ADVANCE SYNERGY BERHAD

2024

annual report

Contents

This page has been intentionally left blank

STRATEGIC REPORT & CORPORATE GOVERNANCE

Contents

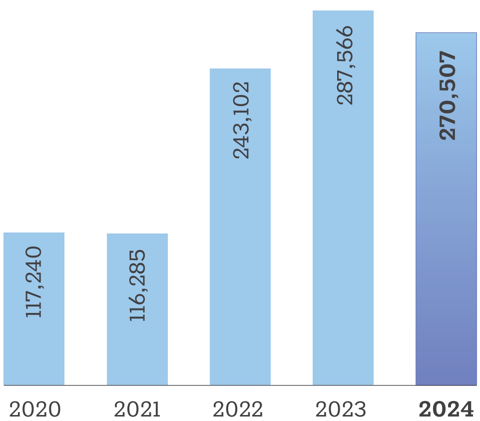
Five-Year Group Financial Highlights

	Year ended 31 December				
	2020 RM'000	**2021 RM'000**	**2022 RM'000**	**2023 RM'000**	**2024 RM'000**
Statements of Comprehensive Income					
Revenue	117,240	116,285	243,102	287,566	**270,507**
Gross Profit	44,946	45,321	66,616	67,633	**62,595**
Gross Profit Margin (%)	38.3	39.0	27.4	23.5	**23.1**
Operating profit/(loss)	(19,352)	8,023	(35,971)	(66,629)	**(64,076)**
EBITDA	(710)	24,718	(18,574)	(49,232)	**(49,042)**
Profit/(Loss) before tax	(22,536)	2,077	(41,260)	(76,835)	**(72,214)**
Profit/(Loss) after tax	(26,894)	(1,409)	(44,431)	(80,625)	**(75,632)**
Statements of Financial Position					
Total assets	710,449	765,522	833,957	747,413	**594,606**
Total liabilities	187,465	236,150	270,398	259,181	**187,091**
Shareholders' funds	452,718	447,801	488,357	420,639	**354,667**
Share Information					
Per Ordinary Share					
Earnings/(Loss) per share, basic (sen)	(3.30)	(1.21)	(2.94)	(1.95)	**(2.32)**
Net assets per share (sen) (Note 1)	48.72	48.19	19.31	16.63	**14.02**
Financial Ratios					
Return on equity (%)	(5.14)	(0.27)	(7.88)	(16.51)	**(18.56)**
Current ratio	2.9 : 1	2.2 : 1	2.5 : 1	2.3 : 1	**3.0 : 1**
Debt-Equity ratio (Note 2)	0.11 : 1	0.20 : 1	0.25 : 1	0.28 : 1	**0.23 : 1**

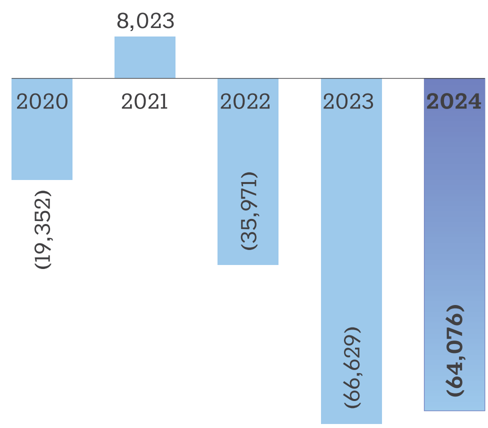
Note 1 : The lower net assets per share for 2022 compared to 2021 is mainly due to increase in the number of ordinary shares of the Company after the allotment of 1.6 billion new ordinary shares on 31 October 2022 pursuant to the Rights Issue.

Note 2 : Debt comprises current and non-current borrowings.

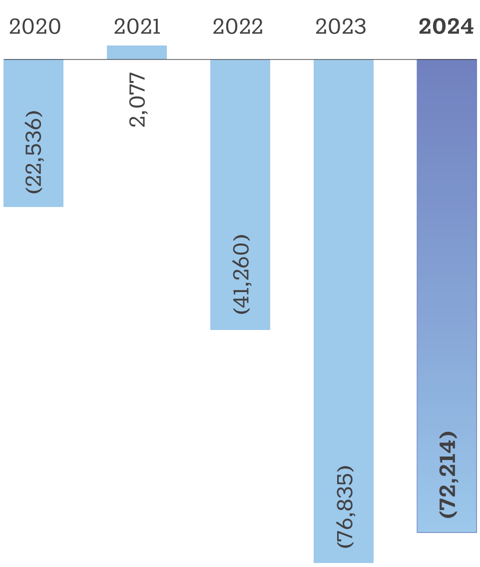
REVENUE
(RM'000)



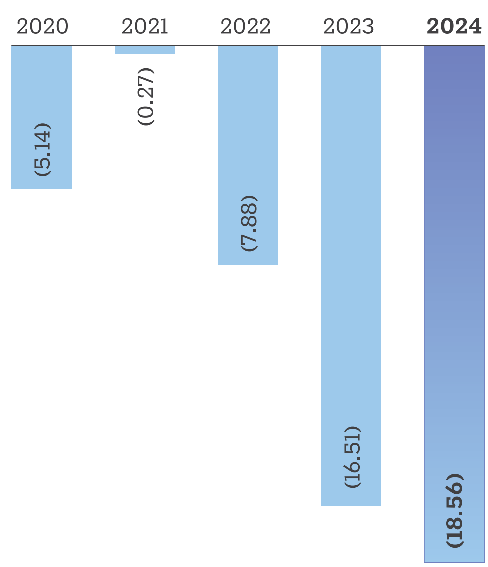
OPERATING PROFIT/(LOSS)
(RM'000)



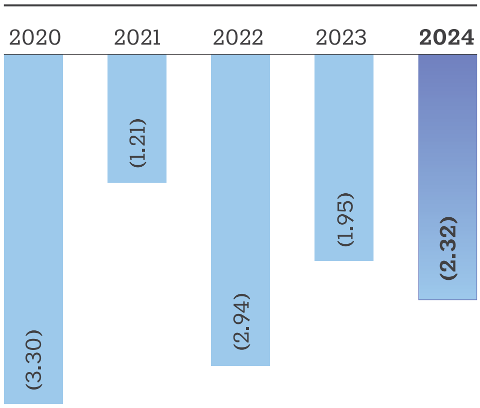
PROFIT/(LOSS) BEFORE TAX
(RM'000)



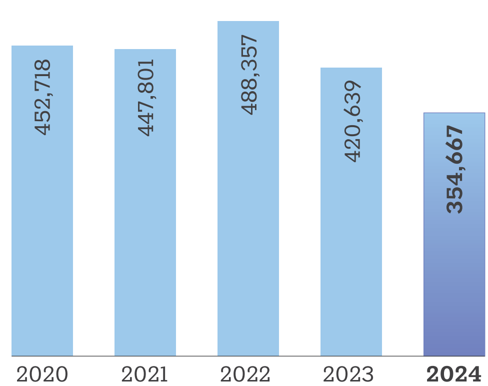
RETURN ON EQUITY
(%)



EARNINGS/(LOSS) PER SHARE
(Sen)



SHAREHOLDERS' FUNDS
(RM'000)



Chair's Statement

Dear Shareholders

Fiscal 2024 continued to be a difficult year for the Group. Although the Group managed to deliver revenue of RM270.5 million for the year, slightly below that reported in fiscal 2023 of RM287.6 million, we did not manage to return the Group to profitability.

Unfortunately, the Group recorded another loss-making year. The bulk of the loss before tax recorded for fiscal 2024 was attributable to non-cash impairment loss of goodwill and property, plant and equipment, and fair value loss under the accounting rules. Our Information & Communications Technology ("ICT") division suffered an impairment loss on goodwill of RM7.3 million coupled with a fair value loss on its venture investment portfolio amounting to RM21.2 million due to the challenging fund raising environment for certain markets whilst our Hospitality unit recorded impairment losses on property, plant & equipment of RM11.9 million and on the right-of-use asset of RM2.2 million, both related to Holiday Villa Hotel & Residence Shanghai Jiading P.R.C. ("Shanghai Hotel"), after taking into consideration the weak performance of Shanghai Hotel in the current financial year. An impairment loss on goodwill of RM7.7 million was made by the Investment Holding division after taking into consideration the flow down effect of lower revenue and weaker performance from the ICT division coupled with a fair value loss of RM1.0 million on its venture investment portfolio.

PROGRESS MADE

During the year, the Group continued to face a challenging business landscape with rising interest rates, inflationary pressures, weakened consumer purchasing power and uneven growth among major economies although Malaysia performed better than expected.

Despite the negative bottom line, we are highly encouraged by the improved Group operational results showing continuing progress in the financial performance of all divisions except for Property Development & Investment, and Financial Services divisions where we experienced delays in launching some of our products and services.

Our top priority was to grow the revenue of the Group in fiscal 2024 while managing costs in businesses that have yet to turn themselves around and we believe that we have achieved some successes in these areas. Early progress has been encouraging and we are confident that the loss-making subsidiaries are heading in the right direction and have the potential for a marked improvement in their performance.

PROGRESS MADE (continued)

Our property development unit's development of Phase 2, Federal Park project, Kuching is at its final stage of construction. The aparthotel in London, The Marloes, started full operations in April 2024.

Yap Ah Shak House will be fully operational in the first half of fiscal 2025 as a destination in Kuala Lumpur for discovering music, arts, food and drink.

We are also pleased with the progress of our bus fabrication unit as they have shown tremendous improvement in revenue growth which has a positive flow down effect on profitability for the business. Our bus fabrication unit recorded an increase in revenue of RM10.7 million (89.1%) against previous year's revenue and a lower loss before tax of RM6,000 in fiscal 2024 (2023: loss of RM4.8 million). With the ongoing improvement to profitability, the unit is cautiously optimistic to build on the good results achieved in fiscal 2024.

The Marloes, London, did better this fiscal year compared to last year with higher revenue and lower loss as the aparthotel was only fully operational in April 2024. I am pleased to report that we achieved excellent online reputation for The Marloes with 8.9 (out of 10) on Booking.com and 4.6 (out of 5) rating score in Google with over 400 reviews. However we are faced with the challenge of increasing operational costs, hence one of our key performance indices is to reduce direct costs and operating expenses whilst maintaining the high review rating scores. Our local hotel, Holiday Villa Beach Resort & Spa Cherating ("Cherating Hotel"), maintained its revenue with no significant change from fiscal 2023 although a lower profit was recorded this year due mainly to higher operating costs. Our Shanghai Hotel did not perform to our expectations due to the continuing weak economic situation in China with recovery unfolding at a slower pace than expected. We have exercised prudence in navigating the uncertain economic situation and will continue to pursue marketing efforts with more aggressive sale visits to corporations for longer stay clients and through social media to bring in sales.

Our Travel & Tours division continued with their profit track record with a profit of RM7.0 million in fiscal 2024 albeit lower revenue compared to fiscal 2023. In fiscal 2023, the division recorded a higher revenue of RM159.8 million compared to fiscal 2024 (RM155.6 million), resulting from pent up demand for travelling after the full relaxation of travel restrictions due to the Covid-19 pandemic, which unfortunately was not repeated in fiscal 2024.

Although our ICT division did not close the year on a positive note, it had reduced its loss before tax from the previous year. Aside from the telecoms business, management is casting its revenue net to a wider market segment of enterprises with some customisation of their existing products and services, and has seen some good results with wins on contracts from enterprises such as financial institutions and public services organisations mainly in Malaysia and Singapore. We are confident that with their existing infrastructure and range of services, our ICT division is capable to perform better.

PROGRESS MADE (continued)

Our Financial Services division did not perform as well as expected as there were delays in the launch of several new products and services. As a result, division revenue could not match expenses incurred in gearing up of new business operations. During fiscal 2024, the division launched "Paydee Consumer", a shariah-compliant product targeting public sector employees.

For our education unit, we had more foreign students enrolled for English language course in fiscal 2024. During the year, The Language House relocated to a more central area in Kuala Lumpur which is deemed more attractive when targeting the corporate and foreign student markets.

OUTLOOK

We remain hopeful for a better performance of the Group in the year ahead as we continue to pursue our growth strategies while being mindful of managing costs. I continue to be impressed by the dedication, loyalty and passion of the Company's Executive Directors and Heads of our operating divisions and subsidiaries to continuously strive for excellence and to enhance value to our shareholders.

The assets and investments of loss making subsidiaries have been substantially impaired and we look forward to a clean slate without further major impairment losses under the accounting rules as our business units are on track to grow their revenue. We will closely monitor the efforts to turnaround the loss making subsidiaries and make the difficult decision of ceasing or disposing of businesses which do not perform. At the global front, we remain mindful of external headwinds and uncertainties including geopolitical tensions, potential disruptions to trade and investments, and implications for global economic dynamics arising from new policies being implemented in the United States of America under the new government.

Besides the new initiatives and corporate strategies developed for the future coupled with expanding our Economic, Environmental and Social ("EES") principles in our business operations, the Group firmly believes that good corporate governance is also key to the success of the Group and is thus embodied in our decision making process and Group culture to generate the long term trust in how we operate and conduct our business. We believe this will propel the Group to create long-term value for our stakeholders.

The Group recognises the importance of environment management and will give priority to climate change mitigating efforts such as energy saving, plastic reduction and waste management. For the year ahead, we will invest more efforts to engage with the community with the first foray being made by Yap Ah Shak House to provide the premise to promote local artists in music and arts. We will also see more engagement by the Group in our Pillar 2 — Empowering Lives and Pillar 3 — Nurturing Communities of our sustainability performance management framework. With the Group's dedication, we have earned recognition for our EES efforts and are proud to be awarded the Silver Award under the Emerging Star category of The Edge Malaysia ESG Awards 2024. The Group is committed to persist in bringing long term value to our stakeholders through sustainable development.

