(5)
Gross Profit Margin (%)	53%	50%	-	3
Other Operating Income	2,957	12,118	(9,161)	(76)
Administrative Expenses	(26,291)	(26,935)	644	(2)
Other Operating Expenses	(13,166)	(5,825)	(7,341)	126
Loss Before Tax	(29,557)	(14,275)	(15,282)	107
Loss After Tax	(29,763)	(14,275)	(15,488)	108
Loss Attributable to Ordinary Equity Holders of the Company	(28,030)	(13,525)	(14,505)	107

#### Revenue and Gross Profit

The Group closed its financial year ended 30 November 2024 ("**FYE2024**") with a revenue of RM12.35 million, which is 26.7% lower compared to RM16.83 million recorded in the previous financial year. The decline was primarily attributed to reduction in projects secured under Non-electronic Payment Service Segment and partially offset by stronger performances in the Gem Segment, Fast Food Chain, and Money Lending Services segment.

With the lower revenue in FYE2024, the Group's gross profit decreased from RM8.43 million in financial year ended 30 November 2023 ("**FYE2023**") to RM7.98 million in FYE2024, while the gross profit margin slightly improved from 50% in FYE2023 to 53% in FYE2024.

#### Other Income

NetX recorded other income of RM2.96 million for FYE2024, compared to RM12.12 million in FYE2023. The decrease in other income was mainly contributed from lower interest income and one-off unrealised forex gain in FYE2023 linked to the strengthening of the USD and HKD against the Ringgit Malaysia.

#### Administrative Expenses

The administrative expenses slightly declined by RM0.64 million. The decline was attributed to lower marketing spending, lower operating expenses on GEM Segment and mitigated by higher unrealised loss in FYE2024 attributed to the strengthening of the USD and HKD against the Ringgit Malaysia. Since Malaysia transitioned into the endemic phase in April 2022, consumers have altered their habits. This has adversely affected the transaction volume through our GemSpot application. With reduced consumer demand in the current market conditions, heavy marketing spend may lead to diminishing returns. The Group marketing initiatives were thus kept at a minimal for the time being. It may be more strategic to conserve these funds and reinvest them when the market shows signs of recovery.

## Management Discussion and Analysis (Continued)

### GROUP FINANCIAL PERFORMANCE REVIEW (Continued)

#### Other Operating Expenses

The Group's other operating expenses increased 126.0% from RM5.83 million in FYE2023 to RM13.17 million in FYE2024. The increase in other operating income was mainly driven by impairment loss on goodwill, higher fair value losses on other investments and higher impairment losses on intangible assets.

#### Loss After Tax

The Group recorded loss after tax of RM29.76 million in FYE2024 compared with loss after tax of RM14.28 million in FYE2023 due to higher unrealised loss on foreign exchange, impairment loss on goodwill, higher fair value losses on other investments and higher impairment losses on intangible assets.

### GROUP FINANCIAL POSITION

	As at	As at	Variance	
	30-Nov-24	30-Nov-23	RM'000	%
	RM'000	RM'000		
Non-Current Assets	49,771	61,818	(12,047)	(19)
Current Assets	80,360	89,438	(9,078)	(10)
Total Assets	130,131	151,256	(21,125)	(14)
Non-Current Liabilities	17,699	21,086	(3,387)	(16)
Current Liabilities	27,989	19,631	8,358	43
Total Liabilities	45,688	40,717	4,971	12
Shareholders' Equity	84,443	110,538	(26,095)	(24)
Current Ratio	2.87	4.56		
Gearing Ratio	0.54	0.37		
Net Asset per Share	0.10	0.13		

The Group's total assets decreased by RM21.13 million or 14.0%, mainly due to the impairment of goodwill and intangible assets, reduction in prepayments and decrease in cash and bank balances. The Group's total liabilities increased by RM4.97 million or 12.2% mainly due to allotment of Redeemable Preference share.

The Group's total equity decreased to RM84.44 million as compared to RM110.54 million recorded in FYE2023, representing approximately 23.6% or RM26.1 million. This decrease was mainly attributed to the net loss incurred in the current financial year.

The Group remains committed to a prudent approach in managing its capital resources, ensuring their adequacy to meet operational requirements and capital expenditure as and when required.



## Management Discussion and Analysis (Continued)

### REVIEW OF BUSINESS AND OPERATIONS

The Group operates in five different business segments according to the nature of activities of its subsidiaries, namely Non-payment & IT Network services, Electronic Payment services, Money Lending Services, GEM and Property Investment.

#### (A) Non-Payment Services



NetX continues to strengthen its technology and infrastructure services by expanding its network security and cloud-based solutions. The increasing reliance on cybersecurity and digital transformation across industries has fueled demand for the Group's expertise in IT infrastructure, system integration, and hardware supply. Strategic collaborations with telecommunications providers and enterprise clients have positioned NetX as a key player in delivering robust, scalable, and secure network solutions.

Under the non-electronic payment services segment, the Group offers systems integration and hardware solutions, including the supply of network equipment and infrastructure on project basis.

Revenue in this segment is driven by secured projects, and its project-based nature leads to fluctuations in the Group's overall revenue. In FYE2024, revenue from this segment declined to RM2.97 million from RM9.90 million in FYE2023, mainly due to fewer projects secured and the expiration of monthly maintenance contracts from prior years.

A loss before tax of RM0.08 million was recorded in FYE2024, a sharp contrast to the RM2.38 million profit before tax in FYE2023. This decline is primarily attributed to lower sales and a reduced gross profit margin from projects delivered throughout the year.

#### (B) Electronic Payment Services



This business segment includes the following:

- Provision of payment software licensing, mobile payment solutions and support services including its related software and hardware
- Provision of Master Merchant and sub-contractors' services and revenue sharing with financial services company in Malaysia
- Sales and rental of payments terminal
- Money services business via licensed money changer

The global payments landscape is undergoing a rapid transformation, driven by the increasing adoption of digital and mobile payment solutions. Consumers are increasingly turning to mobile wallets, contactless payments, and other digital methods for their convenience and efficiency. Mobile payment solutions from major global players and regional digital wallets have gained significant traction, offering seamless integration and lower transaction costs. As a result, traditional payment terminal companies are facing significant challenges. The Group's sales of traditional payment terminals have steadily declined as businesses and consumers shift toward more innovative, mobile-first payment methods. Meanwhile, the Group's mobile payment solutions are encountering difficulties in an increasingly competitive market. Despite facing growing competition from global fintech players, the Group remains committed to innovating and delivering competitive payment solutions in an evolving digital economy.

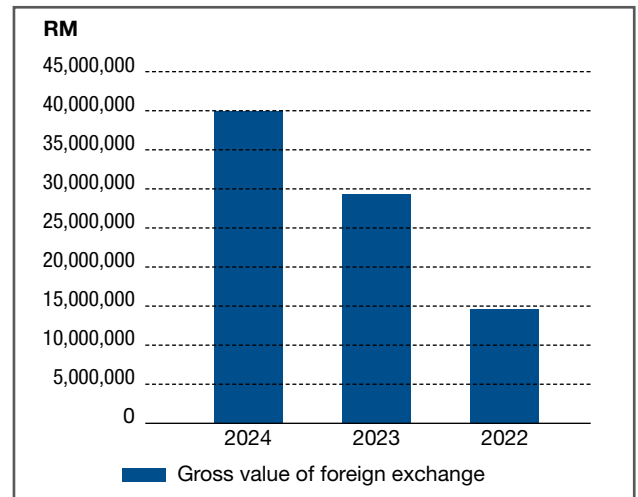
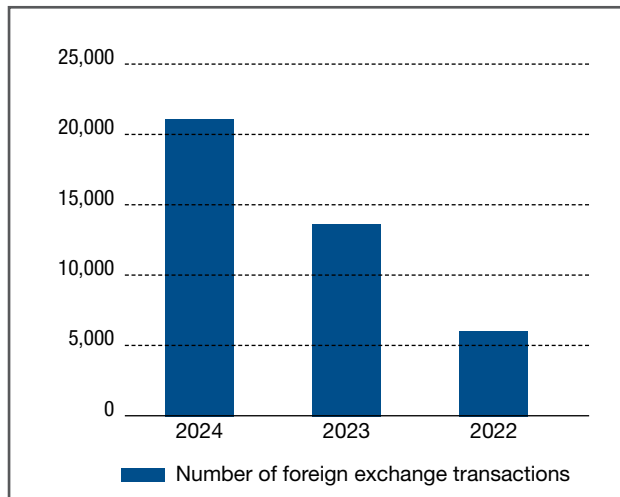
The EFX platform is set to revolutionize the foreign exchange industry by offering a seamless and secure experience for customers. Designed to provide real-time exchange rate transparency, instant currency conversion, and secure transactions, the platform is expected to attract both retail and corporate clients. In FYE2024, there is no income generate from our eFX application due to pending approval from Bank Negara Malaysia to allow money changers to be onboard as eFX merchants and use eFX application to transact money changing activities.

## Management Discussion and Analysis (Continued)

### REVIEW OF BUSINESS AND OPERATIONS (Continued)

#### (B) Electronic Payment Services (Continued)

The money services segment recorded RM40.08 million transaction volume in FYE2024, reflecting stronger travel demand and corporate forex transactions. NetX aims to further expand the EFX platform's capabilities by incorporating blockchain technology for added security and efficiency, as well as collaborating with financial institutions to improve liquidity and offer competitive exchange rates.



The revenue from this segment increased from RM0.36 million in FYE2023 to RM0.52 million in FYE2024, and loss before tax decreased from RM8.39 million in FYE2023 to RM7.92 million in FYE2024. The lower loss mainly due to lower marketing expenses and cushioned by higher amortisation cost of intangible assets and higher impairment loss in FYE2024.

#### (C) Money Lending Services



The Group undertakes its money lending services through its 60% owned subsidiary, eMicro. eMicro is a licensed moneylender which holds a money lending license issued by the Ministry of Housing and Local Government under the Moneylenders Act 1951 to be read together with the Moneylenders (Control and Licensing) Regulations 2003. eMicro also possesses Shariah Compliant Certificate which allows it to offer Tawarruq financing products.

eMicro provides money lending services to customers which comprise, amongst others, micro, small and medium enterprises and general public who require financial assistance. Further leveraging on its micro financing expertise, eMicro started offering the hire purchase and trading of motorcycle through partnerships with other motorcycle dealers.

The revenue from the money lending segment decreased from RM4.12 million in FYE 2023 to RM3.25 million in FYE 2024, primarily due to a decline in revenue from the trading of motor vehicles. However, this segment reported a profit before tax of RM0.79 million for the current year, a notable improvement from the loss before tax of RM0.26 million in the previous year, mainly attributed to the expansion of the money lending business.

## Management Discussion and Analysis (Continued)

### REVIEW OF BUSINESS AND OPERATIONS (Continued)

#### (D) GEM



After evaluating the challenges faced in the florist and F&B industries, and acknowledging the lack of in-depth expertise, GEM decided to exit these businesses in July 2024 and remains focus on the development and growth of the GemSpot application.

The management is proactively moving forward with the redevelopment of the GemSpot application to incorporate business intelligence and data analytics system. The business intelligence and data analytics systems is expected to allow the Group to obtain meaningful and useful insights on consumer preferences, buying behaviors which allows for the Group to better enhance the consumers' experiences.

With the GemSpot application in the process of being redeveloped, our marketing initiatives were thus kept at a minimal for the time being. It may be more strategic to conserve these funds and reinvest them when the market shows signs of recovery.

In FYE2024, GEM segment registered revenue of RM3.71 million, which was higher compared to RM1.85 million in FYE2023, mainly due to GEM application licensing sales. The loss before tax improved from RM8.16 million to RM3.11 million mainly due to higher revenue achieved, lower marketing expenses and lower amortisation of intangible assets.

#### (E) PROPERTY INVESTMENT



The Group currently owns a 4-storey corner terraced shop office in Kota Damansara, 6 retail units in Sungei Wang Plaza and 1 retail unit at Solaris Dutamas. (kindly refer to List of Properties as disclosed in the Company's Annual Report). The properties are located within bustling commercial areas and are easily accessible to major highways and public transportation. Currently, most of the properties are rented out and the Group is negotiating with various prospective tenant for the vacant retail units at Sungei Wang Plaza.

# Management Discussion and Analysis (Continued)

## ANTICIPATED RISKS AND MITIGATING FACTORS

The Group's business activities may be exposed to risks, most of which are beyond our control. Recognising the importance of having a structured and organised approach to identify and mitigate risks that may have a material impact on our operations and performance, financial condition and liquidity, a risk management and internal control framework has been established. The Group is exposed to the following identified major risks:

### (i) Changes in Technology Risk

The Group operates in a dynamic market where its products and services are subject to rapid technology developments, evolving industry standards, changing ICT operating environments and software applications. New product introductions and enhancements may be disruptive to the industry. The Group's future growth and success would significantly depend on continuous marketing acceptance of its products, and its ability to develop new products to meet the requirements of the Group's customers.

Hence, the Group is keeping abreast of the latest industry trends and developments, both locally and abroad. The Group is continuously focusing its efforts on developing the latest generation of its mobile application and exploring to acquire smaller technology companies that will enhance its solution offerings to improve competitiveness.

### (ii) Competition Risk

Intense competition across all business segments remains inevitable. The Group faces competition from new entrants, as well as the existing players in industries that offer similar products and services.

In order to gain competitive edge, the Group may need to incur additional costs to undertake marketing, advertising and promotional activities for continuous acquisition of consumers and merchants to use its application or to increase its revenue and market share. The management of the Group will remain relevant by leveraging on present and future strategic alliances to create sustainable value. As part of the risk management initiatives, the Group is continually seeking viable strategic alliances.

### (iii) Business and Investment Risk

The Group's business performance is susceptible to the constant change of preferences of our customers, changing industry trend and rapid technological developments. The Group is also exposed to business and investment risk as it invests in new product development initiatives and infrastructure or acquiring smaller technology companies that will enhance its solution offerings to improve competitiveness.

Pre-investment assessments and evaluation of proposed new investments are carried out by the Executive Director before being presented to the Board of Directors for approval. Skilled and experienced workforce will be designated to implement the investment plan, and closely monitored by the Executive Director.

The Group continuously performs strategic review of Group business strategies and plans to ensure operational sustainability and cost-effectiveness. The management constantly focus on marketing, research and development efforts to create competitive advantage over others.

Monthly review of financial performance of business segments and weekly management meeting with all business segment teams to discuss, plan, and strategise business directions. The Board of Directors monitors business performance results through regular updates from the Executive Director and the management in the Board of Directors meetings.

## Management Discussion and Analysis (Continued)

### ANTICIPATED RISKS AND MITIGATING FACTORS (Continued)

#### (iv) Foreign Exchange Risk

The Group is exposed to foreign currency risk on licensed money changer business, software developments and investments, that are denominated in a currency other than Ringgit Malaysia. As such, any fluctuation in foreign exchange rates would have an impact on our profitability and financial performance. To mitigate the impact of currency fluctuation on our financial results, the exposure of foreign currency risk is closely monitored on an on-going basis to ensure that the net exposure is at an acceptable level.

#### (v) Credit and Default Risk

The Group's exposure to credit and default risk arises primarily from our money lending business segment. The loans provided ranges from unsecured micro loans to individuals to secured loans to enterprises. Due to financial difficulties and limited cashflow, there is a chance that the borrower will postpone or default the repayment instalments.

The Group manages its credit risk exposure of receivables by assessing counterparties' financial standings on an on-going basis, credit check using a more stringent process of vetting customers' profiles and implementing a more proactive legal recovery process for delinquent accounts. The Group will request for collateral from the borrower if The Group identifies the borrower to be higher risk. The Group will also request for corporate & director guarantee from the borrower for SME loan products.

#### (vi) Political, Economic and Regulatory considerations

Any developments in political, economic, regulatory and social conditions could impact the Group's financial and business prospects. Non-compliance with relevant laws and regulation such as Bank Negara regulations, money lending regulations, Personal Data Protection Act, taxation matters, Listing Requirements of Bursa Malaysia Securities Berhad and capital market requirements will lead to litigation risk, security breaches, reputation damage and potential financial loss.

The Directors understand and acknowledge the importance of operating its business in a regulated environment. The Directors keep abreast of the government policies, rules and regulations and will take necessary action to ensure compliance.

As such, the Board have put in place an effective framework of internal controls and good risk management practices, implemented through the Audit and Risk Management Committee. This framework supports our dynamic approach to compliance which ensure that appropriate checks and balances are in place to enable the Group to successfully manage uncertainties in an ever-evolving environment.

#### (vii) Physical Security Risk

The Group is exposed to physical security risk on our licensed money changer, where the money changer outlet is subject to fire and robbery or theft from external and internal parties. As such, various security measures are in place such as installation of CCTV with alarm system, anti-theft grill, security doors and safe box with timer installed. The licensed money changer is also insured against fire, burglary and money.



## Management Discussion and Analysis (Continued)

### FUTURE OUTLOOK

As we step into 2025, NetX Holdings Berhad is poised for a year of unparalleled growth and transformation. The Group's commitment to innovation, strategic expansion, and operational efficiency will drive its success across multiple business segments. With an exciting roadmap ahead, NetX is ready to capitalise on emerging opportunities and deliver exceptional value to its stakeholders.

One of the most anticipated developments in 2025 is the full-scale launch of the EFX platform, following regulatory approval from Bank Negara Malaysia in December 2024. With the rapid digitalisation of financial services, the EFX platform is set to revolutionize the money exchange industry by offering a seamless and transparent currency exchange experience. The Group will forge strategic alliances with some key fintech players to ensure widespread adoption, and we are confident that this platform will be a game-changer in the fintech space.

The money exchange business is also set to expand significantly with the opening of a new Sungei Wang Plaza outlet. This high-traffic location is expected to drive substantial footfall, boosting revenue streams. Looking ahead, NetX plans to establish additional outlets in key locations such as international airports and popular tourist destinations, further solidifying its presence in the market.

Beyond these core businesses, NetX is investing heavily in technology and innovation. The Group is actively exploring AI-driven fintech solutions to enhance digital payment and lending services, as well as blockchain-based security solutions for financial transactions. By staying ahead of technological trends, NetX aims to future-proof its business and create sustainable long-term value.

GEM Live's expansion into the advertising industry presents a unique and lucrative opportunity. Digital Out-of-Home ("**DOOH**") advertising is rapidly gaining traction, with advertisers shifting from traditional media to highly engaging, data-driven digital formats. By integrating AI-powered analytics and programmatic buying, GEM Live will provide advertisers with highly targeted and measurable ad campaigns. With the increasing presence of smart cities, urban digital billboards, and interactive ad formats, the DOOH sector is poised for exponential growth. NetX sees this as a high-margin, high-growth venture, positioning GEM Live as a key player in the advertising industry.

Strategic business acquisitions remain a key focus, with the Group actively evaluating opportunities in high-growth sectors. Potential mergers and acquisitions will allow NetX to diversify its portfolio, tap into new revenue streams, and strengthen its market position. Additionally, the Group is committed to operational efficiency and cost management, leveraging automation and streamlined processes to enhance productivity and profitability.

With a bold vision and unwavering commitment to excellence, NetX is prepared to navigate the dynamic business landscape with confidence. The Group is not only embracing change but driving it, ensuring that 2025 will be a year of breakthroughs, innovation, and remarkable success.

### ACKNOWLEDGEMENT

On behalf of the Management, we extend our heartfelt appreciation to our Board of Directors, employees, stakeholders, and partners. Your unwavering support and trust fuel our passion for innovation and excellence. As we embark on this exciting journey into 2025, we remain committed to delivering exceptional value and pioneering new possibilities in the digital landscape.

# CORPORATE SUSTAINABILITY STATEMENT

This Sustainability Statement (“**Statement**”) outlines NetX Holdings Berhad (“**Company**” or “**NetX**”) and its subsidiaries (collectively known as “**the Group**”) commitment to sustainability across all four key pillars of economic, environmental, social, and governance (“**EESG**”). The primary purpose of this Statement is to provide stakeholders with a comprehensive overview of the Group’s sustainability objectives, strategies, efforts, and accomplishments of its businesses. The Group’s unwavering dedication to sustainable EESG is guided by its vision, mission and core values which serve as the fundamental corporate principles. NetX acknowledges that the effective integration of sustainability and ethical practices throughout its businesses is essential for the Group’s long-term success. NetX is committed to

upholding the highest standards of corporate governance, sustainability governance, and best practices as outlined in the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and Malaysian Code on Corporate Governance (“**MCCG**”). NetX’s EESG ethos encompass a range of objectives, including minimising its environmental impact and consuming resources and materials responsibly to protect the environment. Furthermore, the Group also aims to improve the quality of life for individuals and communities where it operates by meeting their social needs and supporting the underprivileged. The Group’s EESG efforts are anchored in its unwavering commitment to maintaining high standards of governance in its businesses.

## REPORTING SCOPE AND PERIOD OF THIS STATEMENT

The Statement covers the reporting period from 1 December 2023 to 30 November 2024, in line with the Group’s financial year. This Statement covers the sustainability performance of NetX and its active on-going business within Malaysia during the financial year ended 30 November 2024 (“**FYE2024**”), unless stated otherwise.

The core business segments of NetX are as follows:

Business Segment	Business Activities
Investment Holding	Involved in investment holding activities
Non-Payment Services	Provision of turnkey solutions for network infrastructure and security management
Electronic Payment Services	Provides payment solutions, terminals, money exchange services, and foreign exchange platforms
Money Lending Services	Provision of money lending services and engages in the trading of motor vehicles
GEM	Specialises in event consultation, planning, and management services
Property Investment	Involved in the holding and management of properties

Where possible, we aim to provide historical data for comparison to make our disclosure more meaningful for our stakeholders in accordance with Bursa Malaysia’s Sustainability Reporting Guide and ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

# Corporate Sustainability Statement (Continued)

## LIMITATION AND DISCLAIMER

NetX recognises the limitations posed on the data compilation on a groupwide basis. Hence, the accuracy or comparability of some data reported may differ on a case-to-case basis and are highlighted, where relevant.

Any plans, targets and other forward-looking statements discussed herein are made based on reasonable current assumptions and may not be conclusive. Actual plans and results may differ according to changes in the operating scenario. Readers are advised not to place excessive reliance on such statements.

## SUSTAINABILITY GOVERNANCE

The Board of Directors (“**Board**”) recognises sustainability as an integral value in doing business, with the aim of balancing long-term success with promoting sustainable practices for its business partners, employees, shareholders, community and the environment.

The Board is also accountable for overseeing sustainability across the NetX Group, supported by the Executive Director (“**ED**”) and Management of respective business segments. Our ED leads and directs sustainability programmes, deploys the necessary resources to implement the programmes and reports the progress to the Board.

Our ED is assisted by the Management, which comprise of representatives from various business functions. The Management is responsible for identifying, implementing, managing, and reporting on approved sustainability initiatives across the Group. The Management also ensures full compliance with all relevant sustainability regulations and standards.



## STAKEHOLDER ENGAGEMENT

We believe that engagement with our stakeholders is crucial in making our sustainability focus known. We recognise the importance of identifying and addressing sustainability issues with our stakeholders and making well-informed decisions to achieve our sustainability goals. The needs and expectations of our stakeholders can be met through open two-way communication, which subsequently enhances trust from our stakeholders and promotes the Group’s accountability.

The table below lists the stakeholders that influence our business operations, followed by their respective areas of interests and the engagement methods undertaken by the Group to address these interests.

We continued to engage our stakeholders actively throughout the financial year as part of our sustainability assessment process.

Stakeholders	Focus Area	Engagement Platform
Shareholders	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Key Corporate Developments</li> <li>Business sustainability</li> <li>Business direction and strategy</li> <li>Corporate Governance and risk management</li> </ul>	<ul style="list-style-type: none"> <li>Annual reports</li> <li>Announcement on Bursa’s website including Quarterly Financial Results</li> <li>Annual general meetings</li> <li>Corporate website</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Career progress and opportunities</li> <li>Work-life balance</li> <li>Remuneration and benefits</li> <li>Diversity and equality</li> <li>Workplace health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Learning and Development Programmes</li> <li>Group activities and events such as annual dinner and festive celebrations</li> <li>Performance appraisal and feedback reviews</li> </ul>

# Corporate Sustainability Statement (Continued)

## STAKEHOLDER ENGAGEMENT (CONTINUED)

Stakeholders	Focus Area	Engagement Platform
Customer & Merchant	<ul style="list-style-type: none"> <li>• Customer experience and quality of products or services</li> <li>• Innovative products which cater to customer needs</li> <li>• Competitive pricing</li> <li>• Customer convenience</li> <li>• Data security and privacy</li> </ul>	<ul style="list-style-type: none"> <li>• Customer feedback surveys</li> <li>• Customer visits/meetings</li> <li>• Marketing campaigns</li> <li>• Digital and social media platforms</li> <li>• Brand websites</li> </ul>
Suppliers & Dealer	<ul style="list-style-type: none"> <li>• Product and service quality</li> <li>• Licensing and certification</li> <li>• Procurement practices</li> <li>• Service coverage and capability</li> </ul>	<ul style="list-style-type: none"> <li>• Due diligence on suppliers and business partners</li> <li>• Price negotiation</li> <li>• Ongoing business engagements, visits (informal visits and field visits)</li> </ul>
Government	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Corporate governance</li> <li>• Labour practises</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance with government legislative and regulatory body framework</li> <li>• Attend relevant seminars and conferences</li> <li>• On-time periodic reporting</li> </ul>
Communities	<ul style="list-style-type: none"> <li>• Community engagement</li> <li>• Social and environmental concerns</li> <li>• Impact of operations on surrounding environment</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate social responsibility activities</li> <li>• Employment and business opportunities</li> </ul>

## MATERIALITY ASSESSMENT

An effective Environmental, Social and Governance (“ESG”) strategy begins with understanding the highest priority topics for the Group’s business and stakeholders. An ESG materiality assessment is a process that weighs the impacts of ESG issues and their importance to both a company and its key stakeholders. The assessment gathers and analyses stakeholder feedback to provide insights into future trends, business risks and opportunities. These help the Group to establish ESG strategic priorities, build a strong corporate value proposition, and set goals and targets.

As such, having gone through an extensive list of ESG factors identified based on our industry, peers and sustainability megatrends, we have decided to priorities the 12 material ESG factors identified, which are categorised under our sustainability goals that are aligned to the three pillars of sustainability that is the Economic, Environmental and Social (“ESS”) as follows:

ECONOMIC

Create Economic and shared value for the mutual benefit of all stakeholders

- Economic Performance
- Corporate Governance
- Anti-Corruption
- Supply Chain Management
- Product & Service quality



ENVIRONMENTAL

Commit to environmental conservation by utilising resources wisely and maintaining ecological balance

- Energy Management
- Water Management
- Waste Management



SOCIAL

Conduct business with ethics and concern for social responsibility while participating in enhancing society’s quality of life

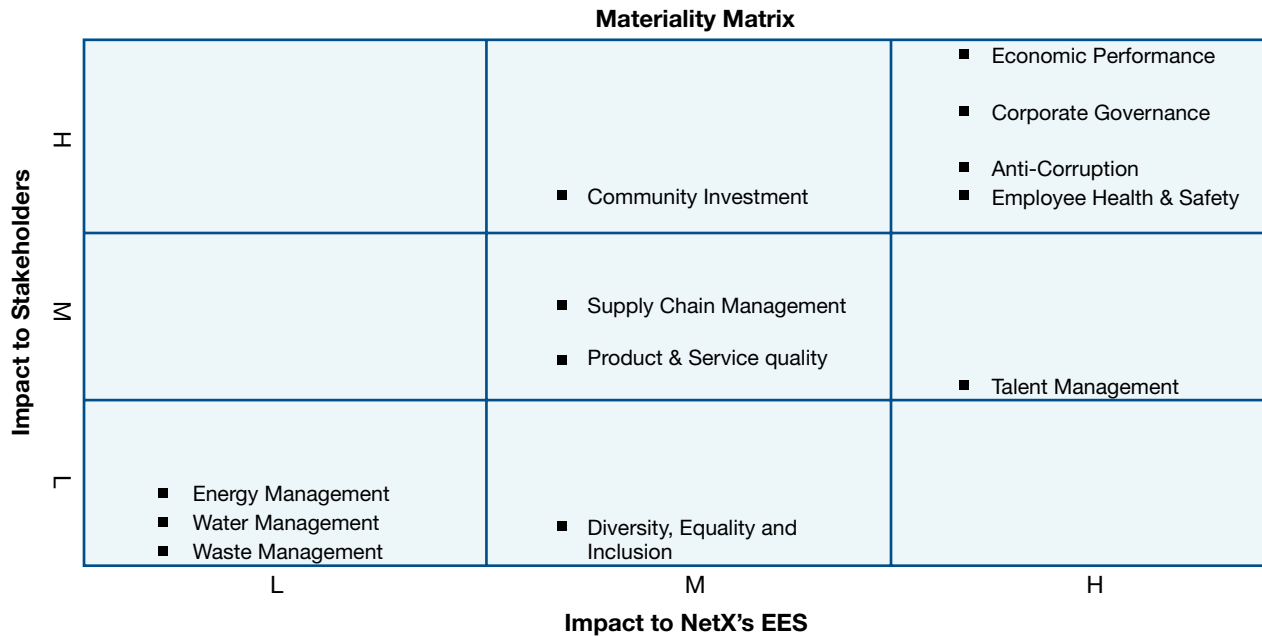
- Diversity, Equality and Inclusion
- Talent Management
- Employee Health & Safety
- Community Investment



# Corporate Sustainability Statement (Continued)

## SUSTAINABILITY MATERIALITY MATRIX

The materiality matrix of the Group for FYE2024 is summarised as follows:



### ECONOMIC SUSTAINABILITY

UN SDGs Linkage



We understand that our business success is intricately linked to creating long-term value for all our stakeholders. Our focus on achieving financial growth is pivotal, as it enables us to drive job creation, foster entrepreneurial opportunities, and reinforce local supply chains. We accomplish this by leading in our core markets, leveraging innovative technologies, tapping into our employees' expertise to respond to changing consumer demands and seeking opportunities to expand into new markets. In FYE2024, NetX reported a total revenue of RM15.12 million, consistently delivering value to our stakeholders.

UN SDGs Linkage



NetX regards good corporate governance and ethics as a fundamental aspect in all our businesses. We have an established whistleblowing process in place where any incidents or concerns can be independently brought to the attention of the Board. In addition, we impart as part of our culture that NetX does not participate in nor condone any form of corruption in our businesses.

Customer data and privacy is of utmost importance to NetX. All customers data are stored, managed, and maintained by third party category 3 secured cloud server storage. NetX in FYE2024 has not received any types of sustained complaints concerning breaches of customer privacy and losses of customer personal details and data.

No. of substantiated complaints concerning breaches in customer privacy or data loss	<b>FYE2023</b>	<b>FYE2024</b>
	<b>0</b>	<b>0</b>



# Corporate Sustainability Statement (Continued)

## ECONOMIC SUSTAINABILITY

UN SDGs Linkage

<b>Anti-Corruption Conduct</b>	
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NetX has established a culture of zero tolerance policy against all forms of bribery and corruption, whereby bribery and corruption are not acceptable. The Group is committed to conduct the business dealing ethically with integrity, ensuring uncompromising adherence to professionalism, strong moral principles and laws and regulations enacted, countering bribery and corruption. Our website, <https://www.netx.com.my/corporate-governance> contains various corporate governance policies which keep check and balance within the organisation.

The Anti-Bribery and Anti-Corruption Policy and Whistleblowing Policy have been made known to the employees via internal circulation and at the meantime, embedded in the Company’s Employee Handbook. Electronic version of the said policies are available at the Company’s website.

Complaints and concerns of potential financial or malicious misconduct can be directed to [compliance@netx.com.my](mailto:compliance@netx.com.my), by completing the form stipulated in the Whistleblowing Policy.

% of employees received training on Anti-Corruption Employee Category	FYE2023	FYE2024
Management	100%	100%
Executive	92.31%	23.81%
Non-Executive	71.43%	0.00%

During FYE2024, there were no incidents related to corruption reported within the Group.

No. of substantiated complaints concerning breaches in customer privacy or data loss	FYE2023	FYE2024
	0	0

UN SDGs Linkage

<b>Supply Chain Management</b>	 
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We aim to procure products and services locally where possible, for all our business segments. We believe that responsible procurement practices such as local sourcing help create a robust marketplace for local businesses to grow stronger. Local sourcing also allows us to secure sources for products and services that best fit our local customers’ needs. Currently, our existing suppliers are reputable organisations that specialises in their respective businesses which provides assurance that goods and services offered are of high standards.

UN SDGs Linkage

<b>Product &amp; Service Quality</b>	 
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NetX understands that client and users satisfaction are important material issues that have a direct impact on our reputation, brand and opportunity for future recurring business transactions. Given that our digitisation solutions and services are customisable to meet specific client requirements, it is essential that we understand the market conditions and customer sentiments in our engagements. We therefore, engage in regular communication with our clients, conducting product briefing sessions and seminars, where applicable.

# Corporate Sustainability Statement (Continued)



## ENVIRONMENTAL SUSTAINABILITY

UN SDGs Linkage


<b>Energy Management</b>	  
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Energy management is a critical component of corporate sustainability. Effective energy use not only reduces costs but also minimises the environmental impact of a company’s operations. Reducing energy consumption helps lower carbon emissions, contributing to a company’s overall efforts to combat climate change. By managing energy use efficiently, organisations can also reduce waste, improve operational performance, and promote the long-term sustainability of our business.

The Group actively encourages energy-saving practices throughout its operations. Employees are reminded to turn off lights, appliances, and equipment when not in use. Power-saving features and sleep modes are enabled on computers, photocopiers, and other devices to minimise unnecessary energy consumption. This approach not only reduces energy costs but also promotes a culture of mindfulness toward resource conservation among employees.


Energy Consumption (KWH)	FYE2024
Corporate Office	13,368
Money Lending Office	23,289
Money changer outlets	4,702

UN SDGs Linkage

<b>Water Management</b>	
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NetX does not rely on water for our daily operations apart from domestic use. Nevertheless, we adopt responsible water consumption practices and do not waste water unnecessarily. We do not operate in water-stress areas. NetX is cognizant of the importance of water management especially on an ESG basis, hence, we are monitoring our water consumption pattern and will be tracking and reporting our water management in the future.

UN SDGs Linkage

<b>Waste Management</b>	
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Recognising the importance of effective waste management in reducing our environmental footprint and supporting global sustainability goals, we are committed to enhancing our waste tracking and management practices. Over the past year, we have taken significant steps to minimise our waste generation. These initiatives include adopting digital workflows to decrease paper usage, and promoting the use of reusable materials whenever possible. Additionally, we have encouraged employees to prioritise electronic methods for document sharing and storage. When printing is necessary, we advocate for double-sided printing or the use of recycled paper. Our dedication to sustainable waste management is integral to our broader sustainability objectives and reflects our commitment to creating positive impacts for both our company and the communities we serve.

In our operations, we do not generate hazardous or scheduled waste. The primary non-hazardous waste produced by the Group is paper waste. As paper waste may contain sensitive information, such as customer data, we have implemented a structured waste management process. Staff are instructed to shred any paper containing sensitive data, and whenever possible, the shredded material will be sold to recycling facilities. This process serves as a control measure to manage data security risks. This process serves as a control measure to manage data security risks.

# Corporate Sustainability Statement (Continued)



## SOCIAL SUSTAINABILITY

### UN SDGs Linkage

#### Diversity, Equality, and Inclusion



At NetX, we recognise and value the unique combination of talents, experiences and skills of each employee in driving our business success. We aim to promote an inclusive and non-discriminatory workforce with employees from diverse backgrounds with the skills and experience needed to bring us towards our vision and mission to be the leading digitalisation specialist.

Recruitment and promotion of staff are based on merits, capabilities and experience and provide opportunities to our employees regardless of their age, gender, identity, ethnicity or religion.