BOARD CHANGES

To ensure a dynamic board with diversity and to bring new perspectives to the Board, we are pleased to welcome Ms Karen Khoo Kah Mei, independent non-executive director. Karen is also a member of the Audit Committee, the Chair of the Nomination and Remuneration Committee and a member of the Risk Management and Sustainability Committee.

I, on behalf of the Board, sincerely thank Datuk Hardew Kaur a/p Hazar Singh, independent non-executive director who resigned from the Board during the year, for her invaluable contribution and leadership, and as Chair of our Nomination and Remuneration Committee and member of the Audit Committee and Risk Management and Sustainability Committee.

DIVIDEND

The Board is pleased to recommend to our shareholders a single-tier dividend of 0.05 sen per ordinary share for fiscal 2024. This is in line with our commitment to maintain our long track record of paying dividends to support the interest of our shareholders.

APPRECIATION

The Board and I would like to extend our sincere gratitude to our shareholders for your trust and confidence in the Group during the challenging past years. With your support, we remain committed to maximising value for all our shareholders.

On behalf of the Board, I would like to thank our employees for their hard work, resilience and professionalism, and to our customers, partners, and shareholders, I thank them for their continued support and trust in Advance Synergy Berhad. We also appreciate the guidance provided by the regulatory authorities.

I am confident that, with all stakeholders' support, we can achieve our goals and deliver strong results in the years to come.

YONG TECK MING
Group Chair
30 April 2025

Performance Review

The Group recorded lower revenue of RM270.5 million for the year as compared to RM287.6 million in the previous year. The Group's total assets amounted to RM594.6 million as at 31 December 2024 and our shareholders' funds stood at RM354.7 million compared to RM747.4 million and RM420.6 million respectively as at 31 December 2023. A summary review of several key financial indicators is outlined below.

LOWER REVENUE

Compared to fiscal 2023, there was a decrease of revenue by RM17.1 million with the Group recording total revenue of RM270.5 million for fiscal 2024 compared to RM287.6 million for fiscal 2023. All divisions recorded lower revenue compared to last year except for Others division.

The biggest contributor to the Group's revenue in fiscal 2024 was the Travel & Tours division, which achieved revenue of RM155.6 million, lower by RM4.1 million compared to fiscal 2023, mainly driven by fiscal 2023's exceptional high demand from travellers after the COVID-19 pandemic restrictions have been fully lifted.

For the ICT division, slightly lower revenue was recorded at RM59.9 million in fiscal 2024 (2023: RM62.2 million) mainly due to lower revenue from the Unifiedcomms business unit.

For the Property Development & Investment ("PDI") division, with the absence of revenue from Holiday Villa Beach Resort & Spa Langkawi ("Langkawi Hotel") after the termination of hotel lease at the end of fiscal 2023 partly offset by revenue from our aparthotel in London, The Marloes, which was fully operational from April 2024, the hospitality business recorded lower revenue of RM19.1 million in fiscal 2024 compared to RM37.2 million in fiscal 2023.

The property development unit recorded higher revenue of RM2.3 million in fiscal 2024 (2023: RM0.3 million) as the development of Phase 2, Federal Park project neared its completion.

LOWER REVENUE (continued)

The investment property, Synergy 9 in Temasya Glenmarie, continued to generate rental income. Synergy 9 houses the corporate office of ASB and operational headquarters of several subsidiaries of ASB with a small portion of the area rented to a third party. Thus rental income from Synergy 9 had minimal impact to the Group's revenue in fiscal 2024 and 2023. Another investment property of the division, Yap Ah Shak House in Kuala Lumpur, recorded lower revenue in fiscal 2024 of RM4.9 million compared to revenue of RM5.1 million in fiscal 2023 with the bulk of the revenue contributed by our food and beverage ("F&B") business under the restaurant, Osteria Gamberoni ("OG"), which recorded lower revenue in fiscal 2024 compared to fiscal 2023. Minimal income was recorded from the serviced offices business in both fiscal years as the rental market for commercial offices remained soft.

Overall, the property investment business generated comparable revenue of RM7.8 million in fiscal 2024 and RM8.0 million in fiscal 2023.

Our Financial Services division also recorded lower gross payment processing volume in fiscal 2024 compared to fiscal 2023 resulting in lower revenue for the division of RM4.6 million compared to RM9.2 million in fiscal 2023.

However, the decreased revenues from ICT, Travel & Tours, PDI and Financial Services divisions were offset by the Others division which recorded higher revenue in fiscal 2024 compared to fiscal 2023.

The Others division recorded higher revenue of RM23.6 million in fiscal 2024 compared to fiscal 2023 of RM12.5 million as the bus-body fabrication unit resolved the logistical issues faced in fiscal 2023. It had difficulty in securing shipment slots in fiscal 2023 resulting in 31 buses being exported to Australia compared to the current year of 94 buses. Higher revenue was recorded from the education unit in fiscal 2024 compared to the previous year as more student enrichment camps and corporate training programmes were conducted in fiscal 2024.

LOWER GROSS PROFIT AND GROSS PROFIT MARGIN

With the lower revenue in the current year, the Group recorded lower gross profit of RM62.6 million compared to RM67.6 million in fiscal 2023, a decrease of RM5.0 million. The gross profit margin for the Group remained comparable at 23.1% this year to fiscal 2023 (2023: 23.5%). All divisions recorded higher gross profit margin except for PDI division. The lower gross profit margin from the PDI division was mainly due to absence of contribution from Langkawi Hotel which generally recorded higher gross profit margin compared to the other hotels in the division.

LOWER OTHER INCOME AND OTHER OPERATING EXPENSES

Lower other income for fiscal 2024 compared to fiscal 2023 was mainly due to the inclusion of compensation from the lessor of RM45.0 million for termination of our lease for Langkawi Hotel in fiscal 2023. Excluding the compensation above, the higher other income for fiscal 2024 was mainly due to a gain on disposal of City Villa Kuala Lumpur ("City Villa Hotel") of RM2.3 million, higher dividends from other investment of RM0.8 million and reversal of impairment loss on receivables of RM1.8 million.

LOWER OTHER INCOME AND OTHER OPERATING EXPENSES (continued)

The Group recorded a substantially lower other operating expenses of RM85.5 million in fiscal 2024 compared to RM131.9 million in fiscal 2023. The main decrease of non-cash nature expenses arising from accounting rules are lower impairment loss on goodwill (2024: RM15.0 million, 2023: RM39.5 million); lower fair value loss on venture investment portfolio (2024: RM22.2 million, 2023: RM25.9 million); lower impairment loss on property, plant and equipment for Shanghai hotel of RM11.9 million in fiscal 2024 compared to impairment loss on an aparthotel in London of RM15.7 million; lower impairment loss on right-of-use asset relating to lease for Shanghai Hotel of RM2.2 million (2023: RM6.0 million) and lower depreciation (2024: RM11.8 million, 2023: RM15.5 million) while the main decrease of cash nature relates to a one-time compensation for staff retrenchment and provision of liquidated damages amounting to RM6.4 million in fiscal 2023 arising from termination of the lease for Langkawi Hotel.

MIXED FINANCIAL PERFORMANCE FOR THE DIVISIONS

In fiscal 2024, with the exception of Travel & Tours and Investment Holding divisions which recorded profit before tax, all the other divisions have suffered losses.

The strong revenue from Travel & Tours division resulted in a contribution of profit before tax of RM7.0 million to the Group in fiscal 2024 as well as profit before tax of RM6.5 million in the prior year.

The profit before tax recorded by the Investment Holding division in fiscal 2024 as opposed to the loss before tax recorded in fiscal 2023 was mainly due to higher dividend received from the subsidiaries, which had no impact to the Group's results, coupled with lower impairment loss of goodwill on our investment in ICT division of RM7.7 million (2023: RM25.2 million) and lower fair value loss assessed on venture investment portfolio of RM1.0 million (2023: RM2.8 million).

LOWER INCOME TAX

Group income tax expense was comparable to the prior year despite having a lower loss before tax in fiscal 2024 compared to the previous year as impairment loss on goodwill, and fair value and impairment losses on unquoted venture investment portfolio, property, plant & equipment and right-of-use asset recorded in the year under review and prior year are not deductible for taxation purpose. The bulk of Group's income tax expense in fiscal 2024 was attributable to the income tax expenses of the hospitality unit (RM1.1 million) and Travel & Tours division (RM1.6 million).

DECREASE IN TOTAL ASSETS

As at 31 December 2024, total assets of the Group decreased by 20.4% to RM594.6 million (2023: RM747.4 million) arising from the decrease in non-current assets (2024: RM333.8 million, 2023: RM428.7 million) as well as decrease in current assets (2024: RM260.8 million, 2023: RM318.7 million).

The major movements in the assets of the Group for fiscal 2024 can be summarised as follows:

1) The decrease in property, plant & equipment ("PPE") by RM38.6 million attributable mainly to the completion of disposal of City Villa Hotel, the impairment loss of PPE by hospitality unit and depreciation charges during the year partly offset by addition to PPE in various divisions;

DECREASE IN TOTAL ASSETS (continued)

2) The decrease in right-of-use assets by RM11.5 million mainly due to the impairment loss for Shanghai Hotel coupled with the depreciation charges during the year and reduction in lease rental;

3) The decrease in intangible assets by RM14.0 million mainly due to the impairment loss on goodwill recorded by the ICT and Investment Holding divisions during the year;

4) The decrease in investment securities (non-current) by RM27.0 million mainly due to impairment loss on unquoted venture investment portfolio recognised during the year by the ICT and Investment Holding divisions as well as impairment loss on other unquoted investment;

5) The increase in inventories of RM18.4 million mainly due to the increase in inventories for our property development unit;

6) Trade and other receivables and other assets decreased by RM61.3 million from RM155.7 million in fiscal 2023 to RM94.4 million in fiscal 2024 mainly due to PDI division reporting a decrease; and

7) The decrease in cash and bank balances and fixed deposits by RM15.4 million.

DECREASE IN LIABILITIES

Total liabilities of the Group decreased from RM259.2 million in fiscal 2023 to RM187.1 million in fiscal 2024, a reduction of RM72.1 million.

The decrease in the total liabilities of the Group was mainly due to net repayment of borrowings (term loans and revolving credit) amounting to RM38.8 million, decrease in lease liabilities mainly resulting from reduction in lease liabilities for Shanghai Hotel of RM8.0 million after the reduction of lease rental and decrease in trade and other payables and other liabilities recorded mainly by the hospitality and bus-body fabrication units.

DECREASE IN GROUP EQUITY AND INCREASE IN LOSS PER SHARE

The reduction in the Group's equity was mainly due to the Group's current year total comprehensive loss of RM78.5 million which was made up of loss after tax of RM75.6 million and other comprehensive loss of RM2.9 million resulting in the Group's total equity decreasing from RM488.2 million in fiscal 2023 to RM407.5 million in fiscal 2024.

In the current fiscal year, with the Group recording a higher loss after tax and non-controlling interest of RM58.7 million compared to the loss after tax and non-controlling interest of RM49.3 million in fiscal 2023, the Group reported a higher loss per share of 2.32 sen (2023: loss per share of 1.95 sen).

INFORMATION AND COMMUNICATIONS TECHNOLOGY DIVISION

In fiscal 2024, our Unifiedcomms businesses continued to face revenue challenges, though this was not the primary factor behind the division's financial outcome. The reassessment of projected cash flows from certain managed service contracts within Unifiedcomms had a material impact on expected earnings. Additionally, broader market conditions led to a significant devaluation of the division's venture investment portfolio. Collectively, these non-cash impairment and fair-value losses totalled approximately RM29.6 million, making them the key contributors to the division's net loss for the third consecutive year.

INFORMATION AND COMMUNICATIONS TECHNOLOGY DIVISION (continued)

The division comprises three main segments: Unifiedcomms, GlobeOSS and Captii Ventures. Unifiedcomms continued to address mobile network operators and integrated telecoms service providers with application and platform software, turnkey solutions and systems and a variety of professional and managed services. In 2016 a unit within Unifiedcomms called PostPay was revitalised into a fresh start-up and given prominence as part of a wider reorganisation of the Unifiedcomms business. PostPay focuses mainly on providing advanced solutions for prepaid credit on a managed service model. GlobeOSS meanwhile, has evolved into Malaysia's premier provider of data intelligence and AI solutions, serving diverse sectors — telecoms, healthcare, logistics, and manufacturing. Captii Ventures, the venture investment arm of the division, focuses primarily on the South East Asia (“SEA”) market for start-up investment opportunities. The division’s venture investment business regularly interacts with other venture capital (“VC”) management companies in the region and participates in funding rounds as either lead investor or as a co-investor following the lead investor.

The division recorded consolidated revenue of RM59.9 million for the fiscal 2024, a decrease of 3.7% as compared to the RM62.2 million achieved in fiscal 2023. Unifiedcomms generated revenue of RM34.9 million in fiscal 2024, a 12.7% decline from the RM40.0 million achieved in fiscal 2023. In contrast, GlobeOSS had a 12.6% increase in revenue, reporting total revenue of RM25.0 million in fiscal 2024 versus RM22.2 million in the year before.

Lower revenue at Unifiedcomms was mainly due to a decline in managed service contract revenues which dropped to RM29.9 million in fiscal 2024, from RM36.3 million in fiscal 2023. Although system sales contract revenues of this business in fiscal 2024 improved from RM3.7 million to RM5.0 million, this growth was insufficient to offset the decline in managed service revenues.

GlobeOSS saw an improvement in system sale contract revenues in fiscal 2024, with an increase of 19.1%, from RM13.6 million in fiscal 2023 to RM16.2 million in fiscal 2024. Meanwhile, managed service contract revenues for the business remained flat compared to fiscal 2023.

Although the division’s revenue was lower in fiscal 2024, gross profit achieved for the year was higher compared to fiscal 2023.

The division’s gross profit for fiscal 2024 was RM32.0 million, up by RM3.0 million or 10.3% against what was recorded in fiscal 2023. The higher gross profit was primarily driven by an improved overall gross profit margin of 53.4% on division’s revenue, compared to 46.6% in the year before.

The average gross profit margin of system sale contract improved to 64.4% in fiscal 2024, compared to 55.2% in fiscal 2023. This was primarily due to higher contribution from Unifiedcomms system sale contracts as well as an improved gross profit margin for GlobeOSS in fiscal 2024, driven by lower third-party costs. Meanwhile, gross profit margin earned on managed service contract revenues increased from 43.3% recorded in fiscal 2023 to 47.4% this year, primarily due to lower third-party costs on certain Unifiedcomms managed service contracts.

INFORMATION AND COMMUNICATIONS TECHNOLOGY DIVISION (continued)

The sales mix of the division in fiscal 2024 continued to show more than fifty percent of the division's revenue was generated from managed service contracts. This year, managed service contract revenues accounted for 64.5% of the division revenue, down from 72.3% in fiscal 2023. This decline was mainly due to an increase in system sale contract revenue of the division, which grew by 23.8%, from RM17.2 million in fiscal 2023 to RM21.3 million in fiscal 2024.

The division's net loss for the year was RM29.9 million, 25.0% lower than the RM39.9 million net loss recorded in fiscal 2023. This decrease in the division's negative bottom line was due to the lower fair value loss and impairment loss on assets, which totalled RM29.6 million, compared to RM37.3 million recorded in fiscal 2023. These exceptional losses had no cash impact on the division's business.

In fiscal 2024, the division recorded impairment losses of nearly RM8.4 million on goodwill, intangible assets and plant and equipment. This was lower than the RM14.3 million impairment loss on goodwill recorded in fiscal 2023.

The impairment losses represented the amount by which the carrying amount of Unifiedcomms cash-generating unit ("CGU") exceeded its recoverable amount. This was mainly caused by certain managed services contracts under the CGU that are now believed to produce lower-than-expected profitability and returns. These impairment losses have no cash impact.

Meanwhile, the challenging market conditions for fundraising and valuations led to a significant decline in the fair value of the division's venture investment portfolio. As a result, the division recorded a fair value loss of RM21.2 million in fiscal 2024, compared to RM23.0 million in fiscal 2023.

When the bottom-line numbers are examined more closely, excluding exceptional losses such as the fair value loss on the Captii Ventures investment portfolio, and the impairment loss on goodwill, the profit performance of Unifiedcomms and GlobeOSS becomes more apparent. Excluding these non-cash items, Unifiedcomms and GlobeOSS recorded an 'adjusted' net profit of RM0.3 million in fiscal 2024, in contrast with the 'adjusted' net loss of RM2.5 million recorded in fiscal 2023. The improvement in the performance of Unifiedcomms and GlobeOSS was primarily due to improvement in gross profit margin.

PROPERTY DEVELOPMENT AND INVESTMENT DIVISION

The PDI division recorded lower revenue of RM29.2 million compared to RM45.4 million in fiscal 2023. The bulk of the decrease was from the hospitality business partly offset by higher revenue from property development unit.

The division reported a loss before tax of RM21.7 million in fiscal 2024 compared to a profit before tax of RM6.2 million in fiscal 2023.

PROPERTY DEVELOPMENT AND INVESTMENT DIVISION (continued)

Property Development

Higher revenue recorded by our property development unit, represented by Advance Synergy Realty Sdn Bhd ("ASR"), of RM2.3 million for fiscal 2024 (2023: RM0.3 million) as sales picked up towards the end of the year with Phase 2 of the Federal Park project reaching the final stage of construction. Phase 2, Federal Park project comprises 88 units of double storey terrace houses and 28 units of single storey terrace houses with an estimated gross development value of RM57.9 million. With the improved revenue offset by higher operating expenses due to staff and finance costs, the unit recorded lower loss before tax of RM1.9 million in fiscal 2024 compared to loss before tax of RM2.0 million in fiscal 2023.

Property Investment

The property investment unit which comprises the hospitality business, investment properties, and F&B, event space and serviced office businesses housed under Yap Ah Shak House, generated revenue in the current year under review of RM26.9 million compared to fiscal 2023 of RM45.2 million and a loss before tax of RM19.8 million in fiscal 2024 compared to profit before tax of RM8.2 million in fiscal 2023.

Yap Ah Shak House

Our businesses housed under Yap Ah Shak House, generated slightly lower revenue in the current year under review of RM4.9 million compared to fiscal 2023 of RM5.1 million. The lower revenue was mainly due to the lower revenue from F&B business offset by higher revenue from the serviced offices business. With the lower revenue recorded in the current year compared to fiscal 2023, higher loss before tax was recorded for the current year of RM3.2 million compared to the previous year (RM2.5 million).

Yap Ah Shak House had completed its renovations and refurbishment works in fiscal 2021. This mixed-use investment property of the Group in the heart of Kuala Lumpur, Malaysia was fully operational in 2022. Unfortunately, the serviced office business did not take off as expected due to the lingering adverse impact of COVID-19 pandemic. It has undergone a review and revamp and expected to be fully operational under the new business roadmap in the first half of fiscal 2025.

Investment properties

Our investment property, Synergy 9 in Temasya Glenmarie, Shah Alam, which is operated by Temasya House Sdn Bhd, and mainly used to house the corporate office of ASB and operations of several subsidiaries of ASB recorded comparable revenue but rental income derived from Synergy 9 had no significant impact to the Group revenue in fiscal 2024 and 2023 except for a small area rented to a party not within the Group. Another investment property, a factory located at Jalan Subang 7, Subang Jaya, Selangor, is rented to a subsidiary company of the Group, and recorded comparable rental income in fiscal 2024 and 2023 (no impact to the Group revenue).

PROPERTY DEVELOPMENT AND INVESTMENT DIVISION (continued)

Hospitality

With the cessation of operation of our Langkawi Hotel at the end of fiscal 2023 after the termination of the lease and lower revenue from Shanghai Hotel, partly offset by revenue from our aparthotel in London, The Marloes, which was fully operational in April 2024, the hospitality business has recorded lower revenue of RM19.1 million compared to last year's revenue of RM37.2 million, a decrease of RM18.1 million. Holiday Villa Beach Resort & Spa Cherating ("Cherating Hotel") recorded comparable revenue in fiscal 2024 and 2023.

In the current year under review, the hospitality business recorded impairment losses on PPE of RM11.9 million and right-of-use asset for the lease of RM2.2 million for Shanghai Hotel, partly offset by gain on disposal of City Villa Hotel of RM2.3 million. While in fiscal 2023, the business recorded a net gain on termination of the lease for Langkawi Hotel of RM38.6 million, which was partly offset by impairment loss on aparthotel in London of RM15.7 million and impairment loss on right-of-use asset for the lease of Shanghai Hotel of RM6.0 million. These have resulted in the business recording a loss before tax of RM15.7 million in fiscal 2024 compared to profit before tax of RM12.8 million in fiscal 2023.

TRAVEL AND TOURS DIVISION

Travel & Tours division has successfully positioned itself as a corporate ticketing provider in the travel industry to cater to the needs of corporate companies in Klang Valley and Kuantan. The division is also successful with its focus on group travel business.

Thus, with the re-opening and relaxation in travel restrictions of international destinations for tourists, the performance of the division remained strong in fiscal 2024 with comparable revenue recorded in the year of RM155.7 million compared to RM159.8 million in fiscal 2023, a slight decrease of RM4.1 million or approximately 2.6%. Despite the slightly lower revenue, the division recorded a slightly higher profit before tax of RM7.0 million in fiscal 2024, an increase of RM0.5 million or approximately 7.3%, compared to profit before tax of RM6.5 million in fiscal 2023 mainly attributable to the higher gross profit margin in fiscal 2024.

FINANCIAL SERVICES DIVISION

The Financial Services Division comprises Paydee Sdn Bhd ("Paydee") which is engaged in card and payment services; Paydee Nura Sdn Bhd ("Nura") which is engaged in the provision of solutions for cash flow management for both small and medium-sized enterprises ("SMEs") and individuals through Shariah-compliant financing; and Qurex Sdn Bhd ("Qurex") which is involved in money services, namely currency exchange and international remittance services.

The division recorded higher loss before tax of RM9.4 million in fiscal 2024 compared to loss before tax of RM7.8 million in fiscal 2023 mainly attributable to the lower revenue in fiscal 2024 compared to fiscal 2023 primarily due to lower gross payment processing volume and stiff competition from other merchant acquirers coupled with a delay in the launch of certain products for SME cashflow management.

FINANCIAL SERVICES DIVISION
(continued)

Paydee reported lower revenue of RM4.1 million in fiscal 2024, a decrease of RM5.0 million or 54.9% compared to RM9.1 million in fiscal 2023. For fiscal 2024, Paydee reported a loss of RM8.5 million, an increase of RM0.8 million or 10.5% compared to RM7.7 million in fiscal 2023. The higher loss was mainly due to the flow-down effect of lower revenue and foreign exchange loss of RM0.2 million (2023: foreign exchange gain RM0.1 million).

Nura reported revenue of RM0.4 million in its first year of operations in fiscal 2024. The first-year financial performance showed a loss of RM0.8 million, which is in line with our expectations for its maiden year of operations where efforts are to be focused on market entry, brand establishment, and scaling operations.

Pending full implementation of a product roadmap and to synergise with Paydee for its growth plan, Qurex continued to report minimal revenue and loss in fiscal 2024, comparable to fiscal 2023.

OTHERS DIVISION

The Others division comprises the bus-body fabrication and education businesses of the Group. Total revenue generated by this division was higher by RM11.1 million at RM23.6 million in fiscal 2024 compared to RM12.5 million in fiscal 2023. With the higher revenue achieved in fiscal 2024, the division recorded a lower loss before tax in fiscal 2024 compared to the loss in fiscal 2023 (2024: RM0.5 million, 2023: RM5.7 million).

Our bus-body fabrication unit recorded higher revenue of RM22.8 million in fiscal 2024 compared to RM12.0 million in fiscal 2023. In fiscal 2024, the unit completed and exported 94 buses to Australia compared to 31 units exported in fiscal 2023 mainly due to logistical issues faced in fiscal 2023 which has been resolved in fiscal 2024. The flow down effect of higher revenue coupled with absence of inventories written off of RM1.7 million recorded and other receivable of RM0.7 million in fiscal 2023 have yielded a lower loss before tax of RM6,000 in the current year compared to loss before tax of RM4.8 million in the prior year.

The education unit, The Language House (“TLH”), reported gross revenue of RM0.8 million in fiscal 2024, reflecting an 80.1% increase from RM0.5 million in fiscal 2023. This strong growth was driven by higher student enrollment, an expanded portfolio of language programmes, and the successful introduction of summer camp workshops. In addition, gross operating profit improved to RM0.4 million in fiscal 2024 from RM0.2 million in fiscal 2023, signalling stronger operational efficiency and improved cost management.

Despite these gains, TLH posted a loss before tax of RM0.5 million for fiscal 2024, compared to RM0.8 million in fiscal 2023. This was primarily due to expenditures associated with the relocation to Megan Avenue 1 and a temporary decline in revenue during Quarter 4 of fiscal 2024 as a result of transitional disruptions. The net impact in fiscal 2024 is a 37.5% year-over-year reduction in losses, indicating a clear path towards financial recovery and stability.

The Year Ahead...

Malaysia's economy is widely expected to expand within the official forecast range of 4.5% to 5.5% in fiscal 2025, which is highly encouraging for our Group's businesses.

Against the backdrop of a promising economic outlook despite external headwinds such as uncertainties in US trade policies and global trade dynamics, and geopolitical risks coupled with ongoing inflationary pressures, supply chain uncertainties and the challenges posed by post-COVID-19 pandemic recovery, our Group remains steadfast. In fiscal 2025, we will build upon the revenue achieved in both fiscal 2023 and 2024. We remain resilient and focused on successfully executing our business development plans.

INFORMATION AND COMMUNICATIONS TECHNOLOGY

The outlook of Unifiedcomms and GlobeOSS has been challenging. While the diminished performance of certain major managed service contracts, intensified pricing pressures, and delays in securing new opportunities adversely affected our businesses in 2024, significant steps were taken during the year to strengthen the fundamentals of the division.

Both Unifiedcomms and GlobeOSS continue to make progress with contracts in-hand, reinvested in product innovation and market segment diversification, and enhanced operational efficiencies.

At Captii Ventures, the division's venture investment business, broader market conditions continue to be unfavourable, but an improving market is foreseen for start-ups in certain industries.

With continued fiscal discipline being applied by the division and the initiatives undertaken to strengthen business fundamentals of the division, the division moves into 2025 with optimism for the future.

FINANCIAL SERVICES

Within the Financial Services division, Paydee will continue to invest in technology renewal and the development of new capabilities to deliver innovative business-to-business ("B2B") payment application services to address several high-potential SME business segments, as well as to be the non-bank partner of choice for payment facilitators addressing the growing e-commerce and social commerce markets. As part of the evolution of this division, Paydee continues to evolve its infrastructure for both payment acquiring and card issuing, while Nura is executing fundraising efforts to scale its financing volume further. By investing in the development of new payment application services that help to further digitise SME payments and aid individuals and SMEs in cash flow management, the Financial Services division will be placed in a good position to capitalise on the expected growth in cashless payment transaction volumes in Malaysia especially in B2B payments.