#### Workforce Diversity by Age

Age Group	FYE2024	FYE2023
20-30	7	9
31-40	11	15
41-50	2	4
>51	5	6

#### Workforce Diversity by Gender

	FYE2024	FYE2023
Male	10	12
Female	15	22

#### Workforce Diversity by Race

	FYE2024	FYE2023
Chinese	13	22
Malay	11	11
Indian	1	1

NetX Group recognises that employees are the driving force of a strong business culture and growth. This can only be achieved with continual professional training, mindset development and right attitude to build a sustainable, engaging and innovative working environment. Relevant trainings and developments in professional and technical skills form important component of employees' development and their progress are tracked in their Annual Key Performance metrics. Employees in all divisions of the Group receive training in areas pertaining to their function and/or technical discipline.

The Group also maintains a competitive remuneration and benefit packages as part of its recruitment and retention strategy which takes into consideration the qualification, experience, aptitude and attitude, as well as the specific requirements of the vacancy. We periodically perform market assessments to benchmark the adequacy and competitiveness of our benefits on a country-specific basis to formulate the appropriate mix of compensation and benefits to stay attractive.

# Corporate Sustainability Statement (Continued)

## SOCIAL SUSTAINABILITY

UN SDGs Linkage

### Employee Health & Well-being



At NetX, we prioritise our employees’ health, safety, and well-being. In addition to existing benefits covering health and wellbeing, time-off and insurance coverage, we have started a monthly gathering programme for all employees to participate in, with fun activities including badminton and pickleball sessions and many more. The purpose of organising this programme is to ensure all employees are given the opportunity to build team spirit, improve communication and enhance engagement, and act as a stress relief. Regular feedback and adjustments are essential to ensure that these gatherings remain engaging and beneficial.

Furthermore, incorporating elements of a safe working environment and implementing strict safety protocols can help us to mitigate risks to employee’s physical health, making sure any future incidents can be taken care of in a rapid manner. To cultivate a safe working space, 2 of our employees have successfully attended health and safety standards training. In the FYE2024, NetX key matters additionally tracks; -

Key Matters Assessments	FYE2024
No. of Work-Related Fatalities	0 incidents
No. of Lost Time Incident	0 incidents
No. of employees trained on Health and Safety Standards	2 first aid trained employees
Number of substantiated complaints concerning human rights violations	0 incidents

UN SDGs Linkage

### Community Investment



NetX has maintained a strong connection with the community. This includes offering educational opportunities to Malaysian talent through internship programmes, supporting local and small businesses by purchasing food, beverages, and office supplies for events, and actively participating in community-oriented CSR initiatives.

During the year, the Group have embarked on the following CSR initiatives:

1. Donation of RM10,000 to Ming Ancients TCM, a group specialising in Traditional Chinese Medicine (“TCM”) who aimed to provide, quality, affordable, and charitable TCM treatment to all walks of life, regardless of patients ability to pay Ming Ancients TCM opened a RM5 CSR TCM centre at Endah Parade, Sri Petaling. This CSR Centre will provide Acupuncture, Ba Fuan and internal medicine to its patients for a token sum of RM5.





## Corporate Sustainability Statement (Continued)

### SOCIAL SUSTAINABILITY

#### Community Investment (Continued)

2. We have distributed food aid goodies homeless people and needy and homeless at KL areas.



3. In FYE2024, NetX donated to Make-A-Wish Malaysia for the Wishball event. Make-A-Wish Malaysia is a non-profit organisation that grants the wishes of children with life-threatening medical conditions. Make-A-Wish Malaysia's efforts are focused on ensuring that every eligible child in Malaysia has the opportunity to have their special wish granted.



### CONCLUSION

In the coming financial year, NetX and the Board will continue to conduct a comprehensive materiality assessment by engaging its key internal and external stakeholders in order to ensure that all non-financial factors that pose a risk to the sustainability of the Group's businesses are understood and that measures are taken to mitigate any such risks.



## PROFILE OF DIRECTORS

### DATO' SRI WAN AHMAD NAJMUDDIN BIN MOHD

*Independent Non-Executive Chairman*

**Dato Sri Wan Ahmad Najmuddin Bin Mohd** (“**Dato’ Sri Wan**”), was appointed as an Independent Non-Executive Chairman of NetX Holdings Berhad (“**NetX**” or “**the Company**”) on 19 June 2023. He served in the police force for more than 40 years and in March 2019, he retired as the Director of Criminal Investigation Department (CID) at the Royal Malaysia Police (PDRM).

Prior to this, he was the Chief of Police for the state of Johor. He has also the privilege of serving as the Special Officer to the Minister of Home Affairs and Aide De Camp (ADC) to His Royal Highness Yang Di-Pertuan Agong.

### YONG KET INN

*Non-Independent Non-Executive Director*

**Mr Yong Ket Inn** (“**Mr Yong**”) was appointed as an Independent Non-Executive Director of NetX on 9 June 2015. He was redesignated as a Non-Independent Non-Executive Director of the Company on 26 January 2021.

Mr Yong holds a Bachelor of Science honours degree in Management and Administrative Studies from the University of Aston in Birmingham, England. Mr Yong has been a Chartered Accountant of the Malaysian Institute of Accountants since 1987. He is also a fellow member of the Institute of Chartered Accountants in England and Wales and Malaysian Institute of Taxation. He started his career at a Chartered Accountants firm in England in 1981 and has since accumulated over 30 years of working experience in the

### ONG SIEW MIN

*Independent Non-Executive Director*

**Ms Ong Siew Min** (“**Ms Ong**”) was appointed as an Independent Non-Executive Director of NetX on 25 February 2022. She is a fellowship member of the Chartered Institute of Management Accountants, United Kingdom and a registered accountant with the Malaysian Institute of Accountants.

Ms Ong has more than 25 years of extensive experience ranging from the professional field of auditing, tax and consulting services for large corporations; moving on to the entertainment world of movies and television production, also TV and theatrical commercials.

She has valuable experience in activities such as mergers & acquisitions, receivership and due diligence assessment of new business opportunities and corporate restructuring while serving her term in the professional field.

67 Male Malaysian

He holds a Degree in Law from the International Islamic University Malaysia (IIUM) followed by a Master of Science (Police Studies) from the University Kebangsaan Malaysia (UKM). He is currently the Managing Partner at Messrs. Wan & Ting and serves as an Advocates and Solicitors of the High Court of Malaya.

Dato’ Sri Wan does not hold any shares in NetX. He is also a director of T7 Global Berhad. He has no relationship with any other Directors or Major Shareholders of the Company. He has no conflict of interest with the Company and has not been convicted of any offences within the past 5 years other than the traffic offence, if any.

68 Male Malaysian

field of accounting, audit and taxation. During his career, he heads the Finance of offshore engineering and shipbuilding company, integrated steel mill and IT companies.

Mr Yong does not hold any shares in NetX. He is a member of the Audit and Risk Management Committee and Nominating and Remuneration Committee of the Company. He is also a director of XOX Technology Berhad, Sanichi Technology Berhad and Symphony Life Berhad. He has no relationship with any other Directors or Major Shareholders of the Company. He has no conflict of interest with the Company and has not been convicted of any offences within the past 5 years other than the traffic offence, if any.

59 Female Malaysian

When she was the Chief Financial Officer of the Vision Entertainment Group, she significantly contributed to the group’s overall performance in attaining its goals and objectives, especially in its continuous effort for expansion and listing effort. Work collaboratively with all levels of the management team of the group to achieve common goals, while maintaining responsibilities and commitments to the shareholders and business affiliates/partners in Malaysia and across the Asia region. She is currently taking on the role as consultant on a freelance basis.

Ms Ong does not hold any shares in NetX. She is the Chairperson of the Audit and Risk Management Committee and a member of the Nominating and Remuneration Committee of the Company. She is also a director of Fintec Global Berhad and Genetec Technology Berhad. She has no relationship with any other Directors or Major Shareholders of the Company. She has no conflict of interest with the Company and has not been convicted of any offences within the past 5 years other than the traffic offence, if any.

## Profile of Directors (Continued)

### TAN SIK EEK

*Executive Director*

**Mr Tan Sik Eek** (“**Mr Tan**”) was appointed as an Executive Director of NetX on 21 April 2015. He majored in Economics and Political Science at the University of Sydney, Australia.

He has more than two decades of experience ranging from corporate finance advisory to private equity investments. He was previously a partner in a private equity firm focused on investing in companies seeking growth funding and pre-IPO capital. Prior to that, he was specialising in securing funding from a series of established North American global opportunity funds, for companies listed on the regional capital markets.

Since 2013, he has been engaged as the Director of several public companies to provide management strategy, day to day operational oversight, fund raising and business development planning of the various companies.

Mr Tan holds 40,000,000 ordinary shares in NetX. He is the Chairman of the Share Issuance Scheme Committee of the Company. He is also a director of Fintec Global Berhad, Mlabs Systems Berhad, XOX Bhd and Symphony Life Berhad. He has no relationship with any other Directors or Major Shareholders of the Company. He has no conflict of interest with the Company and has not been convicted of any offences within the past 5 years other than the traffic offence, if any.

48 Male Malaysian

### CHEN CHEE PENG

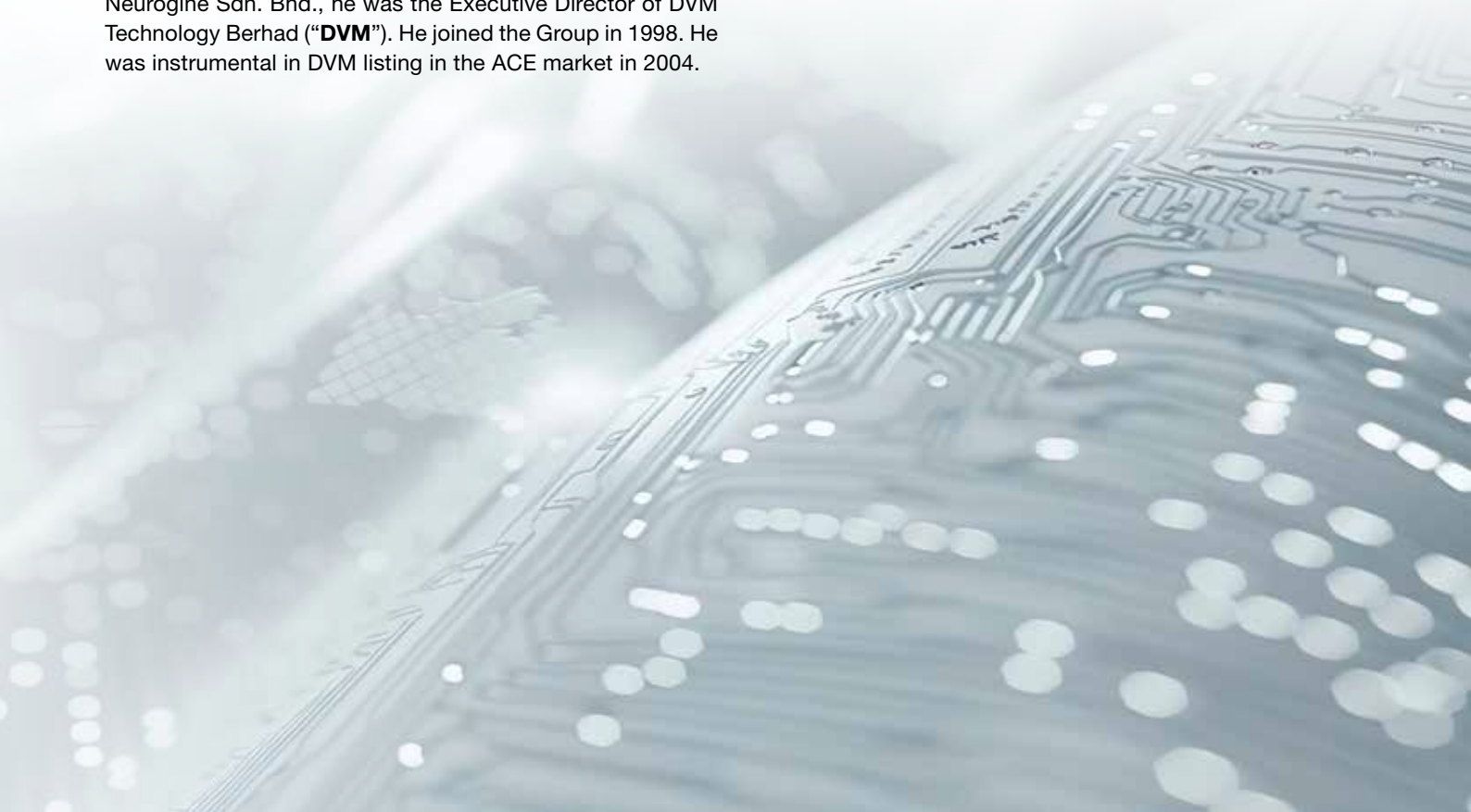
*Independent Non-Executive Director*

**Mr Chen Chee Peng** (“**Mr Chen**”) was appointed as an Independent Non-Executive Director of NetX on 1 March 2023. He holds Bachelor of Science in Computer & Information Science from Ohio State University, Columbus Ohio, United States of America and a Master of Business Administration from Southern Cross University, Australia.

Mr Chen is an entrepreneur and currently is the director of Neurogine Sdn. Bhd.. Neurogine Sdn. Bhd. focuses on mobile banking application solution provider. Before starting Neurogine Sdn. Bhd., he was the Executive Director of DVM Technology Berhad (“**DVM**”). He joined the Group in 1998. He was instrumental in DVM listing in the ACE market in 2004.

Mr Chen does not hold any shares in NetX. He is the Chairman of the Nominating and Remuneration Committee and a member of the Audit and Risk Management Committee of the Company. He is also a director of Trive Property Group Berhad, SaudiGold Group Berhad, DGB Asia Berhad and XOX Technology Berhad. He has no relationship with any other Directors or Major Shareholders of the Company. He has no conflict of interest with the Company and has not been convicted of any offences within the past 5 years other than the traffic offence, if any.

62 Male Malaysian



## PROFILE OF KEY SENIOR MANAGEMENT

### TAN SIK EEK

*Executive Director*

48 Male Malaysian

The profile of **Mr Tan Sik Eek** is outlined in the Profile of the Board of Directors on page 23.

### CHAN KEE WONG (JACKY)

*Director of Mountain Money Sdn. Bhd.  
Sungei Wang Plaza Sdn. Bhd. & Gem Pay Sdn. Bhd.*

33 Male Malaysian

**Mr Chan Kee Wong (“Jacky”)** is a Director of Mountain Money Sdn. Bhd., Sungei Wang Plaza Sdn. Bhd. and Gem Pay Sdn. Bhd., which are wholly-owned subsidiaries of NetX. Prior to joining Gem Pay, Jacky held the position of Head of Operations cum Product Manager in Gem Live, another subsidiary of NetX. He holds a Bachelor of Science (BSC (Hons) Computing) from SEGi College.

Jacky has an extensive experience in operations. He started his career in operations in a technology startup in Penang. He then relocated to the Klang Valley to join Fave Asia where he was leading one of the operations teams in Fave Asia, in addition to project management that pioneered Fave Pay. Jacky was also part of the Fave Pay operations team. He was one of the pioneers in setting up the mobile payments scene in Klang Valley. After he left Fave Asia, he joined

Tamago Live, a live-streaming company incubated by Astro Malaysia Holdings Bhd as the Country Manager of Malaysia. He oversaw operations, P&L management, partnerships & offline marketing initiatives of the company. During his time in Tamago Live, he managed to 10 fold company revenue within 6 months upon launching the product.

After Jacky left Tamago Live, he then joined Gem Live as Head of Operations cum Product Manager where he managed the operations team & oversaw products in the company, before he was appointed as Chief Operating Officer of Gem Pay.

He does not have any family relationship with any Directors or Major Shareholders of the Company. He has not been convicted of any offences within the past 5 years other than traffic offences and has no conflict of interest with NetX.

### TEOH KHAI CHIEN (ALEX TEOH)

*General Manager of Emicro Capital (M) Sdn. Bhd. Group*

35 Male Malaysian

**Mr Alex Teoh** is the General Manager of Emicro Capital (M) Sdn. Bhd. (“**Emicro**”), a 60% owned subsidiary of NetX, appointed on 1 January 2021. He is a graduate from Universiti Utara Malaysia (UUM), Malaysia in Bachelor of Business Mathematics Degree.

He is the co-founder of Emicro, a digital lending platform which launched in 2018 by offering short-term funds for

urgent and unexpected financial needs in a quick and convenient manner that combines with technology to provide customers with better credit possibilities.

He does not have any family relationship with any Directors or Major Shareholders of the Company. He has not been convicted of any offences within the past 5 years other than traffic offences and has no conflict of interest with NetX.

### FOO JEE HAI

*Chief Executive Officer of Emicro Capital (M) Sdn. Bhd. Group*

52 Male Malaysian

**Mr Foo Jee Hai** is the Chief Executive Officer of Emicro, a 60% owned subsidiary of NetX, appointed on 1 January 2021. In 1987 he founded his first company, Jefferson Fashion Design, a well-known tailor shop in Penang and converted to Jefferson Retail Shop in 2003 which has a total of 14 outlets in Malaysia, until he sold the Jefferson group to his brother in year 2011. Since then, he has actively invested in a number of ventures across Malaysia and he has extensive experience in business management and development such as identification of new business opportunities.

He co-founded Emicro in 2018, a digital lending platform that offers a convenient way to apply for loans quickly. Which user will be able to access financial services where it's easier, faster and more transparent than traditional financial channels.

He does not have any family relationship with any Directors or Major Shareholders of the Company. He has not been convicted of any offences within the past 5 years other than traffic offences and has no conflict of interest with NetX.

## AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors of NetX Holdings Berhad (“**Company**” or “**NetX**” or “**Group**”) is pleased to present the report of the Audit and Risk Management Committee (“**ARMC**” or “**Committee**”) for the financial year ended 30 November 2024.

### COMPOSITION AND MEETING ATTENDANCE

The current composition of the ARMC of the Company comprises two (2) Independent Non-Executive Directors and (1) Non-Independent Non-Executive Director, which is in line with Rule 15.09(1)(a) and (b) of the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”). The ARMC held five (5) meetings during the financial year ended 30 November 2024. The composition and the attendance by each member at the ARMC Meeting during the financial year are as follows:

Member	Designation	Directorship	Attendance
Ong Siew Min	Chairperson	Independent Non-Executive Director	5/5
Yong Ket Inn	Member	Non-Independent Non-Executive Director	5/5
Chen Chee Peng	Member	Independent Non-Executive Director	5/5

Mr Yong Ket Inn, is a fellow member of the Institute of Chartered Accountants in England and Wales and Malaysian Institute of Taxation and also a member of the Malaysian Institute of Accountants since 1987. In addition, Ms Ong Siew Min is also a fellowship member of the Chartered Institute of Management Accountants, United Kingdom and a registered accountant with the Malaysian Institute of Accountants. Accordingly, the Company complies with Rule 15.09(1)(c) of the Listing Requirements.

Collectively, the members of the ARMC have the relevant experience and expertise in finance and accounting, and have carried out their duties in accordance with the Terms of Reference of the ARMC. The qualifications and experience of the individual ARMC members are disclosed in the Profile of Directors on pages 22 to 23 of this Annual Report. During the financial year ended 30 November 2024, all the members of the ARMC had undertaken the relevant training programmes to keep themselves abreast of the latest developments in accounting and auditing standards, statutory laws, regulations and best practices to enable them to discharge their duties effectively.

The Terms of Reference of the ARMC which laid down its duties and responsibilities is accessible via the Company’s website at [www.netx.com.my](http://www.netx.com.my).

NetX recognised the need to uphold the independence of its external auditors and that no possible conflict of interest whatsoever should arise. Currently, none of the members of the Board nor the ARMC of the Company was former key audit partners of the external auditors appointed by the Group. As recommended by the Malaysian Code on Corporate Governance (“**MCCG**”), the Company will observe a cooling-off period of at least three (3) years in the event any potential candidate to be appointed as a member of the ARMC was a key audit partner of the external auditors of the Group.

The performance of the ARMC and its members and their term of office are reviewed annually by the Nominating and Remuneration Committee (“**NRC**”) via a performance evaluation process, where the contribution of each member and their independence are assessed. The NRC will then recommend to the Board whether there is a need to change the composition of the ARMC based on the assessment conducted. Based on the evaluation conducted, the NRC concluded that the ARMC has effectively performed its duties in accordance with its Terms of Reference during the financial year ended 30 November 2024.

# Audit and Risk Management Committee Report (Continued)

## SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Committee had carried out the following work during the financial year ended 30 November 2024 in discharging their duties and responsibilities:

### 1. Financial Reporting

- (a) Reviewed the quarterly financial statements as listed below, including the draft announcements pertaining thereto and made recommendations to the Board of Directors for approval of the same:

Date of Meetings	Review of Quarterly Financial Statements
30 January 2024	The unaudited quarterly results for the quarter ended 30 November 2023
29 April 2024	First quarter results for the quarter ended 29 February 2024
25 July 2024	Second quarter results for the quarter ended 31 May 2024
24 October 2024	Third quarter results for the quarter ended 31 August 2024

The ARMC reviewed and ensured that the Group's quarterly financial reporting and disclosures present a true and fair view of the Group's financial position and performance and are in compliance with the Malaysian Financial Reporting Standard ("MFRS") 134 – Interim Financial Reporting Standards in Malaysia and International Accounting Standards ("IAS") 34 – Interim Financial Reporting as well as applicable disclosure provisions of the Listing Requirements.

- (b) Reviewed and made recommendations to the Board in respect of the audited financial statements of the Company and the Group for the financial year ended 30 November 2023 at its meeting held on 20 March 2024, and to ensure that it presented a true and fair view of the Company's financial position and performance for the year and compliance with regulatory requirements.

The ARMC considered and reviewed the integrity of information in the financial statements and quarterly reports, focusing particularly on any changes in accounting policies and practices, significant adjustments resulting from the audit, significant judgements made by management, significant and unusual events or transactions, going concern assumption, completeness of disclosures and compliance with accounting standards.

### 2. External Audit

- (a) Reviewed and discussed with the External Auditors, Messrs SBY Partners PLT ("SBY") and made recommendations to the Board, the Audit Review Memorandum for the financial year ended 30 November 2023 and had a private session with SBY without the presence of the Executive Director and Management at its meeting held on 30 January 2024. The Audit Review Memorandum outlined the audit status, significant audit and accounting issues and material weaknesses in internal control, in relation to the audit for the financial year ended 30 November 2023.
- (b) Discussed with SBY the Audited Financial Statements and Audit Closure Memorandum for the financial year ended 30 November 2023 at its meeting held on 20 March 2024. The Audit Closure Memorandum outlined the audit opinion, Key Audit matters and Unadjusted Audit Differences in relation to the audit for the financial year ended 30 November 2023.
- (c) Evaluated the performance of SBY for the financial year ended 30 November 2023 covering areas such as calibre, quality processes, audit team, audit scope, audit communication, audit governance and independence. The ARMC satisfied with the independence, suitability and performance of SBY, had recommended to the Board for approval, the re-appointment of SBY as External Auditors for the financial year ended 30 November 2024 at its meeting held on 20 March 2024.
- (d) Reviewed with SBY at the meeting held on 24 October 2024, their audit plan for the financial year ended 30 November 2024, outlining the audit approach and timetable, audit materiality and multi-location scoping, areas of audit emphasis, and audit engagement team.



# Audit and Risk Management Committee Report (Continued)

## SUMMARY OF WORK OF THE AUDIT AND RISK MANAGEMENT COMMITTEE (Continued)

### 3. Internal Audit

- (a) Reviewed internal auditors' assessment and recommended to the Board for approval, the continued appointment of CAS Consulting Services Sdn. Bhd. as Internal Auditors at its meeting held on 20 March 2024.
- (b) Follow-up review on the internal control procedures for the revenue and collection cycle for Ariantec Sdn. Bhd. at its meeting held on 24 October 2024.
- (c) Reviewed the internal audit report relating to the review of the review on financing application and credit controls for Emicro Services Sdn. Bhd. at its meeting held on 24 October 2024.
- (d) Reviewed and recommended to the Board for approval, the revised internal audit plan of the Group for the financial year ended 30 November 2024 at its meeting held on 24 October 2024.
- (e) Reviewed the audit findings and recommendations to improve any weaknesses or non-compliance, and the respective Management's responses thereto. The Internal Auditors monitored the implementation of Management's action plan on outstanding issues through follow-up reports to ensure that all key risks and control weaknesses were being properly addressed.

### 4. Related Party Transactions/Conflict of Interest Situations

- (a) Reviewed and considered transactions with Related Parties to ensure that such transactions are undertaken on an arm's length basis, on normal commercial terms consistent with the Group's business practices and policies, and not prejudicial to the interests of the Group and its minority shareholders and on terms which are generally no more favourable to the related parties (pursuant to Chapter 10 of the Listing Requirements).

The listing of related party transactions was presented for the ARMC's review quarterly at its meetings held during the financial year, together with the quarterly financial statements of the Group.

- (b) Reviewed any potential conflict of interest situations that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity.

During the financial year under review, the ARMC and the Board have not received any reports from the Directors or chief executive of the Company relating to conflicts of interest or potential conflicts of interest situations, including interests in any competing business, that they have with the Company or its subsidiaries.

### 5. Other activities

- (a) Reviewed and recommended to the Board for approval, the Management Discussion & Analysis, Overview Statement on Corporate Governance, ARMC Report and Statement on Risk Management and Internal Control for inclusion in the 2023 Annual Report at its meeting held on 20 March 2024.
- (b) Reviewed and recommended to the Board for approval, the Circular to Shareholders in relation to the Proposed New Shareholders' Mandate and Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature at its meeting held on 20 March 2024.
- (c) Reviewed and verified the allocation of Share Issuance Scheme Options to the Directors and eligible employees at its meeting held on 20 March 2024.
- (d) Reviewed the terms of reference of the ARMC at its meeting held on 20 March 2024.
- (e) Reviewed and recommended the Group's budget for the year 2024 at its meeting held on 20 March 2024.

## Audit and Risk Management Committee Report (Continued)

### INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to an independent professional consulting firm, CAS Consulting Services Sdn. Bhd. ("**CAS Consulting**") to provide the ARMC with an independent assessment of the adequacy and effectiveness of the Group's risk management and internal control system.

CAS Consulting's engagement director in charge of the Group's internal audit is Mr Kong June Hon, a Chartered Accountant of the Malaysia Institute of Accountants and a Chartered Member of the Institute Internal Auditors Malaysia. CAS Consulting has assigned two staffs to provide internal audit services during the financial year under review.

During the financial year under review, the internal audit personnel of CAS Consulting affirmed to the ARMC that they were free from any relationships or conflicts of interest, which could impair their objectivity and independence.

CAS Consulting reports functionally to the ARMC and administratively to the Board, and accomplishes its objectives by adopting a systematic and disciplined approach to evaluate and continuously improve the effectiveness of risk management, control and governance process of the Group. CAS Consulting carries out its function in accordance with the Internal Audit Standards outlined in the International Professional Practises Framework issued by the Institute of Internal Auditors and other nationally and internationally recognised frameworks.

The internal audit was carried out based on an audit plan approved by the ARMC. The audit plan took into consideration the Corporate and Divisional Risk Profiles and input from the senior management and the ARMC members. The ARMC works with CAS Consulting to ensure that the internal audit plan encompasses the audit of significant operating units in the Group and the follow-up audits.

The results of the audits in the internal audit reports were reviewed by the ARMC. CAS Consulting provides independent and objective reports on the state of the internal controls system, with recommendations for improvement, so that remedial actions can be taken in relation to weaknesses noted in the systems. The relevant management members are made responsible for ensuring that corrective actions on reported weaknesses are taken within the required timeframes. CAS Consulting will conduct follow-up audits to ensure that the corrective actions are implemented appropriately. In this respect, CAS Consulting has added value by enhancing the governance, risk management and control processes within the Group.

During the financial year, the following activities were carried out by CAS Consulting in discharge of its responsibilities:

- i. Reviewed the adequacy and effectiveness of the systems of internal control and compliance with the Group's policies and procedures on the following companies over the business process/area set out below:
  - (a) Follow-up review on revenue and collection cycle for Ariantec Sdn. Bhd.; and
  - (b) Internal audit report relating to the review of the financing application and credit controls for Emicro Services Sdn. Bhd.
- ii. Reviewed the status of the implementation for the previous audit reviews; and
- iii. Report to the ARMC the results of the internal audit reports and its findings and the implementation of the management responses to the findings.

The total cost incurred for the internal audit function for the financial year ended 30 November 2024 amounted to RM36,000.

Based on the internal audit review conducted by CAS Consulting, the ARMC and the Board are of the view that there is no significant breakdown or weaknesses in the systems of internal controls of the Group that may result in material losses incurred by the Group for the financial year ended 30 November 2024.

The ARMC and the Board further agreed that the internal audit review was done in accordance with the audit plan and the coverage was adequate.

The ARMC and Board are satisfied with the performance of CAS Consulting and have in the interest of greater independence and continuity in the internal audit function, decided to continue with the outsourcing of the internal audit function.

## OVERVIEW STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (“**Board**”) of NetX Holdings Berhad (“**Company**” or “**NetX**”) strives to ensure that a high standard of corporate governance practices is implemented and maintained throughout the Company and its subsidiaries (“**the Group**”) in discharging its responsibilities with integrity, transparency and professionalism, to protect and enhance shareholders’ value and the financial position of the Group.

The Board recognises the importance of good corporate governance and fully supports the principles and best practices promulgated in the Malaysian Code on Corporate Governance (“**MCCG**”) to enhance business prosperity and maximise shareholders’ value. The Board will continuously evaluate the Group’s corporate governance practices and procedures, and where appropriate will adopt and implement the best practices as enshrined in MCCG in the best interest of the shareholders of the Company.

This Overview Statement on Corporate Governance (“**CG Statement**”) sets out the manner in which the Group has applied and the extent of compliance with principles and recommendations as set out in the MCCG, throughout the financial year ended 30 November 2024 pursuant to Rule 15.25 of the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

This CG Statement shall be read together with the Corporate Governance Report 2024 (“**CG Report**”) of the Company which is available on the Company’s website at [www.netx.com.my](http://www.netx.com.my).

### (A) BOARD LEADERSHIP AND EFFECTIVENESS

#### Composition of the Board

The Board currently consists of five (5) Directors:

<b>Dato’ Sri Wan Ahmad Najmuddin Bin Mohd</b>	<i>(Independent Non-Executive Chairman)</i>
<b>Tan Sik Eek</b>	<i>(Executive Director)</i>
<b>Yong Ket Inn</b>	<i>(Non-Independent Non-Executive Director)</i>
<b>Ong Siew Min</b>	<i>(Independent Non-Executive Director)</i>
<b>Chen Chee Peng</b>	<i>(Independent Non-Executive Director)</i>

The present size and composition of the Board are optimum and well-balanced. As presently constituted, the Board has stability, continuity and commitment as well as the capacity to discharge its responsibilities effectively.

The profile of the Board members is presented in the Profile of Directors in this Annual Report.

### 1. BOARD RESPONSIBILITIES

#### 1.1 Functions of the Board and Management

The Board plans the strategic direction, development and control of the Group and has embraced the responsibilities listed in the Board Charter to discharge its stewardship and fiduciary responsibilities. The key matters reserved for approval by the Board are the quarterly financial results, audited financial statements, annual budget, significant expenditures, significant acquisitions and disposals, appointment of Directors/ Board Committee members, related party transactions, potential conflict of interest situations and other relevant matters affecting the Group’s businesses.

Generally, the Executive Director is responsible for making and implementing operational and corporate decisions while the Non-Executive Directors balance the Board accountability by providing their independent views, advice and judgement in safeguarding the interests of the shareholders. Non-Executive Directors play a key supporting role, contributing their skills, expertise and knowledge towards the formulation of the Group’s strategic and corporate objectives, policies and decisions.

The Chairman is responsible for the Board’s effectiveness and conduct whilst the Executive Director has the overall responsibilities over the Group’s operating units, organisational effectiveness and implementation of the Board’s policies and decisions. The Executive Director is the decision maker and is involved in a leadership role overseeing the day-to-day operations and management and is accountable for the conduct and performance of the Group’s businesses.

The Board has set the management authority limit and retained its authority of approval on significant matters.

## Overview Statement on Corporate Governance (Continued)

### (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

#### 1. BOARD RESPONSIBILITIES (Continued)

##### 1.2 Roles and Responsibilities of the Board

The Board is ultimately responsible for the stewardship of the Group's strategic direction and development.

The major responsibilities of the Board as outlined in the Board Charter include amongst others, as follows:

##### i. Adopting and reviewing the strategic plan for the Group

The Board sets the Group's strategy, performance target and long-term goals of the businesses and ensure that resources are available to meet its objective. The Board reviewed the strategic plan of the Group and its businesses tabled by management at its meeting.

##### ii. Overseeing the conduct of the Group's businesses to evaluate whether the business is being properly managed and sustained

The day-to-day management is controlled by the Executive Director and a management team in managing the Group's business. The Board's role is to oversee the performance of management to determine whether the businesses are properly managed. The Board gets updates from management at the Board meeting when reviewing the unaudited quarterly results and annual audited financial statements. During such meetings, the Board participated actively in the discussion of the performance of the Group.

##### iii. Identify principal risks and ensuring the implementation of appropriate internal control systems to manage these risks

The Board is assisted by the management in the implementation of the Board's policies and procedures on risk management by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal control to mitigate and control these risks.

Further details on the risk management framework are presented in the Statement of Risk Management and Internal Control of this Annual Report.

##### iv. Review the adequacy and integrity of the Group's management information and internal control systems of the Group

The internal audit function is outsourced to a professional service firm which assists the Board and the Audit and Risk Management Committee ("ARMC") in providing independent assessment of the adequacy, efficiency and effectiveness of the Company's internal control system.

The effectiveness of the management information and system of internal controls is reviewed by the ARMC periodically during its quarterly meetings, based on recommendations by the outsourced internal auditor. The details of the Group's internal control system are presented in the Statement of Risk Management and Internal Control of this Annual Report.

##### v. Overseeing the development and implementation of shareholder communication policy for the Group

The Board has implemented a Shareholder Communication Policy, which is available on the Company's website to ensure effective communication with its shareholders. The Company's website at [www.netx.com.my](http://www.netx.com.my) also contains an Investor Relations section and contact email address where the shareholders could communicate with the Board.

## Overview Statement on Corporate Governance (Continued)

### (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

#### 1. BOARD RESPONSIBILITIES (Continued)

##### 1.2 Roles and Responsibilities of the Board (Continued)

###### vi. Succession planning

The Board views succession planning as important for business continuity. It is acknowledged that with succession planning, the key job vacancies created due to retirement and resignation would be filled quickly and without any business interruption.

The Board has also formed different Board Committees, comprising mainly the Independent Non-Executive Directors, to support and provide independent oversight of management and to ensure that there are appropriate checks and balances in place. Currently, the various Board Committees are the ARMC and the Nominating and Remuneration Committee (“NRC”). Each of the Board Committee operates within its respective terms of reference that clearly define its respective functions and authorities.

##### 1.3 Promoting Good Business Conduct and Corporate Structure

###### i. Code of Conduct and Ethics

The Group has put in place a Code of Conduct for the Directors and employees that sets the guidelines for their conduct. The ethical standards required all Directors and Employees to observe high ethical business standards, honesty and integrity and to apply these values to all aspects of the Group’s businesses and professional practice and act in good faith in the best interests of the Group and its shareholders.

The Director’s Code of Conduct is available at the Company’s website at [www.netx.com.my](http://www.netx.com.my), while the employee’s code of conduct is set out in the Employee Handbook.

###### ii. Whistleblowing Policy

The Group has also put in place its Whistleblowing Policy and procedures by which an employee or stakeholder to raise concerns or disclose in good faith any unethical behaviour, malpractice, non-compliance and unethical business conduct and to enable prompt corrective actions and measures to resolve them effectively.

Any employee who has a reasonable belief that there is serious malpractice relating to the matter disclosed may direct such complaint and report to the ARMC in writing. The identity of the whistleblower will be kept confidential and protection is accorded against being disadvantaged in any way such as victimization, retribution and harassment.

The Whistleblowing Policy is available at the Company’s website at [www.netx.com.my](http://www.netx.com.my).

###### iii. Anti-Bribery and Anti-Corruption Policy (“ABAC Policy”)

In line with the amendments to the Malaysian Anti-Corruption Commission Act 2009 to incorporate a new Section 17A on corporate liability for corruption which took effect on 1 June 2020, the Group had on 22 May 2020 adopted the ABAC Policy.