Qurex intends to synergise with Paydee for its growth plan and pending the full implementation of the new roadmap, Qurex does not anticipate its existing businesses to grow substantially in fiscal 2025.

TRAVEL AND TOURS

Our Travel & Tours division remains cautiously optimistic about its performance for fiscal 2025. With its encouraging performance in the last three fiscal years, the division's business plan will remain focused on building its corporate client base for the ticketing, group series tours and company incentive groups business and in exploring to develop more competitive inbound and outbound travel products and services.

A challenging economic environment could put additional pressure on the international tourism, such as a surge in oil prices, increase in inflation and interest rates, high debt volumes and the continued disruption in supply chains.

To establish a strong market presence for both short-term and long-term growth and profitability, and to effectively respond to evolving trends and challenges, the division will not only focus on our existing market segments but also to develop competitive products and services and remain vigilant in closely monitoring challenges and market trends, and identifying key drivers of demand.

PROPERTY DEVELOPMENT AND INVESTMENT

(i) Development : Phase 2, Federal Park Project and Sejijak Project

Although the property market conditions in Kuching remain challenging amid rising cost of living and an elevated construction costs environment, the property development unit is cautiously optimistic about the prospects in fiscal 2025. The unit launched its show house for Phase 2 of the Federal Park project in August 2024 attracting encouraging responses from the public. As such, the unit is confident that Phase 2 of the Federal Park project will be fully sold in fiscal 2025.

Another project in the pipeline is Sejijak Project which is now ready for commencement of development works as all the relevant approvals have been obtained. Spanning over 17.31 acres, the Sejijak Project is a mixed development project comprising 88 units of double storey terrace houses, 80 units of townhouses and 40 units of single storey terrace houses with an estimated gross development value of RM75.0 million.

In terms of new property launches, the unit adopts a cautious approach considering external factors and how it can navigate by drawing on its experience to deliver properties that offer value for money in terms of quality and service, and to explore cost-effective and attractive new building designs to address rising construction costs and maintain market competitiveness.

This strategy has established the unit as resilient niche property developer with a consistent track record of profitability.

(ii) Investment : Hospitality & Services

Malaysia hospitality industry is poised for a rosy outlook in fiscal 2025. It is increasingly emerging as a preferred destination, particularly for Chinese and Indian tourists with visa-free policies coupled with increased flight connectivity. With initiatives under the Visit Malaysia 2026 campaign, Tourism Malaysia aims to attract 31.4 million international tourists.

Expected growth in the hospitality industry may be challenged by external headwinds such as economic uncertainty, geopolitical tension, persisting inflation, high interest rates and volatile oil prices.

For our Cherating Hotel, it remains a popular destination for local tourists. Besides, with the new investments in the locality such as the Malaysia-China Kuantan Industrial Project, East Coast Rail Link project and the anticipated new Kuantan International Airport, we are cautiously optimistic of the positive flow down effect to our hotel business.

PROPERTY DEVELOPMENT AND INVESTMENT (continued)

(ii) Investment : Hospitality & Services (continued)

During the year, we continued to undertake improvement to Cherating Hotel with the newly refurbished hotel rooms and villa pool suites, coupled with the ongoing upgrades and the refurbishment of our ballroom.

The outlook of our Shanghai Hotel remains challenging as it faces a slow rebound in occupancy and average room rates in view of the protracted recovery of China's troubled property sector, potential headwinds in the global economy and geopolitical tensions.

Our aparthotel in Earls Court, London, The Marloes, was fully operational from April 2024. The demand for UK hotels may however face some uncertainties due to external headwinds impacting consumer confidence coupled with rising operational costs, staffing shortages and supply chain disruption. However, we are cautiously optimistic that the London hospitality market will be resilient as we can see the swift post-pandemic rebound and influx of international visitors to London.

Yap Ah Shak House in Kuala Lumpur, a high-quality mixed-use property after undergoing a review and revamp in its operations, will feature F&B outlets, and event venues as a destination for music, arts and culinary experiences, complementing its existing serviced office business. With this new business roadmap, the division anticipates income potential from Yap Ah Shak House once it is fully operational in the first half of fiscal 2025.

BUS-BODY FABRICATION

Our bus-body fabrication unit, Aviva Master Coach Technology Sdn Bhd ("Aviva"), anticipates a strong demand for the sale of buses in the coming year following the delivery of 94 buses to Australia in fiscal 2024. For fiscal 2025, the unit will continue to focus on the Australia market and its orders in hand. Despite market challenges including rising costs and ongoing supply chain disruptions, the unit remains cautiously optimistic in its sales. Aviva is committed to manage the risks and ensure that its production is cost-and-delivery-efficient. The unit has managed to address some of the supply chain issues and aims to increase production in line with the expected increase in orders from the Australian market.

Given the escalating climate concerns and environmental regulations, Aviva anticipates rapid growth in the global electric bus market, particularly in the Asia Pacific region, to address the greenhouse gas emissions from the transportation sector. Against this backdrop, Aviva plans to engage with relevant stakeholders to enter this market at the opportune time.

BUS-BODY FABRICATION (continued)

With the various measures put in place, our bus-body fabrication unit is cautiously optimistic that it is in a good position to manage the challenges.

EDUCATION

In fiscal 2025, our education unit, TLH, is cautiously optimistic for further growth in revenue and financial turnaround after successfully targeting key markets in East Asia including China and Korea. Our education unit is targeting a 30% rise in student enrollments, digital course expansion, and international market penetration in fiscal 2025. TLH will launch 12 new online courses and introduce a subscription-based learning model, strengthening its position in digital language education while catering to professionals and freelancers seeking flexible, high-quality training.

Corporate training will continue to grow, with HRD Corp-certified programs targeting the finance, healthcare, and technology sectors. Simultaneously, TLH will accelerate international student recruitment, focusing on China, Korea and the Middle East. With relocation costs behind us, the focus will shift to cost optimisation and operational efficiency, targeting a 25% net profit margin through automation, streamlined processes, and improved financial management.

A comprehensive digital marketing strategy will enhance brand visibility and student acquisition, leveraging LinkedIn for corporate outreach, WeChat for China, and TikTok for younger audiences. By capitalising on digital innovation, global partnerships, and corporate demand, TLH is well-positioned to achieve its target growth and long-term sustainability in fiscal 2025.

Statement on Sustainability

The Group's Board together with Management take responsibility for the effective governance and management of sustainability initiatives and practices of the Group which may include setting the Group's sustainability strategies, priorities and targets. In connection therewith, they are committed to establish and maintain an effective Sustainability Management System which is supported by underlying internal controls, risk management practices, clear accountability and reporting process.

The Board takes into account sustainability considerations, the Economic, Environmental and Social ("EES") risks as well as opportunities and threat to the sustainability of the Group's activities, structure and operations arising from such EES risks when exercising its duties including among others, the development and implementation of the Group's strategies, business plans, performance measurements, major plans of action, risk management and decision-making process. The Board would strive to ensure that the Group's sustainability strategies, priorities and targets as well as performance against such targets are communicated to its internal and external stakeholders and annual review of the performance of the Board and/or senior management may include aspects relating to their performance in addressing the Group's material sustainability risks and opportunities moving forward.

STATEMENT OF ASSURANCE

In our commitment to sustainability and in compliance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), Horizon Corporate Services Sdn Bhd has been engaged by the Group to perform an independent limited assurance on selected performance indicators and statements within the Statement on Sustainability. For more information, please refer to the Independent Limited Assurance Statement on pages 53 to 55.

REPORTING PRACTICE AND BOUNDARY

The Board is pleased to present this Statement on Sustainability ("Statement") for the financial year ended 31 December 2024 ("FYE2024") that has been prepared in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and with reference to the Sustainability Reporting Guide (3rd Edition) under Bursa Securities. This Statement outlines the Group's Sustainability Performance Management Framework to enhance the monitoring and reporting of our sustainability performance within the context of EES and also provides detailed disclosure of the management of our key sustainability matters for the FYE2024. This Statement is to be read alongside with the other sections of this Annual Report, which highlights the Group's corporate governance, risk management and internal controls, as well as other financial and non-financial details of our operations.

REPORTING PRACTICE AND BOUNDARY (continued)

The Advance Synergy Berhad ("ASB") Group comprises operating subsidiaries that service business and consumer markets in a variety of industries. These operating companies are grouped under several Key Business Divisions of the ASB Group (See Exhibit 1), which include:

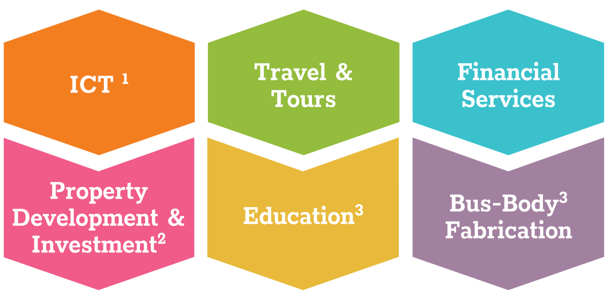


Exhibit 1 — Our Key Business Divisions/Units

1. As Captii Limited ("Captii") under ICT division is a subsidiary listed on the Singapore Exchange Securities Trading Limited, it has produced a detailed 2024 sustainability report that provides information on their sustainability performance. Please refer to Captii's sustainability report in their 2024 annual report for further information.

2. Property Development and Investment division consisting of Property Development unit and Property Investment unit (includes hospitality and investment property, Yap Ah Shak House, which houses the food and beverage ("F&B"), serviced office and event venue businesses).

3. Education and Bus-Body Fabrication units are grouped under the Others division.

SUSTAINABILITY GOVERNANCE AND STRUCTURE

The Board and Management shall continue to dedicate leadership and maintain a high standard of sustainability governance to drive continuous and long term growth for all of its stakeholders. As part of our commitment towards sustainability, we have established a clear governance structure to ensure compliance and performance of the Group's sustainability.

The Group's sustainability governance structure is as follows (see Exhibit 2):

Exhibit 2 — Group's Sustainability Governance Structure

The Board is holding ultimate responsibility for the sustainability management of ASB Group. The sustainability matters of ASB Group had been placed under the purview of the Risk Management and Sustainability Committee ("RMSC"). The RMSC's duties and responsibilities are as follows:

- recommend to the Board sustainability-related policies and/or framework for adoption;

SUSTAINABILITY GOVERNANCE AND STRUCTURE (continued)

- oversee the implementation of the Group's sustainability policies and/or framework and processes including the identification, analysis, evaluation, management and reporting of the material sustainability matters related to the EES aspects of the Group and recommend to the Board for approval;

- oversee the management and performance of the Group's sustainability strategies, priorities, and targets including reviewing steps to monitor, mitigate and/or prevent the EES risks, the performance against the target set on identified measurement indicators for each of the material/key sustainability matters and making the necessary recommendation of changes to the Board for approval;

- review the effectiveness of the sustainability framework and ongoing EES risks as well as the opportunities and threat to the sustainability of the Group's activities, structure and operations arising from such EES risk, and any other related matters, and provide timely input to the Board as business condition changes, e.g. when new risks and opportunities arise;

- communicate the Group's sustainability strategies, priorities and targets as well as performance against these targets to its internal and external stakeholders; and

- review and oversee the preparation of the statement on sustainability to be prepared in accordance with the Listing Requirements of Bursa Securities, Malaysian Code on Corporate Governance 2021 and any other applicable laws and regulations from time to time where appropriate.

Group Risk Management and Sustainability Unit ("GRMSU") assists the RMSC to oversee the Enterprise Risk Management and Sustainability process and to maintain sound Enterprise Risk Management and Sustainability policies for the Group. GRMSU supports and provides necessary input while continuously evaluating and enhancing the effectiveness of the Group's risk management and sustainability efforts to align with the overall goals/objectives of the Group. GRMSU is supported by 6 members, consisting of a Group Chief Risk Officer and 5 Group Risk Officers who oversee the process and procedures in integrating and aligning the responsibilities of enterprise risk management with sustainability efforts in enhancing effectiveness of the Enterprise Risk and Sustainability Management System. The Risk Management and Sustainability Unit is established at the business unit level to ensure that their day-to-day business activities are carried out within the established risk policies, procedures and limits as well as the established sustainability policies and/or framework, priorities and targets.