The Company also conducted briefings and training for all employees of the Group to create awareness of the ABAC Policy to foster the commitment of the employees to instill the spirit of integrity and avoid all forms of corruption practices within the organisation.

The ABAC Policy is available at the Company’s website at [www.netx.com.my](http://www.netx.com.my). The ABAC Policy has also been incorporated in the Employee Handbook.



# Overview Statement on Corporate Governance (Continued)

## (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

### 1. BOARD RESPONSIBILITIES (Continued)

#### 1.3 Promoting Good Business Conduct and Corporate Structure (Continued)

##### iv. Directors' Fit and Proper Policy

The Board has established the Directors' Fit and Proper Policy, to ensure that any person to be appointed or elected/re-elected as a Director of the Group shall possess the necessary quality and character as well as integrity, competency and commitment to enable the discharge of the responsibilities required of the appointed position in the most effective manner. The Directors' Fit and Proper Policy is accessible on the Company's website at [www.netx.com.my](http://www.netx.com.my).

##### v. Conflict of Interest Policy for Directors ("COI Policy")

To assure accountability and prevent conflict of interest in relation to issues that come before the Board, Directors are reminded by the Company Secretary of their statutory duties and responsibilities and are provided with updates on any changes thereon. Hence, all related party transactions (if any) will be submitted to the ARMC for review on a quarterly basis.

The Directors further acknowledge that they are also required to abstain from deliberation and voting on relevant resolutions in which they have an interest at the Board or any general meeting convened. In the event a corporate proposal is required to be approved by shareholders, the interested Directors will abstain from voting in respect of their shareholdings and will further undertake to ensure that persons connected to them will similarly abstain from voting on the resolutions.

As part of the governance process, the Board has formalised and adopted the COI Policy. The purpose of the COI Policy is to ensure that actual, potential and perceived conflicts of interest are effectively identified and managed, and to provide guidance on how to deal with conflict of interest situations as they arise. A copy of the COI Policy is available on the Company's website at [www.netx.com.my](http://www.netx.com.my).

#### 1.4 Sustainability

The Board ensures that the Company's strategies promote sustainability with attention given particularly to environmental, social and governance ("ESG") aspects of business which underpin sustainability. The Board understands that balancing ESG aspects with the interests of various stakeholders is essential to enhancing investor perception and public trust. The Company strives to achieve a sustainable long-term balance between meeting its business goals and compliance with relevant environmental and related legislation as well as ensuring a safe and healthy working environment.

The Corporate Social Responsibility Policy and Sustainability Policy can be found on the Company's website at [www.netx.com.my](http://www.netx.com.my). The details of the sustainability effort are presented in the Corporate Sustainability Statement of this Annual Report.

#### 1.5 Board Charter

The Company has established a Board Charter which sets out the Board's functions and responsibilities, including the division of responsibilities between the Board, the different Board Committees, the Chairman and the Executive Director. A set of Directors' Code of Conduct has also been formalised which includes the key values, mission, principles and ethos of the Company.

The Board Charter serves as a reference and primary induction literature, providing Board members and management insights into the function of the NetX Board. The Board reserved matters covering areas such as strategy and business planning, finance and controls, people, compliance, support and assurance are entrenched in the Board Charter.

Both the Board Charter and Directors' Code of Conduct are also available on the Company's website at [www.netx.com.my](http://www.netx.com.my). The Board Charter is subject to review from time to time and in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

## Overview Statement on Corporate Governance (Continued)

### (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

#### 1. BOARD RESPONSIBILITIES (Continued)

##### 1.6 Board Meetings and Access to Information and Advice

The Board meets regularly on a quarterly basis with additional meetings being convened as necessary. The Board on an annual basis would agree on the meeting dates for the whole year so that each member of the Board would be able to plan his schedule accordingly. During the year, the Board met on five (5) occasions where it deliberated upon and considered a variety of matters mainly to review the Group's operations and the quarterly and annual financial statements.

The details of the attendance by individual Director during the financial year are as follows:

Name of Director	Total Meetings Attended
Dato' Sri Wan Ahmad Najmuddin Bin Mohd	5/5
Tan Sik Eek	5/5
Yong Ket Inn	5/5
Ong Siew Min	5/5
Chen Chee Peng	5/5

The agenda for the Board meetings, together with appropriate reports and information on the Group's business operations, and proposal papers for the Board's consideration are circulated to all the Directors prior to the meetings, in sufficient time so that all Directors are given time to prepare, evaluate, obtain additional information or clarification prior to the meeting.

The Board has unrestricted access to all information within the Company, whether as a full Board or in their individual capacity, in a timely manner in order for the Board to discharge its responsibilities. When necessary, Directors may whether as a full Board or in their individual capacity, seek independent professional advice, including the internal and external auditors, at the Company's expense to enable the directors to discharge their duties with adequate knowledge on the matters being deliberated, subject to approval by the Chairman of the Board, and depending on the quantum of the fees involved.

The proceedings and resolutions reached at each Board meeting are documented in the minutes and signed by the Chairman of the meeting. Besides Board meetings, the Board also exercises control on matters that require the Board's approval through circulation of Directors' Resolutions.

The Board has access to the advice and services of the Company Secretary who is suitably qualified and competent to support the Board. The Company Secretary is responsible for providing support and guidance to the Board on policies and procedures, rules and regulations and relevant laws in regard to the Company as well as the best practices on governance.

The Company Secretary provides support to the Chairman to ensure the effective functioning of the Board and also organises and attends all Board meetings and Board Committee meetings, ensuring that an accurate and proper record of deliberation of issues discussed, decisions and conclusions are taken.

The Company Secretary records, prepares and circulates the minutes of the meetings of the Board and Board Committees and ensures that the minutes are properly kept at the registered office of the Company and produced for inspection, if required. In addition, the Company Secretary also updates the Board regularly on amendments to the Listing Requirements, practices and guidance notes, circulars from Bursa Securities, legal and regulatory developments and impact, if any, to the Group.

# Overview Statement on Corporate Governance (Continued)

## (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

### 2. BOARD COMPOSITION

The Board currently consists of five (5) members, comprising of an Independent Non-Executive Chairman, two (2) Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and one (1) Executive Director.

The Board members with their diverse academic qualifications, backgrounds and experience enable the Board to provide clear and effective leadership to the Group as well as share experiences and ideas and make independent judgments on many aspects of the Group's strategy and performance to ensure that the highest standards of professionalism, conduct, transparency and integrity are maintained by the Group.

The Company has established two (2) Board Committees ("**Committees**") to assist in the performance of certain duties of the Board. The Board delegates specific responsibilities to the respective Committees, namely the ARMC and the NRC, each of which has clearly defined terms of reference and its functions, delegated roles, duties and responsibilities. The Board reviews the functions and terms of reference of Committees from time to time to ensure that they are relevant and updated with other related policies or regulatory requirements.

#### 2.1 Board Independence

The current Board composition complies with Rule 15.02 of the Listing Requirements of at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors as well as the MCCG's recommendation of at least half of the Board members are Independent Directors. In the event of any vacancy in the Board of Directors resulting in non-compliance with the Listing Requirements, the Board shall fill the vacancy within three (3) months from the date of that event.

The Independent Directors are responsible for bringing independent judgement as well as providing scrutiny to the Board's decision making and challenges to the management. They play an important role in corporate accountability and this is reflected by their membership and attendance at the various Board Committees of the Company.

None of the Independent Directors participate in the daily management of the Group to ensure that they are free from any relationship which could interfere with the exercise of independent judgement in the best interests of the Company and the shareholders.

#### 2.2 The Chairman of the Board

During the financial year under review, the Board is chaired by an Independent Non-Executive Director who is not related to the Executive Director. The Board believes that the element of independence that currently exists is adequate to provide assurance that there is a balance of power and authority in the Board. In addition, the Chairman is not involved in the day-to-day management of the Group's businesses and has no relationship that could materially interfere with his judgement.

The Chairman is responsible for the Board's effectiveness and conduct, implementing the Group's policies, business plans and executive decision making and is assisted by the Executive Directors. The Chairman also promotes an open environment for debate and ensures effective contributions from Non-Executive Directors. He also exercises control over the quality, quantity and timeliness of information flow between the Board and management. Together with the other Non-Executive Directors, he leads the discussion on the strategies and policies recommended by the management.

At a general meeting, the Chairman plays a role in fostering constructive dialogue between shareholders, the Board and management.

In line with the recommendation of the MCCG, the Chairman is not a member of any of the Board Committees. This is to ensure checks and balances as well as that objectivity will not be influenced by the Chairman of the Board who also sits on Board Committee(s).

During the financial year under review, the Company also complied with the recommendation of the MCCG where different individuals hold the positions of the Chairman and the Executive Director, and the Chairman is a non-executive member of the Board.

## Overview Statement on Corporate Governance (Continued)

### (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

#### 2. BOARD COMPOSITION (Continued)

##### 2.2 The Chairman of the Board (Continued)

The roles of the Chairman and the Executive Director are clearly defined and segregated, to ensure an appropriate balance of power and authority, increased accountability and enhanced capacity of the Board for independent decision-making. The Chairman is not related to the Executive Director, and is responsible for leading the Board in the oversight and supervision of the Group's management; whilst the Executive Director is responsible for the day-to-day operations of the Group, which includes implementing the policies and decisions of the Board. The Executive Director reports to the Board with respect to matters concerning the Board members and the Group.

##### 2.3 Audit and Risk Management Committee

The current composition of the ARMC comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director.

The terms of reference and key functions of ARMC are available on the Company's website at [www.netx.com.my](http://www.netx.com.my). A summary of works of the ARMC during the financial year is presented separately in the ARMC Report in this Annual Report.

##### 2.4 Nominating and Remuneration Committee

The current composition of the NRC comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director.

The present members of the NRC of the Company are:

Designation	Name	Directorship
Chairman	Chen Chee Peng	Independent Non-Executive Director
Member	Yong Ket Inn	Non-Independent Non-Executive Director
Member	Ong Siew Min	Independent Non-Executive Director

Under its terms and reference, the functions of the NRC are as follows:

- assess the suitability of the candidates in terms of their competencies, commitment, contribution and performance;
- recommend to the Board the nomination of a person or persons to be a Board member(s) by the shareholder(s) or Director(s);
- recommend to the Board, Directors to fill the seats on Board Committees;
- assess the effectiveness of the Board as a whole, the committees of the Board and the contribution of each existing individual director and thereafter, recommend its findings to the Board;
- review the required mix of skills and experience and other qualities, including core competencies which non-executive directors should bring to the Board and thereafter, recommend its findings to the Board;
- review the Board's succession plans and training programmes;
- facilitate Board induction and training programmes;
- review on an annual basis the term of office of each of the ARMC members and the performance of the ARMC and each of its members;
- recommend to the Board, the remuneration packages of the Executive Director of the Company in all its forms, drawing from outside advice as necessary; and
- recommend to the Board, the Directors' fees and other benefits payable to the Directors for shareholders' approval.

The terms of reference of NRC are available on the Company's website at [www.netx.com.my](http://www.netx.com.my).

## Overview Statement on Corporate Governance (Continued)

### (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

#### 2. BOARD COMPOSITION (Continued)

##### 2.4 Nominating and Remuneration Committees (Continued)

The NRC met once during the financial year ended 30 November 2024. The summary of the activities of the NRC during the financial year is as follows:

- Reviewed the mix of skill and experience and other qualities of the Board.
- Assessed the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director.
- Discussed and recommended the Directors' retirement by rotation.
- Recommended to the Board for approval the Directors' fees and other benefits payable to the Directors for shareholders' approval.
- Reviewed the remuneration package of the Executive Director.
- Reviewed and recommended to the Board for approval on the updated Succession Planning Policy.
- Reviewed the terms of reference of the NRC, Board Diversity Policy, Directors' Fits & Proper Policy, Directors' Nomination Process & Evaluation on Independence of Directors and Remuneration Policy.

##### 2.5 Appointment and Re-election of Directors

The NRC has been entrusted with the responsibility to identify and review candidates for appointment to the Board. The Board has established a nomination process of Board members to facilitate and provide a guide for the NRC to identify, evaluate, select and recommend to the Board the candidate to be appointed as a Director of the Company. The NRC is responsible for identifying and recommending suitable candidates to fill vacancies arising from resignation, retirement or if there is a need to appoint an additional Director with the required skill or profession to the Board to close the competency gap in the Board.

Upon receiving a nomination for a new Director, the review process entails the assessment of the candidate's background, experience, knowledge and skills critical to the Group's business. Other criteria such as integrity, wisdom, independence of the candidates, existing commitments, potential risk and/or conflict of interest are also considered in the assessment of the suitability of candidates for appointment to the Board.

Upon the evaluation of the candidates, the NRC shall report to the Board its findings and recommendations. The Board would based on the recommendations of the NRC proceed to approve or decline the appointment of the candidates as the new Director of the Company.

Currently, the sources to identify suitably qualified candidates for appointment of directors are recommendations from existing Board members, senior management or major shareholders. However, the Board and NRC would not hesitate to utilise independent sources to identify suitably qualified candidates, where necessary.

The procedure for re-election of Directors who retire by rotation is set out in the Company's Constitution. At each annual general meeting of the Company, one-third (1/3) of the Directors for the time being or if their number is not three (3) or a multiple of the three (3), then the number nearest to one-third (1/3), shall retire from office provided always that all Directors shall retire from office once at least in every three (3) years but shall be eligible for re-election.

The NRC conducts a formal assessment evaluation of the performance, identifying any gaps or areas of improvement of the individual Directors, Board and Board Committee annually. The NRC also identify which Directors are due for retirement ("**Retiring Directors**") by rotation in accordance with the Constitution of the Company and assesses the Retiring Directors' eligibility for re-election by considering their competencies, time commitment, contribution and their ability to act in the best interest of the Company. Based on the satisfactory evaluation of the respective Retiring Director's performance and contributions, the NRC will then recommend to the Board the re-election of the Retiring Directors at the Annual General Meeting of the Company.

The Directors who are standing for re-election and re-appointment at the forthcoming Annual General Meeting of the Company are as stated in the Notice of Annual General Meeting.



## Overview Statement on Corporate Governance (Continued)

### (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

#### 2. BOARD COMPOSITION (Continued)

##### 2.5 Appointment and Re-election of Directors (Continued)

Following deliberations by the Board (except for the Retiring Directors who had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board and committee meetings), the Board collectively agreed that the Retiring Directors meet the required criteria of character, experience, integrity, competence and time commitment to effectively discharge their respective roles as Directors of the Company. As such, the Board recommended the Retiring Directors be re-elected as the Directors of the Company, subject to the shareholders' approval at the forthcoming Annual General Meeting.

##### 2.6 Annual Assessment

The NRC reviews annually, the effectiveness of the Board and Board Committees as well as the performance of individual Directors.

The NRC evaluate Board effectiveness in the areas of composition, roles and responsibilities, and whether the respective Board Committees effectively discharged their functions and duties in accordance with their terms of reference. The evaluation process involved a self-review assessment, where Directors will assess their own performance.

The criteria used by the NRC in evaluating the performance of an individual, including contribution to interaction, integrity, competency and time commitment of the members of the Board and Board Committees in discharging their duties, are in a set of questionnaires. The Board did not engage any external party to undertake an independent assessment of the Directors.

Based on the assessment conducted for the financial year ended 30 November 2024, the Board and the NRC are satisfied with the current size, composition as well as the mix of qualifications, skills and experience among the Board and Board Committees members. The assessment and evaluation are properly documented.

##### 2.7 Assessment of Independence of Directors

The Board conducts an assessment of the independence of the Independent Directors annually. During the financial year, the Board obtained confirmation of independence from the Independent Directors and none of the Independent Directors disclosed any relationships that could materially interfere with or be perceived to materially interfere with their independent judgement and ability to act in the best interests of NetX. The Board is satisfied that the Independent Directors are independent as they fulfilled the required criteria stipulated in the Listing Requirements.

##### 2.8 Tenure of Independent Directors

In line with the MCCG, the Board has adopted the nine (9) years policy for Independent Directors. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the re-designation of the said person as a Non-Independent Director. In the event the Board intends to retain such Director as an Independent Director after the latter has served a cumulative term of nine (9) years, the Board will justify the decision and seek annual shareholders' approval through a two-tier voting process.

The Board is of the view that the independence of the Independent Directors should not be determined solely or arbitrarily by their tenure of service. The Board believes that continued contribution will provide stability and benefits to the Board and the Company as a whole, especially their invaluable knowledge of the Group and its operations gained through the years. The calibre, qualification, experience and personal qualities, particularly of the Director's integrity and objectivity in discharging his/her responsibilities in the best interest of the Company should be the predominant factors to determine the ability of a Director to serve effectively as an Independent Director.

The Board is also confident that the Independent Directors themselves, after having provided all the relevant confirmations on their independence, will be able to determine if they can continue to bring independent and objective judgement on Board deliberations and decision making.

As at 30 November 2024, none of the Independent Non-Executive Directors of the Company has served the Board for a cumulative term of more than nine (9) years.

## Overview Statement on Corporate Governance (Continued)

### (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

#### 2. BOARD COMPOSITION (Continued)

##### 2.9 Continuing Education Programs

As at 30 November 2024, all the Directors have completed the Mandatory Accreditation Programme prescribed by Bursa Securities. The Directors are encouraged to attend continuous education programs, conferences, seminars or forums to keep abreast with the latest developments in the marketplace as well as to further enhance their business acumen and professionalism in discharging their duties to the Group. In addition, Directors would be updated on recent developments in the areas of statutory and regulatory requirements from the briefing by the External Auditors, the Internal Auditors and the Company Secretary during the Committees and Board meetings.

The Directors individually will determine their training needs continuously. The Board ensures that its members have access to appropriate continuing education programs.

The seminars, conferences and training programs attended by the Directors during the financial year ended 30 November 2024 are as follows:

Name of Director	Seminars / Conference / Forum Attended
Dato' Sri Wan Ahmad Najmuddin Bin Mohd	<ul style="list-style-type: none"> <li>Conflict of Interest &amp; Disclosure Obligations</li> <li>E-Invoicing Implementation in Malaysia</li> <li>Mandatory Accreditation Programme Part II: Leading For Impact (LIP)</li> </ul>
Tan Sik Eek	<ul style="list-style-type: none"> <li>Conflict of Interest &amp; Disclosure Obligations</li> <li>E-Invoicing Implementation in Malaysia</li> </ul>
Yong Ket Inn	<ul style="list-style-type: none"> <li>Conflict of Interest &amp; Disclosure Obligations</li> <li>E-Invoicing Implementation in Malaysia</li> <li>SSM Webinar on Loan to Directors and Other Parties</li> <li>SSM National Conference 2024 on Enhancing Corporate Transparency. Building Resilience.</li> <li>Mandatory Accreditation Programme Part II: Leading For Impact (LIP)</li> </ul>
Ong Siew Min	<ul style="list-style-type: none"> <li>Conflict of Interest &amp; Disclosure Obligations</li> <li>E-Invoicing Implementation in Malaysia</li> </ul>
Chen Chee Peng	<ul style="list-style-type: none"> <li>ESG Essential</li> <li>Conflict of Interest &amp; Disclosure Obligations</li> <li>E-Invoicing Implementation in Malaysia</li> </ul>

##### 2.10 Boardroom Diversity

The Board recognises the merits of Boardroom Diversity in adding value to the collective skills, perspectives and strengths of the Board. As such, the Board had adopted the Board Diversity Policy which sets out the Company's approach to diversity on the Board of NetX. The Board endeavors to have a diversity of the Board and its workforce in terms of gender, experience, qualification, ethnicity and age. The NRC is responsible for ensuring that diversity objective is adopted in Board recruitment, Board performance evaluation and succession planning processes whereas diversity in the workforce shall be decided by the management.

The Board also recognises that gender diversity is of importance to the boardroom and will continue to encourage and propose women candidates subject to the identification of suitable candidates with appropriate skills.

Currently, our Board comprises one (1) female Director, representing 20% of the total number of the Board. In line with the MCCG of at least 30% representation of women on Boards, the Board will evaluate and match the criteria of the potential candidate as well as consider the appointment of additional female directors onto the Board in the future to bring about a more diverse perspective.

## Overview Statement on Corporate Governance (Continued)

### (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

#### 2. BOARD COMPOSITION (Continued)

##### 2.11 Time Commitment and Directorship in Other Public Listed Companies

Under the Board Charter, the directorships in other public listed companies in Malaysia held by any Board member at any one time shall not exceed any number as may be prescribed by the relevant authorities. In addition, at the time of appointment, the Board shall obtain the Director's commitment to devote sufficient time to carry out his/her responsibilities. Directors are required to notify the Chairman before accepting any new directorship(s). Any Director is, while holding office, at liberty to accept other Board appointments in other companies so long as the appointment is not in conflict with the Company's businesses and does not affect the discharge of his/her duty as a Director of the Company.

Each Board member is expected to achieve at least 50% attendance of total Board Meetings in any applicable financial year with appropriate leave of absence and be notified to the Chairman and/or the Company Secretary, where applicable.

During the financial year ended 30 November 2024, the Directors have demonstrated their ability to devote sufficient time and commitment to their roles and responsibilities as Directors of the Company. The Board is satisfied with the level of time and commitment given by the Directors of the Company towards fulfilling their duties and responsibilities. This is evidenced by the attendance record of the Directors as set out in the section above.

#### 3. REMUNERATION

##### 3.1 Directors' Remuneration

The Board has established a Remuneration Policy to facilitate the NRC to review, consider and recommend to the Board for decision on the Directors' remuneration. The Board believes in a Remuneration Policy that fairly supports the Directors' responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value. The Board's objective is to offer a competitive remuneration package to attract, develop and retain talented individuals to serve as Directors. A copy of the Remuneration Policy is available on the Company's website at [www.netx.com.my](http://www.netx.com.my).

The NRC recommends remuneration packages which are sufficient and necessary to attract, retain and motivate Executive Director(s) to manage the business of the Group. Executive Director is remunerated based on the Group's performance, market conditions and responsibilities whilst the remuneration of the Non-Executive Directors is determined in accordance with their experience and level of responsibilities assumed in Committees and the Board.

The remuneration packages of Non-Executive Directors should be determined by the Board as a whole subject to the shareholders' approval.

The Directors' remuneration paid or payable to all Directors of the Company (by Company and by Group) for the financial year ended 30 November 2024 were as follows:

##### Group:

Name	Fees RM	Salaries RM	Bonus RM	Allowance RM	Benefits in Kind RM	Other Emoluments RM	Total RM
Dato' Sri Wan Ahmad Najmuddin Bin Mohd	82,000	-	-	15,400	-	-	97,400
Tan Sik Eek	809,919	378,000	-	-	-	46,558	1,238,889
Yong Ket Inn	92,028	-	-	15,400	-	-	107,428
Ong Siew Min	48,000	-	-	15,400	-	-	63,400
Chen Chee Peng	48,000	-	-	15,400	-	-	63,400
<b>Total</b>	<b>1,079,947</b>	<b>378,000</b>	<b>-</b>	<b>61,600</b>	<b>-</b>	<b>46,558</b>	<b>1,570,517</b>

## Overview Statement on Corporate Governance (Continued)

### (A) BOARD LEADERSHIP AND EFFECTIVENESS (Continued)

#### 3. REMUNERATION (Continued)

##### 3.1 Directors' Remuneration (Continued)

The Directors' remuneration paid or payable to all Directors of the Company (by Company and by Group) for the financial year ended 30 November 2024 were as follows: (Continued)

##### Company:

Name	Fees RM	Salaries RM	Bonus RM	Allowance RM	Benefits in Kind RM	Other Emoluments RM	Total RM
Dato' Sri Wan Ahmad Najmuddin Bin Mohd	60,000	-	-	15,400	-	-	75,400
Tan Sik Eek	-	378,000	-	-	-	46,558	424,558
Yong Ket Inn	48,000	-	-	15,400	-	-	63,400
Ong Siew Min	48,000	-	-	15,400	-	-	63,400
Chen Chee Peng	48,000	-	-	15,400	-	-	63,400
<b>Total</b>	<b>204,000</b>	<b>378,000</b>	<b>-</b>	<b>61,600</b>	<b>-</b>	<b>46,558</b>	<b>690,158</b>

The Company notes the need for transparency in the disclosure of its key senior management remuneration, the Company is of the view that the disclosure of remuneration details may be detrimental to its business interests, given the competitive landscape for key personnel with requisite knowledge, technical expertise and working experience in the Company's business activities, where intense headhunting is a common industry challenge. Accordingly, such disclosure of specific remuneration information may give rise to recruitment and talent retention issues.

The Company is of the view that the interest of the shareholders will not be prejudiced as a result of such non-disclosure of the key senior management on a named basis.

The number of key senior management in office at the end of the financial year and the total remuneration from the Group categorised into the various bands were as follows:

	Total
RM150,001 – RM200,000	2
RM200,001 – RM250,000	0
RM300,001 – RM350,000	1

The remuneration of the senior management personnel, which is a combination of annual salary, bonus and benefits-in-kinds are determined similarly to other management employees of the Group. The basis of determination has been consistently applied and is based on individual performance and the overall performance of the Group. The aggregate remuneration of the top three (3) senior management received for the financial year ended 30 November 2024 was RM0.63 million representing 15.28% of the total employees' remuneration of the Group.

The Board is of the view that disclosure of remuneration of the Directors of the Board and key senior management by appropriate components and the top three (3) senior management's total combined remuneration package should meet the intended objectives of the MCCG.

## Overview Statement on Corporate Governance (Continued)

### (B) EFFECTIVE AUDIT AND RISK MANAGEMENT

#### 4. AUDIT AND RISK MANAGEMENT COMMITTEE

##### 4.1 Financial Reporting

The Board through the ARMC endeavors to provide a clear, balanced and meaningful assessment of the Group's financial performance and prospects, through the annual audited financial statements, quarterly financial reports, and corporate announcements on significant developments affecting the Group in accordance with the Listing Requirements of Bursa Securities.

The Board is also responsible for ensuring that financial statements are prepared in accordance with the provisions of the Companies Act 2016 and the applicable financial reporting standards in Malaysia. The statement of Directors' responsibility in respect of the annual audited financial statements is presented in the section of Directors' Responsibility Statement on Financial Statements in this Annual Report.

The Board is assisted by the ARMC in overseeing the Group's financial reporting process and the accuracy, consistency and appropriateness of the use and application of accounting policies and standards, as well as the reasonableness and prudence in making estimates, statements and explanations. The ARMC reviewed the quarterly and annual audited financial statements of the Company prior to recommendation of the same to the Board for approval and submission to Bursa Securities and/or shareholders. A full ARMC Report detailing its composition, and a summary of activities and work during the financial year are set out in ARMC Report in this Annual Report.

##### 4.2 Relationship and Assessment of External Auditors

The Board maintains a transparent and professional relationship with the External Auditors through the ARMC. The ARMC invites External Auditors to attend its meetings at least twice a year to discuss their audit plan and their audit findings on the Group's financial statements. The External Auditors would share with the ARMC any significant issues on the financial statements and regulatory updates. In addition, the ARMC will also have private meetings with the External Auditors without the presence of the executive management team to enable the exchange of views on issues requiring attention.

In presenting the Audit Planning Memorandum to the ARMC, the External Auditors have highlighted their internal policies and procedures with respect to their audit independence and objectivity which include safeguards and procedures and independent policy adopted by the External Auditors. The External Auditors have also provided the required independence declaration to the ARMC and the Board for the financial year ended 30 November 2024.

The ARMC has in place a policy to assess the performance, independence and quality of External Auditors on an annual basis and report to the Board its recommendation for the re-appointment of the External Auditors at the Annual General Meeting.

As part of the evaluation process, the ARMC will obtain feedback from the management team on the quality of the audit service of the External Auditors. The External Auditors assure the ARMC that they were independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

To assess or determine the suitability and independence of the External Auditors, the ARMC has taken into consideration, among others, the following:

- i) The adequacy of the experience and resources of the External Auditors;
- ii) The External Auditors' ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;
- iii) The nature of the non-audit services provided by the External Auditors and fees paid for such services relative to the audit fee; and
- iv) Whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the External Auditors.



## Overview Statement on Corporate Governance (Continued)

### (B) EFFECTIVE AUDIT AND RISK MANAGEMENT (Continued)

#### 4. AUDIT AND RISK MANAGEMENT COMMITTEE (Continued)

##### 4.2 Relationship and Assessment of External Auditors (Continued)

Annual appointment or re-appointment of the External Auditors is via shareholders' resolution at the Annual General Meeting on the recommendation of the ARMC and the Board. The External Auditors are being invited to attend the Annual General Meeting of the Company to respond and reply to the shareholders' enquiries on the conduct of the statutory audit and the preparation and contents of the audited financial statement. The shareholders of the Company had at the Annual General Meeting held on 29 April 2024 approved the re-appointment of Messrs SBY Partners PLT as the External Auditors of the Company.

Upon reviewing the suitability, objectivity and independence of Messrs SBY Partners PLT in respect of the financial year ended 30 November 2024, the ARMC is satisfied with the competence and independence of the External Auditors for the financial year under review. Having regard to the outcome of the annual assessment of the External Auditors, the Board approved the ARMC's recommendation for the shareholders' approval to be sought at the Annual General Meeting on the re-appointment of Messrs SBY Partners PLT as the External Auditors of the Company for the financial year ending 30 November 2025.

#### 5. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

##### 5.1 Risk Management Framework

The Board is committed to determine the Company's level of risk tolerance and to actively identify, assess and monitor key business risks to safeguard shareholders' investments and the Company's assets by monitoring the internal controls in place with the assistance of the ARMC, the External Auditors and the Internal Auditors, who will report directly to the ARMC on the effectiveness and efficiency of the internal control processes and procedures periodically to ensure that the system is viable and robust.

Further details of the risk management framework and the system of internal control of the Group are presented in the Statement of Risk Management and Internal Control of this Annual Report.

##### 5.2 Internal Audit Function

The Group's internal audit function is outsourced to an independent professional consulting firm to provide the ARMC with an independent assessment of the adequacy and effectiveness of the Group's system of internal control. The outsourced internal auditors report functionally to the ARMC and administratively to the Board. Its responsibilities include providing independent and objective reports on the state of internal controls of the significant operation units in the Group to the ARMC, with recommendations for improvement to the control procedures, so that remedial actions can be taken in relation to weaknesses noted in the systems.

The ARMC works with the Internal Auditors to ensure that the internal audit plan encompasses the audit of the essential services and the follow-up on the audits. The internal auditors are required to perform periodic testing of the internal control systems to ensure that the system is robust.

Information on the Company's risk management framework and internal control system is presented in the Statement of Risk Management and Internal Control of this Annual Report.

### (C) INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH SHAREHOLDERS

#### 6. COMMUNICATION WITH STAKEHOLDERS

The Board recognises the need for transparency and accountability to the Company's shareholders and regular communication with its shareholders, stakeholders and investors on the performance and major developments in the Company. It ensures that timely releases of the quarterly financial results, circulars, press releases, corporate announcements and annual reports are made to its shareholders and investors.

The Company has adopted a Corporate Disclosure Policy aiming at effectively handling and disseminating corporate information timely and accurately to its shareholders, stakeholders, and the investing public in general as required by Bursa Securities. The Corporate Disclosure Policy is available on the Company's website at [www.netx.com.my](http://www.netx.com.my).

## Overview Statement on Corporate Governance (Continued)

### (C) INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH SHAREHOLDERS (Continued)

#### 6. COMMUNICATION WITH STAKEHOLDERS (Continued)

The Board ensures that all material information and corporate disclosures are discussed with the management prior to dissemination to ensure compliance with the Listing Requirements. In deciding on the necessary disclosures and announcements, the Board is also guided by Bursa Securities corporate disclosure guides as published by Bursa Securities from time to time. The Board delegated the authority to the Executive Director to ensure that the Corporate Disclosure Policy is being adhered to by the management and Company Secretary. The Executive Director is also given the authority to approve all announcements.

The Company's website has a section dedicated to shareholders under Investor Relations where shareholders can check on the latest announcements of the Group, Annual Reports, Quarterly reports, Corporate policies and contact information.

#### 7. CONDUCT OF GENERAL MEETINGS

The Annual General Meeting ("AGM") is the main delivery channel for dialogue with all shareholders. As recommended by the MCCG, the notice of AGM will be despatched to shareholders at least twenty-eight (28) days before the AGM, to allow shareholders to have sufficient time to go through the Annual Report and make the necessary attendance and voting arrangements. Shareholders are encouraged and are given ample opportunities to review the annual report, to appoint proxies and to collate questions to be asked at the AGM. The Notice of AGM, which sets out the business to be transacted at the AGM, is also published at least in a major local newspaper. The Board will ensure that each item of special businesses included in the notices of the AGM or extraordinary general meeting is accompanied by a full explanation of the effects of any proposed resolution.

The tentative dates of the AGM will be discussed and fixed by the Board in advance to ensure that each of the Directors will be able to make the necessary arrangements to attend the planned AGM. The Twenty-Third (23<sup>rd</sup>) AGM of the Company which was held on 29 April 2024 was conducted by way of a virtual basis and online remote voting using the Remote Participation and Voting Facilities and has been attended by all the Directors of the Company.

At the commencement of all general meetings, the Chairman will inform the shareholders of their rights to poll voting. A scrutineer is appointed to validate the votes cast at the general meeting. Separate resolutions are proposed for substantially separate issues at the meeting and the Chairman will declare the number of votes received, both for and against for each separate resolution. The outcome of a general meeting will be announced to Bursa Securities on the same meeting day.

During the AGM, the shareholders are invited to raise questions relating to the financial performance, the business activities of the Group and matters tabled at the general meeting. The External Auditors are also present to provide professional and independent clarification on issues and concerns raised by the shareholders. Suggestions and comments by shareholders in the AGM will be noted by the Board for consideration.

In line with the recommendation of MCCG, the minutes of the AGM or any general meeting will be posted on the Company's website for public viewing within thirty (30) business days after the AGM or general meeting.

Information on the Shareholder Communication Policy relating to general meetings is available at [www.netx.com.my](http://www.netx.com.my).

### (D) COMPLIANCE STATEMENT

Other than as disclosed and/or explained in this Annual Report and CG Report, the Board is of the view that the Group has complied with and shall remain committed to attaining the highest possible standards through the continuous adoption of the principles and best practices set out in MCCG and all other applicable laws, where applicable and appropriate.

Moving forward, the Board will continue to enhance the corporate disclosure requirements in the best interest of the Company's shareholders and stakeholders. The areas to be prioritised by the Board will be principles that have yet to be adopted by the Company as disclosed in the CG Report.

# STATEMENT OF RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Board of Directors (“**Board**”) of NetX Holdings Berhad (“**NetX**” or “**Company**”) is committed to maintaining a comprehensive and sound system of risk management and internal control as part of good corporate governance. The Company is pleased to provide the following Statement on Risk and Management and Internal Control (“**Statement**”) which outlines the scope and nature of risk management and the internal controls of the Company and the subsidiaries (“**Group**”) for the financial year ended 30 November 2024. This Statement is prepared pursuant to Rule 15.26(b) of the ACE market Listing Requirement issued by Bursa Malaysia Securities Berhad and the Malaysian Code on Corporate Governance.

## BOARD'S RESPONSIBILITY

The Board acknowledges its responsibility and commitment to maintain a sound risk management and internal control system within the Group to safeguard the shareholders' investments and the Group's assets. The Board has established an on-going process to continuously review the adequacy and effectiveness of the Group's risk management framework and system of internal control.

The Board through its Audit and Risk Management Committee (“**ARMC**”) supported by the Internal Auditors that are independent of the activities it audits, conducted periodic assessments during the financial year to ensure proper risk governance and determine the nature and extent of the significant risks that may hinder the Group from achieving its objectives are being adequately evaluated, managed and controlled. Audit issues as well as actions agreed by the Management to address them were tabled and deliberated by Internal Auditors during the ARMC meetings, the minutes of which are then presented to the Board.

The Board is assisted by the Management in the implementation of the Board's policies and procedures on risks and control by identifying and assessing the risks faced, and in the design, operation and monitoring of suitable internal control to mitigate and control these risks.