STAKEHOLDERS ENGAGEMENT

Stakeholders play an important role in our Group. We recognise that transparency fosters accountability and ensures that stakeholder issues are addressed in a timely manner. Stakeholders' perspectives are important to us and regular engagement helps us build trust and gain insights into emerging issues that are critical to both stakeholders and the business. Stakeholder communication methods are regularly assessed through information requests to ensure its transparency and effectiveness. Management has assessed and identified the following as key stakeholders for the Group:

STAKEHOLDERS ENGAGEMENT (continued)

Stakeholder	Methods of Engagement
Shareholders/Investors/Analysts	• Annual general meetings • Quarterly announcement of financial results • Company's website • E-mails/letters/meetings
Customers	• Customers' satisfaction survey • Company's website • Social media • 24 hours accessible Customer Services • Face-to-face interactions
Suppliers/Contractors	• Negotiations with suppliers • Face-to-face interactions
Channel/Distribution Partners	• Negotiations with partners • Face-to-face interactions
Employees	• Annual performance appraisal • Training and Development • Face-to-face interactions • Internal memorandum, letters and emails
Government & Regulators	• E-mails/letters/meetings • Workshops and trainings organised by the relevant regulatory authorities
Bankers/Lenders	• E-mails/letters • Face-to-face interactions
Media	• Social media • Advertisements • Company's website
Communities/Non-Governmental Organisations/Industry Group	• Corporate Social Responsibility activities • Donations and philanthropic activities • Community investment • Face-to-face interactions • E-mails/letters • Company's website

STAKEHOLDERS ENGAGEMENT (continued)

The following are the priority of stakeholders by business divisions/units for FYE2024:

ICT	1. Employees	2. Customers	3. Suppliers/ Contractors
	4. Channel/Distribution Partners	5. Government & Regulators	
Travel & Tours	1. Employees	2. Customers	3. Government & Regulators
	4. Shareholders/ Investors/Analysts	5. Media	
Financial Services	1. Government & Regulators	2. Shareholders/ Investors/ Analysts	3. Employees
	4. Channel/Distribution Partners	5. Customers	
Property Development & Investment — Property Development	1. Customers	2. Suppliers/ Contractors	3. Government & Regulators
	4. Bankers/Lenders	5. Employees	
Property Development & Investment — Hospitality	1. Customers	2. Shareholders/ Investors/ Analysts	3. Channel/ Distribution Partners
	4. Government & Regulators	5. Employees	
Property Development & Investment — F&B	1. Government & Regulators	2. Customers	3. Employees
	4. Suppliers/ Contractors	5. Shareholders/Investors/ Analysts	
Others — Education	1. Government & Regulators	2. Customers	3. Channel/ Distribution Partners
	4. Employees	5. Shareholders/ Investors/Analysts	
Others — Bus-Body Fabrication	1. Government & Regulators	2. Customers	3. Employees
	4. Suppliers/Contractors	5. Shareholders/Investors/Analysts	

STRATEGIC APPROACH FOR SUSTAINABILITY

Materiality Assessment

At ASB Group, we continue to refine our management approach to adapt to the changing business and sustainability landscape. Management identifies the type of relevant EES issues caused by its day-to-day operations. Management then determines the materiality of the EES issues based on the level of significance of impact and influence on stakeholder values, and the achievement of the Group's strategic objectives. The Board supports and approves the identification and assessment parameters of material EES issues.

The key material EES issues for ASB Group have been identified and reviewed by ASB's Board and Management and are deemed to remain relevant. These issues will be reviewed annually against the changing business environment, stakeholder opinions, and emerging global and local trends to keep abreast of critical issues. The Group will work towards ensuring comprehensive disclosures on the management and monitoring of our sustainability initiatives for continual improvement.

During FYE2024, ASB Group continued to carry out comprehensive materiality assessment process (See Exhibit 3) to identify, categorise and prioritise the Group's materiality of EES issues based on the business strategy outlined in our plan. The assessment process involved stakeholder consultations, workshops for senior management, an assessment of long-term global trends and an internal review of our businesses. Our materiality assessment process was established based on the Bursa Securities' Sustainability Reporting Guide (3rd Edition) and Bursa Securities' Toolkit, including the Toolkit on Stakeholder Engagement and the Toolkit in Materiality Assessment, together with Global Reporting Initiative ("GRI") Principles for Defining Report Content — stakeholder inclusiveness, sustainability context, materiality and completeness. Materiality with respect to sustainability reporting, as defined by GRI Standards, includes topics and indicators that reflect the organisation's significant EES impacts, and would substantively influence the assessments and decisions of stakeholders.

Our Materiality Assessment Process

IDENTIFY	CATEGORISE	PRIORITISE
Define a list of potential material EES issues	Refine the list of topics by clustering them into categories	Engage stakeholders for feedback and validation of each topic based on importance to internal and external stakeholders

Exhibit 3 — ASB Materiality Assessment Process

STRATEGIC APPROACH FOR SUSTAINABILITY (continued)

Materiality Assessment (continued)

In 2022, the Group undertook the process, supported by an independent consultant and involved conducting workshops and consultations with senior management, to shortlist and categorise thirteen (13) material sustainability matters into the three (3) pillars of our sustainability performance management framework (See Exhibit 4).

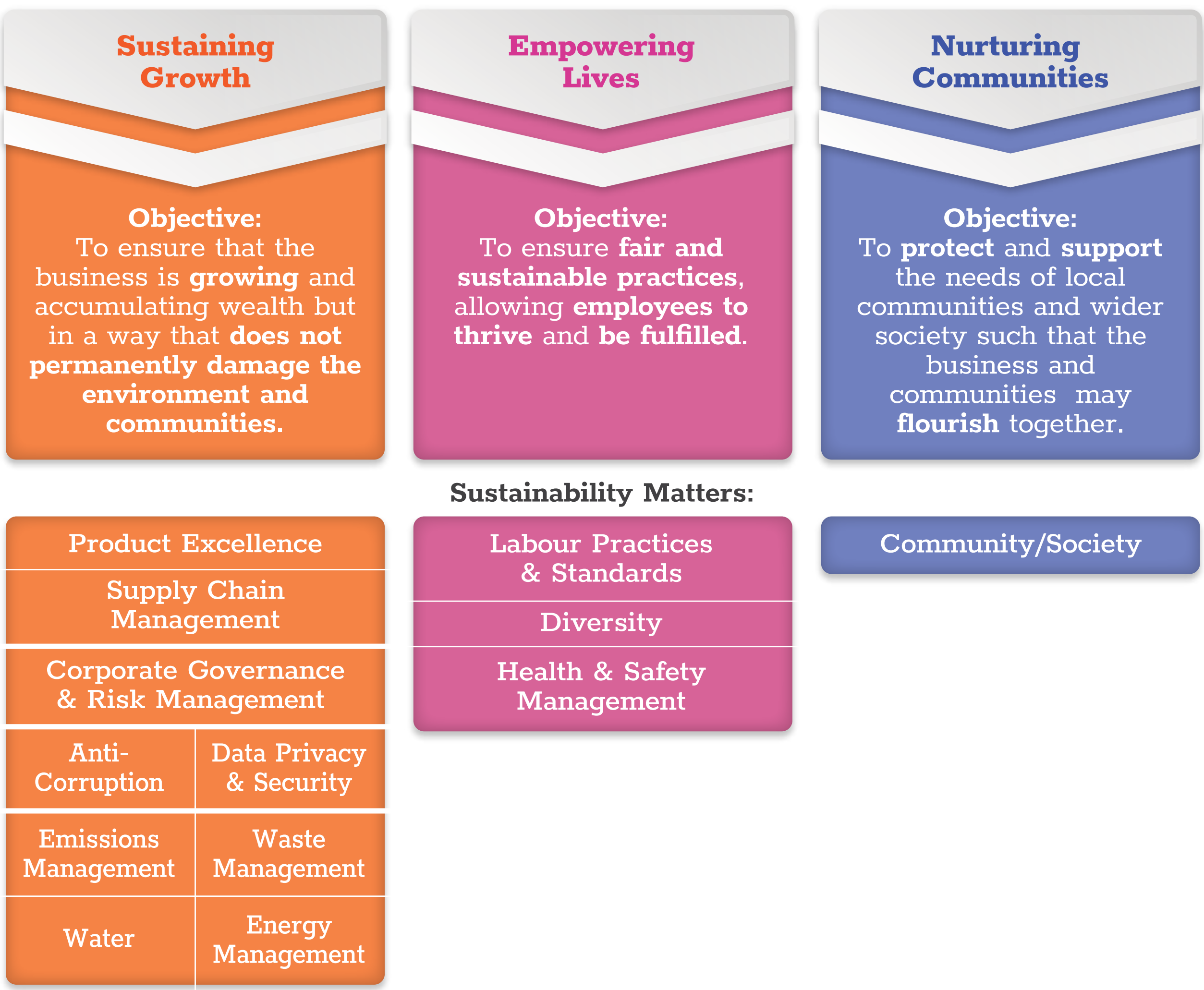


Exhibit 4 — ASB Group's Sustainability Performance Management Framework

STRATEGIC APPROACH FOR SUSTAINABILITY (continued)

Materiality Assessment (continued)

The sustainability matters identified are further described below:

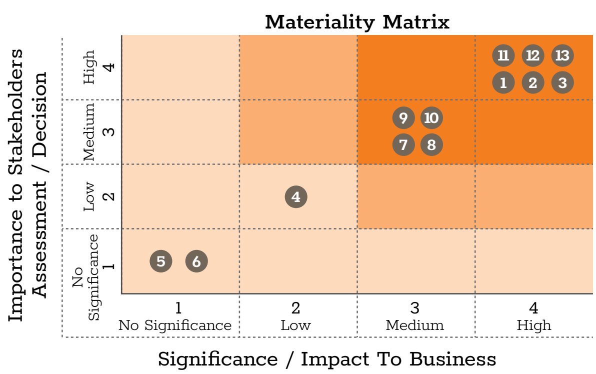
Category	Sustainability Matters	Description
Economic	1. Product Excellence	Continual effort to improve product excellence through innovation and technology.
	2. Supply Chain Management	Resilience and significant economic and social impacts observed or assessed in our supply chain.
Environment	3. Emissions Management	Reduce the carbon footprint of our operations.
	4. Energy Management	Efficiency of energy usage (i.e. electricity consumption).
	5. Water	Water consumption and discharge management.
	6. Waste Management	Hazardous and non-hazardous waste disposal treatment.
Social	7. Labour Practices & Standards	Commitment to fair employment practices, upholding of human rights principles and upskill its human capital resources.
	8. Diversity	Equal opportunity employment across demographic of our community.
	9. Health & Safety Management	Maintain an injury-free working environment for all employees by following systematic approaches that prevent injuries and eliminate workplace health and safety risks.
	10. Community/Society	Responsibility to communities/societies where we operate in.
Corporate Governance	11. Corporate Governance & Risk Management	Delivering good and transparent corporate governance systems such as a balanced board composition, sound internal controls and a structured organisational framework. Managing business, product, supplier, stakeholder and brand risks across the value chain.
	12. Anti-Corruption	How we guard against corruption, bribery and fraud.
	13. Data Privacy & Security	Protect the Company’s information including confidential business data, employee information and customers’ data.

STRATEGIC APPROACH FOR SUSTAINABILITY (continued)

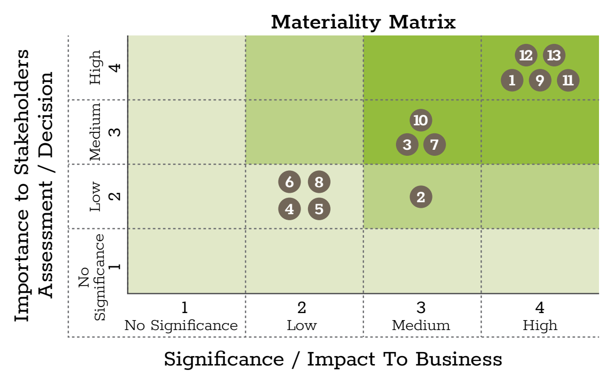
Materiality Assessment (continued)

The sustainability matters identified are ranked as high, medium, low or no significance on the materiality matrix (See Exhibit 5). Our sustainability efforts and reporting are focused on issues that are of the most concern to our business and stakeholders based on the materiality matrix.

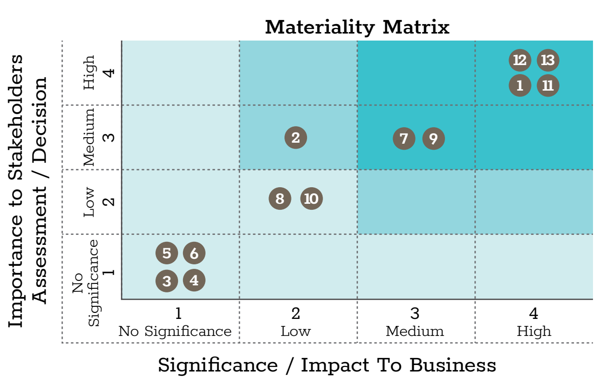
ICT



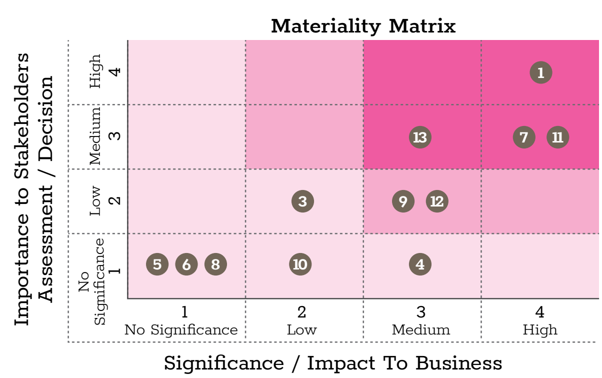
Travel & Tours



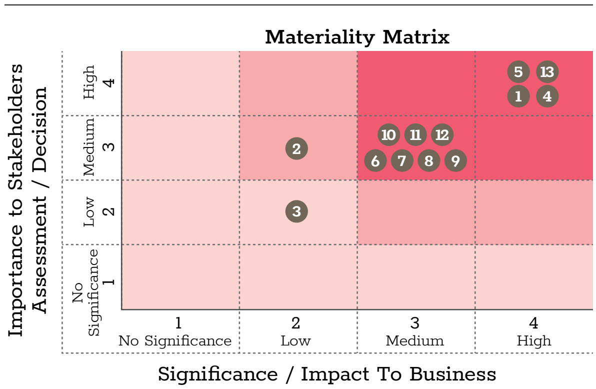
Financial Services



Property Development & Investment — Property Development



Property Development & Investment — Hospitality



Property Development & Investment — F&B

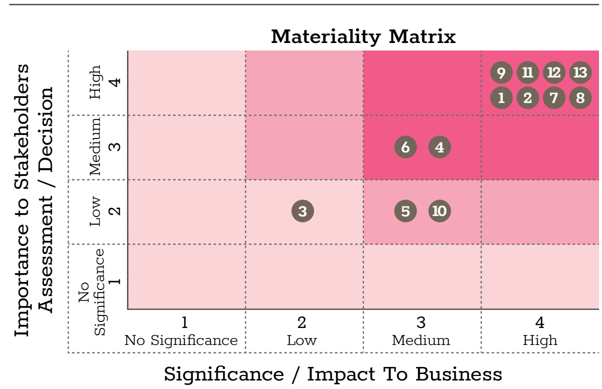
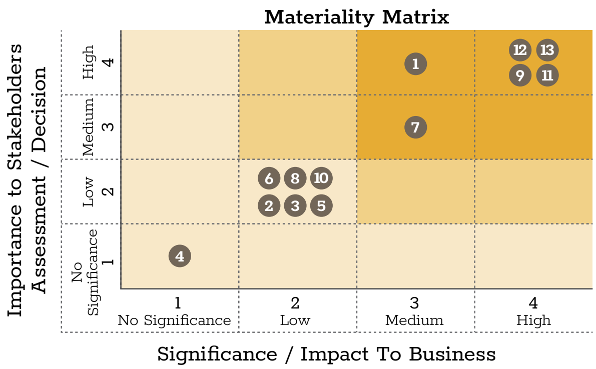


Exhibit 5 — ASB's Materiality Matrix

STRATEGIC APPROACH FOR SUSTAINABILITY (continued)

Materiality Assessment (continued)

Others — Education



Others — Bus-Body Fabrication

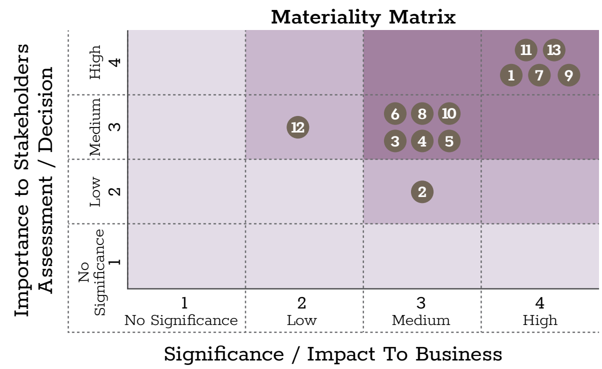


Exhibit 5 — ASB's Materiality Matrix (continued)

SUSTAINING GROWTH

To ensure that the business is growing and accumulating wealth but in a way that does not permanently damage the environment and communities.

PRODUCT EXCELLENCE

We believe that our financial viability hinges on customer satisfaction and our ability to meet customer demand for our products and services. Our business divisions remain committed to execution excellence and building enduring relationships with not only our customers but key stakeholders in our value chain.

Group Commitments & Targets

- Continue to improve product excellence through innovation and technology.
- Continue to maintain a high level of customer satisfaction across our businesses.

Customers of our financial services division may lodge a complaint through a telephone call, email and company's website and the division will act on such complaint within 3 working days. Merchants or customers will be notified immediately upon any transaction failures. Regular customer satisfaction survey will be conducted on selected merchants as part of its key initiatives undertaken to maintain/improve customer service/ customer relationship. The division is also building its technology capabilities to provide customized, improved and value-added products and services to be more competitive in the digital era.

PRODUCT EXCELLENCE (continued)

Our ICT division has a 24-hour customer careline for customers to lodge feedbacks on service issue. Feedbacks from customers including complaints are documented for future improvement and development of products and services.

Our hospitality unit strives to be known for its good value hospitality and is committed to superior customer services and well-being of their guests.

The following are some of its existing commitments made:

In their quest to deliver superior quality products and services to their customers and comply with applicable legal requirements, the hospitality unit has in place a quality management system focusing on the service standards, work processes, job instructions and the standard operating procedure ("SOP") for all aspects of the hotel operations. Besides, the unit also obtained accreditations such as "Clean & Safe Malaysian Hygiene and Safety Label" from Bureau Veritas and "COVID-19 SOP and Travel Quality Best Practices" from Tourism Malaysia, amongst others.

The hospitality, education and financial services businesses are also building their technology capabilities to provide customised, improved and value-added products and services to be more competitive in the digital era. Meanwhile, our F&B unit performs regular research and development ("R&D"), food testing and review of supply chain in order to maintain commitment to quality.

Our bus-body fabrication unit is International Organization for Standardization ("ISO") 9001:2015 certified. Our bus-body fabrication unit will continue to provide products and services that consistently meet customers' needs, enhance customer satisfaction through a process of continual improvement and ensure compliance with all applicable statutory and regulatory requirements.

We believe the Group's long-term business is built mainly on the trust and confidence of customers. Therefore, feedbacks from customers such as customer satisfaction ratings and customer complaints are documented for future improvement on the development of products and services.

The following table summarises our performance indicators on product excellence:

Indicator	Unit	2022	2023	2024
Average Customer/Client Satisfaction score				
- ICT	%	94%	100%	100%
- Travel & Tours	%	85%	85%	90%
- Property Development	%	100%	100%	100%
- Hospitality	%	85%	86%	84%
- F&B	%	90%	86%	83%
- Bus-Body Fabrication	%	88%	83%	78%
Total no. of incidents regarding products and services	Number	0	0	0

SUPPLY CHAIN MANAGEMENT

Group Commitments & Targets

- Continue to assess/review suppliers annually.
- Continue to support local businesses.

The Group continues to support local businesses by procuring from suppliers and contracting services locally. We believe that a strong local supply chain through a productive partnership is vital to the growth of our business.

By such support, we believe that we can positively contribute to the local economy. We select partners who share our work ethics and values and who are willing to provide quality products and services in a responsible manner.

In cases where local suppliers are not suitable, we will source internationally. Where outsourcing is practised, we will ensure that the products conform to our sustainable policies and are labelled with “good manufacturing practices”. To mitigate supply chain disruption, our business divisions will have periodic review meetings with active suppliers/vendors besides having alternative and/or multiple suppliers/vendors.

For FYE 2024, the financial services division continuously conduct an annual assessment/review of selective existing suppliers. And, all new suppliers are screened and evaluated by the division before the engagement. This was to prevent operation disruptions and ensure compliance with regulations. Meanwhile, the travel and tours division and the hospitality unit continue to perform spot checks on their key suppliers at least once in a year.

During the reporting period, there was no new supplier engaged by our ICT division. Our ICT division will ensure that all new suppliers will be screened and evaluated.

The ICT division focuses on supplier background and technical ability to provide the relevant service as the criteria/parameters used to assess and appoint suppliers. Meanwhile, for our F&B unit, the price and quality are their main criteria in assessing their suppliers.

Since 2022, our F&B unit has shown a record of 100% procurement from local suppliers. Meanwhile, the other divisions/units recorded above 90% procurement spending on local suppliers depending on their nature of business.

SUPPLY CHAIN MANAGEMENT (continued)

Our indicators for supply chain management are summarised in the table below:

Indicator	Unit	2022	2023	2024
Audits (spot checks) made to key suppliers' offices/sites				
- Travel & Tours	Number	1	1	6
- Hospitality	Number	1	1	3
- Financial Services	%	N/A	100%	N/A
Percentage of suppliers assessed/reviewed annually				
- Travel & Tours	%	10%	10%	21%
- Financial Services	%	N/A	100%	N/A
- Hospitality	%	N/A	9.5%	7%
- F&B	%	40%	70%	80%
Percentage of spending on local suppliers (within Malaysia)				
- Group average	%	97.5%	97%	92%
- Financial Services	%	N/A	95%	95%
- Hospitality	%	95%	95%	100%
- F&B	%	100%	100%	100%

CORPORATE GOVERNANCE & RISK MANAGEMENT

Given the geographical diversity of our businesses, we closely monitor developments in the laws and regulations of countries where the Group operates to ensure that our businesses and operations comply with all relevant laws and regulations.

Group Commitments & Targets

› We are fully committed to strengthening our regulatory compliance framework. Our emphasis is clear and consistently reiterated.
› The Group continues to work towards a full compliant culture.

All our key employees affirm their understanding of the code of business conduct. We regularly engage with local government authorities and agencies to keep abreast of changes to laws and regulations.

We recognise that non-compliance with laws and regulations not only has a significant financial impact but potentially detrimental reputational impact on the Group. To manage and track compliance issues, the Group appoints key personnel at Group level and at subsidiary companies for compliance roles and conducts internal audits. The responsibilities of each of our appointed risk officers also embodied compliance with rules and regulations specific to their roles and functions in the business operations.

CORPORATE GOVERNANCE & RISK MANAGEMENT (continued)

The Audit Committee, assisted by Internal Auditors, supports the Board in its oversight of regulatory compliance and is responsible for driving the Group's focus on implementing effective compliance and governance systems. At the operational level, the respective business divisions and departments are responsible to identify, self-assess the adequacy and effectiveness of mitigating measures, and manage their financial, operational, compliance and reputational related risks.

See Governance on pages 90 to 96 of the Annual Report.

See Risk Management and Sustainability on pages 56 to 68 of the Annual Report.

The following table shows the training received by our employees on corporate governance and risk management together with the summary of no incidences of or fines paid for environmental non-compliance:

Indicator	Unit	2022	2023	2024
Total Employees receiving Corporate Governance and Risk Management Training	Number/%	N/A	59/9%	96/16%
Total number of incidences of environmental non-compliance	Number	0	0	0
Total amount of fines paid for the environmental non-compliance	RM	0	0	0

ANTI-CORRUPTION

Group Commitments & Targets

- We have zero-tolerance for fraud, bribery, corruption and violation of laws and regulations.
- The Group has a set of policies and guidelines that spells out the responsibilities of employees in observing and upholding the company's 'zero tolerance' position against any form of corruption, bribery and extortion. Periodic training/refresher sessions on anti-corruption, bribery, extortion, and money laundering shall be conducted for the Group staff.

To ensure that our internal practices and processes are in adherence and alignment with these latest developments, we took active steps to strengthen our internal processes and practices and adopts a 'zero-tolerance approach' towards any form of corruption including stepping up awareness, education and training programmes on anti-corruption, i.e. bribery, fraud, embezzlement and so forth. During the year, the Group continues in implementing the Group Anti-Bribery and Anti-Corruption Framework and Policy ("ABAC Policy") and aligned with the Section 17A of the Malaysian Anti-Corruption Commission Act 2009 as well as the Group Conflict of Interest Policy & Procedures and Group Governance Framework pursuant to the guidelines issued by the Securities Commission Malaysia. The ABAC Policy has been designed to safeguard the Company,

ANTI-CORRUPTION (continued)

Board of Directors, Management and employees and to align with the requirements set out in the Group's direction of high integrity principles. It helps the Group staff to recognise and deal with corrupt gratification, as well as understand their responsibilities. In tandem, the Group has implemented a Group Whistleblowing Policy and Procedures ("Whistleblowing P&P") to provide an avenue and platform for all personnel, employees, agents and/or third parties to disclose any acts of bribery, corruption and/or irregularities in a confidential manner that protects the whistleblower from any risk of reprisal. The said ABAC Policy and Whistleblowing P&P are publicly available on the Group's website at *www.asb.com.my*.

We are pleased to report that none of our Board of Directors, Management or employees is involved in any suspected bribery and corruption practices or unethical behaviors in 2024.

Our key performance indicators on anti-corruption are as follows:

Indicator	Unit	2022	2023	2024
Total Employees receiving Anti-Money Laundering and Anti-Corruption Training				
- Executive	Number/%	N/A	60/15%	53/9%
- Non-Executive	Number/%	N/A	30/11%	3/1%
Percentage of operations assessed for money laundering or corruption related risks				
- Group average	%	N/A	46.75%	67%
- Financial Services	%	N/A	73.50%	67%
- F&B	%	N/A	20%	0%
Total no. of incidents involving money laundering, corruption and bribery	Number	0	0	0

DATA PRIVACY & SECURITY

With increasing use of technology, the Group may be exposed to increased cyber risk such as risk relating to data breaches, and sabotage on information processing and information technology system. Such cyber risks can lead to commercial losses and negative effect on the Group's businesses. Therefore, the Group strategises to be resilient against cyber risk by educating its staff on cyber risk and the importance of data privacy and security by creating a cyber security culture. Processes and systems are in place to identify, mitigate and report risks and we communicate best practices to the Group staff. Assessment of the cyber risk/threat landscape is followed by risk mitigation planning based on the Group's risk appetite and implementation of a proactive approach to manage any cyber breach before, during and after it occurs. This is to ensure that critical infrastructure is protected to a level that commensurate with the risks. The Group has a policy that requires new members to be briefed on the Personal Data Protection Act and General Data Protection Regulation during their induction.

DATA PRIVACY & SECURITY (continued)

The following are our key performance indicators on data privacy & security:

Indicator	Unit	2022	2023	2024
Total Employees trained/briefed/updated on Personal Data Protection Act and/or General Data Protection Regulation	Number	N/A	55	29
Total data protection and data security trainings conducted	Number	3	0	7
Total incidents involving data privacy & data security breaches	Number	0	0	0

ENVIRONMENTAL MANAGEMENT

Environmental sustainability forms an integral part of the Group's sustainability philosophy. We endeavour to integrate the best sustainability practices and compliance across business operations to reduce adverse environmental impact on the ecosystem. In our daily operations, the Group continues to be committed on recycling, energy-saving practices and undertaking measures to reduce wastages, pollution and harmful emissions.

ASB is committed and strive to improve resource efficiency and reduce our environmental impact. We continue to factor in environmental considerations in our businesses.

Group Commitments & Targets

- Continue to improve the environmental management systems of key business units to meet the requirements of the ISO 14001 standard.
- Continue to explore solutions that minimise environmental impact.
- Install or maintain energy efficient equipment and devices at our facilities whenever possible, including LED lights and more energy-efficient cooling solutions.

The Going Green campaign by our hospitality unit aims to contribute to the preservation of natural resources and environment by focusing on energy conservation, waste management, responsible purchases and landscaping.