The system of risk management and internal control covers not only the financial aspect but also the operational and compliance aspects of the Group. Due to the limitations inherent in any risk management and internal control system, such systems are designed to manage, rather than eliminate the risk of failure to achieve Group business objectives and to improve the corporate governance process. Therefore, the system can only provide a reasonable and not an absolute assurance against the occurrence of material misstatement loss or fraud.

## RISK MANAGEMENT FRAMEWORK

The Group has an embedded process for the identification, evaluation, reporting, treatment, monitoring and reviewing of the major strategic, business and operation risks within the Group. Both the Board and the ARMC review the effectiveness of the risk management function and deliberate on the risk management and internal control frameworks, functions, processes and reports regularly.

At the strategic level, business plans, business strategies and investment proposals with risk consideration are formulated by the Executive Director and management team and presented to the Board for review and deliberation to ensure proposed plans and strategies are in line with the Group's risk appetite.

The framework is continually monitored to ensure it is responsive to the changes in the business environment and communicated to all levels. Exceptions and improvement opportunities have been reported to the ARMC to enhance the effectiveness of the governance risk management and internal control processes of the Group. The development and documentation of risk management processes will continue to be enhanced and the Board will report on the status of the said development in due course.

## Statement of Risk Management and Internal Control (Continued)

### INTERNAL CONTROL

The Board regularly review reports from the Management on key financial data, performance indicators and regulatory matters, to ensure issues are highlighted for review, deliberation and decision on a timely basis. Issues relating to the business operations are also highlighted during the Board meetings, whereas independent assurance is provided by the Group's External Auditors, internal audit function and the ARMC to the Board.

The key features of the Group's systems of internal control are as follows:

- **Organisational Structure**

A formal organisational structure and discretionary authority limits are in place with defined lines of reporting, to align with business and operational requirements. Formal limits of authority delegation are implemented for planning, executing, controlling and monitoring business operations. The authority limit is summarised in the authority matrix.

- **Policy and Procedure**

The Management develops and maintains documented process flow for key business processes and standard operating procedures, ensuring that internal policies, processes and procedures are drawn up, and revised as when required and necessary.

- **Board Committees**

Board Committees are set up by the Group to uphold corporate governance and transparency with its specific terms of reference and authority. The Board Committees comprise the ARMC and the Nominating and Remuneration Committee (collectively as "**Committees**"). These Committees report to the Board and provide relevant recommendations for the Board's decision.

The ARMC, which comprised entirely of the Non-Executive Directors, was maintained throughout the financial year. The ARMC convenes meetings at least once every quarter and discusses among others the financial results, internal audit findings, related party transactions, risk management and the External Auditors' appointment and their external audit plan and results.

- **Human Resource Management**

The Group has established consistent human resource practices that govern the Group's ability to operate effectively and efficiently by employing and retaining adequate competent employees possessing the necessary knowledge, skill and experience to carry out their duties and responsibilities assigned. Further, an employee handbook is provided to employees of the Group. It guides the employees in carrying out their duties and responsibilities covering areas such as compliance with applicable local laws and regulations, integrity, conduct in the workplace, business conduct, and protection of the Group's assets, confidentiality and conflict of interest.

### INTERNAL AUDIT

The Group's internal audit, which is outsourced to a professional service firm to assist the Board and the ARMC in providing an independent assessment of the adequacy, efficiency and effectiveness of the Group's internal control systems.

The outsourced Internal Auditors report independently to the ARMC and internal audit proposals are tabled to the ARMC for review and approval to ensure adequate coverage. The responsibilities of the Internal Auditors include conducting audits, submitting findings and independent reports to the ARMC on the Group's system of internal control. The Internal Auditors also focus on high-risk areas and ensure that an adequate action plan is in place to improve internal controls. Hence, risks are mitigated by the internal controls.

The internal audit function also aims to advise the Management on areas for improvement. Highlight significant findings in respect of any non-compliance and subsequently perform follow-up reviews to determine the extent to which the recommendations have been implemented. Being an independent function, the audit work is conducted with impartiality, proficiency and due professional care.

During the financial year under review, several internal control weaknesses have been identified, all of which have been or are being addressed by the Management. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in this Annual Report.

## Statement of Risk Management and Internal Control (Continued)

### CONCLUSION

The Board has obtained assurance from the Executive Director and management team that the risk management and internal control systems are operating adequately and effectively, in all material aspects for the financial year under review. No material control failure would have any material adverse effect on the financial results of the Group for the financial year under review and up to the date of issuance of the financial statements.

The Board plays an active role in reviewing and deliberating the business plans, strategies performance and risks faced by the Company. Quarterly financial statements are presented to the Board for their review and approval, and when necessary, put in place appropriate action plans to further enhance the internal control systems.

The Board is of the view that the current system of internal control is adequate and effective to safeguard shareholders' investment and the Group's assets. However, the Board is also cognisant of the fact that the Group's system of internal control and risk management practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the system of internal control.

### REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Statement for inclusion in the Annual Report for the financial year ended 30 November 2024. Their review was performed in accordance with Audit and Assurance Practice Guide 3 (Revised) ("**AAPG 3**"): Guidance for Auditors on Engagements to Report on Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants.

AAPG 3 does not require the External Auditors to consider whether the Statement on Risk Management and Internal Control covers all risk and control, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems including the assessment and opinion by the Board and management thereon. The report from the External Auditors was made solely to the Board of Directors in connection with their compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and for no other purpose or parties. The External Auditors do not assume responsibility to any person other than the Board in respect of any aspect of this Statement.

Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the system of internal control.



## OTHER COMPLIANCE INFORMATION

### 1. UTILISATION OF PROCEEDS

#### a. Share Issuance to Macquarie Bank Limited

On 16 June 2017, the Company entered into a conditional subscription agreement with Macquarie Bank Limited (“**Macquarie Bank**”) in relation to the proposed issuance and allotment of up to 500 million new ordinary shares in NetX to Macquarie Bank in accordance with the terms and conditions of the Subscription Agreement (“**Share Issuance**”)

The Shares Issuance was completed on 19 January 2018. The 500 million new ordinary shares under the Share Issuance have been fully subscribed by Macquarie Bank raising RM21,103,000 for the Company.

MPEX has been enhanced to be a P2P digital wallet and currency exchange application that allows users to exchange currencies at competitive commission rates. MPEX has been renamed as eFX application. The balance of proceeds available will be channeled towards the development and marketing of eFX application.

As at 30 November 2024, the summary of the utilisation of proceeds was as follows:

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Intended Timeframe for Utilisation
Development and marketing of eFX System	20,000	11,650	8,350	21 January 2026
Working Capital	323	323	-	Within 24 months
Expenses for the Share Issuance	780	780	-	Immediate
<b>Total</b>	<b>21,103</b>	<b>12,753</b>	<b>8,350</b>	

#### b. Share Consolidation and Rights Issue with Warrants

On 14 August 2020, the Company proposed to undertake the corporate exercise relating to the consolidation of every 25 ordinary shares in NetX Shares into 1 NetX Share and renounceable rights issue of up to 629,491,596 new Shares (“**Rights Shares**”) together with up to 314,745,798 free detachable warrants in NetX (“**Warrants C**”) on the basis of 6 Rights Shares together with 3 free Warrants C for every 2 existing Share (after the Share Consolidation) held by the entitled shareholders (“**Rights Issue with Warrant**”). The Rights Issue with Warrant was completed on 3 November 2020 following the listing and quotation of 626,136,825 Rights Shares and 313,068,412 Warrants C, raising RM81,397,787 for the Company.

As at 30 November 2024, the summary of the utilisation of proceeds was as follows:

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Intended for Timeframe Utilisation
Development of a food and beverage e-commerce platform	5,000	5,000	-	Within 18 months
Marketing of GemSpot and GemSpot Lite	15,000	3,065	11,935	3 November 2026
Development and integration of business intelligence and data analytics system	8,000	-	8,000	3 November 2026
Investment or partnership in other complementary businesses or assets	32,000	26,200	5,800	3 November 2026
Working capital	20,498	18,664	1,834	3 November 2026
Expenses for the Right Issue with Warrants	900	900	-	Immediate
<b>Total</b>	<b>81,398</b>	<b>53,829</b>	<b>27,569</b>	

## Other Compliance Information (Continued)

### 1. UTILISATION OF PROCEEDS (Continued)

#### c. Private Placement of Up to 20% of the Total Number of Issued Shares to Third Party Investor(s)

On 2 December 2021, the Company proposed to undertake the private placement of up to 167,193,400 new ordinary shares, representing up to approximately 20% of the total number of issued shares of the Company to third party investor(s) ("**Private Placement**"). Bursa Securities has, vide its letter dated 23 December 2021, approved the listing and quotation of the placement shares to be issued pursuant to the Private Placement. Pursuant to the said approval granted by Bursa Securities, the Company may utilise it to issue the new shares until 31 December 2021, after which, the 10% general mandate will be reinstated pursuant to Rule 6.04(1) of the Listing Requirement. The Private Placement was completed on 8 June 2023 following the listing and quotation of 83,596,700 placement shares on the ACE Market of Bursa Securities, raising RM3,761,852 for the Company.

As at 30 November 2024, the summary of the utilisation of proceeds was as follows:

Purpose	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Intended Timeframe for Utilisation
Additional funds for the microfinancing business	3,586	1,000	2,586	Within 24 months
Expenses for the Private Placement	176	176	-	Immediate
<b>Total</b>	<b>3,762</b>	<b>1,176</b>	<b>2,586</b>	

### 2. AUDIT AND NON-AUDIT FEES

During the financial year ended 30 November 2024, the amount of audit and non-audit fees paid/payable to the External Auditors by the Company and the Group respectively are as follows:

	Group RM	Company RM
<b>Audit Services Rendered</b>	243,428	92,000
<b>Non-Audit Services Rendered</b>		
(a) Review of Statement on Risk Management and Internal Control	8,000	8,000
	<b>251,428</b>	<b>100,000</b>

### 3. MATERIAL CONTRACTS AND CONTRACTS RELATED TO LOAN INVOLVING DIRECTORS, CHIEF EXECUTIVE AND SUBSTANTIAL SHAREHOLDERS

There were no material contracts or contracts related to loans entered into by the Company and/or its subsidiaries involving Directors', Chief Executive's and/or major shareholders' interests, either still subsisting at the end of the financial year or entered into since the end of the previous financial period.

### 4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF REVENUE NATURE

The Company is seeking approval from shareholders for the proposed new shareholders' mandate and renewal of the existing shareholders' mandate for the Group to enter into RRPT(s) of a revenue or trading nature at the forthcoming Annual General Meeting to be held on 25 April 2025.

## Other Compliance Information (Continued)

### 4. RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”) OF REVENUE NATURE

The details of RRPTs of a revenue or trading nature of the Group for the financial year ended 30 November 2024 are as follows:

Related Party and its Principal Activities	NetX Group - Transacting Party	Nature of Transaction with NetX Group	Value of Transaction (RM)	Nature of relationship between NetX Group and the Related Party
Fintec Global Berhad and its subsidiary companies (“ <b>Fintec Group</b> ”) - Technology incubation, investment holding, manufacturing and sale of rubber gloves and sale and production of microbiology fertilizer and probiotic effective microorganisms	NetX Group	Provision of turnkey solutions on network infrastructure, security management, system design, system integration and installation including supply of hardware such as network switches, WiFi access points, network routers, and network monitoring & security solutions, provision of software and hardware maintenance and support services by NetX Group	1,500,000	Fintec Global Berhad is a Major Shareholder of NetX with a shareholding of 20.68%.  Mr. Tan Sik Eek is the Executive Director and shareholder of NetX with a shareholding of 4.27%. He is also the Managing Director and shareholder of Fintec Global Berhad with a shareholding of 0.01%.
		Renting of office premises to Fintec Group	27,600	
		Provision of management services such as property management services, legal services or any shared services to NetX Group	-	
		Provision of management services such as property management services, legal services or any shared services by NetX Group	-	
		Provision of celebration events planning and gifting services by NetX Group	6,171	
		Sales of any kind of machinery and equipment, including but not limited to, appliances and industrial machinery by NetX Group	-	
XOX Bhd and its subsidiary companies (“ <b>XOX Group</b> ”) - Mobile telecommunication, fintech, mobile application, mobile cellular, wireless telecommunication	NetX Group	Provision of turnkey solutions on network infrastructure, security management, system design, system integration and installation including supply of hardware such as network switches, WiFi access points, network routers, and network monitoring & security solutions, provision of software and hardware maintenance and support services by NetX Group	2,533,287	Mr. Tan Sik Eek is the Executive Director and shareholder of NetX with a shareholding of 4.27%. He is also the Executive Director of XOX Bhd.
		Provision of mobile and wireless telecommunication products and services to NetX Group	-	
		Provision of management services such as property management services, legal services or any shared services by NetX Group	-	

## Other Compliance Information (Continued)

### 4. RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”) OF REVENUE NATURE (Continued)

Related Party and its Principal Activities	NetX Group - Transacting Party	Nature of Transaction with NetX Group	Value of Transaction (RM)	Nature of relationship between NetX Group and the Related Party
		Provision of advertising services by NetX Group	-	
		Provision of advertising services to NetX Group	-	
		Provision of celebration events planning and gifting services by NetX Group	34,125	
		Sales of any kind of machinery and equipment, including but not limited to, appliances and industrial machinery by NetX Group	11,550	
Mlabs Systems Berhad and its subsidiary companies (“ <b>Mlabs Group</b> ”) - Research and development, trading of multimedia video conferencing system and equipment, e-Commerce, kitchen appliances, food and beverage, and film production	NetX Group	Provision of turnkey solutions on network infrastructure, security management, system design, system integration and installation including supply of hardware such as network switches, WiFi access points, network routers, and network monitoring & security solutions, provision of software and hardware maintenance and support services by NetX Group	1,000	Mr. Tan Sik Eek is the Executive Director and shareholder of NetX with a shareholding of 4.27%. He is also the Executive Director and shareholder of Mlabs Systems Berhad with a shareholding of 0.01%.
		Provision of turnkey solutions on network infrastructure, security management, system design, system integration and installation including supply of hardware such as network switches, WiFi access points, network routers, and network monitoring & security solutions, provision of software and hardware maintenance and support services to NetX Group	449,500	
		Renting of office premises and/or retail lots to Mlabs Group	178,834	
		Provision of software development and maintenance, website maintenance, cloud related services, video conferencing services and related products or services by NetX Group	-	
		Provision of software development and maintenance, website maintenance, cloud related services, video conferencing services and related products or services to NetX Group	26,521	

## Other Compliance Information (Continued)

### 4. RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”) OF REVENUE NATURE (Continued)

Related Party and its Principal Activities	NetX Group - Transacting Party	Nature of Transaction with NetX Group	Value of Transaction (RM)	Nature of relationship between NetX Group and the Related Party
		Provision of management services such as property management services, legal services or any shared services to NetX Group	-	
		Provision of management services such as property management services, legal services or any shared services by NetX Group	-	
		Provision of celebration events planning and gifting services by NetX Group	24,860	
		Provision of Blockchain & Digital Assets Advisory Services, Fintech Technology Research & Development, High-Frequency & Quant Trading Solutions, Investment Managed Account Services by Mlabs Group	-	
		Sales of any kind of machinery and equipment, including but not limited to, appliances and industrial machinery by NetX Group	-	
		Provision of research and development of mobile applications and software platforms by Mlabs Group, including but not limited to multimedia video conferencing system and equipment	-	
		Distribution and supply of alcoholic beverages and provision of event management by Mlabs Group	466	
		Wholesale of household appliances, computer hardware, software and peripherals by Mlabs Group, including but not limited to multimedia video conferencing system and equipment	34,500	
		Provision of employment sourcing and provide all types of training for the works; and business management consultancy services by Mlabs Group	4,920	

## Other Compliance Information (Continued)

### 4. RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”) OF REVENUE NATURE (Continued)

Related Party and its Principal Activities	NetX Group - Transacting Party	Nature of Transaction with NetX Group	Value of Transaction (RM)	Nature of relationship between NetX Group and the Related Party
Symphony Life Berhad and its subsidiary companies (“Symphony Group”) – Property Development and Investment, Property Management and Management Services, and Quarrying and Construction	NetX Group	Provision of turnkey solutions on network infrastructure, security management, system design, system integration and installation including supply of hardware such as network switches, WiFi access points, network routers, and network monitoring & security solutions, provision of software and hardware maintenance and support services by NetX Group	-	Mr. Tan Sik Eek is the Executive Director and shareholder of NetX with a shareholding of 4.27%. He is also the Executive Director of Symphony Life Berhad.
		Renting of retail space from Symphony	102,270	
		Sales of any kind of machinery and equipment, including but not limited to, appliances and industrial machinery by NetX Group	-	

### 5. SHARE ISSUANCE SCHEME (“SIS”)

The SIS of the Company was approved by the shareholders at the Extraordinary General Meeting held on 21 January 2016 and is governed by the SIS By-Laws.

The SIS was implemented on 24 November 2016 and shall be in force for a period of five (5) years and may be extended to such further period, at the sole and absolute discretion of the Board upon the recommendation by the Option Committee, provided always that the Initial Scheme Period above and such extension of the scheme made pursuant to the SIS By-Laws shall not in aggregate exceed a duration of ten (10) years or such other period as may be prescribed by Bursa Malaysia Securities Berhad or any other relevant authorities from the effective date of the SIS. On 9 November 2021, the Board approved the extension of the SIS which is expiring on 23 November 2021 for another five (5) years until 23 November 2026 in accordance with the terms of the SIS By-Laws.

At the date of printing of this Annual Report, a total of 780,368,166 options were offered to eligible employees under SIS.

The total number of SIS options granted, exercised and outstanding as at 30 November 2024 are set out in the table below:

Total number of options/ shares outstanding as at 30 November 2023	Total number of options exercised during the financial year ended 30 November 2024	Total number of options/shares granted during the financial year ended 30 November 2024	Total number of options/shares lapsed during the financial year ended 30 November 2024	Total options/shares outstanding as at 30 November 2024
Nil	NIL	NIL	NIL	NIL

#### Options granted to Directors and Chief Executive

	Percentage
Aggregate options granted	None
Aggregate options exercised	None
Aggregate options outstanding	None



## Other Compliance Information (Continued)

### 5. SHARE ISSUANCE SCHEME ("SIS") (Continued)

#### Options granted to Directors and Senior Management

	Percentage
Aggregate maximum allocation	80
Actual percentage granted during the financial year	Nil
Actual percentage granted since the commencement of the SIS	25

A breakdown of the options offered to and exercised by non-executive Directors pursuant to SIS in respect of the financial year are as follows:

Name of Directors	Amount of Options Granted	Amount of Options Exercised
Dato' Sri Wan Ahmad Najmuddin Bin Mohd	Nil	Nil
Yong Ket Inn	Nil	Nil
Ong Siew Min	Nil	Nil
Chen Chee Peng	Nil	Nil

## DIRECTORS' RESPONSIBILITY STATEMENT ON FINANCIAL STATEMENTS

The Directors are responsible for ensuring that the annual audited financial statements of the Group and the Company are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, the requirements of the Companies Act 2016 in Malaysia and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

In the preparation of financial statements, the Directors consider:

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

The Directors have general responsibilities for taking such steps that are reasonably available to them to give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year, as well as to safeguard the assets of the Company, and to prevent and detect fraud and other irregularities.

The Directors are satisfied that in preparing the financial statements of the Group for the financial year ended 30 November 2024, the Group has used the appropriate accounting policies and applied them consistently and supported by reasonable and prudent judgments and estimates. The Directors also consider that all applicable approved accounting standards have been complied with and further confirm that the financial statements have been prepared on a going concern basis.



# FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

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## DIRECTORS' REPORT

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

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries include Provision of turnkey solutions on the network infrastructure, security management and rental of EFTPOS terminals, general trading of all kinds of machinery and equipment, property and investment holding, provision of master merchant and sub-contractor services, provision of software licensing, maintenance and support services, provision of services relating to information technology including trading of computer software and hardware and investing and trading in currencies and precious commodities, operating fast food restaurants and franchising, money services business, trading of information technology related hardware and software equipment, business of consultation, supply and commissioning of information technologies relating to provision of lifestyle mobile application, management of local entertainments/ lifestyle talents, influencers, key opinion leaders, advertising contractors, agents and designers, fintech travel related services, provision of the rental services for all kinds of machinery and equipment, trading of information technology related hardware and software equipment, engaged in computer-programming activities, business of processing of documentation for business to business and business to consumer, trading of motor vehicles and business of licensed moneylenders and other related services. There has been no significant changes in the nature of these activities during the financial year.

### FINANCIAL RESULTS

	<b>Group RM</b>	<b>Company RM</b>
Loss for the financial year		
Attributable to:		
Owners of the Company	(28,029,557)	(42,233,392)
Non-controlling interests	(1,733,809)	-

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature except for the losses of the company was mainly contributed by the impairment loss on amount owing by subsidiaries and impairment loss on investment in subsidiaries amounted to RM36,943,653 and RM3,959,634 respectively.

### DIVIDEND

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

### MOVEMENTS ON RESERVES AND PROVISIONS

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

### ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid up capital of the Company during the financial year.

There were no issuance of debentures by the Company during the financial year.

## Directors' Report (Continued)

### WARRANTS 2024/2027 ("WARRANTS D")

A total 468,976,292 new Warrant D were issued by the Company on 22 July 2024 on the basis of one (1) Warrant D for every two (2) existing ordinary shares of the Company. Each Warrant D entitles the holder the right to subscribe for one (1) new ordinary share of the Company at an exercise price of RM0.10 per new ordinary share. The Warrants D will expire on 21 July 2027.

The salient terms of the above warrants 2024/2027 ("Warrants D") are as follows:

- (a) The Warrants D are constituted by a Deed Poll D dated on 27 June 2024.
- (b) The Warrants D can be exercised at any time within a period of three (3) years commencing from and including the date of issues, 22 July 2024 to 21 July 2027 ("Exercise Period"). Any Warrants D not exercised during the Exercise Period will thereafter lapsed.
- (c) Each Warrants D entitles the holder of the Warrants D to subscribe for one (1) new ordinary share in the Company.
- (d) The Warrants D holder are not entitled to any voting rights or participation in any distribution and/or offer of securities in the Company, until and unless such holders exercise their rights into new ordinary shares;
- (e) The new ordinary shares to be issued upon exercise of the Warrants D shall, upon issue and allotment, rank equally in all respects with the existing ordinary shares of the Company except that new ordinary shares will not be entitled to dividends, rights allotments and/or distributions declared by the Company, which entitlement date thereof precedes the allotment date of the new ordinary shares to be issued pursuant to the exercise of the Warrants D.

### SHARE ISSUANCE SCHEME ("SIS")

At an extraordinary general meeting held on 21 January 2016, the Company's shareholders approved the establishment of SIS of up to 30% of the issued share capital of the Company at any point in time throughout the duration of the scheme to eligible employees of the Company and its subsidiaries (excluding dormant subsidiaries) under a contract of service or for service. The directors of the Company do not qualify to participate in the SIS.

In accordance with Rule 6.44(1) of the Listing Requirements of Bursa Malaysia, the SIS became effective for a period of 5 years from 24 November 2016, being the date of full compliance of the SIS.

On 9 November 2021, the Company approved the extension of its existing SIS which was expiring on 23 November 2021 for another 5 years until 23 November 2026 in accordance with the terms of the SIS By-Laws.

No SIS was granted or exercised during the financial year ended 30 November 2024. As at 30 November 2024, the outstanding SIS are amounted to 218,960,100 number of options.

The salient features and terms of the SIS are as follows:

- (a) The total number of SIS to be offered and issued shall not exceed thirty percent (30%) of the total issued and paid-up share capital of the Company (excluding treasury shares, if any) at any one time during the duration of the SIS;
- (b) An executive or non-executive director does not qualify for participation in the SIS;
- (c) The price payable by the SIS Option holder upon the exercise of the SIS Options shall be the higher of the 5 days volume weighted average price of the Company's shares immediately preceding the offer date, with a discount of not more than ten percent (10%) or the par value of the Company's shares;
- (d) The SIS shall be in force for a period of five (5) years from the effective date, subject to any extension for a further period of maximum five (5) years;
- (e) The SIS Options shall not carry any rights to vote at any general meeting and shall not in any event be entitled to any dividends, rights, allotments and/or other distributions on the unexercised SIS Options; and
- (f) The new shares to be allotted and issued pursuant to the SIS will not be subject to any retention period.

## Directors' Report (Continued)

### OPTIONS GRANTED OVER UNISSUED SHARES

No option has been granted during the financial year to take up the unissued shares of the Company except for the SIS offered to eligible employees and Warrant D issued by the Company.

### DIRECTORS

The directors of the Company in office since the beginning of the financial year to the date of this report are:

Tan Sik Eek  
Yong Ket Inn  
Ong Siew Min  
Chen Chee Peng  
Dato' Sri Wan Ahmad Najmuddin Bin Mohd

The directors of the subsidiaries in office since the beginning of the financial year to the date of this report, excluding directors who are also directors of the Company are:

Lynch Stephen Joseph Chor  
Teoh Khai Chien  
Foo Jee Hai  
Tai, Raymond Li Jin  
Charissa Lim Zhu Ai (resigned on 22.07.2024)  
Chan Kee Wong  
Patrick Ting (resigned on 15.03.2024)  
Tay Ben Seng, Benson (appointed on 15.03.2024)

### DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, particulars of interests of director who held office at the end of the financial year in the shares in the Company during the financial year is as follows:

	←----- No. of Ordinary Shares -----→			
	<b>Balance 01.12.2023</b>	<b>Bought</b>	<b>Sold</b>	
Tan Sik Eek	40,000,000	-	-	40,000,000

None of the other directors, other than Mr. Tan Sik Eek, holding office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (*other than benefits included in the aggregate amount of emoluments received or due and receivable by directors as shown under Directors' Remuneration section below, or the fixed salary of a full-time employee of the Company*) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

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



## Directors' Report (Continued)

### DIRECTORS' REMUNERATION

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Executive Director's remuneration				
- fees	809,919	876,040	-	-
- other emoluments	1,028,129	959,774	424,558	546,359
	<u>1,838,048</u>	<u>1,835,814</u>	<u>424,558</u>	<u>546,359</u>
Non-executive Directors' remuneration				
- fees	270,028	237,552	204,000	166,000
- other emoluments	61,600	48,000	61,600	48,000
	<u>331,628</u>	<u>285,552</u>	<u>265,600</u>	<u>214,000</u>
Total directors' remuneration	<u>2,169,676</u>	<u>2,121,366</u>	<u>690,158</u>	<u>760,359</u>

### INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

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

### OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

- to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts; and
- to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

- which the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or
- 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.

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

- any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- any contingent liability of the Group and of the Company which has arisen since the end of the financial year, except as disclosed in Note 37 to the financial statements.

## Directors' Report (Continued)

### OTHER STATUTORY INFORMATION (CONTINUED)

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

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made.

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR

The significant events during the financial year and significant events subsequent to the financial year are as follows:

- (a) On 11 January 2024, the Company announced and proposed to undertake a proposed bonus issue of up to 468,976,320 new warrants in NetX ("Warrants D") on the basis of 1 Warrant D for every 2 existing ordinary shares in NetX held by the entitled shareholders.

On 27 March 2024, Bursa Securities approved the following:

- (i) admission to the Official List and listing and quotation of up to 468,976,320 Warrants D to be issued pursuant to the bonus issue of warrants; and
- (ii) listing and quotation of up to 468,976,320 new ordinary share to be issued arising from the exercise of Warrants D.

On 9 April 2024, the Company announced an Extraordinary General Meeting ("EGM") had been scheduled to be convened on 29 April 2024 for the purpose of considering the above proposals. The shareholders of the Company had approved the proposals in the EGM.

On 27 June 2024, on behalf of the Board, TA Securities announced that the Board fixed the exercise price of the Warrants D at RM0.10 per Warrant D. The exercise price of the Warrants D represents a discount of approximately 18.96% to the TEAP of RM0.1234, calculated based on the 5-day VWAP up to and including 26 June 2024 (being the last trading day before the date of this announcement) of RM0.1351.

On 23 July 2024, the Company announced the Warrants D will be admitted to the Official List of Bursa Securities and the listing and quotation of the Warrants D on the ACE Market will be granted with effect from 9.00 a.m., Thursday, 25 July 2024. The Stock Short Name, Stock Number and ISIN Code of the Warrants D are "NETX-WD", "0020WD" and "MYQ0020WD770".

- (b) On 19 December 2024, the Company's equity interest in Saudi Burger Holdings Sdn. Bhd. ("SBHSB") reduced from 51% to 49% due to subscription of additional shares by non-controlling interest in SBHSB.
- (c) On 23 January 2025, the Company's equity interest in EFX Global Pty Ltd ("EFX Global") reduced from 100% to 2% due to subscription of additional shares in EFX Global.

### AUDITORS

The auditors' remuneration for the financial year ended 30 November 2024 of the Group and of the Company amounted to RM243,428 (2023: RM225,870) and RM92,000 (2023: RM82,000) respectively.

The auditors, Messrs SBY Partners PLT, Chartered Accountants, have expressed their willingness to continue in office.

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

**TAN SIK EEK**  
Director

**ONG SIEW MIN**  
Director

Kuala Lumpur,  
Date: 25 March 2025

## STATEMENT BY DIRECTORS

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

In the opinion of the directors, the financial statements set out on pages 67 to 128 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 November 2024 and of the financial performance and cash flows of the Group and of the Company for the financial year ended on that date.

Signed in Kuala Lumpur on 25 March 2025

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

**TAN SIK EEK**  
*Director*

**ONG SIEW MIN**  
*Director*

## STATUTORY DECLARATION

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

I, Tan Sik Eek, being the director primarily responsible for the financial management of NetX Holdings Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief the financial statements set out on pages 67 to 128 are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by  
the abovenamed, Tan Sik Eek at  
Kuala Lumpur on 25 March 2025

Before me

**TAN SIK EEK**

**AMIR BIN ISMAIL**  
License No: W800  
**Commissioner for Oaths**

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NETX HOLDINGS BERHAD  
(INCORPORATED IN MALAYSIA)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of NetX Holdings Berhad, which comprise the statements of financial position as at 30 November 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a material accounting policy information, as set out on pages 67 to 128.

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

### Basis for Opinion

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

### Independence and Other Ethical Responsibilities

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

### Key Audit Matters

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

Risk area and rationale	Our response
<p><b>Intangible assets</b> (Note 8 to the financial statements)</p> <p>The carrying amount of intangible assets as at 30 November 2024 is amounted to RM Nil.</p> <p>During the financial year, the management has provided the following:</p> <p>(i) Impairment loss on intangible assets amounted to RM1,852,072; and</p> <p>(ii) Amortisation of intangible assets amounted to RM4,073,583; and</p> <p>(iii) Written off on intangible assets amounted to RM9,425.</p> <p>We determined this to be a key audit matter because it requires significant judgments and estimates on the future results and key assumptions that is applied across the cash flow projections of the cash-generating-units (CGU) in determining the recoverable amounts. These key assumptions include forecasted revenue growth rates, operating profits margins and appropriate pre-tax discount rate.</p>	<p>Our audit procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>- checked to the source documents and evaluated the appropriateness of the development costs to be capitalised as additions to intangible assets;</li> <li>- sighted to the trademark certificates issued by the approving authorities;</li> <li>- compared prior periods forecast to actual outcomes to assess reliability of management's forecasting process;</li> <li>- assessed and evaluated the key assumptions used in forecasting revenues, operating profits margins and growth rates;</li> <li>- assessed appropriateness of pre-tax discount rate used by the management by comparing to the market data, the market weighted average cost of capital and the relevant risk factors;</li> <li>- agreed the input data used by management to supporting evidence by verifying the actual results and financial budgets that is approved by the management; and</li> <li>- performed sensitivity analysis to stress test the key assumptions used in the cash flow projections to evaluate the impact on the impairment assessment.</li> </ul>

## Independent Auditors' Report (Continued)

To the members of NetX Holdings Berhad  
(Incorporated in Malaysia)

### Report on the Audit of the Financial Statements (Continued)

#### Key Audit Matters (Continued)

Risk area and rationale	Our response
<p><b>Goodwill</b> (Note 11 to the financial statements)</p> <p>The carrying amount of Goodwill as at 30 November 2024 is amounted to RM1,528,995.</p> <p>We determined this to be a key audit matter as the process is complex and it requires significant judgments and estimates on the future results and key assumptions that is applied across the cash flow projections of the cash-generating-units (CGU) in determining the recoverable amounts. These key assumptions include forecasted revenue growth rates, operating profit margins, and as well as determining an appropriate pre-tax discount rate used for each CGU.</p>	<p>Our audit procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>- compared prior periods forecast to actual outcomes to assess reliability of management's forecasting process;</li> <li>- assessed and evaluated the key assumptions used in forecasting revenues, operating profits margins and growth rates;</li> <li>- assessed appropriateness of pre-tax discount rates used by management by comparing to the market data, the market weighted average cost of capital and the relevant risk factors;</li> <li>- challenged and made enquiries on the management on the key inputs used in the measurement methods;</li> <li>- performed sensitivity analysis to stress test the key assumptions used in the cash flow projections to evaluate the impact on the impairment assessment; and</li> <li>- agreed the input data used by management to supporting evidence by verifying the actual results and financial budgets approved by the management.</li> </ul>
<p><b>Trade receivables and other receivables, deposits and prepayments</b> (Notes 13 and 14 to the financial statements)</p> <p>The carrying amount of Group's trade receivables and other receivables, deposits and prepayments as at 30 November 2024 amounted to RM16,030,608 and RM5,991,029 respectively.</p> <p>During the financial year, the management has provided the followings:</p> <p>(i) Reversal of impairment losses on trade receivables amounted to RM1,297,815; and</p> <p>(ii) Impairment loss on trade receivables amounted to RM1,015,453.</p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>- recomputed the probability of default using the historical data and forward-looking information adjustment;</li> <li>- challenged and made enquiries on the management on the key inputs used in the measurement methods and the rationale underlying the relationship between the forward-looking information used by the Company;</li> <li>- tested the accuracy and completeness of data used in the computation of the expected credit losses;</li> <li>- assessed the ageing analysis of trade receivables; and</li> <li>- reviewed the collection of trade receivables, other receivables and deposits subsequent to the financial year.</li> </ul>

## Independent Auditors' Report (Continued)

To the members of NetX Holdings Berhad  
(Incorporated in Malaysia)

### Report on the Audit of the Financial Statements (Continued)

#### Key Audit Matters (Continued)

Risk area and rationale	Our response
<p><b>Investment Properties</b> (Note 6 to the financial statements)</p> <p>As at 30 November 2024, the Group's investment properties is amounted to RM38,037,814. The valuation of the Group's investment properties for freehold building (Sungai Wang Plaza) were performed by independent external valuers based on the income approach method.</p> <p>The Group's other freehold and leasehold building's fair value was assessed for impairment based on the Directors' assessment of the current year price in an active market for the respective properties within each vicinity.</p> <p>We determined this to be a key audit matter because of the complexities in determining the fair value of the investment properties, in which significant estimates and judgements in determining the appropriate valuation methodologies and estimating the underlying assumptions to be applied.</p>	<p>Our audit procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>- obtained and read the valuation report issued by independent external valuer. Based on this report, we discussed the valuation methodologies and assumptions used in the valuation report with the independent external valuer;</li> <li>- agreed rental rates, rental period, net lettable area and outgoing expenses to the underlying tenancy agreements where applicable and held discussion with valuer to understand the factors they have considered in adopting the inputs, including any market factors;</li> <li>- discussed with valuer to understand the basis of parameters applied to transacted price per square foot;</li> <li>- challenged the valuer on the certain key inputs and estimates used;</li> <li>- performed sensitivity analysis to stress test the key inputs and estimates;</li> <li>- ensured that the Directors select the close by properties (within the vicinity) that is available for sale as a benchmark to compute the market value; and</li> <li>- recomputed the computation on the adjustments made to reflect the differences in land or floor size.</li> </ul>

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

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

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

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

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



# Independent Auditors' Report (Continued)

To the members of NetX Holdings Berhad  
(Incorporated in Malaysia)

## Report on the Audit of the Financial Statements (Continued)

### *Responsibilities of the Directors for the Financial Statements*

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

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

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

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

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

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

# Independent Auditors' Report (Continued)

To the members of NetX Holdings Berhad  
(Incorporated in Malaysia)

## Report on the Audit of the Financial Statements (Continued)

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

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

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

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

## Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 9 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 for this report.