Our hospitality unit works with all stakeholders to promote and implement responsible environmental practices. Holiday Villa Beach Resort & Spa Cherating performed environmental impact assessments before the hotel embarked on any development or improvement. To reduce environment impact, including climate change, we use renewable energy and garbage enzymes made out of fruit peels and vegetables as cleaning agent, minimise the usage of plastic straws, cups, boxes, cutlery and other F&B materials by gradual introduction of paper or biodegradable options, unfinished toiletries are not replaced with new ones in existing guest rooms, other bathroom amenities are provided only upon request by hotel guests. In addition, all guest rooms are provided with bottled reverse osmosis waters instead of individual plastic bottled waters. The hospitality unit

ENVIRONMENTAL MANAGEMENT (continued)

also has its own environmental policy in place towards the improvement targets to monitor energy consumption, water consumption and waste production. We recognize that resource conservation, biodiversity and pollution prevention are key to a sustainable environment, and will continue to effectively integrate these concepts into our business decision-making. This unit subscribes to products that are labelled as complying with "good manufacturing practices".

Our bus-body fabrication unit has a designated area for waste deposit and disposal. In January 2024, our bus-body fabrication unit registered with the Department of Environment ("DOE") and keeps track of waste management via DOE's Electronic Scheduled Waste Management Information System. The Group ensures that waste materials are deposited at designated environmentally safe areas and disposed of periodically by licensed waste disposal contractors.

As for our F&B unit, we ensure used cooking oils are stored in non-flammable containers before disposing them to the recognised oil waste disposal vendor regularly.

For businesses with operations that are concentrated in offices such as our ICT and travel and tours divisions, the impact on the environment is relatively limited and confined largely to resource and energy efficiency such as encouraging staff to be environmentally-conscious by promoting paperless administration and operational practices to reduce paper usage, and be committed to recycling and energy saving practices.

Emission Management

Since 2022, the Group started to monitor carbon emissions from our business activities. We report our greenhouse gas ("GHG") emissions according to the GHG Protocol Corporate Standard. The intensity of operational GHG emissions is measured and disclosed as follows:

Scope	Emission Type	Definition	Status
Scope 1	Direct emissions	GHG emissions in activities from the Group's fuel combustion in vehicles and machineries.	Measured and disclosed
Scope 2	Indirect emissions	GHG emissions generated from the consumption of purchased electricity.	Measured and disclosed
Scope 3	Indirect emissions	GHG emissions that are a consequence of the activities of the company but occur from sources not owned or controlled by the company, i.e. employees' commute.	Measured and disclosed

ENVIRONMENTAL MANAGEMENT (continued)

Emission Management (continued)

Presently, the data on GHG emissions under Scope 1 is measured by our bus-body fabrication unit by measuring consumption of diesel in their operations. Overall consumption of diesel had seen a significant increase in 2024 compared to the previous years due to an increase in bus production. Continuous efforts are in place to reduce the GHG emissions. Scope 2 is measured based on electricity consumption. Data scope for electricity and water consumption for hospitality unit are currently limited to domestic operations. Scope 3 is measured based on estimation of distance travelled by employees from their home to workplace and from 2022, we have measured indirect emissions from Group employees' commute.

The following table represents the Group's performance on GHG emissions:

Indicator	Unit	2022	2023	2024
Scope 1 - CO_2e produced by company vehicles & machinery owned by the company	Tonnes	1.072	1.072	2.030
Scope 2 - CO_2e produced by electricity consumption	Tonnes	3,246	3,476	2,023
Scope 3 - CO_2e produced by employees' commute *(2022: calculation based on 431 employees 2023: calculation based on 423 employees 2024: calculation based on 276 employees)* *Note: For 2022 and 2023, data compiled for staff commute included staff at Langkawi Hotel. It had ceased business in 2024.*	Tonnes	386	313	325

Waste Management

Apart from carbon emission control, the Group also takes stringent measures in waste management. All the wastes generated were carefully handled. There was no hazardous waste spillage incident recorded during the year. We will also continue to maintain our stringent control and commitments to protect the environment moving forward. The following table summarises the type of waste generated by our ICT division as well as F&B and bus-body fabrication units:

Indicator	Unit	2022	2023	2024
Total Recycled Waste	Tonnes	4.30	7	3
Total Non-Recycled Waste	Tonnes	141.20	196.40	229.89
Total Hazardous Waste	Tonnes	0.07	1.70	3.54

ENVIRONMENTAL MANAGEMENT (continued)

Water

Water is a precious resource. The Group continues to strengthen its water conservation efforts through initiatives like promoting water-saving practices, adopting water-efficient technologies and equipment as well as implementing process improvements.

Given that the business operations of most of our divisions/units are concentrated in normal office spaces, the level of water consumption is relatively limited, except for hospitality unit. The hospitality unit is committed to water conservation through various measures, including:

1. Going Green @ Skip the Housekeeping Program where hotel guests are encouraged to participate in our no-change of in-room bed linens or towels whilst during their stay in exchange for a hi-tea set consumable at our hotel and F&B outlets;

2. Regular inspection of piping systems and fittings to ensure that functionality and efficiency are maintained;

3. Repair & replace of old pipes, fittings and other equipment where necessary; and

4. Proposed installation or replacement of conventional water fittings with water efficient fittings.

The Group's total water consumption from 2022 to 2024 are as table below. In 2024, the total consumption by our Group was approximately 49.43 Megalitres (ML) of water as compared to approximately 116.72 ML in 2023.

Indicator	Unit	2022	2023	2024
Total Water Consumption	Megalitres	117.51	116.72	49.43

Energy Management

The Group's energy demand comprises a mix of direct and indirect sources of energy. In 2024, the Group consumed about 2,669 megawatt hour (MWh) of energy.

Our approach in energy management at our properties include:
1. Installation or replacement of conventional lighting with energy savings lighting, e.g. LED lighting;
2. Regular inspection of existing equipment to ensure they remain in good working condition; and
3. Our property and facility team is responsible for the continuous drive in energy conservation via improvement plans for the properties.

ENVIRONMENTAL MANAGEMENT (continued)

Energy Management (continued)

The following table represents our energy consumption within the Group for past three financial years:

Business Division/Unit	2022(kWh)	2023 (kWh)	2024 (kWh)
Investment Holding	50,460	54,729	62,220
ICT ** The electricity consumption is for ICT offices and does not include electricity consumption of servers at data centres as previously reported in Annual Report 2023.*	234,223*	236,931*	221,596
Financial Services	77,496	70,770	59,605
Travel & Tours	40,482	43,806	45,687
Property Development & Investment			
- Property Development	46,852	42,110	35,957
- Hospitality	3,515,836	3,894,985	1,205,477
- Property Investment ** Yap Ah Shak House Group comprising F&B outlets, serviced offices and event venues*	478,411	492,599	600,003
Education	40,000	43,907	60,278
Bus-Body Fabrication	323,726	329,780	378,155
Total (kWh)	4,329,075	4,717,018	2,668,978
Total (MWh)	4,329	4,717	2,669

Overall electricity consumption for Property Development & Investment has seen a significant decrease in 2024 compared to the previous years as a result of cessation of business of Langkawi Hotel after the termination of its lease at the end of the financial year ended 31 December 2023.

Our goal is to meet the electricity consumption targets set by the respective business units by closely monitoring the electricity usage.

Environmental Compliance

ASB Group remains committed to comply with all applicable legal requirements enforced by local governing authorities and relevant enforcers which may include among others, the requirements as set out in the Table 1. The Group's operations continue to conform to local environmental laws and regulations. All employees of the Group and that of contractors and consultants are encouraged to be proactive and forthcoming in managing and reporting environmental related issues and complaints.

ENVIRONMENTAL MANAGEMENT (continued)

Environmental Compliance (continued)

Table 1 — Environmental Compliance Requirements in Malaysia

Compliance
Environmental Quality Act 1974 (and its Amendments)
Environmental Quality (Scheduled Wastes) Regulations 2005
Environmental Quality (Sewage) Regulations 2009
Environmental Quality (Clean Air) Regulations 2014
Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 2015
Guidelines from Natural Resources and Environment Board (Sarawak)
Land Conservation Act 1960

During the reporting period, there was no incident of non-compliance and penalties pertaining to environmental-related issues. To maintain the highest standard of environmental compliance and to prevent future occurrence of incidents, Management will continue to review and improve the current environmental management system and practices and ensure that all our activities and operations comply with existing regulatory requirements.

EMPOWERING LIVES

To ensure fair and sustainable practices, allowing employees to thrive and be fulfilled.

LABOUR PRACTICES AND STANDARDS

Our employees are one of our most valuable assets. We are committed to fair employment practices, uphold human rights principles and invest in developing and training our people. At the Group, we strive to foster an inclusive and performance-driven work environment to attract, retain and develop our talents. We are an equal opportunity employer and have instituted a fair system to ensure equal opportunities and non-preferential treatment for all employees. There is no preference or prejudice towards religion, age, ethnicity, race, physical disability or gender. Employees are required to observe and adhere to all relevant Group policies and practices. As at 31 December 2024, the Group has a total number of 559 employees.

Group Commitments & Targets

- Continue to promote diversity and equal opportunity in the workplace.
- Further develop our workforce through tech-enabled and self-paced training programmes.

We continue to engage our workforce and implement initiatives to achieve our long-term goal of improving collaboration and workplace innovation. Employee engagement initiatives are organised throughout the year to forge stronger bonds among employees and enhance communication between management and staff.

LABOUR PRACTICES AND STANDARDS (continued)

Learning & Development

In a rapidly evolving industry, continuous learning is essential to ensure our Group implements the latest practices and technologies and to address key gaps in employees' behaviour, and technical and functional skills/knowledge. To encourage and support our employees to develop their fullest potential and have a fulfilling career, the Group places priority on learning and development programmes. Our learning and development roadmap also accounts for future skills required to improve the efficiency of the business. We customise and design training and development activities based on employees' training needs and work requirements.

During the financial year ended 31 December 2024, the Group spent close to RM199,082 on training. Total amount invested in employee learning and development from 2022 to 2024 is set out on page 46 of this Annual Report.

Lower amount spent on the training in 2024 is partly due to most trainings attended by employees were being conducted internally or on no-payment basis. Our Group is committed to ensure that our employees are receiving proper training and equipped with the most up-to-date knowledge.

In 2024, our hospitality unit provided various types of training in relation to hospitality to enhance the skills and knowledge of our hotel employees.

The Board takes appropriate action such as attending training to ensure they stay abreast with and understand the sustainability issues relevant to the Group and its business which may include topics relating to climate-related risks and opportunities. During 2024, training attended by the Directors, Senior Management and/or employees of the Group include among others the following:

- AI for Productivity
- AI for Sales & Marketing
- Anti Money Laundering, Anti Terrorism Financing, Anti Proliferation Financing
- Applying IFRS Sustainability Disclosures Standards (ISSB S1 & S2)
- Beneficial Ownership Reporting Framework
- Board Responsibilities in Light of the Cyber security Bill 2024
- Building Sustainable Credibility: Assurance, Green-washing And The Rise Of Green-Hushing
- Corporate Vigilance: Fraud Detection, KYC Screening and Risk Management
- Driving Sustainable Growth: ESG Strategies for Malaysian Businesses
- E-Invoicing: The Digital Way Forward
- Emergency Response Plan and Emergency Response Team
- Good Corporate Governance and Anti-Bribery Standards
- Leadership and Management Skills
- Listing Requirements & Conflict of Interest
- LHDN E-Invoicing in Malaysia: Navigating Tax, Compliance & IT Processes

LABOUR PRACTICES AND STANDARDS (continued)

Learning & Development (continued)

- Logistic Inventory Management
- Mandatory Accreditation Program (MAP) Part I and II
- Navigating Bursa Malaysia's Enhanced Sustainability Reporting Framework
- Occupational Safety And Health Awareness
- Occupational First Aid Skills and Cardiopulmonary Resuscitation Course, Safety and Health Awareness, and Safety & Health Coordinator (OSH-C)
- Personal Data Protection Act 2010
- Safe Handling of Forklift Truck
- Sustainability Awareness
- The Digital Credit Market Platform for PLCs and Non-PLCs
- Up skill Your Leadership Capabilities To Drive Resilient Teams
- 2024 Budget Update & E-Invoicing

The following summarises the type of training attended by employees for FYE2024:

Type of Training	No. of employees attended the training(s)
Sustainability	110
Health & Safety	58
Anti Money Laundering & Anti-Corruption	56
Code of Conduct/Ethics	5
Corporate Governance & Risk Management	96
Personal Data Protection Act	29
Others	232
Total	586

The following table indicates our performance on labour practices and standards:

Indicator	Unit	2022	2023	2024
Total amount spent on training	RM	71,357	306,831	199,082
Percentage of employees receiving training and development by types of training				
- Corporate Governance & Risk Management	%	N/A	9%	16%
- Personal Data Protection Act	%	N/A	8%	5%
- Anti Money Laundering & Anti-Corruption	%	N/A	13%	10%
- Code of Conduct	%	N/A	4%	1%
- Discrimination & Harassment	%	N/A	30%	0%
- Health & Safety	%	N/A	22%	10%
- Mental Health & Wellness	%	N/A	25%	0%
- Sustainability	%	N/A	1%	19%
- Others	%	N/A	37%	40%
Percentage of staff turnover				
- Executive	%	N/A	57/8%	53/9%
- Non-Executive	%	N/A	73/11%	39/7%
Substantiated complaints concerning human rights violations	Number	0	0	0

LABOUR PRACTICES AND STANDARDS (continued)