### **SBY PARTNERS PLT**

Reg. No: 202106000003 (LLP0026726-LCA) AF: 0660  
Chartered Accountants

### **SUKHPAL SINGH A/L KAUR SINGH**

03494/05/2026 J  
Chartered Accountant

Kuala Lumpur,  
Date: 25 March 2025

## STATEMENTS OF FINANCIAL POSITION

AS AT 30 NOVEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Plant and equipment	5	1,777,742	3,388,271	4,323	7,202
Investment properties	6	38,037,814	39,456,355	-	-
Right-of-use assets	7	1,584,279	2,197,609	-	-
Intangible assets	8	-	5,628,956	-	-
Investment in subsidiaries	9	-	-	11,094,932	51,648,269
Other investments	10	6,841,779	5,207,124	-	-
Goodwill on consolidation	11	1,528,995	5,939,511	-	-
		49,770,609	61,817,826	11,099,255	51,655,471
<b>CURRENT ASSETS</b>					
Inventories	12	130,150	201,635	-	-
Trade receivables	13	16,030,608	13,337,020	-	-
Other receivables, deposits and prepayments	14	5,991,029	9,941,907	12,588	14,817
Contract assets	15	2,590,234	859,879	-	-
Amount owing by subsidiaries	16	-	-	-	1,000,000
Current tax assets		117,735	84,500	-	-
Short-term investments	17	100	97	100	97
Cash and bank balances	18	55,500,165	65,012,643	138,300	785,880
		80,360,021	89,437,681	150,988	1,800,794
<b>TOTAL ASSETS</b>		130,130,630	151,255,507	11,250,243	53,456,265
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	19	212,029,088	212,029,088	212,029,088	212,029,088
Reserves	20	(121,926,625)	(97,036,517)	(200,912,615)	(158,679,223)
Total equity attributable to owners of the Company		90,102,463	114,992,571	11,116,473	53,349,865
Non-controlling interests		(5,659,511)	(4,454,135)	-	-
<b>TOTAL EQUITY</b>		84,442,952	110,538,436	11,116,473	53,349,865
<b>LIABILITIES</b>					
<b>NON-CURRENT LIABILITIES</b>					
Lease liabilities	26	873,362	1,454,229	-	-
Term loan	21	11,493,765	19,504,837	-	-
Deferred tax liabilities	22	331,738	126,989	-	-
Redeemable Non-Convertible Preference Shares	23	5,000,000	-	-	-
		17,698,865	21,086,055	-	-
<b>CURRENT LIABILITIES</b>					
Trade payables	24	6,512,446	5,041,291	-	-
Other payables, accruals and deposits received	25	10,049,801	5,299,052	133,770	106,400
Contract liabilities	15	3,689,318	2,375,625	-	-
Lease liabilities	26	733,213	807,213	-	-
Term loan	21	7,003,998	6,107,807	-	-
Current tax liabilities		37	28	-	-
		27,988,813	19,631,016	133,770	106,400
<b>TOTAL LIABILITIES</b>		45,687,678	40,717,071	133,770	106,400
<b>TOTAL EQUITY AND LIABILITIES</b>		130,130,630	151,255,507	11,250,243	53,456,265

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

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

AS AT 30 NOVEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
REVENUE	27	12,347,183	16,831,630	-	-
COST OF SALES		(4,367,073)	(8,406,674)	-	-
GROSS PROFIT		7,980,110	8,424,956	-	-
OTHER OPERATING INCOME		2,956,774	12,118,397	305	67,073
ADMINISTRATIVE EXPENSES		(26,291,013)	(26,935,122)	(1,330,411)	(1,255,955)
OTHER OPERATING EXPENSES		(13,165,614)	(5,824,540)	(40,903,286)	(144,966)
LOSS FROM OPERATIONS		(28,519,743)	(12,216,309)	(42,233,392)	(1,333,848)
FINANCE COSTS	28	(1,037,452)	(2,058,733)	-	-
LOSS BEFORE TAXATION	29	(29,557,195)	(14,275,042)	(42,233,392)	(1,333,848)
INCOME TAX EXPENSES	30	(206,171)	-	-	-
LOSS FOR THE FINANCIAL YEAR		(29,763,366)	(14,275,042)	(42,233,392)	(1,333,848)
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>					
<u>Items that are reclassified subsequently to profit or loss</u>					
- exchange differences on translation of the financial statements of foreign subsidiary companies		3,422,882	(2,802,967)	-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR</b>		(26,340,484)	(17,078,009)	(42,233,392)	(1,333,848)
<b>LOSS ATTRIBUTABLE TO:</b>					
Owners of the Company		(28,029,557)	(13,524,734)		
Non-controlling interests		(1,733,809)	(750,308)		
		(29,763,366)	(14,275,042)		
<b>TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:</b>					
Owners of the Company		(24,890,108)	(16,094,624)		
Non-controlling interests		(1,450,376)	(983,385)		
		(26,340,484)	(17,078,009)		
<b>LOSS PER SHARE (Sen)</b>					
Basic	31	(2.99)	(1.56)		
Diluted	31	N/A	N/A		

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

## STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

GROUP	Note	← Attributable to owners of the Company →		← Non-Distributable → Distributable		Attributable to owners of the Company	Non-controlling interests	Total equity
		Share capital	Warrant reserve	Foreign currency translation reserve	Accumulated losses			
At 30 November 2022/1 December 2022		205,876,718	19,226,263	(3,026,714)	(95,618,308)	126,457,959	(5,143,527)	121,314,432
<u>Transactions with owners:</u>								
Acquisition of subsidiary		-	-	-	-	-	(2,347)	(2,347)
Change in ownership interests in a subsidiary company		-	-	-	(1,523,134)	(1,523,134)	1,185,124	(338,010)
Issuance of shares pursuant to exercise of private placement	19	3,761,851	-	-	-	3,761,851	-	3,761,851
Issuance of shares pursuant to exercise of detachable Warrant C	19	2,390,519	-	-	-	2,390,519	-	2,390,519
Reversal of warrant reserves due to exercise of detachable Warrant C	19	-	(2,390,519)	-	2,390,519	-	-	-
Expiration of detachable Warrant C	20	-	(16,835,744)	-	16,835,744	-	-	-
Subscription of additional equity share by NCI		-	-	-	-	-	490,000	490,000
		6,152,370	(19,226,263)	-	17,703,129	4,629,236	1,672,777	6,302,013
Loss after taxation		-	-	-	(13,524,734)	(13,524,734)	(750,308)	(14,275,042)
Other comprehensive loss:								
Foreign currency translation reserve		-	-	(2,569,890)	-	(2,569,890)	(233,077)	(2,802,967)
Total comprehensive loss for the financial year		-	-	(2,569,890)	(13,524,734)	(16,094,624)	(983,385)	(17,078,009)
At 30 November 2023/1 December 2023		212,029,088	-	(5,596,604)	(91,439,913)	114,992,571	(4,454,135)	110,538,436
<u>Transactions with owners:</u>								
Subscription of additional equity share by NCI		-	-	-	-	-	245,000	245,000
		-	-	-	-	-	245,000	245,000
Loss after taxation		-	-	-	(28,029,557)	(28,029,557)	(1,733,809)	(29,763,366)
Other comprehensive income:								
Foreign currency translation reserve		-	-	3,139,449	-	3,139,449	283,433	3,422,882
Total comprehensive income/(loss) for the financial year		-	-	3,139,449	(28,029,557)	(24,890,108)	(1,450,376)	(26,340,484)
At 30 November 2024		212,029,088	-	(2,457,155)	(119,469,470)	90,102,463	(5,659,511)	84,442,952

Company	Note	Share capital	Warrant reserve	Accumulated losses	Total equity
		RM	RM	RM	RM
At 30 November 2022/1 December 2022		205,876,718	19,226,263	(176,571,638)	48,531,343
<u>Transactions with owners:</u>					
Issuance of shares pursuant to exercise of private placement	19	3,761,851	-	-	3,761,851
Issuance of shares pursuant to exercise of detachable Warrant C	19	2,390,519	-	-	2,390,519
Reversal of warrant reserves due to exercise of detachable Warrant C	19	-	(2,390,519)	2,390,519	-
Expiration of detachable Warrant C	20	-	(16,835,744)	16,835,744	-
Total transactions with owners		6,152,370	(19,226,263)	19,226,263	6,152,370
Total comprehensive loss for the financial year		-	-	(1,333,848)	(1,333,848)
At 30 November 2023/1 December 2023		212,029,088	-	(158,679,223)	53,349,865
Total comprehensive loss for the financial year		-	-	(42,233,392)	(42,233,392)
At 30 November 2024		212,029,088	-	(200,912,615)	11,116,473

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

# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Loss before taxation		(29,557,195)	(14,275,042)	(42,233,392)	(1,333,848)
<i>Adjustments for:</i>					
Amortisation of intangible assets	8	4,073,583	4,159,449	-	-
Bad debts written off	13	930,778	-	-	-
Depreciation of plant and equipment	5	1,486,926	1,648,585	2,879	144,966
Depreciation of investment properties	6	1,418,541	1,418,542	-	-
Depreciation of right-of-use assets	7	759,766	617,686	-	-
Fair value losses on other investments	10	4,207,081	2,860,290	-	-
Reversal of other payables		-	(480,000)	-	-
Fair value gain on short-term investments		(3)	(47,269)	(3)	(47,269)
Gain on disposal of plant and equipment		(9,555)	-	-	-
Gain on disposal of short-term investments		-	(17,352)	-	(17,352)
Gain on lease derecognition		(26,854)	-	-	-
Unrealised (gain)/loss on foreign exchange		6,159,176	(6,099,584)	-	-
Loss on disposal of other investments		(48,687)	505,777	-	-
Impairment losses on amount owing by subsidiaries		-	-	3,959,634	-
Impairment losses on goodwill	11	4,410,516	-	-	-
Impairment losses on investment in subsidiaries		-	-	36,943,653	-
Impairment losses on intangible assets	8	1,852,072	1,079,598	-	-
Impairment losses on trade receivables	13	1,015,453	1,377,711	-	-
Intangible assets written off	8	9,425	-	-	-
Interest expenses		1,037,453	2,058,733	-	-
Interest income		(828,276)	(2,431,460)	(302)	(2,452)
Inventories written off	12	1,454	1,165	-	-
Plant and equipment written off	5	731,541	-	-	-
Reversal of impairment losses on trade receivables	13	(1,297,815)	(4,330)	-	-
Reversal of over accrual of interest expense		-	(1,119,257)	-	-
<i>Operating loss before working capital changes</i>		(3,674,620)	(8,746,758)	(1,327,531)	(1,255,955)
Changes in contract assets/contract liabilities		(416,662)	1,342,651	-	-
Decrease/(Increase) in inventories		70,032	(164,397)	-	-
Increase in trade receivables		(2,693,588)	(5,101,718)	-	-
Decrease in other receivables, deposits and prepayments		3,080,456	1,768,322	2,229	2,250
Increase in trade payables		1,471,155	4,090,906	-	-
(Decrease)/Increase in other payables, accruals and deposits received		(2,614,648)	5,694,837	27,370	2,000
<i>Cash used in operating activities</i>		(4,777,875)	(1,116,157)	(1,297,932)	(1,251,705)
Interest received		828,276	2,431,460	302	2,452
Tax refunded		-	5,000	-	-
Tax paid		(34,649)	(29,719)	-	-
<i>Net cash (used in)/generated from operating activities</i>		(3,984,248)	1,290,584	(1,297,630)	(1,249,253)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Acquisition of intangible assets	8	(367,707)	(683,849)	-	-
Acquisition of subsidiary	9	-	(1,020)	-	-
Acquisition of additional equity interest in subsidiaries		-	(338,010)	-	-
Additions in other investments	10	(7,018,347)	(3,431,035)	-	-
Advance to subsidiaries	33(c)	-	-	-	(1,000,000)
Investment in subsidiaries		-	-	650,050	(11,625,275)
Proceeds from disposal of other investments		1,488,253	1,554,154	-	-
Proceeds from disposal of short-term investments	33(d)	-	6,749	-	6,749
Proceeds from disposal of plant and equipment		442,476	1,418	-	-
Purchase of plant and equipment	5	(1,063,333)	(2,093,792)	-	-
Subscription of additional equity share by non-controlling interests		245,000	490,000	-	-
<i>Net cash (used in)/generated from investing activities</i>		(6,273,658)	(4,495,385)	650,050	(12,618,526)

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



## Statements of Cash Flows (Continued)

For the financial year ended 30 November 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Interest expenses	33 (b)	(406,509)	-	-	-
Interest paid on term loan	33 (b)	(537,724)	(1,939,918)	-	-
Interest paid on lease liabilities	33 (b)	(93,219)	(118,815)	-	-
Withdrawal of short-term investments	33 (d)	-	7,124,712	-	7,124,712
Proceeds from exercise of warrants		-	2,390,519	-	2,390,519
Proceeds from issuance of shares pursuant to private placement		-	3,761,851	-	3,761,851
Proceeds from issuance of redeemable non-convertible preference shares		5,000,000	-	-	-
Repayment of lease liabilities	33 (b)	(809,313)	(562,859)	-	-
Repayment of term loan	33 (b)	(7,114,881)	(5,413,083)	-	-
<i>Net cash (used in)/generated from financing activities</i>		(3,961,646)	5,242,407	-	13,277,082
<i>Net (decrease)/increase in cash and cash equivalents</i>		(14,219,552)	2,037,606	(647,580)	(590,697)
<i>Cash and cash equivalents at the beginning of the financial year</i>		65,012,643	62,888,025	785,880	1,376,577
<i>Effect of exchange differences</i>		4,707,074	87,012	-	-
<i>Cash and cash equivalents at the end of the financial year (Note A)</i>		55,500,165	65,012,643	138,300	785,880

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<b>NOTES TO STATEMENTS OF CASH FLOWS</b>				
(A) Cash and cash equivalents comprise:				
Short-term investments	100	97	100	97
Cash and bank balances	55,500,165	65,012,643	138,300	785,880
	55,500,265	65,012,740	138,400	785,977
Less: Short-term investments	(100)	(97)	(100)	(97)
	55,500,165	65,012,643	138,300	785,880

(B) Cash outflows for right-of-use assets are as follow:

	Group	
	2024 RM	2023 RM
<u>Included in net cash used in operating activities:</u>		
- Interest paid in relation to lease liabilities	93,219	118,815
- Payment relating to small value assets	9,527	15,945
- Payment relating to short-term leases	345,295	221,139
<u>Included in net cash used in financing activities:</u>		
- Payment for the principal portion of lease liabilities	809,313	562,859
Total cash outflow for leases	1,257,354	918,758

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

# NOTES TO THE FINANCIAL STATEMENTS

- 30 NOVEMBER 2024

## 1. GENERAL INFORMATION

The Company is a public limited company, incorporated and domiciled in Malaysia and listed on ACE Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

The address of the registered office of the Company is 22-09, Menara 1MK, No. 1, Jalan Kiara, Mont Kiara, 50480 Kuala Lumpur, Wilayah Persekutuan.

The principal activity of the Company is investment holding, research and development of software, system design, integration and installation and provision of information technology services. The principal activities of the subsidiaries are set out in Note 9.

The address of the principal place of business of the Company is 1-G, Street Wing, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor.

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The financial statements have been prepared under the historical cost convention, except as disclosed in Note 3 to the financial statements on material accounting policy information below..

At the beginning of the financial year, the Group and the Company have adopted the following new MFRS and amendments to MFRSs issued by the Malaysian Accounting Standards Board, effective for the annual periods beginning on or after 1 December 2023:

MFRS 17 Insurance Contracts

Amendments to MFRS 4 Insurance Contracts - Extension of the Temporary Exemption from Applying MFRS 9

Amendments to MFRS 17 Insurance Contracts - Initial Application of MFRS 17 and MFRS 9 - Comparative Information

Amendments to MFRS 101 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current & Disclosure of Accounting Policies

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates

Amendments to MFRS 112 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction & International Tax Reform - Pillar Two Model Rules

The adoption of the above new MFRS and amendments to MFRSs did not have any material impacts on the financial statements of the Group and of the Company.

### MFRSs and amendments to MFRSs that have been issued but are not yet effective

The MFRSs and amendments to MFRSs that have been issued and applicable to the Group and the Company but are not yet effective up to the date of issuance of the Group’s and the Company’s financial statements are disclosed below. The Group and the Company intend to adopt these standards when they become effective.

<b>MFRSs and Amendments to MFRSs</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 16 Leases – Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Presentation of Financial Statements - Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments - Disclosure - Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7 - Classification and Measurement of Financial Instruments	1 January 2026

# Notes to the Financial Statements (Continued)

30 November 2024

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

### MFRSs and amendments to MFRSs that have been issued but are not yet effective (Continued)

<b>MFRSs and Amendments to MFRSs</b>	<b>Effective for annual periods beginning on or after</b>
Amendments that are part of Annual Improvements-Volume 11:	
- Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
- Amendments to MFRS 7: Financial Instruments: Disclosures	
- Amendments to MFRS 9: Financial Instruments	
- Amendments to MFRS 10: Consolidated of Financial Statements	
- Amendments to MFRS 107: Statement of Cash Flows	
Amendments to MFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRS 19 – Subsidiaries without Public Accountability : Disclosures Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 and MFRS 7)	1 January 2027
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of these new MFRSs and amendments to MFRSs that have been issued but are not yet effective is not expected to have a material impact to the financial statements of the Group and of the Company.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

All material accounting policy information set out below are consistent with those applied in the previous financial year unless otherwise stated.

### (a) Basis of consolidation

The financial statements of the Group include the financial statements of the Company and its subsidiaries made up to the end of the financial year. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

#### (i) *Acquisition method of accounting for non-common control business combinations*

Acquisition of subsidiaries is accounted for by applying the acquisition method. Under the acquisition method of accounting, identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

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

The Group elects, for each individual business combination, whether to recognise non-controlling interest in the acquiree (if any) at fair value on the acquisition date, or the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statements of financial position. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(a) Basis of consolidation (Continued)

(ii) *Non-controlling interest*

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and is presented separately in the statements of profit or loss and other comprehensive income and within equity in the statements of financial position, separately from equity attributable to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

(b) Investment in subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Group. The Group controls the entities when it is exposed, or has rights, to variable returns from its involvement with the entities and has the ability to affect those returns through its power over the entities.

In the Company's separate financial statements, investment in subsidiaries is stated at cost less any impairment, unless the investment is classified as held for sale. The impairment loss is recognised in the profit or loss.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is charged or credited to profit or loss.

(c) Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, where applicable.

Plant and equipment are depreciated on a straight-line basis to write off the cost of each asset to their residual values over their estimated useful lives as follows:

EFTPOS terminals	8 years
Office equipment	3 - 10 years
Furniture and fittings	2 - 10 years
Machinery	2 years
Software and hardware	5 years
Renovation	2 - 10 years
Equipment and kitchen utensils	3 years

The residual values, useful lives and depreciation method of plant and equipment are reviewed at the end of each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

On disposal of plant and equipment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss in determining profit from operations.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### (d) Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The Group uses the cost model to measure its investment properties after initial recognition.

Investment properties are derecognised either when they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gains or losses on the retirement or disposal of investment properties are recognised in profit or loss in the financial year in which they arise.

Depreciation is provided on a straight-line method so as to write off the depreciable amount of the following assets over their estimated useful lives, as follows:

Leasehold building	97 years
Freehold building	30 years

#### (e) Goodwill

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in profit or loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Under the acquisition method, goodwill represents the excess of the fair value of the purchase consideration over the Group's share of the fair values of the identifiable assets, liabilities and contingent liabilities of the subsidiary at the date of acquisition.

If, after reassessment, the Group's interest in the fair values of the identifiable net assets of the subsidiaries exceeds the cost of the business combinations, the excess i.e. bargain purchase is recognised as income immediately in profit or loss.

#### (f) Intangible assets - Research and development costs

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The useful life of intangible assets is assessed to be either finite or indefinite. Intangible assets with finite useful life are amortised on a straight-line basis over the estimated economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period for an intangible asset with a finite useful life is reviewed at the end of each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful life is recognised in the profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful life are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying value may be impaired either individually or at cash-generating-unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gain or losses arising from the derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the profit or loss when the asset is derecognised.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### (f) Intangible assets - Research and development costs (Continued)

##### *Application software development costs*

Costs associated with developing application software programmes that are considered to be capable of generating future economic benefits are capitalised in the financial statements, otherwise they are expensed off in the profit or loss. The development costs consist of staff costs directly incurred in the development of the application software.

Application software development costs recognised as assets are stated at cost less accumulated amortisation and any accumulated impairment losses. Application software development costs, which are regarded to have finite useful lives are amortised on a straight-line basis over their estimated useful lives of 10 years.

The carrying amount of these costs is reviewed annually and will be written down when their value had deteriorated or when they cease to have any economic useful life.

Deferred development costs arising from development expenditures on an individual project are recognised when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, the ability of the asset to generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during development.

#### (g) Impairment of non-financial assets

The carrying amount of assets, other than those in which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting date for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying value of the assets with their recoverable amount. The recoverable amount of the assets is the higher of the assets' net selling price and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is charged to profit or loss immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount.

A reversal of an impairment loss on a revalued asset is credited to other comprehensive income. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in profit or loss, a reversal of that impairment loss is recognised as income in profit or loss.

#### (h) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined based on the first-in-first-out basis and is the aggregate of the original cost of purchases plus the cost of bringing the inventories to their present conditions and locations.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and the estimated costs necessary to make the sale.



## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### (i) Financial assets

All regular way of purchases or sale of financial assets are recognised and derecognised on a trade date basis. Regular way of purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### (i) *Classification of financial assets*

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income ('FVTOCI'):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss ('FVTPL').

#### (ii) *Amortised cost and effective interest method*

At initial recognition, financial assets are measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

For purchased or originated credit-impaired financial assets, the Group and the Company recognise interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial assets from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "investment income" line item.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Financial assets (Continued)

(iii) *Debt instruments classified as FVTOCI*

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group and the Company classify their debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the assets are derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- FVTOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements of gains or losses in the carrying amount are taken through other comprehensive income ('OCI'), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. Accumulated OCI is reclassified from equity to profit or loss and recognised in other gains/losses upon derecognition of the financial assets. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.
- FVTPL: Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented net in the profit or loss within other gains/losses in the period in which it arises.

(iv) *Equity instruments*

The Group and the Company subsequently measure all equity instruments at fair value. Where the Group's and the Company's management have elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the instruments. Dividends from such instruments continue to be recognised in profit or loss as other income when the Group's and the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gain/losses in the profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity instruments measured at FVTOCI are not reported separately from other changes in fair value.

(v) *Financial assets at FVTPL*

This category comprises only in-the-money derivatives. They are carried in the statements of financial position at fair value with changes in fair value recognised in the profit or loss in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Group and the Company do not have any assets held for trading nor do they voluntarily classify any financial assets as being at FVTPL.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### (i) Financial assets (Continued)

##### (vi) *Impairment of financial assets*

The Group and the Company recognise a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. Any impairment gain or loss arising from such changes is to be recognised in profit or loss.

The Group and the Company recognise lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

##### (vii) *Derecognition of financial assets*

The Group and the Company derecognise a financial asset when the contractual right to the cash flows from the financial asset expired, or the Group and the Company transfer the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group and the Company neither transfer nor retain substantially all of the risks and rewards of ownership and the Group and the Company do not retain control of the financial asset.

In the event the Group and the Company enter into transactions whereby the Group and the Company transfer assets recognised in statements of financial position, but retain either all or substantially all of the risks and rewards of the transferred assets, in these cases, the transferred assets are not derecognised.

#### (j) Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

##### (i) *Financial liabilities at FVTPL*

This category comprises only out-of-the-money derivatives. They are carried in the statements of financial position at fair value with changes in fair value recognised in the profit or loss. The Group and the Company do not have any liabilities held for trading nor have the Group and the Company designated any financial liabilities as being at FVTPL.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Financial liabilities (Continued)

(ii) *Other financial liabilities*

Other financial liabilities include the following items:

- bank borrowings, where such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statements of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs as well as any interest payable while the liability is outstanding; and
- payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

(iii) *Derecognition of financial liabilities*

The Group and the Company derecognise a financial liability when their contractual obligations are discharged or cancelled, or expired. The Group and the Company also derecognise a financial liability when the terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(k) Equity instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

All transactions with the owners of the Company are recorded separately within equity.

(l) Contract assets and contract liabilities

(i) *Contract assets*

Contract asset represents service contracts cost which comprise of cost related directly to the specific contract and those that are attributable to the contract activity in general and can be allocated to the contract and such other costs that are specifically chargeable to the customer under the terms of the contract. Contract costs includes direct labour, expenses and an appropriate proportion of contract overheads.

Revenue from work done on service contract is recognised based on the stage of completion method. The stage of completion is determined based on proportion of contract costs incurred for work performed to date to the estimated total contract costs.

When the outcome of a contract cannot be estimated reliably, the contract revenue shall be recognised only to the extent of contract costs incurred that is probable to be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the foreseeable loss is recognised as an expense immediately.

The aggregate costs incurred and profit or loss recognised on each contract is compared against the progress billings up to the financial year end. Where costs incurred plus recognised profits (less recognised losses) exceed progress billings, the balance is shown as contract assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as contract liabilities.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(l) Contract assets and contract liabilities (Continued)

(ii) *Contract liabilities*

Contract liabilities represents the Group's obligation to transfer goods or services to customers for which the Group has received the consideration or has billed to the customer. The contract liabilities of the Group comprise of deferred revenue where the Group has billed or has collected the payment before services are provided to the customers.

(m) Lease

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Company assess whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset. The customer has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what the purpose the asset is used is predetermined, the customer has the right to direct the use of the asset if either the customer has the right to operate the asset; or the customer designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group and the Company allocate the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group or the Company is a lessee, the Group and the Company have elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

#### Recognition and measurement

(i) *Initial measurement*

*As a Lessor*

When the Group or the Company act as a lessor, it determines at lease inception whether each lease is a finance lease or operating lease.

To clarify each lease, the Group and the Company make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is operating lease.

If an arrangement contains lease and non-lease components, the Group and the Company apply MFRS 15 to allocate the consideration in the contract based on stand-alone selling prices.

When the Group and the Company are the intermediate lessor, they account for their interest in the head lease and the sublease separately. They assess the lease classification of a sublease with reference to the right-of-use assets arising from head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group and the Company apply the exemption described above, then the Group and the Company classify the sublease as an operating lease.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### (m) Lease (Continued)

##### Recognition and measurement (Continued)

#### (i) *Initial measurement (Continued)*

##### *As a Lessee*

The Group and the Company recognise right-of-use assets and lease liabilities at the lease commencement date. The right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying assets or to restore the underlying assets or the site on which they are located, less any lease incentives received.

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

Lease payments included in the measurement of the lease liabilities comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Group or the Company is reasonably certain to exercise; and
- penalties for early termination of a lease unless the Group or the Company is reasonably certain not to early terminate the contract.

The Group and the Company exclude variable lease payments that linked to future performance or usage of the underlying assets from the lease liabilities. Instead, these payments are recognised in profit or loss in the period in which the performance or use occurs.

The Group and the Company assess at lease commencement whether the Group and the Company are reasonably certain to exercise the extension options in determining the lease term.

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and lease of low-value assets. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### (ii) *Subsequent measurement*

##### *As a Lessor*

The Group and the Company recognise lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

##### *As a Lessee*

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of plant and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.



# Notes to the Financial Statements (Continued)

30 November 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (m) Lease (Continued)

#### Recognition and measurement (Continued)

#### (ii) *Subsequent measurement (Continued)*

##### *As a Lessee (Continued)*

The lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a revision of in-substance fixed lease payments, or if there is a change in the Group's and the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Group and the Company change their assessment of whether the Group and the Company will exercise a purchase, extension or termination option.

When the lease liabilities are remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use assets or is recorded in profit or loss if the carrying amount of the right-of-use assets has been reduced to zero.

When there is lease modification due to increase in the scope of lease by adding to the right-of-use assets, one or more underlying assets, the Group and the Company assess whether the lease modification shall be accounted for as a separate lease or similar to reassessment of lease liabilities. The Group and the Company account for lease modification as a separate lease when the consideration for the lease increases by an amount that commensurate with the stand-alone price for the increase in scope and any appropriate adjustments.

When there is lease modification due to decrease in scope, the Group and the Company decrease the carrying amount of the right-of-use assets and remeasure the lease liabilities to reflect the partial or full termination of the lease. The corresponding gain or loss shall be recognised in profit or loss. Lease liabilities are remeasured for all other lease modifications with corresponding adjustments to the right-of-use assets.

### (n) Revenue recognition

Revenue which represents income arising in the course of the Group's and the Company's ordinary activities is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group and the Company transfer the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Group and the Company and their customers have approved the contract and intend to perform their respective obligations, the Group's and the Company's and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Group and the Company will collect the consideration to which the Group and the Company will be entitled to in exchange for those goods or services.

#### Recognition and measurement

At the inception of each contract with customer, the Group and the Company assess the contract to identify distinct performance obligations, being the units of account that determine when and how revenue from the contract with customer is recognised. A performance obligation is a promise to transfer a distinct goods or services (or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer) to the customer that is explicitly stated in the contract and implied in the Group's and in the Company's customary business practices. Goods or services are distinct if:

- the customer can benefit from the goods or services either on its own or together with other resources that are readily available to the customer; and
- the Group's and the Company's promise to transfer the goods or services to the customer is separately identifiable from other promises in the contract.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### (n) Revenue recognition (Continued)

##### Recognition and measurement (Continued)

If goods or services are not distinct, the Group and the Company combine them with other promised goods or services until the Group and the Company identify a distinct performance obligation consisting a distinct bundle of goods or services.

Revenue is measured based on the consideration specified in contract with a customer and excludes amounts collected on behalf of third parties such as sales and service taxes. If the amount of consideration varies due to discounts, rebates, refunds, credits, incentives, performance bonuses, penalties or other similar items, the Group and the Company estimate the amount of consideration that they expect to be entitled based on the expected value or the most likely outcome but the estimation is constrained up to the amount that is highly probable of no significant reversal in the future. If the contract with customer contains more than one distinct performance obligation, the amount of consideration is allocated to each distinct performance obligation based on the relative stand-alone selling prices of the goods or services promised in the contract.

The consideration allocated to each performance obligation is recognised as revenue when or as the customer obtains control of the goods or services. At the inception of each contract with customer, the Group and the Company determine whether control of the goods or services for each performance obligation is transferred over time or at a point in time. Controls over the goods or services are transferred over time and revenue is recognised over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's and the Company's performance as the Group and the Company perform;
- the Group's and the Company's performances create or enhance a customer-controlled asset; or
- the Group's and the Company's performances do not create an asset with alternative use to the Group and the Company and the Group and the Company have a right to payment for performance completed to date.

Revenue for performance obligation that is not satisfied over time is recognised at the point in time at which the customer obtains control of the promised goods or services.

The revenue recognition policies of the Group's and of the Company's major activities are described below:

#### (i) *Revenue from services rendered*

Revenue from services rendered is recognised in the accounting period in which the services are rendered and the customer receives and consumes the benefits provided by the Group, and the Group has a present right to payment for the services rendered.

#### (ii) *Revenue from sales of software and hardware*

Revenue from sales of software and hardware is recognised when the significant risks and rewards of ownership of the goods are transferred to the customer and there is no continuity management involvement with the goods.

#### (iii) *Revenue from software license*

Revenue from software license is recognised when a customer's right to the intellectual property of the Group is established.

#### (iv) *Interest income from money lending business*

Interest income from money lending business is recognised on an accrual basis using the interest rate based on Moneylenders Act, 1951.

#### (v) *Revenue from foreign currency trading*

Revenue from foreign currency trading is derived from the net proceeds received upon sales.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(o) Rental income

Rental income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

(p) Interest income

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

(q) Employee benefits

(i) *Short-term employee benefits*

Wages, salaries, paid annual leave, paid sick leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Company and its subsidiaries. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur. The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period. Past-service costs are recognised immediately in profit or loss.

(ii) *Defined contribution plans*

The Company's and its subsidiaries' contributions to defined contribution plans regulated and managed by the government are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Company and its subsidiaries have no further financial obligations.

(r) Income tax expense

Income taxes for the financial year comprise current and deferred taxes.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting date.

Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs. The carrying amounts of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(s) Related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements (the reporting entity).

A related party is:

- (i) a person or a close member of that person's family if that person:
  - a. has control or joint control of the reporting entity;
  - b. has significant influence over the reporting entity; or
  - c. is a member of the key management personnel of the reporting entity or of a holding company of the reporting entity.
- (ii) related to a reporting entity if any of the following conditions applies:
  - a. the entity and the reporting entity are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).
  - b. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - c. both entities are joint ventures of the same third party.
  - d. one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - e. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
  - f. the entity is controlled or jointly controlled by a person identified in (i).
  - g. a person identified in (i)(b) has significant influence over the entity or is a member of the key management personnel of the entity (or of the holding company of the entity).
  - h. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the holding company of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company and of the subsidiaries either directly or indirectly. The key management personnel include all the directors of the Company and directors of the subsidiaries, members of senior management as well as members of senior management and chief executive officers of major subsidiaries of the Group.

(t) Cash and cash equivalents

For the purposes of the statements of cash flows, cash and cash equivalents comprise cash in hand, bank balances, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(u) Functional and foreign currency

(i) *Functional and presentation currency*

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(ii) *Foreign currency transactions and balances*

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates at the transaction dates. Monetary assets and liabilities at the end of the reporting date are translated at the exchange rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

# Notes to the Financial Statements (Continued)

30 November 2024

## 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (u) Functional and foreign currency (Continued)

#### (ii) *Foreign currency transactions and balances (Continued)*

##### *Foreign operations*

Assets and liabilities of foreign operations, including goodwill and fair value adjustments arising from the acquisition of foreign operations, are translated into RM for consolidation at the rates of exchange ruling at the end of the reporting date. Revenues and expenses of foreign operations are translated into RM at the average rates for the financial year. All exchanges differences arising from translation are recognised directly to other comprehensive income and accumulated in equity under translation reserve. On disposal of a foreign operation, accumulated translation differences recognised in other comprehensive income relating to that particular foreign operation is reclassified from equity to comprehensive income.

### (v) Provisions for liabilities

Provisions for liabilities are recognised when the Group and the Company have a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and when a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at the end of each reporting date and adjusted to reflect the current best estimate.

Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

Any reimbursement that the Group or the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. The expense relating to any provision is presented in the profit or loss, net of any reimbursement.

### (w) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group and of the Company. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

### (x) Borrowing costs

Borrowing costs, directly attributable to the acquisition and construction of plant and equipment are capitalised as part of the cost of those assets, until such time that the assets are ready for their intended use or sale. Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

All other borrowing costs are recognised in profit or loss as expenses in the period in which they are incurred.

### (y) Earnings per ordinary share ("EPS")

The Group presents basic and diluted earnings per share data for its ordinary shares.

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held, if any.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, if any, for the effect of all dilutive potential ordinary shares, which comprise warrants and share options granted to the employees.

## Notes to the Financial Statements (Continued)

30 November 2024

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(z) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. An operating segment may engage in business activities for which it has yet to earn revenues.

(aa) Warrant reserve

Amount allocated in relation to the issuance of warrants is credited to warrant reserve which is non-distributable. Warrant reserve is transferred to share capital or retained profits upon the exercise or expiry of the warrants respectively.

(ab) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group and by the Company.

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

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

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

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

- Level 1 : fair value is derived from quoted prices (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.
- Level 2 : fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.
- Level 3 : fair value is estimated using unobservable inputs for the financial assets and liabilities.



## Notes to the Financial Statements (Continued)

30 November 2024

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's and the Company's accounting policies and disclosures, and have significant risks of causing material adjustments to the carrying amounts of assets, liabilities, income and expenses are discussed below.

(a) Depreciation of plant and equipment and investment properties

The estimates for residual values, useful lives and related depreciation charges for plant and equipment and investment properties are based on commercial and production factors which could change significantly as a result of technical innovations and competitors' action in response to the market conditions.

The Group and the Company anticipate that the residual values of plant and equipment and investment properties will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

The carrying amounts of plant and equipment and investment properties are disclosed in *Note 5* and *Note 6*.

(b) Amortisation of intangible assets

Changes in the expected level of usage and technological development could impact the economic useful lives, therefore future amortisation charges could be revised.

(c) Impairment of investment in subsidiaries

The carrying value of investment in subsidiaries is reviewed for impairment. In the determination of the value-in-use of the investment in subsidiaries, the Company is required to estimate the expected cash flows to be generated by the subsidiaries and apply a suitable discount rate in order to determine the present value of those cash flows.

(d) Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Company and its subsidiaries recognise tax liabilities based on their understanding of the prevailing tax laws and estimate of whether such taxes will be due in the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

(e) Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. by geographical region, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

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

## Notes to the Financial Statements (Continued)

30 November 2024

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(f) Contingent liabilities

Determination of the treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting internal and external experts to the Group for matters in the ordinary course of business.

(g) Share-based payments

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. It also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

(h) Write-down of inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgements and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

(i) Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs, and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the end of the reporting date.

(j) Impairment of other receivables

The loss allowances for other financial assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions as well as forward-looking estimates at the end of each reporting date.

(k) Impairment of non-financial assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use, the management is required to make an estimate of the expected future cash flows and also to apply a suitable discount rate in order to determine the present value of those cash flows.

## Notes to the Financial Statements (Continued)

30 November 2024

## 5. PLANT AND EQUIPMENT

The details of plant and equipment are as follows:

Group	EFTPOS terminals	Office equipment	Furniture and fittings	Machinery	Software and hardware	Renovation	Equipment and kitchen utensils	Total
<i>Cost</i>								
At 1 December 2022	5,490	710,618	232,986	81,039	7,915,062	2,143,527	-	11,088,722
Additions	-	26,994	83,629	-	-	1,566,082	417,087	2,093,792
Disposal	-	(4,225)	-	-	-	-	-	(4,225)
Translation differences	-	630	2,163	-	186,800	18,014	-	207,607
At 30 November 2023/1 December 2023	5,490	734,017	318,778	81,039	8,101,862	3,727,623	417,087	13,385,896
Additions	-	171,605	30,177	486,420	-	347,161	27,970	1,063,333
Written off	-	(4,248)	(5,500)	-	-	(1,230,746)	-	(1,240,494)
Disposal	-	(225,245)	(86,996)	(2,199)	-	(286,542)	(213,429)	(814,411)
Translation differences	-	(1,228)	(4,216)	-	(189,806)	(35,113)	-	(230,363)
At 30 November 2024	5,490	674,901	252,243	565,260	7,912,056	2,522,383	231,628	12,163,961
<i>Accumulated depreciation</i>								
At 1 December 2022	4,373	475,422	109,233	45,656	6,374,627	1,154,028	-	8,163,339
Charge for the financial year	685	92,884	32,459	21,120	927,986	550,170	23,281	1,648,585
Disposal	-	(2,807)	-	-	-	-	-	(2,807)
Translation differences	-	241	378	-	184,500	3,389	-	188,508
At 30 November 2023/1 December 2023	5,058	565,740	142,070	66,776	7,487,113	1,707,587	23,281	9,997,625
Charge for the financial year	341	88,652	41,749	54,523	614,749	599,681	87,231	1,486,926
Written off	-	(4,172)	(5,500)	-	-	(499,281)	-	(508,953)
Disposal	-	(208,013)	(22,752)	(1,924)	-	(87,555)	(61,246)	(381,490)
Translation differences	-	(835)	(1,500)	-	(189,806)	(15,748)	-	(207,889)
At 30 November 2024	5,399	441,372	154,067	119,375	7,912,056	1,704,684	49,266	10,386,219
<i>Net carrying amount</i>								
At 30 November 2024	91	233,529	98,176	445,885	-	817,699	182,362	1,777,742
At 30 November 2023	432	168,277	176,708	14,263	614,749	2,020,036	393,806	3,388,271

## Notes to the Financial Statements (Continued)

30 November 2024

### 5. PLANT AND EQUIPMENT (CONTINUED)

<b>Company</b>	<b>Office equipment RM</b>	<b>Renovation RM</b>	<b>Total RM</b>
<i>Cost</i>			
At 30 November 2023/ 30 November 2024	30,396	710,432	740,828
<i>Accumulated depreciation</i>			
At 1 December 2022	20,316	568,344	588,660
Charge for the financial year	2,878	142,088	144,966
At 30 November 2023/1 December 2023	23,194	710,432	733,626
Charge for the financial year	2,879	-	2,879
At 30 November 2024	26,073	710,432	736,505
<i>Net carrying amount</i>			
At 30 November 2024	4,323	-	4,323
At 30 November 2023	7,202	-	7,202

### 6. INVESTMENT PROPERTIES

<b>Group</b>	<b>Freehold building RM</b>	<b>Leasehold building RM</b>	<b>Total RM</b>
<i>Cost</i>			
At 30 November 2023/ 30 November 2024	41,801,328	6,353,030	48,154,358
<i>Accumulated depreciation</i>			
At 1 December 2022	6,497,990	781,471	7,279,461
Charge for the financial year	1,272,325	146,217	1,418,542
At 30 November 2023/1 December 2023	7,770,315	927,688	8,698,003
Charge for the financial year	1,272,325	146,216	1,418,541
At 30 November 2024	9,042,640	1,073,904	10,116,544
<i>Net carrying amount</i>			
At 30 November 2024	32,758,688	5,279,126	38,037,814
At 30 November 2023	34,031,013	5,425,342	39,456,355

## Notes to the Financial Statements (Continued)

30 November 2024

## 6. INVESTMENT PROPERTIES (CONTINUED)

Assets pledged as securities to financial institutionsGroup

The carrying amount of investment properties of the Group pledged as security for term loan as disclosed in *Note 21* is:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Freehold building	28,836,130	30,025,291
Leasehold building	4,656,626	4,712,843
As 30 November	33,492,756	34,738,134

The fair value of investment properties of the Group is:

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Freehold building	37,133,578	37,000,000
Leasehold building	6,538,662	5,469,568
	43,672,240	42,469,568

<b>Group</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>2024</b>				
Investment properties				
- Freehold building	-	32,840,000	4,293,578	37,133,578
- Leasehold building	-	-	6,538,662	6,538,662
<b>2023</b>				
Investment properties				
- Freehold building	-	32,800,000	4,200,000	37,000,000
- Leasehold building	-	-	5,469,568	5,469,568

The valuation of freehold building are performed by an independent accredited valuer. The fair value of the investment properties has been determined using the income approach method. The fair value method adopted is as follows:

**Level 2 fair value**

Fair value of freehold building has been determined using the income approach method as the subject property are income generating.

The investment method of valuation is an income approach which capitalises the net annual rental income of the properties, at market rates/yields consistent with the type and quality of the property, to arrive at the market value. The rental income is capitalised after deducting expenses/outgoings.

## Notes to the Financial Statements (Continued)

30 November 2024

### 6. INVESTMENT PROPERTIES (CONTINUED)

#### Level 3 fair value

The fair value of the Group's freehold and leasehold building has been estimated by the directors based on directors' assessment of the current year price in an active market for the respective properties within each vicinity. In estimating the fair values, adjustments have been made to these listing prices to reflect differences in land or floor sizes, designs, location, and other features between the freehold and leasehold buildings and the comparable properties. The fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

There were no transfer in between of the fair value measurement hierarchy for the financial year ended 30 November 2024 and 30 November 2023.

The rental income recognised by the Group from its investment properties which are leased out under operating leases, amounting to RM1,129,593 (2023: RM870,801). Direct operating expenses pertaining to the investment properties amounting to RM621,090 (2023: RM389,512).

### 7. RIGHT-OF-USE ASSETS

The details of right-of-use assets are as follows:

<b>Group</b>	<b>Office buildings RM</b>
<i>Cost</i>	
At 1 December 2022	2,224,944
Additions	1,044,593
Expiry of lease contract	(113,762)
Translation differences	17,021
At 30 November 2023/1 December 2023	3,172,796
Additions	462,549
Expiry of lease contract	(973,905)
Translation differences	(130,565)
At 30 November 2024	2,530,875
<i>Accumulated depreciation</i>	
At 1 December 2022	465,904
Charge for the financial year	617,686
Expiry of lease contract	(113,762)
Translation differences	5,359
At 30 November 2023/1 December 2023	975,187
Charge for the financial year	759,766
Expiry of lease contract	(758,538)
Translation differences	(29,819)
At 30 November 2024	946,596
<i>Net carrying amount</i>	
At 30 November 2024	1,584,279
At 30 November 2023	2,197,609

The Group leases office buildings for their office space and operation site. The leases for office space and operation site have lease terms ranging from 2 to 3 years (2023: 2 to 3 years) with extension options ranging from 2 to 3 years (2023: 2 to 3 years).



## Notes to the Financial Statements (Continued)

30 November 2024

## 8. INTANGIBLE ASSETS

The details of intangible assets are as follows:

Group	Application software RM	Development costs RM	Trademark RM	Total RM
<i>Cost</i>				
At 1 December 2022	6,081,221	19,708,770	11,824	25,801,815
Reclassification	19,708,770	(19,708,770)	-	-
Additions	158,009	525,840	-	683,849
Translation differences	1,178,939	-	398	1,179,337
At 30 November 2023/1 December 2023	27,126,939	525,840	12,222	27,665,001
Reclassification	-	-	-	-
Additions	-	367,707	-	367,707
Written off	(19,500)	-	-	(19,500)
Translation differences	(1,139,201)	(33,377)	(775)	(1,173,353)
At 30 November 2024	25,968,238	860,170	11,447	26,839,855
<i>Accumulated amortisation</i>				
At 1 December 2022	1,006,683	-	-	1,006,683
Charge for the financial year	4,159,449	-	-	4,159,449
Translation differences	162,493	-	-	162,493
At 30 November 2023/1 December 2023	5,328,625	-	-	5,328,625
Charge for the financial year	4,073,583	-	-	4,073,583
Written off	(10,075)	-	-	(10,075)
Translation differences	(350,218)	-	-	(350,218)
At 30 November 2024	9,041,915	-	-	9,041,915
<i>Accumulated impairment</i>				
At 1 December 2022	3,564,848	11,364,879	-	14,929,727
Reclassification	11,364,879	(11,364,879)	-	-
Additions	1,079,598	-	-	1,079,598
Translation differences	698,095	-	-	698,095
At 30 November 2023/1 December 2023	16,707,420	-	-	16,707,420
Additions	934,440	905,582	12,050	1,852,072
Translation differences	(715,537)	(45,412)	(603)	(761,552)
At 30 November 2024	16,926,323	860,170	11,447	17,797,940
<i>Net carrying amount</i>				
At 30 November 2024	-	-	-	-
At 30 November 2023	5,090,894	525,840	12,222	5,628,956

Group

The development costs relate to the development of application software.

The directors have forecasted the cash flows based on their expectations of market development. There are no reasonably possible changes in the key assumptions that may have significant effect to the recoverable amount.

Application software are intangible assets with 10 years useful lives that are measured after initial recognition at cost less any accumulated amortisation and any impairment losses.

Impairment loss recognised

Impairment loss is recognised based on the recoverable amount that is computed from the forecasted cash flow projections.

## Notes to the Financial Statements (Continued)

30 November 2024

### 9. INVESTMENT IN SUBSIDIARIES

	Company	
	2024 RM	2023 RM
<i>Unquoted shares, at cost</i>		
In Malaysia		
At 1 December 2023/2022	46,038,497	45,521,477
Additions	255,000	517,020
At 30 November	46,293,497	46,038,497
Outside Malaysia		
At 1 December 2022/30 November 2023/ 1 December 2023/30 November 2024	49,908	49,908
	46,343,405	46,088,405
<i>Less: Accumulated impairment losses</i>		
At 1 December 2023/2022	(44,484,156)	(44,484,156)
Additions	(1,093,229)	-
At 30 November	(45,577,385)	(44,484,156)
	766,020	1,604,249
Equity contribution to subsidiaries	154,312,656	158,177,340
<i>Less: Accumulated impairment losses</i>		
At 1 December 2023/2022	(108,133,320)	(108,133,320)
Additions	(35,850,424)	-
At 30 November	(143,983,744)	(108,133,320)
	10,328,912	50,044,020
	11,094,932	51,648,269

Equity contribution to subsidiaries represents amount owing by subsidiaries which is non-trade in nature and interest-free. The settlement of the amount is neither planned nor likely to occur in the near foreseeable future as it is the intention of the Company to treat the amount as long-term source of capital to the subsidiaries. As this amount is, in substance, a part of the net investment in subsidiaries, it is stated at cost less accumulated impairment loss, if any.

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation/ place of business	Effective equity interest		Principal activities
		2024 %	2023 %	
Direct holding:				
Ariantec Sdn. Bhd. ("Ariantec")	Malaysia	100	100	Provision of turnkey solutions on the network infrastructure, security management and rental of EFTPOS terminals; general trading of all kinds of machinery and equipment.
Sungei Wang Plaza Sdn. Bhd. ("SWP")	Malaysia	100	100	Property and investment holding.
Sungei Wang Holdings Sdn. Bhd. ("SWH")	Malaysia	100	100	Property and investment holding.
GEM Pay Sdn. Bhd. ("GEM Pay")	Malaysia	100	100	Provision of Master Merchant and sub-contractor services.
First United Technology Limited ("FUTL")*	Hong Kong	90	90	Provision of software licensing, maintenance and support services.

## Notes to the Financial Statements (Continued)

30 November 2024

## 9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Name of subsidiaries	Country of incorporation/ place of business	Effective equity interest		Principal activities
		2024 %	2023 %	
Direct holding: (Continued)				
e-FX Sdn. Bhd. ("e-FX")	Malaysia	100	100	Provision of services relating to information technology including trading of computer software and hardware and investing and trading in currencies and precious commodities.
Saudi Burger Holdings Sdn. Bhd. ("SBHSB")	Malaysia	51	51	Operating fast food restaurants and franchising.
Indirect holding:				
Subsidiaries of Ariantec:				
GEM Live Sdn. Bhd. ("GEM Live")	Malaysia	100	100	Business of consultation, supply and commissioning of information technologies relating to provision of lifestyle mobile application; management of local entertainments/lifestyle talents, influencers, key opinion leaders; advertising contractors, agents and designers.
NetX Digital Limited ("NDL") <sup>#</sup>	Republic of Seychelles	100	100	Trading of information technology related hardware and software equipment.
Indirect holding:				
Subsidiary of GEM Pay:				
Emicro Capital (M) Sdn. Bhd. ("E-Capital")	Malaysia	60	60	Investment holding company and management advisory.
Indirect holding:				
Subsidiary of e-FX:				
Mountain Money Sdn. Bhd. ("MMSB")	Malaysia	100	100	Money services business.
EFX Global Pty Ltd ("EFX Global") <sup>*</sup>	Australia	100	100	Fintech travel related services.
Indirect holding:				
Subsidiary of GEM Live:				
Gem Excite Sdn. Bhd. ("GEM Excite")	Malaysia	100	100	Provision of the rental services for all kinds of machinery and equipment.
Indirect holding:				
Subsidiary of NDL:				
NetX Digital Taiwan Limited <sup>*</sup>	Taiwan	100	100	Trading of information technology related hardware and software equipment.
Indirect holding:				
Subsidiaries of E-Capital:				
Estamp Solutions Sdn. Bhd. ("E-Solutions")	Malaysia	60	60	Engaged in computer-programming activities; business of processing of documentation for business to business and business to consumer; trading of motor vehicles.
Emicro Services Sdn. Bhd. ("E-Services")	Malaysia	60	60	Business of licensed moneylenders and other related services; trading of motor vehicles.

<sup>\*</sup> Subsidiaries not audited by SBY Partners PLT

<sup>#</sup> The financial statements of this subsidiary were reviewed by SBY Partners PLT for consolidation purposes. There is no legal requirement for the entity to be audited in the country of its incorporation.

## Notes to the Financial Statements (Continued)

30 November 2024

### 9. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The Company does not have any subsidiary that has non-controlling interest which is individually material to the Group as at the end of the financial year.

There are no significant restrictions on the ability of the subsidiaries to transfer funds to the Group in the form of cash dividends or repayment of loans and advances.

In the previous financial year, e-FX, a wholly-owned subsidiary of the Company, acquired 790,500 ordinary shares in MMSB, representing 51% equity interest of MMSB from Mr. Tan Sik Eek for a total cash consideration of RM332,010. On 24 February 2023, e-FX completed the acquisition of shares in MMSB. The total equity interest of e-FX in MMSB increased from 49% to 100% and MMSB becomes an indirect wholly-owned subsidiary of the Company.

In the previous financial year, the Company acquired 40,000 ordinary shares in GEM Pay representing 0.69% equity interest of GEM Pay from Mr. Chen Chee Peng for a total cash consideration of RM6,000. On 10 March 2023, the Company completed the acquisition of shares in GEM Pay. The total equity interest of the Company in GEM Pay increased from 99.31% to 100% and GEM Pay becomes a wholly-owned subsidiary of the Company.

In the previous financial year, the Company acquired 816,001 ordinary shares in Saudi Burger Holdings Sdn. Bhd. ("SBHSB"), representing 51% equity interest of SBHSB for a total cash consideration of RM1,020.

The fair values of the identifiable assets and liabilities of SBHSB at the date of acquisition were as follows:

	<b>Fair value recognised on acquisition RM</b>
Non-trade payables	(4,789)
Net assets acquired	(4,789)
Less: Non-controlling interest	2,347
	(2,442)
Total purchase consideration	1,020
Goodwill on acquisition	3,462
	<b>RM</b>
The purchase consideration was satisfied by:	
Cash consideration	1,020
	<b>RM</b>
The effect of the acquisition on cash flow was as follows:	
Purchase consideration satisfied by cash	1,020
Cash and bank balances of subsidiary acquired	-
Net cash outflow on acquisition of the subsidiary	1,020

#### Impairment loss recognised

Impairment loss was provided for investment in subsidiaries in which the subsidiaries had accumulated losses and had deficits in their shareholders' equity. The forecasted financial position, financial performance and cash flows of these subsidiaries are not expected to generate sufficient recoverable amount to justify the carrying amount of the investments in these subsidiaries.

## Notes to the Financial Statements (Continued)

30 November 2024

## 10. OTHER INVESTMENTS

	Group	
	2024	2023
	RM	RM
<i>Quoted shares in Malaysia at FVTPL</i>		
At 1 December 2023/2022	5,159,124	6,666,703
Additions	7,018,347	3,431,035
Disposals	(1,439,566)	(2,059,931)
Fair value changes	(4,207,081)	(2,860,290)
Gain/(Loss) on foreign exchange - unrealised	549,509	(286,994)
Translation differences	(286,554)	268,601
At 30 November	6,793,779	5,159,124
<i>Other investments at cost</i>		
At 1 December 2023/2022/30 November	48,000	48,000
At 30 November	6,841,779	5,207,124

*Group*

Included in the other investments are golf club membership and collectible items.

## 11. GOODWILL

	Group	
	2024	2023
	RM	RM
At 1 December 2023/2022	34,027,531	34,024,069
Acquisition of subsidiaries	-	3,462
At 30 November	34,027,531	34,027,531
<i>Less: Accumulated impairment losses</i>		
At 1 December 2023/2022	(28,088,020)	(28,088,020)
Additions	(4,410,516)	-
	(32,498,536)	(28,088,020)
At 30 November	1,528,995	5,939,511

*Group*

The goodwill arose from the acquisition of E-Capital, E-Services, SWP, SWH, MMSB and SBHSB. The amount of goodwill initially recognised was determined based on the allocation of the purchase price to the fair value of the identifiable assets acquired and the liabilities assumed.

The carrying amount of the goodwill is assessed for impairment on an annual basis. The recoverable amount of the goodwill is determined based on the assessment of the value-in-use of the respective cash-generating units, using cash flow projections on financial budgets approved by the directors for five years period. The future cash flows are based on the management's five years business plan, which is the best estimate of future performance.

# Notes to the Financial Statements (Continued)

30 November 2024

## 11. GOODWILL (CONTINUED)

### *Group (Continued)*

For the purpose of impairment testing, carrying amount of the goodwill has been allocated to the Group's cash-generating units, identified according to the business segments as follow:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Money lending services - E-Capital and its subsidiaries	1,525,533	1,525,533
Investment holding - SWP and SWH	-	4,244,836
Electronic payment services - MMSB	-	165,680
Fast food chain - SBHSB	3,462	3,462
	1,528,995	5,939,511

The recoverable amounts of goodwill on consolidation are determined based on the value-in-use calculations using the cash flow projections using the following assumptions:

	<b>Revenue growth</b>	<b>Gross margin</b>	<b>Pre-tax discount rate</b>
<b>2024</b>			
Money lending services - E-Capital and its subsidiaries	0% - 2%	57% - 64%	6%
Investment holding - SWP and SWH	3% - 8%	79% - 89%	8%
Electronic payment services - MMSB	2% - 8%	70% - 80%	6%
Fast food chain - SBHSB	15%	44% - 45%	6%
<b>2023</b>			
Money lending services - E-Capital and its subsidiaries	8% - 41%	39% - 57%	6%
Investment holding - SWP and SWH	0% - 22%	88%	8%
Electronic payment services - MMSB	8% - 45%	100%	6%
Fast food chain - SBHSB	10% - 100%	51%	6%

- (i) Budgeted revenue – Revenue growth is projected based on management's estimation taking into consideration secured contracts, anticipated identified future secured contracts, historical growth rates and market outlook;
- (ii) Budgeted gross margin - Gross margin is based on historical achieved margins and management's expectation of input prices;
- (iii) Growth rates – Growth rate is based on the nature of goods and services, estimated market demand and customers' acceptance of the Group's goods and services; and
- (iv) Pre-tax discount rate - Discount rates ranged from 6.00% to 8.18% (2023: 6.00% to 8.18 %), represent the weighted average cost of capital of the cash-generating-units.

The value assigned to the key assumptions which represents directors' assessment of future production lines, pricing mechanism, target margin and the market pricing based on both external sources and internal sources.

During the financial year, the Group fully impaired the goodwill allocated for investment holdings (SWP and SWH) amounting to RM4,244,836, and electronic payment services (MMSB) amounting to RM165,680.

### **Sensitivity to changes in assumptions**

The directors believe that no reasonable possible changes in any of the key assumptions above will cause the carrying amount of the goodwill to materially exceed their recoverable amount.



## Notes to the Financial Statements (Continued)

30 November 2024

## 12. INVENTORIES

	Group	
	2024	2023
	RM	RM
<i>At cost:</i>		
Finished goods	747	53,146
Food and beverage	129,403	148,489
	130,150	201,635
<u>Recognised in profit or loss</u>		
Inventories recognised as cost of sales	138,940	-
Inventories written off (Note 29)	1,454	1,165
	1,454	1,165

## 13. TRADE RECEIVABLES

	Group	
	2024	2023
	RM	RM
Trade receivables	23,672,473	20,532,856
Less: Accumulated impairment losses	(6,711,087)	(7,195,836)
Less: Bad debts written off	(930,778)	-
	16,030,608	13,337,020

Trade receivables are non-interest bearing and are generally on 30 to 180 days (2023: 30 to 180 days) credit terms. Other credit terms are assessed and approved on a case-by-case basis. Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition.

Movements in the accumulated impairment losses are as follows:

	Group	
	2024	2023
	RM	RM
At 1 December 2023/2022	7,195,836	5,613,008
Additions	1,015,453	1,377,711
Reversal	(1,297,815)	(4,330)
Translation differences	(202,387)	209,447
At 30 November	6,711,087	7,195,836

During the financial year, the Group has written off the outstanding rental amounted to RM789,289 representing outstanding rental receivable from a customer as the Group has reached a global settlement between the customer amongst other that the Judgement in Default of Appearance which was entered against the customer would set aside and there shall be no further costs arising between the parties as disclosed in Note 38 to the financial statements on material litigation. In previous financial year the mentioned amount of RM789,289 was impaired.

The allowance for impairment losses of trade receivables are those trade receivables that are individually impaired. These trade receivables are in significant difficulties and have defaulted on payments.

Based on the Group's historical collection experience, the amount of trade receivables presented on the statements of financial position represent the amount exposed to credit risk. The management believes that no additional credit risk beyond the amount provided for collection losses is inherent in the net trade receivables.

## Notes to the Financial Statements (Continued)

30 November 2024

### 13. TRADE RECEIVABLES (CONTINUED)

The foreign currency exposure profile of trade receivables is as follows:

	Group	
	2024 RM	2023 RM
RM	19,290,788	15,961,883
United States Dollar ("USD")	4,381,685	4,570,973
	23,672,473	20,532,856

The information about the credit exposure is disclosed in Note 36(a)(iv) to the financial statements.

### 14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other receivables	5,076,978	5,618,675	-	980
Deposits	782,394	1,462,522	-	-
Prepayments	131,657	2,860,710	12,588	13,837
	5,991,029	9,941,907	12,588	14,817

#### Group

Other receivables that are individually determined to be impaired relate to receivables that are in significant financial difficulties and have defaulted on payments and the directors are of the opinion that these receivables are not recoverable.

The foreign currency exposure profile of other receivables, deposits and prepayments is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other receivables				
- Australian Dollar ("AUD")	28,252	43,666	-	-
- Hong Kong Dollar ("HKD")	447,390	-	-	-
- Taiwan Dollar ("TWD")	705	201	-	-
- United States Dollar ("USD")	4,458,306	3,068,217	-	-
- RM	142,325	2,506,591	-	980
Deposits				
- HKD	5,249	-	-	-
- RM	777,145	1,462,522	-	-
Prepayments				
- HKD	15,393	2,677,145	-	-
- RM	116,264	183,565	12,588	13,837
	5,991,029	9,941,907	12,588	14,817

# NOTES TO THE FINANCIAL STATEMENTS

- 30 NOVEMBER 2024

## 15. CONTRACT ASSETS/ (CONTRACT LIABILITIES)

	Group	
	2024 RM	2023 RM
<i>Shown under current assets</i>		
Deferred costs of services (a)	2,590,234	859,879
<i>Shown under current liabilities</i>		
Deferred income (b)	(3,689,318)	(2,375,625)

(a) Deferred costs of services

These costs will be used in satisfying the performance obligation in the future and will be recognised in profit or loss upon services rendered.

(b) Deferred income

Deferred income represents advance billings to customers in respect of services which are yet to be provided. The deferred income will be recognised as revenue when the related services are rendered.

Movements in the deferred income are as follows:

	Group	
	2024 RM	2023 RM
At 1 December 2023/2022	2,375,625	1,477,253
Add: Advance billings	4,539,774	3,738,589
Less: Recognised in profit or loss	(3,178,281)	(2,840,217)
Less: Reversal of advance billings	(47,800)	-
At 30 November	3,689,318	2,375,625

## 16. AMOUNT OWING BY SUBSIDIARIES

	Company	
	2024 RM	2023 RM
Amount owing by subsidiaries	40,199,078	37,239,444
Less: Accumulated impairment losses	(40,199,078)	(36,239,444)
	-	1,000,000

Movements in the accumulated impairment losses are as follows:

	Company	
	2024 RM	2023 RM
At 1 December 2023/2022	36,239,444	36,239,444
Additions	3,959,634	-
	40,199,078	36,239,444

Amount owing by subsidiaries is non-trade in nature, unsecured, interest-free and repayable on demand.

### Impairment loss recognised

Impairment loss was provided for amount owing by subsidiaries in which these subsidiaries had accumulated losses and had deficits in their shareholders' equity.

## Notes to the Financial Statements (Continued)

30 November 2024

### 17. SHORT-TERM INVESTMENTS

#### Group and Company

The short-term investments represent investment in highly liquid money market funds, placed with financial institutions in Malaysia and are redeemable with one (1) day notice.

### 18. CASH AND BANK BALANCES

#### Group and Company

The foreign currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Australian Dollar	185,963	8,251,731	-	-
Brunei Dollar	3,271	4,845	-	-
Canadian Dollar	31	357	-	-
Chinese Renminbi	92	7,892	-	-
EURO Dollar	13,788	101,570	-	-
Hong Kong Dollar	129,770	271,694	-	-
Indian Rupee	6,866	13,600	-	-
Indonesian Rupiah	14,373	8,315	-	-
Japanese Yen	24,563	27,304	-	-
Korean Won	10,733	6,457	-	-
Malaysian Ringgit	2,034,978	3,988,382	138,300	785,880
New Zealand Dollar	143	15,210	-	-
Taiwan Dollar	735,080	830,836	-	-
Philippine Pesos	4,524	6,123	-	-
Pound Sterling	6,799	10,196	-	-
Saudi Arabian Riyal	11,557	478	-	-
Singapore Dollar	41,388	29,089	-	-
Thai Baht	24,078	5,541	-	-
United Arab Emirates Dirham	672	1,613	-	-
United States Dollar	52,245,048	51,425,230	-	-
Vietnam Dong	6,448	6,180	-	-
	55,500,165	65,012,643	138,300	785,880

### 19. SHARE CAPITAL

	Group and Company			
	2024 Number of ordinary shares	2023 Number of ordinary shares	2024 RM	2023 RM
Issued share capital:				
At 1 December 2023/2022	937,952,641	835,967,337	212,029,088	205,876,718
Issuance of shares pursuant to private placement	-	83,596,700	-	3,761,851
Issuance of shares pursuant to exercise of warrants	-	18,388,604	-	2,390,519
At 30 November	937,952,641	937,952,641	212,029,088	212,029,088

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

In the previous financial year, the Company issued the following:

- 83,596,700 new ordinary shares at an issue price of RM0.045 each under private placement to third party investors; and
- 18,388,604 new ordinary shares at an conversion price of RM0.13 each pursuant to the conversion from warrants.

## Notes to the Financial Statements (Continued)

30 November 2024

### 19. SHARE CAPITAL (CONTINUED)

The newly issued shares rank pari passu in all respects with the previously issued shares.

#### Warrant D 2024/2027

A total 468,976,292 new Warrant D were issued by the Company on 22 July 2024 on the basis of one (1) Warrant D for every two (2) existing ordinary shares of the Company. Each Warrant D entitles the holder the right to subscribed for one (1) new ordinary shares of the Company at an exercise price of RM0.10 per new ordinary share. The Warrants D will expire on 21 July 2027.

The salient terms of the above warrants 2024/2027 (“Warrants D”) are as follows:

- (a) The Warrants D are constituted by a Deed Poll D dated on 27 June 2024.
- (b) The Warrants D can be exercised at any time within a period of three (3) years commencing from and including the date of issues, 22 July 2024 to 21 July 2027 (“Exercise Period”). Any Warrants D not exercised during the Exercise Period will thereafter lapsed.
- (c) Each Warrants D entitles the holder to subscribe for one (1) new ordinary share in the Company.
- (d) The Warrants D holders are not entitled to any voting rights or participation in any distribution and/or offer of securities in the Company, until and unless such holders exercise their rights into new ordinary shares;
- (e) The new ordinary shares to be issued upon exercise of the Warrants D shall, upon issue and allotment, rank equally in all respects with the existing ordinary shares of the Company except that new ordinary share will not be entitled to dividends, rights allotments and/or distributions declared by the Company, which entitlement date thereof precedes the allotment date of the new ordinary shares to be issued pursuant to the exercise of the Warrants D.

#### Share Issuance Scheme (“SIS”)

At an extraordinary general meeting held on 21 January 2016, the Company’s shareholders approved the establishment of SIS of up to 30% of the issued share capital of the Company at any point in time throughout the duration of the scheme to eligible employees of the Company and of its subsidiaries (excluding dormant subsidiaries) under contract of service or for service. The directors of the Company do not qualify for participation in the SIS.

In accordance with Rule 6.44(1) of the ACE Market Listing Requirements of Bursa Malaysia, the SIS became effective for a period of 5 years from 24 November 2016, being the date of full compliance of the SIS.

On 9 November 2021, the Company approved the extension of its existing SIS which was expiring on 23 November 2021 for another 5 years until 23 November 2026 in accordance with the terms of the SIS By-Laws.

No SIS was granted or exercised during the financial year ended 30 November 2024. As at 30 November 2024, the outstanding SIS amounted to 218,960,100 number of options.

The salient features and terms of the SIS are as follows:

- (a) The total number of SIS to be offered and issued shall not exceed thirty percent (30%) of the total issued and paid-up share capital of the Company (excluding treasury shares, if any) at any one time during the duration of the SIS;
- (b) An executive or non-executive directors do not qualify for participation in the SIS;
- (c) The price payable by the SIS Option holders upon the exercise of the SIS Options shall be the higher of the 5-days volume-weighted average price (VWAP) of the Company’s shares immediately preceding the offer date, with a discount of not more than ten percent (10%) or the par value of the Company’s shares;
- (d) The SIS shall be in force for a period of five (5) years from the effective date, subject to any extension for a further period of maximum five (5) years;
- (e) The SIS Options shall not carry any rights to vote at any general meeting and shall not in any event be entitled to any dividends, rights, allotments and/or other distributions on the unexercised SIS Options; and
- (f) The new shares to be allotted and issued pursuant to the SIS will not be subject to any retention period.

## Notes to the Financial Statements (Continued)

30 November 2024

### 20. RESERVES

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Accumulated losses		(119,469,470)	(91,439,913)	(200,912,615)	(158,679,223)
Foreign currency translation reserve	(a)	(2,457,155)	(5,596,604)	-	-
		<u>(121,926,625)</u>	<u>(97,036,517)</u>	<u>(200,912,615)</u>	<u>(158,679,223)</u>

(a) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the foreign subsidiaries' financial statements in which their functional currencies are different from the Group's presentation currency.

### 21. TERM LOAN

The term loan is repayable as follows:

	Group	
	2024 RM	2023 RM
<i>Shown under current liabilities</i>		
Within 1 year		
- secured	7,003,998	6,107,807
<i>Shown under non-current liabilities</i>		
Between 2 to 5 years		
- secured	11,493,765	19,504,837
	<u>18,497,763</u>	<u>25,612,644</u>

The term loan from licensed bank is denominated in RM and is secured and guaranteed as follows:

- legal charge over the freehold and leasehold buildings of the Group as disclosed in Note 6;
- an assignment over all rents and other monies under the tenancies executed and/ or to be executed with respect to the properties;
- pledge of 60,002 ordinary shares of a subsidiary; and
- corporate guarantee by the Company and third parties.

The term loan bears effective interest rates ranging from 2.97% to 5.27% (2023: 5.31% to 6.70%) per annum.

### 22. DEFERRED TAX LIABILITIES

	Group	
	2024 RM	2023 RM
At 30 November	331,738	126,989

The deferred tax liabilities are in respect of taxable temporary differences arising from the total capital allowances claimed in respect to the Group's qualifying plant and equipment in excess of the corresponding accumulated depreciation.



## Notes to the Financial Statements (Continued)

30 November 2024

**23. REDEEMABLE NON-CONVERTIBLE PREFERENCE SHARES**

	Group	
	Number of shares RM	2024 RM
At 1 December 2023/2022	-	-
Issuance during the year	5,000,000	5,000,000
At 30 November	5,000,000	5,000,000

During the financial year, a subsidiary of the Company entered into a Redeemable Preference Share (“RPS”) Subscription Agreement with third party for subscription of up to 5,000,000 RPS at an issue price of RM1.00 per RPS. The subscription of 5,000,000 RPS at an issue price of RM1.00 per RPS.

The salient features of the RPS are as follows:

- (a) Tenure of the RPS is 5 years commencing from and including the issuance date;
- (b) the RPS are not convertible to ordinary shares of the subsidiary of the Company;
- (c) a cumulative preference dividends at a fixed rate of 8% per annum;

**24. TRADE PAYABLES**

	Group	
	2024 RM	2023 RM
Trade payables	6,512,446	5,041,291

Trade payables are non-interest bearing and are generally on 60 to 150 days (2023: 60 to 150 days) credit terms.

**25. OTHER PAYABLES, ACCRUALS AND DEPOSITS RECEIVED**

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other payables	8,898,434	3,873,132	770	-
Accruals	829,449	1,246,076	133,000	106,400
Deposits received	321,918	179,844	-	-
	10,049,801	5,299,052	133,770	106,400

The foreign currencies exposure profile of other payables, accruals and deposits received is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
AUD	60,851	25,334	-	-
HKD	268,297	41,947	-	-
RM	9,707,779	4,692,651	133,770	106,400
TWD	10,934	11,912	-	-
USD	1,940	527,208	-	-
	10,049,801	5,299,052	133,770	106,400

## Notes to the Financial Statements (Continued)

30 November 2024

### 26. LEASE LIABILITIES

The lease liabilities are repayable as follows:

Group	Future instalments payable RM	Undue interest RM	Principal payable RM
<b>2024</b>			
<i>Shown under current liabilities</i>			
Within 1 year	793,401	(60,188)	733,213
<i>Shown under non-current liabilities</i>			
Between 2 to 5 years	905,766	(32,404)	873,362
	1,699,167	(92,592)	1,606,575
<b>2023</b>			
<i>Shown under current liabilities</i>			
Within 1 year	832,994	(25,781)	807,213
<i>Shown under non-current liabilities</i>			
Between 2 to 5 years	1,466,992	(12,763)	1,454,229
	2,299,986	(38,544)	2,261,442

Movement of lease liabilities for the financial years are as follows:

	Group	
	2024 RM	2023 RM
Total lease liabilities recognised:		
At 1 December 2023/2022	2,261,442	1,768,046
Additions	462,549	1,044,593
Accretion of interest	93,219	118,815
Lease payments - principal portion	(809,313)	(562,859)
Interest paid	(93,219)	(118,815)
Derecognised	(242,221)	-
Translation differences	(65,882)	11,662
At 30 November	1,606,575	2,261,442

#### Group

The lease terms of the Group's office buildings are ranging from 2 to 3 years (2023: 2 to 3 years) with extension options ranging from 2 to 3 years (2023: 2 to 3 years).

The lease liabilities bear effective interest rates at 3.36% to 5.00% (2023: 3.36% to 5.00%) per annum.

#### The Group as lessor

The Group had entered into lease arrangements on its leasehold buildings.

The aggregate future minimum lease receivables as at the end of each reporting period are as follows:

	Group	
	2024 RM	2023 RM
Leasehold buildings		
- within 1 year	1,554,442	821,886
- between 2 to 5 years	3,670,552	1,953,072
	5,224,994	2,774,958

## Notes to the Financial Statements (Continued)

30 November 2024

## 27. REVENUE

	Group	
	2024 RM	2023 RM
Interest income	2,185,641	1,930,855
Rendering of services		
- Electronic transaction processing	24,229	22,430
- Foreign currency trading	305,040	247,356
- Solutions and services	4,722,029	4,191,043
- Software licensing fees	1,566,404	-
Rental income	579,110	538,501
Sales of software and hardware	2,964,730	9,901,445
	12,347,183	16,831,630
Timing and recognition		
- At a point in time	6,566,421	12,227,583
- Over time	5,780,762	4,604,047
Total revenue	12,347,183	16,831,630

Nature of goods and services	Timing of recognition	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Interest income from money lending business	Interest income from money lending business is recognised on an accrual basis using the interest rate based on Moneylenders Act, 1951.	Not applicable.	Not applicable.	Not applicable.	Not applicable.
Services in relation to payment solutions and services	Revenue from payment solutions and services is recognised at over time when the services are rendered and the customer receives and consumes the benefits provided by the Company.	Credit period of 30 days from the invoice date.	The remaining performance obligation will be recognised monthly as per the agreement.	Not applicable.	Not applicable.
Electronic transaction processing	Processing fee is recognised at a point in time when the payment terminal services are rendered and the customer receives and consumes the benefits provided by the Company.	Credit period of 30 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
Foreign currency trading	Revenue from sales of currencies is derived from the net proceeds received upon sales. The performance obligation is satisfied when the foreign currency notes is accepted by the customers.	Not applicable.	Not applicable.	Not applicable.	Not applicable.
Sales of software and hardware	Revenue from sale of software and hardware is recognised when the transfer of significant risks and rewards of ownership of the goods to the customer and there is no continuity management involvement with the goods.	Credit period of 30 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.

The revenue information based on the geographical location of customers is disclosed in Note 34.

## Notes to the Financial Statements (Continued)

30 November 2024

### 28. FINANCE COSTS

	Group	
	2024 RM	2023 RM
Interest expenses on:		
- Lease liabilities interest	93,219	118,815
- Term loan interest	537,724	1,939,918
- Others	406,509	-
	1,037,452	2,058,733

### 29. LOSS BEFORE TAXATION

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<i>Loss before taxation is stated after charging:</i>				
Auditors' remuneration				
- statutory audit	243,428	225,870	92,000	82,000
- other services	8,000	8,000	8,000	8,000
Amortisation of intangible assets	4,073,583	4,159,449	-	-
Bad debts written off	(930,778)	-	-	-
Depreciation of plant and equipment	1,486,926	1,648,585	2,879	144,966
Depreciation of investment properties	1,418,541	1,418,542	-	-
Depreciation of right-of-use assets	759,766	617,686	-	-
Fair value losses on other investments	4,207,081	2,860,290	-	-
Impairment losses on amount owing by subsidiaries	-	-	3,959,634	-
Impairment losses on investment in subsidiaries	-	-	36,943,653	-
Impairment losses on intangible assets	1,852,072	1,079,598	-	-
Impairment losses on goodwill	4,410,516	-	-	-
Impairment losses on trade receivables	1,015,453	1,377,711	-	-
Intangible assets written off	9,425	-	-	-
Inventories written off	1,454	1,165	-	-
Loss on disposal of other investments	-	505,777	-	-
Loss on foreign exchange				
- realised	-	29,328	-	-
- unrealised	6,159,176	-	-	-
Plant and equipment written off	731,541	-	-	-
IT server expenses	96,750	95,850	-	-
Expense relating to lease of low-value assets	22,251	15,945	-	-
Expense relating to short-term lease	155,492	221,139	-	-
Employee benefits (Note 32)	6,601,879	7,677,119	712,599	779,466

*and crediting:*

Fair value gain on short-term investments	3	47,269	3	47,269
Reversal of other payable	-	480,000	-	-
Gain on disposal of short-term investments	-	17,352	-	17,352
Gain on disposal of other investments	48,687	-	-	-
Gain on lease derecognition	(26,854)	-	-	-
Gain on foreign exchange				
- realised	99,373	-	-	-
- unrealised	-	6,099,584	-	-
Interest income	828,276	2,431,460	302	2,452
Rental income	253,231	244,000	-	-
Reversal of impairment loss on trade receivables	367,037	4,330	-	-
Reversal of over accrual of interest expense	-	1,119,257	-	-

## Notes to the Financial Statements (Continued)

30 November 2024

## 30. INCOME TAX EXPENSES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Malaysian income tax:				
- current year provision	204,749	-	-	-
- under provision in respect of prior year	1,422	-	-	-
	206,171	-	-	-

Income tax is calculated based on the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

A reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Loss before taxation	(29,557,195)	(14,275,042)	(42,233,392)	(1,333,849)
Income tax expense at Malaysian statutory tax rate of 24% (2022: 24%)	(7,093,727)	(3,426,010)	(10,136,014)	(320,124)
• Adjustments for the following tax effects:				
- expenses not deductible for tax purposes	3,220,201	1,902,422	10,104,947	8,622
- income not subject to tax	(1,803,057)	(142,652)	-	-
- different tax rates in overseas subsidiary companies	5,225,193	-	-	-
- deferred tax assets not recognised during the financial year	626,571	1,769,088	-	311,502
- utilisation of deferred tax assets not recognised in respect of prior year	(175,173)	(102,848)	31,067	-
	7,093,735	3,426,010	10,136,014	320,124
• Under provision of taxation in respect of prior year	1,414	-	-	-
• Over provision of deferred taxation in respect of prior year	204,749	-	-	-
	206,171	-	-	-

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	
	2024 RM	2023 RM	2024 RM	2023 RM
Excess of capital allowances claimed over corresponding depreciation	(127,570)	(143,161)	-	-
Excess of accumulated depreciation claimed over corresponding capital allowances	812,185	597,593	-	-
Unutilised capital allowances	2,441,357	2,163,584	-	-
Unabsorbed business losses	45,910,680	44,537,814	6,748,941	6,878,387
	49,036,652	47,155,830	6,748,941	6,878,387

## Notes to the Financial Statements (Continued)

30 November 2024

### 30. INCOME TAX EXPENSES (CONTINUED)

The potential deferred tax assets in respect of these items have not been recognised as it is uncertain whether sufficient future taxable profits will be available against which the Company and certain subsidiaries can utilise the benefits. The unabsorbed business losses and unutilised capital allowances of the Company and of the Group are available for offsetting against future taxable profits of the Company and of the respective subsidiaries, subject to no substantial changes in shareholdings of those entities under the Income Tax Act 1967 and subject to the relevant provision of Income Tax Act 1967.

The expiry terms of the unabsorbed business losses of the Group and of the Company have been extended to 10 years, therefore the unabsorbed business losses will now be available for carry forward for a period of 10 consecutive years. Upon expiry of the 10 years period, the unabsorbed business losses will be disregarded. The expiry terms of the unabsorbed business losses of the Group and of the Company is until 2033.

### 31. LOSS PER SHARE

#### Loss Per Share

The basic loss per ordinary share as at 30 November 2024 is arrived at by dividing the Group's loss attributable to owners of the Company by the weighted average number of ordinary shares issued and calculated as follows:

	Group	
	2024	2023
Loss attributable to owners of the Company (RM)	(28,029,557)	(13,524,734)
Weighted average number of ordinary shares (units)	937,952,641	864,552,713
Basic loss per share (Sen)	(2.99)	(1.56)

#### Diluted Loss Per Share

In current financial year, the Group has no dilution in its loss per ordinary shares as there are no dilutive on potential ordinary shares.

In the previous financial year, the outstanding Warrants have been excluded from the computation of diluted loss per ordinary share as the exercise of Warrants to ordinary shares would be anti-dilutive.

### 32. EMPLOYEE BENEFITS

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

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Salaries, bonus, wages and allowances	4,540,201	5,324,444	378,000	488,500
Defined contribution plan	431,679	533,115	45,360	56,700
Other employee benefits	1,629,999	1,819,560	289,239	234,266
	6,601,879	7,677,119	712,599	779,466

Included in employee benefits are directors' remuneration who are also the key management personnel of the Group and of the Company:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Directors' remuneration				
- fees	1,079,947	1,113,592	204,000	166,000
- other emoluments	1,089,729	1,007,774	486,158	594,359
	2,169,676	2,121,366	690,158	760,359



## Notes to the Financial Statements (Continued)

30 November 2024

## 33. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

- (a) The table below details changes in the liabilities of the Group arising from the financing activities, including both cash and non-cash changes as follows:

	At 01.12.2023	Net Cash Flows	Non-cash transaction cost	At 30.11.2024
	RM	RM	RM	RM
<i>Group</i>				
Term loan	25,612,644	(7,114,881)	-	18,497,763
Lease liabilities	2,261,442	(809,313)	154,446	1,606,575
<hr/>				
	At 01.12.2022	Net Cash Flows	Non-cash transaction cost	At 30.11.2023
	RM	RM	RM	RM
<i>Group</i>				
Term loan	32,144,984	(5,413,083)	(1,119,257)	25,612,644
Lease liabilities	1,768,046	(562,859)	1,056,255	2,261,442

- (b) The reconciliation of the liabilities of the Group arising from the financing activities for term loan and lease liabilities, are as follows:

	Term loan RM	Lease liabilities RM
<i>Group</i>		
2024		
As at 1 December 2023	25,612,644	2,261,442
<u>Changes in financing cash flows</u>		
Proceeds from drawdown	-	154,446
Repayment of borrowing	(7,114,881)	(809,313)
Repayment of interest	(537,724)	(93,219)
<u>Non-cash transaction cost</u>		
Finance charges recognition in profit and loss	537,724	93,219
Reversal of over accrual of interest expense	-	-
As at 30 November 2024	18,497,763	1,606,575
<hr/>		
2023		
As at 1 December 2022	32,144,984	1,768,046
<u>Changes in financing cash flows</u>		
Proceeds from drawdown	-	1,056,255
Repayment of borrowing	(5,413,083)	(562,859)
Repayment of interest	(1,939,918)	(118,815)
<u>Non-cash transaction cost</u>		
Finance charges recognition in profit and loss	1,939,918	118,815
Reversal of over accrual of interest expense	(1,119,257)	-
As at 30 November 2023	25,612,644	2,261,442

## Notes to the Financial Statements (Continued)

30 November 2024

### 33. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONTINUED)

- (c) The reconciliation of the liabilities arising from amount owing by subsidiaries, are as follows:

<i>Company</i>	<b>Amount owing by subsidiaries companies RM</b>
2024	
As at 1 December 2023	(1,000,000)
<u>Changes in financing cash flows</u>	
Amount owing by subsidiaries	1,000,000
As at 30 November 2024	<u>-</u>

- (d) The reconciliation of the liabilities arising from the financing activities for short-term investments, as follows:

<i>Group and Company</i>	<b>Short-term investments RM</b>
2024	
As at 1 December 2023	97
<u>Non-cash transaction cost</u>	
Fair value loss on short-term investments	3
As at 30 November 2024	<u>100</u>
2023	
As at 1 December 2022	7,066,937
<u>Changes in financing cash flows</u>	
Withdrawal of short-term investments	(7,124,712)
Proceeds from disposal of short-term investments	(6,749)
<u>Non-cash transaction cost</u>	
Fair value loss on short-term investments	47,269
Gain on disposal of short-term investments	17,352
As at 30 November 2023	<u>97</u>

### 34. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Executive Director as chief operating decision maker in order to allocate resources to segments and to assess their performance. For management purposes, the Group is organised into business units based on products and services, which comprise electronic payment services and software licensing, non-electronic payment services provided, Great Experience Matters ("GEM") and others.

The Group is organised into main business segments as follows:

- (a) **Electronic Payment Services and Money Services**  
Involved in provision of payment terminal and payment solutions, money exchange services, and its related software licensing and services.
- (b) **Non-electronic Payment Services**  
Involved in provision of turnkey solutions on the network infrastructure, security management, research and development of software, system design, integration and installation and provision of IT services.
- (c) **Money Lending Services**  
Involved in provision of money lending business, trading of motor vehicles and other related services.
- (d) **GEM**  
Involved in provision of reservation and planning services and its related solutions.
- (e) **Food and beverage**  
Operate and manage food and beverage outlet.
- (f) **Others**  
Other segments comprise investment holding and dormant companies.

For the purpose of making decisions about resource allocation, the Executive Director assesses the performance of the operating segments based on operating profits or losses which is measured differently from those disclosed in the financial statements.





## Notes to the Financial Statements (Continued)

30 November 2024

## 34. OPERATING SEGMENTS (CONTINUED)

Geographical information

Revenue information based on the geographical location of customers is as follow:

Group	Revenue	
	2024 RM	2023 RM
Malaysia	10,780,779	16,831,630
Hong Kong	1,566,404	-
	<u>12,347,183</u>	<u>16,831,630</u>

## 35. RELATED PARTY DISCLOSURE

## (a) Identities of related parties

- (i) The Group has related party relationship with companies in which directors have financial interest and its key management personnel; and
- (ii) The Company has related party relationships with its subsidiaries and key management personnel.

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

- (i) Transactions with related parties of which a director of the Company has financial interest:

	Group	
	2024 RM	2023 RM
Purchase	391,834	8,680
Software development services	-	52,590
Sales	(65,156)	(37,756)
Service revenue	(2,412,504)	(3,501,959)
Service rendered	-	(37,584)
Rental income	(206,434)	(138,000)

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

- (ii) Compensation of key management personnel

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
<u>Short-term employee benefits</u>				
Executive Directors:				
- fees	809,919	876,040	-	-
- other emoluments	1,028,129	959,774	424,558	546,359
	<u>1,838,048</u>	<u>1,835,814</u>	<u>424,558</u>	<u>546,359</u>
Non-executive Directors:				
- fees	270,028	237,552	204,000	166,000
- other emoluments	61,600	48,000	61,600	48,000
	<u>331,628</u>	<u>285,552</u>	<u>265,600</u>	<u>214,000</u>
	<u>2,169,676</u>	<u>2,121,366</u>	<u>690,158</u>	<u>760,359</u>

## Notes to the Financial Statements (Continued)

30 November 2024

### 36. FINANCIAL INSTRUMENTS

The Group's activities are exposed to interest rate risk, foreign currency risk, equity price risk, credit risk, and liquidity and cash flows risks. The Company's activities are exposed to credit risk and liquidity and cash flows risks. The Group's and the Company's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's and the Company's financial performance.

#### (a) Financial Risk Management Policies

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing their interest rate risk, foreign currency risk, equity price risk, credit risk, and liquidity and cash flows risks. The Group's and the Company's policies in respect of the major areas of treasury activities are as follows:

##### (i) *Interest Rate Risk*

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

The Group's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities. The Group's policies are to obtain the most favourable interest rates available.

##### Interest Rate Risk Sensitivity Analysis

The interest rate risk sensitivity analysis on the fixed rate financial instruments is not disclosed as the interest-bearing financial instruments carry fixed interest rate and are measured at amortised cost.

The following table details the sensitivity analysis on the floating rate instruments to a reasonably possible change in the interest rate as at the end of the reporting date, with all other variables held constant:

	Group	
	2024 Increase/ (Decrease) RM	2023 Increase/ (Decrease) RM
Effects on loss after taxation/equity		
Increase of 100 basis points	(140,583)	(194,562)
Decrease of 100 basis points	140,583	194,562

##### (ii) *Foreign Currency Risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of the Group's entities.

The currencies giving rise to this risk are primarily USD, HKD, RMB, TWD and AUD. Foreign currency risk is monitored closely on an on-going basis to ensure that the net exposure is at an acceptable level.



## Notes to the Financial Statements (Continued)

30 November 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

## (a) Financial Risk Management Policies (Continued)

## (ii) Foreign Currency Risk (Continued)

The net unhedged financial assets/(liabilities) of the Group that are not denominated in RM are as follows:

	USD	
	2024 RM	2023 RM
<i>Group</i>		
Trade receivables	4,381,685	4,570,973
Other receivables, deposits and prepayments	4,458,306	3,068,217
Cash and bank balances	52,245,048	51,425,230
Other payables, accruals and deposits received	(1,940)	(527,208)
Currency exposure	61,083,099	58,537,212
	HKD	
	2024 RM	2023 RM
<i>Group</i>		
Other receivables, deposits and prepayments	468,032	2,677,145
Cash and bank balances	129,770	271,694
Other payables and accruals	(268,297)	(41,947)
Currency exposure	329,505	2,906,892
	RMB	
	2024 RM	2023 RM
<i>Group</i>		
Cash and bank balances	92	7,892
Currency exposure	92	7,892
	TWD	
	2024 RM	2023 RM
<i>Group</i>		
Other receivables, deposits and prepayments	705	201
Cash and bank balances	735,080	830,836
Other payables and accruals	(10,934)	(11,912)
Currency exposure	724,851	819,125
	AUD	
	2024 RM	2023 RM
<i>Group</i>		
Other receivables, deposits and prepayments	28,252	43,666
Cash and bank balances	185,963	8,251,731
Other payables and accruals	60,851	25,334
Currency exposure	275,066	8,320,731

## Notes to the Financial Statements (Continued)

30 November 2024

### 36. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial Risk Management Policies (Continued)

(ii) *Foreign Currency Risk (Continued)*

Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting date with all other variables held constant:

	Group	
	2024	2023
	RM	RM
	Increase/ (Decrease)	Increase/ (Decrease)
Effects on loss after taxation/equity		
Strengthened by 10%		
- USD	3,970,624	3,908,317
- HKD	9,863	20,649
- RMB	7	600
- TWD	55,866	63,144
- AUD	14,133	627,132
Weakened by 10%		
- USD	(3,970,624)	(3,908,317)
- HKD	(9,863)	(20,649)
- RMB	(7)	(600)
- TWD	(55,866)	(63,144)
- AUD	(14,133)	(627,132)

(iii) *Equity Price Risk*

The Group is exposed to equity price risk arising from its investment in quoted shares. The quoted shares in Malaysia are listed on Bursa Malaysia Securities Berhad. The Group does not have exposure to commodity price risk.

Equity Price Risk Sensitivity Analysis

A 10% (2023: 10%) increase in the market price of the quoted shares as at the end of the reporting date would have increased equity by RM679,378 (2023: RM515,912). A 10% (2023: 10%) decrease in market price would have equal but opposite effect on equity.

(iv) *Credit Risk*

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group's exposure to credit risk arises principally from trade and other receivables. The Company's exposure to credit risk arises principally from advances to subsidiaries and financial guarantees. There are no significant changes as compared to previous financial year.

As at the end of the financial year, the Group's and Company's maximum exposure to credit risk is represented by:

- (a) the carrying amount of each class of financial assets recognised in the statements of financial position; and
- (b) the financial guarantees and undertakings provided by the Company to financial institutions to receive the borrowings of certain subsidiaries.

## Notes to the Financial Statements (Continued)

30 November 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

## (a) Financial Risk Management Policies (Continued)

## (iv) Credit Risk (Continued)

The Company monitors the financial performance (including the timeliness of loan repayments) of the subsidiaries on an on-going basis.

The maximum credit risk that the Company is exposed to from corporate guarantees and undertakings provided amounted to:

	2024 RM	2023 RM
Company	18,497,763	25,612,644

The above represents the maximum amount that the Company could be obliged to pay if the guarantees were called on.

Generally, the Company considers the financial guarantees to be of low credit risk as the guarantees are provided as credit enhancement to the subsidiaries for secured borrowings.

As at the reporting date, there were no losses arising from the financial guarantees and undertakings provided by the Company.

The fair value of the above financial guarantees has not been recognised since the fair value on initial recognition was not material.

- Trade and other receivables, deposits and prepayments

*Risk management objectives, policies and processes for managing the risk*

The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an on-going basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties and financial institutions.

At the end of each reporting date, the Group assesses whether any of the trade and other receivables, deposits and prepayments are credit impaired.

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

There are no significant changes as compared to previous financial year.

*Exposure to credit risk, credit quality and collateral*

As the Group does not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount in the statements of financial position as at the end of the reporting date.

*Concentration of credit risk*

The Group has no significant concentration of credit risk that may arise from exposure to a single receivable or to groups of receivables at the reporting date.

## Notes to the Financial Statements (Continued)

30 November 2024

### 36. FINANCIAL INSTRUMENTS (CONTINUED)

#### (a) Financial Risk Management Policies (Continued)

##### (iv) Credit Risk (Continued)

- Trade and other receivables, deposits and prepayments (Continued)

##### Recognition and measurement of impairment loss

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The following table provides information about the exposure to credit risk for trade receivables as at the end of the reporting date:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
		<b>Restated</b>
Not past due	14,247,392	8,925,460
Past due but not impaired:		
- 1 to 90 days	452,571	1,731,981
- 91 to 180 days	290,369	2,336,653
- more than 180 days	1,040,276	342,926
Impaired	1,783,216	11,783,788
	6,711,087	7,195,836
	<u>22,741,695</u>	<u>20,532,856</u>

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group.

Trade receivables that are past due but not impaired are unsecured in nature. They are creditworthy receivables.

At the end of the reporting date, trade receivables and other receivables, deposits and prepayments that are individually impaired were those that have defaulted in payments. These receivables are not secured by any collateral or credit enhancement.

# Notes to the Financial Statements (Continued)

30 November 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### (a) Financial Risk Management Policies (Continued)

#### (iv) Credit Risk (Continued)

- Advances to subsidiaries

##### *Risk management objectives, policies and processes for managing the risk*

The Company provides unsecured advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the advances on an individual basis.

##### *Exposure to credit risk, credit quality and collateral*

The maximum exposure to credit risk is represented by the carrying amount in the statements of financial position as at the end of the reporting date.

Advances provided are not secured by any collateral or supported by any other credit enhancements.

##### *Recognition and measurement of impairment loss*

Generally, the Company considers the advances to subsidiaries to have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiaries' financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' advances when they are payable, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded.

The Company considers a subsidiary's advances to be credit impaired when the subsidiary is unlikely to repay its advances to the Company in full or the subsidiary is continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these advances individually using internal information available.

- Other receivables, deposits and prepayments

No impairment losses were recognised for other receivables, deposits and prepayments.

#### (v) Liquidity and Cash Flows Risks

Liquidity and cash flow risks are the risks that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group's and the Company's exposures to liquidity and cash flows risks arise mainly from general funding and business activities. The Group and the Company practise risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

## Notes to the Financial Statements (Continued)

30 November 2024

### 36. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Financial Risk Management Policies (Continued)

(v) Liquidity and Cash Flows Risks (Continued)

The following tables set out the maturity profile of the financial liabilities as at the end of the reporting date based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting date):

Group 2024	Weighted Average Effective Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	On Demand Or Within 1 Year RM	1 - 5 Years RM
Trade payables	-	6,512,446	6,512,446	6,512,446	-
Other payables, accruals and deposits received	-	10,049,801	10,049,801	10,049,801	-
Contract liabilities	-	3,689,318	3,689,318	3,689,318	-
Lease liabilities	3.36 - 5.00	1,606,575	1,699,167	793,401	905,766
Term loan	2.97 - 5.27	18,497,763	19,425,047	7,619,265	11,805,783
		40,355,903	41,375,779	28,664,231	12,711,549

#### 2023

Trade payables	-	5,041,291	5,041,291	5,041,291	-
Other payables, accruals and deposits received	-	5,299,052	5,299,052	5,299,052	-
Contract liabilities	-	2,375,625	2,375,625	2,375,625	-
Lease liabilities	3.36 - 5.00	2,261,442	2,299,986	832,994	1,466,992
Term loan	5.31 - 6.70	25,612,644	28,754,725	7,652,604	21,102,121
		40,590,054	43,770,679	21,201,566	22,569,113

Company 2024	Weighted Average Effective Rate %	Contractual Carrying Amount RM	On Demand Undiscounted Cash Flows RM	Or Within 1 Year RM
Other payables and accruals	-	133,770	133,770	133,770
		106,400	106,400	106,400

#### 2023

Other payables and accruals	-	106,400	106,400	106,400
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In respect of those undiscounted repayment obligations arising from financial guarantees and undertakings provided by the Company, as disclosed in Notes 36(a)(iv) to the financial statements, there was no indication that as at reporting date that the subsidiaries that were granted the financial guarantees would default. In the event of a default by the subsidiaries, the financial guarantees could be called on demand.

## Notes to the Financial Statements (Continued)

30 November 2024

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

## (b) Capital Risk Management

The Group and the Company manage their capital to ensure that the Group and the Company will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as net debt divided by total equity. Net debts for the Group and the Company are calculated as trade and other payables plus accruals plus deposits received plus lease liabilities and term loan less short-term investments and cash and bank balances.

The debt-to-equity ratios of the Group and of the Company as at the end of the financial year were as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Trade payables	6,512,446	5,041,291	-	-
Other payables, accruals and deposits received	10,049,801	5,299,052	133,770	106,400
Lease liabilities	1,606,575	2,261,442	-	-
Term loan	18,497,763	25,612,644	-	-
	36,666,585	38,214,429	133,770	106,400
Less: Short-term investments	(100)	(97)	(100)	(97)
Less: Cash and bank balances	(55,500,165)	(65,012,643)	(138,300)	(785,880)
	(18,883,680)	(26,798,311)	(4,630)	(679,577)
Total equity	84,442,952	110,538,436	11,116,473	53,349,865
Debt-to-equity ratio	N/A	N/A	N/A	N/A

N/A: The cash and cash equivalents of the Group and of the Company are sufficient to settle all the debts of the Group and of the Company as at the financial year end.

There were no changes in the Group's and the Company's approach to capital management during the financial year.

## (c) Classification of Financial Instruments

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial Assets				
<u>Measured at FVTPL</u>				
Other investments				
- Investment in quoted shares	6,793,779	5,159,124	-	-
<u>Measured at amortised cost</u>				
Other investments				
- Golf club membership	48,000	48,000	-	-
Trade receivables	16,030,608	13,337,020	-	-
Other receivables and deposits	5,859,372	7,081,084	-	980
Short-term investments	100	97	100	97
Cash and bank balances	55,500,165	65,012,643	138,300	785,880
	77,438,245	85,478,844	138,400	786,957



## Notes to the Financial Statements (Continued)

30 November 2024

### 36. FINANCIAL INSTRUMENTS (CONTINUED)

#### (c) Classification of Financial Instruments (Continued)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial Liabilities				
<u>Measured at amortised cost</u>				
Trade payables	6,512,446	5,041,291	-	-
Other payables, accruals and deposits received	10,049,801	5,299,052	133,770	106,400
Lease liabilities	1,606,575	2,261,442	-	-
Term loan	18,497,763	25,612,644	-	-
	<u>36,666,585</u>	<u>38,214,429</u>	<u>133,770</u>	<u>106,400</u>

#### (d) Fair Values of Financial Instruments

The carrying amounts of the financial assets and financial liabilities of the Group and of the Company reported in the financial statements approximated their fair values due to the relatively short-term nature, except for investment in quoted shares which is measured at FVTPL.

#### (e) Fair Value Hierarchy

The fair value measurement hierarchies used to measure assets and liabilities carried at fair value in the statements of financial position as at 30 November 2024 are as follows:

- (i) Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.
- (ii) Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.
- (iii) Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

<b>Group</b>	<b>Level 1 RM</b>	<b>Level 2 RM</b>	<b>Level 3 RM</b>	<b>Total RM</b>
<b>2024</b>				
Financial Assets				
Other investments				
- Investment in quoted shares	6,841,779	-	-	6,841,779
Short-term investments	100	-	-	100
Investment properties				
- Freehold building	-	32,840,000	4,293,120	37,133,120
- Leasehold building	-	-	6,534,580	6,534,580
	<u>6,841,879</u>	<u>32,840,000</u>	<u>10,827,700</u>	<u>50,509,579</u>
<b>2023</b>				
Financial Assets				
Other investments				
- Investment in quoted shares	5,159,124	-	-	5,159,124
Short-term investments	97	-	-	97
Investment properties				
- Freehold building	-	32,800,000	4,200,000	37,000,000
- Leasehold building	-	-	5,469,568	5,469,568
	<u>5,159,221</u>	<u>32,800,000</u>	<u>9,669,568</u>	<u>47,628,789</u>

## Notes to the Financial Statements (Continued)

30 November 2024

**37. CONTINGENT LIABILITES**

	<b>Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Financial guarantees given to a financial institution for banking facilities granted to subsidiaries		
- Secured	18,497,763	25,612,644

**38. MATERIAL LITIGATION**

During the financial year ended 30 November 2022, two (2) of the Group's subsidiaries, namely Sungei Wang Plaza Sdn. Bhd. and Sungei Wang Holdings Sdn. Bhd. (collectively known as "the Subsidiaries") initiated multiple legal actions before the Kuala Lumpur Sessions Court and Kuala Lumpur High Court to recover unpaid rentals amounting to RM789,289 from a tenant. The outstanding rental amounting to RM789,289 was fully impaired during financial year ended 30 November 2022.

**Kuala Lumpur Sessions Court**

On 26 September 2022, the Subsidiaries obtained an Order to commence distress procedures against the tenant. On 27 October 2022, Court Bailiffs took possession of the premise and subsequently, a public auction was carried out on 16 March 2023, where all the goods and equipment within the premise were sold to successful bidders.

On 10 October 2023, the Subsidiaries obtained a Judgement in Default of Appearance against the Tenant and recover possession of the premise on 23 November 2023. The tenant then proceeded to file an application to set aside the Judgement in Default of Appearance obtained by the Subsidiaries; the decision of the application to set aside the Judgment in Default of Appearance took place on 25 March 2024. The application by the defendants to set aside the "Judgement in Default of Appearance" was dismissed by the Kuala Lumpur Sessions Court and an appeal was eventually filed by the defendants, at the Kuala Lumpur High Court.

**Court of Appeal, Putrajaya**

On the other subsequent matter of "Writ of Distress" Sungei Wang Plaza Sdn Bhd filed an appeal to the Court Of Appeal Putrajaya, against the decision of Kuala Lumpur High Court in setting aside the "Writ of Distress" obtained by Sungei Wang Plaza Sdn Bhd against the defendants.

The Court of Appeal dismissed Sungei Wang Plaza Sdn Bhd's application against the defendant at the hearing stage.

On 1 March 2025, a global settlement was arrived at between Sungei Wang Plaza Sdn Bhd and the defendants i.e, the parties agreed amongst others that, the "Judgment in Default of Appearance" which was entered against the Defendants through Kuala Lumpur Sessions Court would be set aside and there shall be no further claims including costs arising between the parties from and/or relating to the Kuala Lumpur Sessions Court, Kuala Lumpur High Court and Court of Appeal, Putrajaya. The global settlement shall be recorded as a "Consent Judgement" between the parties at Kuala Lumpur High Court. However, until today the Kuala Lumpur High Court has not be able to schedule a date for the parties to record the "Consent Judgement" due to the Judge's reappointment and replacement by the Court Registrar for the said matter.

As of 1 March 2025, Kuala Lumpur High Court has scheduled a case management by e-Review for the parties on 9 April 2025 to update the parties on the Judge's available date(s) scheduled to record the "Consent Judgment" between the parties.

## Notes to the Financial Statements (Continued)

30 November 2024

### 39. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR

- (a) On 11 January 2024, the Company announced and proposed to undertake a proposed bonus issue of up to 468,976,320 new warrants in NetX ("Warrants D") on the basis of 1 Warrant D for every 2 existing ordinary shares in NetX held by the entitled shareholders

On 27 March 2024, Bursa Securities approved the following:

- (i) admission to the Official List and listing and quotation of up to 468,976,320 Warrants D to be issued pursuant to the bonus issue of warrants; and
- (ii) listing and quotation of up to 468,976,320 new ordinary share to be issued arising from the exercise of Warrants D.

On 9 April 2024, the Company announced an Extraordinary General Meeting ("EGM") had been scheduled to be convened on 29 April 2024 for the purpose of considering the above proposals. The shareholders of the Company had approved the proposals in the EGM.

On 27 June 2024, on behalf of the Board, TA Securities announced that the Board fixed the exercise price of the Warrants D at RM0.10 per Warrant D. The exercise price of the Warrants D represents a discount of approximately 18.96% to the TEAP of RM0.1234, calculated based on the 5-day VWAP up to and including 26 June 2024 (being the last trading day before the date of this announcement) of RM0.1351.

On 23 July 2024, the Company announced the Warrants D will be admitted to the Official List of Bursa Securities and the listing and quotation of the Warrants D on the ACE Market will be granted with effect from 9.00 a.m., Thursday, 25 July 2024. The Stock Short Name, Stock Number and ISIN Code of the Warrants D are "NETX-WD", "0020WD" and "MYQ0020WD770".

- (b) On 19 December 2024, the Company's equity interest in Saudi Burger Holdings Sdn. Bhd. ("SBHSB") reduced from 51% to 49% due to subscription of additional shares by non-controlling interest in SBHSB. Subsequently, the Company loses control over SBHSB.
- (c) On 23 January 2025, the Company's equity interest in EFX Global Pty Ltd ("EFX Global") reduced from 100% to 2% due to subscription of additional shares in EFX Global. Subsequently, the Company loses control over EFX Global.

### 40. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 25 March 2025 by the Board of Directors.

## LIST OF PROPERTIES

No.	Location	Postal address	Description	Current use	Tenure	Land area / Built-up Area	Date of acquisition	NBV as at 30 November 2024
1.	PN 89089/M2/1/47 with Accessory Parcel No. A42, Lot 53747, Pekan Baru Sungai Buloh, District of Petaling, Selangor Darul Ehsan	1-3, Street Wing, Sunsuria Avenue, Persiaran Mahogani, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan.	Renovated Stratified four storey corner terraced shop office with lift	Tenanted	Leasehold, expires on 21 February 2107	990 sq. metres	13 April 2010	5,279,126
2.	Geran 60861/M1D/1/199, Lot 58690, Mukim Batu, Wilayah Persekutuan Kuala Lumpur	A4-G2-3A, Solaris Dutamas (BLK-A4), Jalan Dutamas 1, Off Jalan Duta, 50480 Kuala Lumpur.	Office Lot	Tenanted	Freehold	116 sq. metres	28 April 2022	3,922,558
3.	Geran 11043/M1/B1/6, Lot 1197 Section 67, Bandar Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot LG 001-D, Sungei Wang Plaza, Jalan Sultan Ismail, 55100 Kuala Lumpur.	Retail Unit	Vacant	Freehold	218 sq. metres	3 September 2021	2,305,382
4.	Geran 11043/M1/1/26, Lot 1197 Section 67, Bandar Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot LG 001-2, Sungei Wang Plaza, Jalan Sultan Ismail, 55100 Kuala Lumpur.	Retail Unit	Tenanted	Freehold	109 sq. metres	3 September 2021	6,500,304
5.	Geran 11043/M1/1/27, Lot 1197 Section 67, Bandar Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot LG 001-1, Sungei Wang Plaza, Jalan Sultan Ismail, 551000 Kuala Lumpur.	Retail Unit	Tenanted	Freehold	98 sq. metres	3 September 2021	9,486,930
6.	Geran 11043/M1/1/28, Lot 1197 Section 67, Bandar Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot LG 001, Sungei Wang Plaza, Jalan Sultan Ismail, 55100 Kuala Lumpur.	Retail Unit	Tenanted	Freehold	61 sq. metres	3 September 2021	7,993,617
7.	Geran 11043/M1/1/29, Lot 1197 Section 67, Bandar Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot LG 001(A)&(B), Sungei Wang Plaza, Jalan Sultan Ismail, 55100 Kuala Lumpur.	Retail Unit	Tenanted	Freehold	26 sq. metres	3 September 2021	2,283,891
8.	Geran 11043/M1/5/640, Lot 1197 Section 67, Bandar Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	Lot T-136, Sungei Wang Plaza, Jalan Sultan Ismail, 50250 Kuala Lumpur.	Retail Unit	Tenanted	Freehold	53 sq. metres	3 September 2021	266,006

# ANALYSIS OF SHAREHOLDINGS

AS AT 28 FEBRUARY 2025

Issued Share Capital	937,952,641 ordinary shares
Class of Shares	Ordinary shares
Voting Rights	One (1) vote per ordinary share

## DISTRIBUTION OF SHAREHOLDERS

(Based on Record of Depository)

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	1,042	12.21	39,189	#
100 - 1,000	1,654	19.38	795,824	0.08
1,001 - 10,000	3,458	40.51	15,074,904	1.61
10,001 - 100,000	2,056	24.09	68,528,363	7.31
100,001 to less than 5% of issued shares	319	3.74	282,879,811	30.16
5% and above of issued shares	6	0.07	570,634,550	60.84
<b>Total</b>	<b>8,535</b>	<b>100.00</b>	<b>937,952,641</b>	<b>100.00</b>

Note:

# Less than 0.01%

## SUBSTANTIAL SHAREHOLDERS

(Based on the Register of Substantial Shareholders)

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Fintec Global Limited	193,990,000	20.68	-	-
Fintec Global Berhad	-	-	193,990,000	20.68 <sup>(1)</sup>
Morgan Stanley	62,606,475	6.68	-	-
Mitsubishi UFJ Financial Group, Inc ("MUFG")	-	-	62,606,475	6.68 <sup>(2)</sup>

Notes:

<sup>(1)</sup> Deemed interested in the shares held by Fintec Global Limited pursuant to Section 8 of the Companies Act 2016.

<sup>(2)</sup> Deemed interest in the shares of NetX Holdings Berhad held by Morgan Stanley Group by virtue of MUFG holding more than 20% interest in shares of Morgan Stanley Group.

## DIRECTORS' SHAREHOLDINGS

(Based on Register of Directors' Shareholding)

	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
Dato' Sri Wan Ahmad Najmuddin Bin Mohd	-	-	-	-
Tan Sik Eek	40,000,000	4.27	-	-
Yong Ket Inn	-	-	-	-
Ong Siew Min	-	-	-	-
Chen Chee Peng	-	-	-	-

## Analysis of Shareholdings (Continued)

As at 28 February 2025

### LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS

*(Based on Record of Depository)*

		No. of Shares	% of Shares
1.	CGS INTERNATIONAL NOMINEES MALAYSIA (ASING) SDN. BHD. EXEMPT AN FOR CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD. (RETAIL CLIENTS)	154,033,425	16.42
2.	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR CLSA LIMITED (CUST-NON RES)	99,719,200	10.63
3.	FINTEC GLOBAL LIMITED	97,270,800	10.37
4.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR LAZARUS SECURITIES PTY LTD	94,448,750	10.07
5.	HSBC NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR MORGAN STANLEY & CO. INTERNATIONAL PLC (IPB CLIENT ACCT)	62,606,475	6.68
6.	CITIGROUP NOMINEES (ASING) SDN. BHD. CBLDN FOR UNION BANCAIRE PRIVEE	62,555,900	6.67
7.	UNIK MAKMUR SDN. BHD.	38,962,600	4.15
8.	ATTRACTIVE VENTURE SDN. BHD.	33,793,000	3.60
9.	AE MULTI INDUSTRIES SDN. BHD.	30,000,000	3.20
10.	M & A NOMINEE (ASING) SDN. BHD. EXEMPT AN FOR SFGHK LIMITED (ACCOUNT CLIENT)	15,992,700	1.71
11.	AE MULTI INDUSTRIES SDN. BHD.	15,600,000	1.66
12.	AFFIN HWANG NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR LAZARUS SECURITIES PTY LTD	12,213,000	1.30
13.	JADI CHEMICALS SDN. BHD.	10,353,200	1.10
14.	LEE KIM SOON	7,567,400	0.81
15.	PERUSAHAAN SAUDEE SDN. BHD.	5,550,000	0.59
16.	TAN YAU LAM	3,685,900	0.39
17.	PARLO TOURS SDN. BHD.	2,746,600	0.29
18.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHOK PUI WOON	2,093,400	0.22
19.	LAI YEE LING	1,923,700	0.21
20.	QUEK YONG WAH	1,900,000	0.20
21.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. TAN KEE CHUAN	1,888,000	0.20
22.	LEE GUAN HOOI	1,650,000	0.18
23.	LAI YEE LING	1,617,500	0.17
24.	DAREN YOON THAI ON	1,600,000	0.17
25.	LIM POH FONG	1,530,003	0.16
26.	CHIN KIAM HSUNG	1,460,600	0.16
27.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. R MANIKKUMAR A/L M RAFVI	1,296,500	0.14
28.	LAI YEE VOON	1,280,000	0.14
29.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. CHIN KIAM HSUNG	1,219,500	0.13
30.	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN SIN WAH (E-SJA)	1,155,000	0.12
	<b>TOTAL</b>	<b>767,713,153</b>	<b>81.84</b>

## ANALYSIS OF WARRANT HOLDINGS - WARRANTS D

AS AT 28 FEBRUARY 2025

### WARRANTS D 2024/2027

Total Number of Warrants Issued	468,976,292
Exercise Price of Warrants	RM0.10
Exercise Period of Warrants	22 July 2024 to 21 July 2027
Exercise Rights	Each warrants entitles the holders to subscribe for one new ordinary share in the Company

### DISTRIBUTION OF WARRANTS D HOLDINGS

(Based on Record of Depository)

Size of Holdings	No. of Holders	% of Holders	No. of Warrants D	% of Holdings
Less than 100	1,276	15.40	35,612	0.01
100 - 1,000	2,492	30.08	1,279,816	0.27
1,001 - 10,000	3,191	38.52	13,139,633	2.80
10,001 - 100,000	1,166	14.08	34,879,742	7.44
100,001 to less than 5% of issued shares	153	1.85	132,653,065	28.29
5% and above of issued shares	6	0.07	286,988,424	61.19
<b>Total</b>	<b>8,284</b>	<b>100.00</b>	<b>468,976,292</b>	<b>100.00</b>

### DIRECTORS' WARRANTS D HOLDINGS

(Based on Register of Directors' Warrant Holdings)

	Direct		Indirect	
	No. of Warrants D	%	No. of Warrants D	%
Dato' Sri Wan Ahmad Najmuddin Bin Mohd	-	-	-	-
Tan Sik Eek	-	-	-	-
Yong Ket Inn	-	-	-	-
Ong Siew Min	-	-	-	-
Chen Chee Peng	-	-	-	-



## Analysis of Warrant Holdings - Warrants D (Continued)

As at 28 February 2025

### LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS

*(Based on Record of Depository)*

		No. of Warrants D	% of Holdings
1.	CGS INTERNATIONAL NOMINEES MALAYSIA (ASING) SDN. BHD. EXEMPT AN FOR CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD. (RETAIL CLIENTS)	77,016,712	16.42
2.	M & A NOMINEE (ASING) SDN. BHD. EXEMPT AN FOR SFGHK LIMITED (ACCOUNT CLIENT)	56,631,750	12.08
3.	CITIGROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR CLSA LIMITED (CUST-NON RES)	49,859,600	10.63
4.	M & A NOMINEE (TEMPATAN) SDN. BHD. EXEMPT AN FOR SFGHK LIMITED (ACCOUNT CLIENT)	40,899,175	8.72
5.	HSBC NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR MORGAN STANLEY & CO. INTERNATIONAL PLC (IPB CLIENT ACCT)	31,303,237	6.68
6.	CITIGROUP NOMINEES (ASING) SDN. BHD. CBLDN FOR UNION BANCAIRE PRIVEE	31,277,950	6.67
7.	UNIK MAKMUR SDN. BHD.	22,981,300	4.90
8.	ATTRACTIVE VENTURE SDN. BHD.	16,896,500	3.60
9.	AE MULTI INDUSTRIES SDN. BHD.	15,000,000	3.20
10.	AE MULTI INDUSTRIES SDN. BHD.	7,800,000	1.66
11.	AFFIN HWANG NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR LAZARUS SECURITIES PTY LTD	6,106,500	1.30
12.	TAN HOU BU	4,500,000	0.96
13.	YONG SIEW NGEE	3,000,000	0.64
14.	M & A NOMINEE (TEMPATAN) SDN. BHD. FOR FITPROPER LIMITED	2,992,300	0.64
15.	PERUSAHAAN SAUDEE SDN. BHD.	2,775,000	0.59
16.	LEE KIM SOON	2,068,600	0.44
17.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR LAZARUS SECURITIES PTY LTD	1,973,200	0.42
18.	TAN YOKE WU	1,780,000	0.38
19.	TAN YAU LAM	1,521,500	0.32
20.	TIU KEE GUAN	1,416,700	0.30
21.	PARLO TOURS SDN. BHD.	1,373,300	0.29
22.	GAN LAI ENG @ GAN LEE HONG	1,250,000	0.27
23.	LIM POH FONG	1,038,801	0.22
24.	KENANGA NOMINEES (TEMPATAN) SDN. BHD. LIM SOH WOON	1,000,000	0.21
25.	LAI YEE LING	961,850	0.21
26.	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHOK PUI WOON	956,700	0.20
27.	QUEK YONG WAH	950,000	0.20
28.	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. TAN KEE CHUAN	944,000	0.20
29.	CHIN KIAM HSUNG	810,250	0.17
30.	LAI YEE LING	808,750	0.17
	<b>TOTAL</b>	<b>387,893,675</b>	<b>82.69</b>

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Fourth (24<sup>th</sup>) Annual General Meeting of NetX Holdings Berhad (“**NetX**” or “**the Company**”) will be held on a hybrid mode at Lot 4.1, 4<sup>th</sup> Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan (“**Meeting Venue**”) and virtually by way of electronic means via online meeting platform at <https://rebrand.ly/NetX-AGM> (“**Online Platform**”) on Friday, 25 April 2025 at 10.00 a.m. or any adjournment thereof, for the purpose of transacting the following businesses:

## AGENDA

- |    |  |   |
|----|--|---|
| 1. | To receive the Audited Financial Statements for the financial year ended 30 November 2024 together with the Directors’ and Auditors’ Reports thereon.  | <b>Please refer to Explanatory Note 1</b> |
| 2. | To approve the payment of directors’ fees and benefits of up to RM500,000 to the Non-Executive Directors for their services from 25 April 2025 until the next Annual General Meeting of the Company. | <b>Ordinary Resolution 1</b>              |
| 3. | To re-elect Mr Tan Sik Eek who retires pursuant to Clause 115 of the Company’s Constitution.   | <b>Ordinary Resolution 2</b>              |
| 4. | To re-elect Ms Ong Siew Min who retires pursuant to Clause 115 of the Company’s Constitution.  | <b>Ordinary Resolution 3</b>              |
| 5. | To re-appoint Messrs SBY Partners PLT as External Auditors of the Company and to authorise the Directors to fix their remuneration.  | <b>Ordinary Resolution 4</b>              |

## SPECIAL BUSINESSES :

To consider and, if thought fit, to pass the following Resolution:

- |    |   |                              |
|----|---|------------------------------|
| 6. | <b>Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016</b> | <b>Ordinary Resolution 5</b> |
|----|---|------------------------------|

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (“**the Act**”) and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to time and upon such terms and conditions and for such purposes as the Directors, may in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from the Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

AND THAT pursuant to Section 85 of the Act to be read together with Clause 70 of the Constitution of the Company, approval be and is hereby given for the Company to waive the statutory pre-emptive rights of the shareholders and empower the Directors of the Company to issue and allot new ordinary shares pursuant to Sections 75 and 76 of the Act without offering them to the existing members to maintain their relative voting and distribution right and such new shares shall rank pari passu in all respects with the existing class of ordinary shares.”

- |    |   |                              |
|----|---|------------------------------|
| 7. | <b>Proposed New Shareholders’ Mandate and Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature</b> | <b>Ordinary Resolution 6</b> |
|----|---|------------------------------|

“THAT, subject to compliance with all applicable laws, regulations and guidelines, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with related parties as set out in Section 2.4 of the Circular to Shareholders dated 27 March 2025 pursuant to Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Listing Requirements**”), subject to the following:

## Notice of Annual General Meeting (Continued)

- (i) the transactions are necessary for the day-to-day operations of the Company's subsidiary in the ordinary course of business, at arm's length, on normal commercial terms and are on terms not more favourable to the related party than those generally available to the public and not detrimental to minority shareholders of the Company;
- (ii) the mandate is subject to annual renewal. In this respect, any authority conferred by a mandate shall only continue to be in force until:
  - (a) the conclusion of the next Annual General Meeting ("**AGM**") of the Company, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
  - (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340 (2) of the Companies Act, 2016 ("**the Act**") (but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the Act); or
  - (c) revoked or varied by resolution passed by the shareholders in a general meeting, whichever is the earlier.
- (iii) disclosure is made in the annual report of the Company of the breakdown of the aggregate value of the recurrent related party transactions conducted pursuant to the mandate during the current financial year, and in the annual reports for the subsequent financial years during which a shareholder's mandate is in force, where:
  - (a) the consideration, value of the assets, capital outlay or costs of the aggregated transactions is equal to or exceeds RM1.0 million; or
  - (b) any one of the percentage ratios of such aggregated transactions is equal to or exceeds 1%,whichever is the higher;  
and amongst others, based on the following information:
  - (a) the type of recurrent related party transactions made; and
  - (b) the names of the related parties involved in each type of recurrent related party transactions made and their relationships with NetX Group.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

8. To transact any other business of the Company for which due notice shall have been given.

By order of the Board,

**CHONG VOON WAH**

(SSM PC No. 202008001343) (MAICSA 7055003)

**THAI KIAN YAU**

(SSM PC No. 202008001515) (MIA 36921)

Company Secretaries

Kuala Lumpur  
27 March 2025

## Notice of Annual General Meeting (Continued)

### Notes

- The 24<sup>th</sup> AGM of the Company will be held on a hybrid mode whereby Member(s), proxy(ies), corporate representative(s) or attorney(s) will have an option, either:
  - To attend physically in person at the Meeting Venue (“**Physical Attendance**”); OR
  - To attend virtually using the Remote Participation and Voting (“**RPV**”) facilities which are available on the online meeting platform at <https://rebrand.ly/NetX-AGM> (“**Virtual Attendance**”).
- A member entitled to attend and vote at the Meeting is entitled to appoint a maximum of two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
- Where a member appoints more than one proxy to attend the same meeting, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or signed by an attorney so authorised.
- The Form of Proxy must be deposited at the Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via e-mail at [ir@shareworks.com.my](mailto:ir@shareworks.com.my) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument, proposes to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll.
- For the purpose of determining members’ eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 18 April 2025 shall be entitled to attend this meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.
- Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out above will be put to vote by way of poll.
- The 24<sup>th</sup> AGM will be held on a hybrid mode, the members who wish to attend virtually are advised to refer to the Administrative Guide on the registration and voting process for the said meeting.

### EXPLANATORY NOTES

#### 1. Audited Financial Statements for the Financial Year Ended 30 November 2024

Agenda No. 1 is meant for discussion only as Section 340(1) (a) of the Companies Act 2016 provides that the audited financial statements are to be laid in the general meeting and do not require the formal approval of the shareholders. Hence, this Agenda item is not put forward for voting.

#### 2. Ordinary Resolution 1: To approve the Payment of Directors’ Fees and Benefits Payable

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors including any compensation for loss of employment of a director or former director of a public company or a listed company and its subsidiaries, shall be approved at a general meeting.

The fees and benefits of the Non-Executive Directors of the Company are as follows:

- Monthly Directors’ fees; and
- Meeting and telephone allowance.

Details of the fees and benefits paid to the non-executive directors for the financial year ended 30 November 2024 are disclosed on pages 39 to 40 of the Overview Statement on Corporate Governance in the 2024 Annual Report.

## Notice of Annual General Meeting (Continued)

### **EXPLANATORY NOTES (Continued)**

#### **3. Ordinary Resolutions 2 and 3: Re-election of Directors**

The following Directors are standing for re-election as Directors of the Company pursuant to the following clauses of the Company's Constitution at the Twenty-Fourth (24<sup>th</sup>) Annual General Meeting of the Company and are being eligible have offered themselves for re-election in accordance with the Company's Constitution:

- (a) Mr Tan Sik Eek (Clause 115); and
- (b) Ms Ong Siew Min (Clause 115).

*(collectively referred to as "Retiring Directors")*

For the purpose of determining the eligibility of the Retiring Directors to stand for re-election at the Twenty-Fourth (24<sup>th</sup>) Annual General Meeting, the Board through its Nominating and Remuneration Committee ("**NRC**") had assessed the Retiring Directors, and considered the following:

- (a) The Directors' performance and contribution;
- (b) The Directors' skills, experience and strength in qualities; and
- (c) The Directors' ability to act in the best interest of the Company in decision-making.

Upon deliberation, the Board (except for the Retiring Directors who had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board and Committees meetings) collectively agreed that the Retiring Directors meet the criteria of character, experience, integrity, competence and time commitment to effectively discharge their respective roles as Directors of the Company and recommended the Retiring Directors be re-elected as the Directors of the Company.

Further, the NRC has considered and affirmed, and the Board has endorsed that Ms Ong Siew Min, who is seeking re-election at the forthcoming Twenty-Fourth (24<sup>th</sup>) Annual General Meeting of the Company comply with the independence criteria as prescribed in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and remained independent in exercising her judgment and in carrying out her duties as Independent Non-Executive Director of the Company.

#### **4. Ordinary Resolution 4: Re-appointment of External Auditors**

The Board, through the Audit and Risk Management Committee, had conducted an assessment on the suitability, objectivity and independence of Messrs SBY Partners PLT in respect of the financial year ended 30 November 2024. The Board was satisfied with the performance of Messrs SBY Partners PLT and recommended the re-appointment of Messrs SBY Partners PLT as External Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company in accordance with Section 271 of the Companies Act 2016.

#### **5. Ordinary Resolution 5: Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016**

The proposed Ordinary Resolution 5, if passed, is the renewal of the general mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company ("**General Mandate**"). This authority, unless revoked or varied by the Company at a General Meeting, will expire at the next Annual General Meeting.

The General Mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares and funding the future investment project(s) workings capital and/or acquisitions.

Pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 70 of the Constitution of the Company, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company:

#### **Section 85(1) of the Companies Act 2016 states:**

Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.

# Notice of Annual General Meeting (Continued)

## **EXPLANATORY NOTES (Continued)**

### **5. Ordinary Resolution 5: Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 (Continued)**

#### **Clause 70 of the Company's Constitution provides as follows:**

*Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible Securities shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may, likewise, also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause.*

In order for the Board to issue any new shares free of pre-emptive rights, such pre-emptive rights must be waived. The proposed Ordinary Resolution 5, if passed, will exclude your pre-emptive rights over all new shares in the Company to be issued under the General Mandate.

As at the date of this Notice, the Company has not issued any new shares pursuant to the General Mandate granted to the Directors at the Twenty-Third (23<sup>rd</sup>) Annual General Meeting held on 29 April 2024 and which the said General Mandate will lapse at the conclusion of the Twenty-Fourth (24<sup>th</sup>) Annual General Meeting.

### **6. Ordinary Resolution 6: Proposed New Shareholders' Mandate and Renewal of Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

The proposed Ordinary Resolution 6, if passed, will enable the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the day-to-day operations of the Company and/or its subsidiaries, subject to the transactions being carried out in the ordinary course of business of the Company and/or its subsidiaries and on normal commercial terms which are generally available to the public and not detrimental to the minority shareholders of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next annual general meeting of the Company. For more information, kindly refer to the Company's Circular to Shareholders dated 27 March 2025.

## **STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING**

(Pursuant to Rule 8.29 (2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)

As at date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at the Twenty-Fourth (24<sup>th</sup>) Annual General Meeting.

The Company will seek shareholders' approval on the general mandate for the issue of securities in accordance with Rule 6.04 (3) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to the proposed Ordinary Resolution 5 as stated in the Notice of Twenty-Fourth (24<sup>th</sup>) Annual General Meeting of the Company for the details.

# ADMINISTRATIVE GUIDE

## TWENTY-FOURTH (24<sup>TH</sup>) ANNUAL GENERAL MEETING

<b>Date &amp; Time</b>	: Friday, 25 April 2025 at 10.00 a.m.
<b>Meeting Venue</b> <b>("Physical Attendance")</b>	: Level 4.1, 4 <sup>th</sup> Floor, Menara Lien Hoe No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort 47410 Petaling Jaya, Selangor
<b>Online Meeting Platform</b> <b>("Virtual Attendance")</b>	: <a href="https://rebrand.ly/NetX-AGM">https://rebrand.ly/NetX-AGM</a>

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### **Hybrid Meeting**

1. The Twenty-Fourth (24<sup>th</sup>) Annual General Meeting ("**AGM**") will be held on a hybrid mode whereby member(s), proxy(ies), corporate representative(s) or attorney(s) will have an option, either:
  - i) To attend physically in person at the Meeting Venue ("**Physical Attendance**"); OR
  - ii) To attend virtually using the Remote Participation and Voting ("**RPV**") facilities which are available on the online meeting platform at <https://rebrand.ly/NetX-AGM> ("**Virtual Attendance**").
2. Shareholders are **strongly encouraged** to take advantage of the RPV facilities to participate and vote remotely at the AGM. With the RPV facilities, you may exercise your right as a member of the Company to participate (including to pose questions to the Board of Directors ("**Board**") and/or management of the Company) and vote at the AGM. Alternatively, you may also appoint the Chairman of the meeting as your proxy to attend and vote on your behalf at the AGM. Details of the RPV Facilities are set out below.

### **Registration for Virtual Attendance**

3. The AGM will be held on a hybrid mode. The registration is mandatory for Shareholders who wish to attend the AGM virtually. Please click the following link to register: <https://rebrand.ly/NetX-AGM>.
4. The Shareholders are required to register in order to participate in the AGM virtually. The registration will be open from 10.00 a.m. on **27 March 2025** and close at **10.00 a.m. on 24 April 2025**.

Upon submission of your registration, you will receive an email to notify you that your registration has been received and is pending verification.
5. After verification of your registration against the General Meeting Record of Depositors of the Company, the system will send you an email to notify you if your registration is approved or rejected after **19 April 2025**.
6. Should your registration be rejected, you can contact the Company's Share Registrar or the Company for clarification.
7. The event is powered by Cisco Webex. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android and iOS). Please follow the tutorial guide posted on <https://rebrand.ly/NetX-AGM>.

### **Other Information for Attendees at the AGM**

8. All attendees at the meeting venue must be fully vaccinated or medically fit to attend without any transmissible health condition. Although the wearing of face mask in an enclosed area is now optional, you are encouraged to wear your face mask throughout the meeting session.
9. In the events of you are unwell or display symptoms of illness, the Company also reserve the right to reject entrance of any attendee who does not meet the foregoing health standard operating procedures.
10. Parking bays are available at Menara Lien Hoe. Kindly use Touch 'n Go (with minimum RM 20.00 card balance), debit or credit card to enter the parking bay as it is a cashless payment system.
11. All attendees are required to register with the security personnel at the lobby of the building before they can gain access to the 4<sup>th</sup> Floor for the EGM.

### **General Meeting Records of Depositors**

12. For the purpose of determining members' eligibility to attend this meeting, only members whose names appear in the Record of Depositors of the Company as at **18 April 2025** shall be entitled to attend this meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.



## Administrative Guide (Continued)

Twenty-Fourth (24<sup>th</sup>) Annual General Meeting

### **Individual Members**

13. Individual members are strongly encouraged to take advantage of RPV facilities to participate and vote remotely at the AGM. Please refer to the details as set out under RPV facilities for information.
14. If an individual member is unable to attend the AGM, he/she is encouraged to appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

### **Corporate Members**

15. Corporate members (through Corporate Representatives or appointed proxies) are also strongly advised to participate and vote remotely at the AGM using the RPV facilities. Corporate members who wish to participate and vote remotely at the AGM must contact the Company's Share Registrar with the details set out below for assistance and will be required to provide the following documents to the Company no later than 24 April 2025 at 10.00 a.m.:
  - i) Certificate of appointment of its Corporate Representative or Form of Proxy under the seal of the corporation;
  - ii) Copy of the Corporate Representative's or proxy's MyKad (front and back)/Passport; and
  - iii) Corporate Representative's or proxy's email address and mobile phone number.
16. If a Corporate member (through Corporate Representative(s) or appointed proxy(ies)) is unable to attend the AGM, it is encouraged to appoint the Chairman of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

### **Nominee Company Members**

17. The beneficiaries of the shares under a Nominee Company's CDS account ("**Nominee Company member(s)**") are also strongly advised to participate and vote remotely at the AGM using RPV Facilities. Nominee Company members who wish to participate and vote remotely at the AGM can request its Nominee Company to appoint him/her as a proxy to participate and vote remotely at the AGM. Nominee Company must contact the Company's Share Registrar with the details set out below for assistance and will be required to provide the following documents to the Company no later than 24 April 2025 at 10.00 a.m.:
  - i) Form of Proxy under the seal of the Nominee Company;
  - ii) Copy of the proxy's MyKad (front and back)/Passport; and
  - iii) Proxy's email address and mobile phone number.
18. If a Nominee Company member is unable to attend the AGM, it is encouraged to request its Nominee Company to appoint the Chairman of the meeting as its proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.

### **Proxy**

19. If a member is unable to attend the AGM, he/she may appoint a proxy or the Chairman of the meeting as his/her proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.
20. If an individual member has submitted his/her Form of Proxy prior to the AGM and subsequently decides to personally participate in the AGM either physically at the Main Venue or via RPV facilities, the individual member must contact the Company's Share Registrar or the Company, whose contact details are set out in No. 20 below, to revoke the appointment of his/her proxy no later than 24 April 2025 at 10.00 a.m.

### **Poll Voting**

21. The voting at the AGM will be conducted by way of poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed ShareWorks Sdn. Bhd. as the Poll Administrator to conduct the poll by way of electronic voting and SharePolls Sdn. Bhd. as the Scrutineers to verify the poll results. Upon completion of the voting session for the AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration of whether the resolutions are duly passed.

## Administrative Guide (Continued)

Twenty-Fourth (24<sup>th</sup>) Annual General Meeting

### RPV Facilities

22. Please refer to the following information on RPV facilities for live streaming and remote voting at the AGM:

Procedures		Action
<b>Before AGM</b>		
1.	Register as participant in Virtual AGM 	<ul style="list-style-type: none"> <li>Using your computer, access the website at <a href="https://rebrand.ly/NetX-AGM">https://rebrand.ly/NetX-AGM</a>. Click on the <b>Register</b> button to register for the AGM session.</li> <li>If you are using mobile devices, you can also scan the QR provided on the left to access the registration page. Click <b>Register</b> and enter your email followed by <b>Next</b> to fill in your details to register for the AGM session.</li> <li>Upon submission of your registration, you will receive an email notifying you that your registration has been received and is pending verification.</li> <li>The event is powered by Cisco Webex. You are recommended to download and install Cisco Webex Meetings (available for PC, Mac, Android and iOS). Refer to the tutorial guide posted on the same page for assistance.</li> </ul>
2.	Submit your online registration	<ul style="list-style-type: none"> <li>Shareholders who wish to participate and vote remotely at the AGM via RPV facilities are required to register prior to the meeting. The registration will open from <b>10.00 a.m.</b> on <b>27 March 2025</b> and close at <b>10.00 a.m.</b> on <b>24 April 2025</b>.</li> <li>Clicking on the link mentioned in item 1 will redirect you to the AGM event page. Click on the <b>Register</b> link for the online registration form.</li> <li>Complete your particulars in the registration page. Your name <b>MUST</b> match your CDS account name (not applicable for Proxy).</li> <li>Insert your CDS account number(s) and indicate the number of shares you hold.</li> <li>Read and agree to the Terms &amp; Conditions and confirm the Declarations.</li> <li>Please ensure all information given is accurate before you click <b>Submit</b> to register your remote participation. Failure to do so will result in your registration being rejected.</li> </ul> <p><u>Email Notification to Shareholders</u></p> <ul style="list-style-type: none"> <li>The system will send an email to notify you that your registration for remote participation is received and will be verified.</li> <li>After verification of your registration against the General Meeting Record of Depositors of the Company as at <b>18 April 2025</b>, the system will send you an email to notify you if your registration is approved or rejected after <b>19 April 2025</b>.</li> <li>If your registration is rejected, you can contact the Company's Poll Administrator for clarifications or to appeal.</li> </ul>
<b>On the day of AGM</b>		
3.	Attending Virtual AGM	<ul style="list-style-type: none"> <li>Two reminder emails will be sent to your inbox. First is one day before the AGM, while the second will be sent 1 hour before the AGM session.</li> <li>Click <b>Join Event</b> in the reminder email to participate in the RPV.</li> </ul>
4.	Participate with live video	<ul style="list-style-type: none"> <li>You will be given a short brief about the system.</li> <li>Your microphone is muted throughout the whole session.</li> <li>If you have any questions for the Chairman/Board, you may use the <b>Q&amp;A panel</b> to send your questions. The Chairman/Board will try to respond to relevant questions if time permits. All relevant questions received throughout the session which are not answered during the AGM will be replied later to your registered email.</li> <li>Take note that the quality of the live streaming is dependent on the bandwidth and stability of the internet connection at your location.</li> </ul>
5.	Online Remote Voting	<ul style="list-style-type: none"> <li>The Chairman will announce the commencement of the voting session and the duration allowed at the AGM.</li> <li>The list of resolutions for voting will appear on the right-hand side of your computer screen under the <b>Slido</b> panel. You are required to indicate your votes for the resolutions that are tabled for voting within the given time frame.</li> <li>Click on the <b>Submit</b> button when you have completed.</li> <li>Votes cannot be changed once it is submitted.</li> </ul>
6.	End of remote participation	<ul style="list-style-type: none"> <li>Upon the announcement by the Chairman on the closure of the AGM, the live session will end.</li> </ul>

## Administrative Guide (Continued)

Twenty-Fourth (24<sup>th</sup>) Annual General Meeting

### **No Recording or Photography**

23. Strictly **NO recording or photography** of the proceedings of the AGM is allowed.

### **No Gifts, E-Vouchers or Food Vouchers**

24. There will be no distribution of gifts, e-vouchers or food vouchers to the Members or Proxy(ies)/Corporate Representative(s) who participate in the AGM.

### **Enquiry**

25. If you have any enquiry prior to the meeting, please contact the following officers during office hours [from 9.00 a.m. to 5.30 p.m. (Monday to Friday)]:

**For Registration, logging in and system related:  
*InsHub Sdn. Bhd.***

Name : Ms. Eris/Mr. Calvin  
Telephone No. : +603-7688 1013  
Email : [vgm@mlabs.com](mailto:vgm@mlabs.com)

**For Form of Proxy:  
*ShareWorks Sdn. Bhd.***

Name : Ms. Heema/Mr. Wai Kien  
Telephone No. : +603-6201 1120  
Email : [ir@shareworks.com.my](mailto:ir@shareworks.com.my)



# FORM OF PROXY

## NETX HOLDINGS BERHAD

Company No. 200001030834 (533441-W)  
(Incorporated in Malaysia)

CDS Account No.	No. of Shares held

I/We, \_\_\_\_\_  
[Full name in block and NRIC No. / Registration No.]

Tel. No.: \_\_\_\_\_ of \_\_\_\_\_  
[Address]

being a member/members of NetX Holdings Berhad, hereby appoint:-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Contact No:			
Email Address:			

and / or\* (\*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Contact No:			
Email Address:			

or failing him/her, the Chairman of the meeting as my/our proxy to attend and to vote for me/us on my/our behalf at the Twenty-Fourth (24<sup>th</sup>) Annual General Meeting of the Company to be held on a hybrid mode at Lot 4.1, 4<sup>th</sup> Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan (“Meeting Venue”) and virtually by way of electronic means via online meeting platform at <https://rebrand.ly/NetX-AGM> (“Online Platform”) on Friday, 25 April 2025 at 10.00 a.m. or any adjournment thereof, and to vote as indicated below:

No.	Agenda	Resolution	For	Against
1.	To approve the payment of Directors’ fees and benefits to the Directors	<b>Ordinary Resolution 1</b>		
2.	To re-elect Mr Tan Sik Eek as Director	<b>Ordinary Resolution 2</b>		
3.	To re-elect Ms Ong Siew Min as Director	<b>Ordinary Resolution 3</b>		
4.	To re-appoint Messrs SBY Partners PLT as External Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration	<b>Ordinary Resolution 4</b>		
5.	To approve the authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016	<b>Ordinary Resolution 5</b>		
6.	To approve the Proposed New Shareholders’ Mandate and Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	<b>Ordinary Resolution 6</b>		

(Please indicate with a “X” in the space provided on how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his/her discretion)

Signed this \_\_\_\_\_

\_\_\_\_\_

Signature\*  
Member

(\* if shareholder is a corporation, this form should be executed under seal)

### Notes

- The 24<sup>th</sup> AGM of the Company will be held on a hybrid mode whereby Member(s), proxy(ies), corporate representative(s) or attorney(s) will have an option, either:
  - To attend physically in person at the Meeting Venue (“Physical Attendance”); OR
  - To attend virtually using the Remote Participation and Voting (“RPV”) facilities which are available on the online meeting platform at <https://rebrand.ly/NetX-AGM> (“Virtual Attendance”).
- A member entitled to attend and vote at the Meeting is entitled to appoint a maximum of two (2) proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
- Where a member appoints more than one proxy to attend the same meeting, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
- Where a member of the Company is an exempt authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provision of subsection 25A(1) of the Central Depositories Act which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under its Common Seal or signed by an attorney so authorised.
- The Form of Proxy must be deposited at the Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via e-mail at [ir@shareworks.com.my](mailto:ir@shareworks.com.my) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument, proposes to vote or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll.
- For the purpose of determining members’ eligibility to attend this meeting, only members whose names appear in the Record of Depositors as at 18 April 2025 shall be entitled to attend this meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.
- Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out above will be put to vote by way of poll.
- The 24<sup>th</sup> AGM will be held on a hybrid mode, the members who wish to attend virtually are advised to refer to the Administrative Guide on the registration and voting process for the said meeting.



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Affix  
stamp

**THE SHARE REGISTRAR OF  
NETX HOLDINGS BERHAD**  
Company No. 200001030834 (533441-W)

**SHAREWORKS SDN. BHD.**  
No. 2-1, Jalan Sri Hartamas 8  
Sri Hartamas  
50480 Kuala Lumpur, Malaysia

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**NETX HOLDINGS BERHAD**

Company Registration No. 200001030834 (533441-W)

1-G, Street Wing, Sunsuria Avenue, Persiaran Mahogani,  
Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor.

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