DIVERSITY

We believe that people should have access to the same opportunities regardless of their ethnicity, religion, gender, marital status or age. We value diversity and inclusion and are committed to the principle of equal employment opportunity. Our hiring policies ensure equal employment opportunities for all. New hires are considered based on individual competencies as well as organisational requirements and job fit. The following employment statistics illustrate the diversity of our workforce:

Indicator	Unit	2022	2023	2024
Employee Diversity				
Total Employees	Number	607	667	559
EMPLOYEES BY CONTRACT				
Full time employees	Number/%	597/98%	660/99%	553/99%
Contract Workers	Number/%	10/2%	7/1%	6/1%
EMPLOYEES BY NATIONALITY AND ETHNICITY				
Malaysian	Number/%	575/95%	603/90%	496/89%
Foreigner	Number/%	32/5%	64/10%	63/11%
EMPLOYEES BY GENDER				
Male	Number/%	380/63%	410/62%	340/61%
Female	Number/%	227/37%	257/39%	219/39%
EMPLOYEES BY AGE				
Below 40	Number/%	319/53%	364/55%	312/56%
40-59	Number/%	262/43%	275/41%	215/38%
60 and above	Number/%	26/4%	28/4%	32/6%
EMPLOYEES BY CATEGORY				
Executive: Male	Number/%	225/37%	236/35%	241/43%
Executive: Female	Number/%	140/23%	151/23%	158/28%
Non-Executive: Male	Number/%	155/26%	174/26%	99/18%
Non-Executive: Female	Number/%	87/14%	106/16%	61/11%
EMPLOYEES BY CATEGORY AND AGE				
Executive: under 40 years	Number/%	183/30%	206/31%	218/39%
Executive: 40-59 years	Number/%	158/26%	161/24%	155/27%
Executive: 60 years and above	Number/%	22/4%	21/3%	27/5%
Non-Executive: under 40 years	Number/%	136/22%	158/24%	94/17%
Non-Executive: 40-59 years	Number/%	104/17%	114/17%	60/11%
Non-Executive: 60 years and above	Number/%	4/1%	7/1%	5/1%

LABOUR PRACTICES AND STANDARDS (continued)

DIVERSITY (continued)

The Directors diversity by gender and age are as follows:

Indicator	Unit	2022	2023	2024
Total Directors	Number	8	8	9
DIRECTORS BY GENDER				
Male	Number/%	4/50%	4/50%	4/44%
Female	Number/%	4/50%	4/50%	5/56%
DIRECTORS BY AGE				
Below 40	Number/%	NIL	NIL	NIL
40-59	Number/%	3/37%	2/25%	4/44%
60 and above	Number/%	5/63%	6/75%	5/56%

For the year 2024, the total number of Group employees decreased to 559 from the previous year of 667. However, the number of female employees remained at 39% of the total employed. Most of our employees, executives and non-executives, are from under age 40 years. Since the bulk of our operations are in Malaysia, 89% of our employees are Malaysian.

The Group believes that hiring from local communities enhances our ability to understand local needs and strengthen our capabilities on the ground.

Code of Business Conduct and Ethics

We maintain a zero-tolerance for unethical labour practices such as child labour, forced labour, slavery and human trafficking in all our operations. All employees are required to conduct business dealings in line with our Code of Business Conduct and Ethics. We encourage declaration of conflict of interest on an annual basis as a preventive safeguard for fair dealings and transparent business relationships.

Compliance with Applicable Employment Laws & Regulations

During the year under review, the applicable employment laws and legislations include among others the requirements as set out in Table 2 below:

LABOUR PRACTICES AND STANDARDS (continued)

DIVERSITY (continued)

Compliance with Applicable Employment Laws & Regulations (continued)

Table 2 — Employment Compliance Requirements in Malaysia

Compliance
Employment Act (Amendment) 2022
Industrial Relations Act 1967
Trade Union Ordinance 1959
Code of Industrial Harmony, Malaysia 1975
Minimum Wages Order 2022
Personal Data Protection Act 2010
Pembangunan Sumber Manusia Berhad Act 2001

The Group strives to continuously cultivate a transparent and inclusive environment for all employees, as well as to ensure a top-down approach to promote fair and ethical business dealings. We also have an open-door policy whereby employees are encouraged to speak up or report grievances directly to their superior, head of department, Human Resource department, CEO of their business unit and/or executive directors or independent directors of the Company. This is to reinforce our commitment to our employees to provide them with a workplace that is healthy, safe and secure.

HEALTH & SAFETY MANAGEMENT

The Group remains committed to maintaining a safe and productive environment, free from harassment in which all individuals are treated with respect and dignity and we expect all our employees and individuals who work at our sites/businesses to follow our health and safety policies and procedures and be free from substance abuse at all times.

Group Commitments & Targets

- Strive to raise awareness, maintain vigilance and foster a strong health and safety environment centric culture across the Group and particularly at the ground level.
- Maintain a zero-tolerance to unhealthy and unsafe practices.
- Leverage technology to drive improvements in safety performance.

Our employees and partners are assured of a safe working environment through our Health & Safety and Environment Management Policy and Procedures (“HSEMPP”). While the HSEMPP serves as a point of reference, additional measures have been taken to cultivate a safety-first culture through various initiatives in the Group.

HEALTH & SAFETY MANAGEMENT (continued)

Processes and systems are in place to identify, mitigate and report risks and communicate best practices across the Group, and we work with our contractors and subcontractors to ensure that they understand our requirements and expectations.

In order to ensure our employees are practising safe workplace practices and taking the necessary safety precautions, we provide relevant training programmes conducted internally and through external parties. In the year 2024, besides the education unit and travel & tours division, all other divisions and units managed to conduct at least one safety training program.

To safeguard the health and safety of our employees, the Group regularly conducts fogging and housekeeping activities and fire drills at its premises. In 2024, both the Lost Time Injury and Lost Time Accident Incidents at Group level were zero.

The following table summarises indicators measured to assess our commitments/performance towards health and safety:

Indicator	Unit	2022	2023	2024
Total fines/penalties relating to workplace health and safety	Number	0	0	0
Total reportable Health and Safety incidents	Number	0	0	0
Average sick days per employee	Number	4	3	3
Total Health & Safety trainings	Number	6	12	12
Employees being trained on Health & Safety	Number/%	N/A	150/22%	58/10%

NURTURING COMMUNITIES

To protect and support the needs of local communities and wider society such that the business and communities may flourish together.

COMMUNITY/SOCIETY

Support initiatives to promote the social development of local communities where we operate through the corporate social responsibility.

ASB is committed to uphold and to honour our social obligations by contributing to the economic and social well-being of every community in which we operate. We also believe in the importance of providing opportunities especially to the younger generation, for the betterment of our society.

COMMUNITY/SOCIETY (continued)

The Group participates in the ACHIEVE Corporate Social Responsibility ("CSR") Programme which aims to pool and focus the efforts and resources of the Group with like-minded corporations that share the common desire to support and implement meaningful CSR activities. The ACHIEVE Committee was formed with representatives from various divisions of our Group participating as committee members, to spearhead CSR activities via synergy collaboration with identified organisations.

The Group continues to enhance its social and environmental efforts through various initiatives including healthcare support programme. These efforts involved organising blood donation campaign at Synergy 9, Shah Alam which was successfully participated by 35 employees, and health check for our employees.

Remaining eco-friendly in our daily operations

We recognise the importance of good environmental management or preservation practices to minimise disruption to the environment in the communities we operate in to sustain growth. In our daily operations, the Group continues to be committed on recycling, energy-saving practices and undertaking measures to reduce wastages, pollution and harmful emissions. We shall continue to expand and adopt our sustainable environment management practices and efforts in our business operations and strive to influence that of stakeholders in our value chain.

Internship

The Group offers an internship program to build a future generation of leaders and fight youth unemployment. Such programme also provides the Group with the opportunity to train young talent. The number of interns accepted in our internship programme is illustrated in the table below:

Indicator	Unit	2022	2023	2024
Total interns accepted in the internship programme				
- ICT	Number	39	37	0
- Financial Services	Number	11	8	3
- Hospitality	Number	18	19	1
Total interns turned permanent employee from the internship programme				
- ICT	Number	3	4	0
- Financial Services	Number	6	2	1
- Hospitality	Number	0	1	0

PERFORMANCE DATA TABLE FROM BURSA SECURITIES' ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING PLATFORM

Indicator	Measurement Unit	2023	2024
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	97.00	92.00
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Executive	Percentage	15.00	9.00
Non-executive/Technical Staff	Percentage	11.00	1.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	46.75	67.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	116.720000	49.430000
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	4,717.00 *	2,669.00
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Executive	Hours	No Data Provided	No Data Provided
Non-executive/Technical Staff	Hours	No Data Provided	No Data Provided
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.00	1.00
Bursa C6(c) Total number of employee turnover by employee category			
Executive	Number	57	53
Non-executive/Technical Staff	Number	73	39
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Executive Under 40	Percentage	31.00	39.00
Executive Between 40-59	Percentage	24.00	27.00
Executive Above 60	Percentage	3.00	5.00
Non-executive/Technical Staff Under 40	Percentage	24.00	17.00
Non-executive/Technical Staff Between 40-59	Percentage	17.00	11.00
Non-executive/Technical Staff Above 60	Percentage	1.00	1.00
Gender Group by Employee Category			
Executive Male	Percentage	35.00	43.00
Executive Female	Percentage	23.00	28.00
Non-executive/Technical Staff Male	Percentage	26.00	18.00
Non-executive/Technical Staff Female	Percentage	16.00	11.00
Bursa (Diversity)			
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	50.00	44.00
Female	Percentage	50.00	56.00
Under 40	Percentage	0.00	0.00
Between 40-59	Percentage	25.00	44.00
Above 60	Percentage	75.00	56.00
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	150	58
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0	0
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	-	No Data Provided
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	No Data Provided
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	No Data Provided
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	1.07 *	2.03
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	3,476.00 *	2,023.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	313.00 *	325.00

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

INDEPENDENT LIMITED ASSURANCE STATEMENT

HORIZON CORPORATE SERVICES SDN BHD

INDEPENDENT LIMITED ASSURANCE STATEMENT IN ADVANCE SYNERGY BERHAD'S SUSTAINABILITY STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Introduction

Horizon Corporate Services Sdn Bhd ["Horizon"] has been engaged by Advance Synergy Berhad ["ASB" or "the Group"] to perform an independent limited assurance on selected material sustainability indicators ["Subject Matter Information"] within ASB's Sustainability Statement for Financial Year 2024 ["Sustainability Statement 2024"]. Our limited assurance does not extend to information in respect of earlier periods or to any other information included in the Sustainability Statement 2024.

This Independent Limited Assurance Statement applies to the Subject Matter Information stated in the scope of work described below and on the next page for the period from 1 January 2024 to 31 December 2024.

Our Limited Assurance Opinion Statement

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, and in accordance with the Reporting Criteria referenced in the "Scope of Work" section below. This conclusion is to be read in the context of what we say in the remainder of this report.

Scope of Work

The scope of our engagement was limited to assurance over Subject Matter Information for the financial year ended 31 December 2024. The Subject Matter Information and the Reporting Criteria are set out below:

1) Supply Chain Management : Percentage of spending on local suppliers (within Malaysia).
   - Financial Services : 95%.
   - Hospitality : 100%.
   - Food and Beverages : 100%.
2) Water : Total water consumption – 49.43 Megalitres.
3) Energy Management : Total energy consumption – 2,669 MWh.
4) Data Privacy and Security : Total incidents involving data privacy and data security breaches – 0.
5) Anti-Corruption : Total number of incidents involving money laundering, corruption and bribery – 0.
6) Anti-Corruption : Percentage of operations assessed for money laundering or corruption related risks - 67%.
7) Anti-Corruption : Total employees receiving Anti-Money Laundering and Anti-Corruption Training.
   - Executive : 53 / 9%.
   - Non-Executive : 3 / 1%.
8) Labour Practices and Standards : Total amount spent on training – RM199,082.
9) Labour Practices and Standards : Percentage of staff turnover.
   - Executive : 53 / 9%.
   - Non-Executive : 39 / 7%.
10) Labour Practices and Standards : Substantiated complaints concerning human rights violations – 0.
11) Diversity : Employees by Contract – 6 / 1%.

INDEPENDENT LIMITED ASSURANCE STATEMENT (continued)

Scope of Work (cont'd)

12) Diversity : Employees by Gender and by Age

- Employees by Gender (%):
  - Executive male : 43%.
  - Executive female : 28%.
  - Non-executive / technical staff male : 18%
  - Non-executive / technical staff female : 11%.
- Employees by Age (%).
  - Executive under 40 : 39%.
  - Executive between 40 – 59 : 27%.
  - Executive above 60 : 5%.
  - Non-executive / technical staff under 40 : 17%
  - Non-executive / technical staff between 40 – 59 : 11%.
  - Non-executive / technical staff above 60 : 1%.

13) Diversity : Directors by Gender and by Age.

- Directors by Gender (number / %):
  - Male : 4 / 44% and Female : 5 / 56%.
- Directors by Age (number / %):
  - 40 – 59 : 4 / 44% and 60 and above: 5 / 56%.

14) Health and Safety Management : Lost Time Injury and Lost Time Accident incidents - 0.

15) Health and Safety Management: : Total reportable Health and Safety incidents – 0.

16) Health and Safety Management : Employees being trained on Health and Safety trainings – 58 / 10%.

17) Community / Society : Total interns accepted in the internship programme.
   - Financial Services : 3
   - Hospitality : 1

18) Community / Society : Total interns turned permanent employee from the internship programme.
   - Financial Services : 1

Responsibilities of ASB's Board of Directors and Management

It is the responsibility of the ASB's senior management and Board of Directors to ensure that the information being presented in the Sustainability Statement 2024 is accurate. This responsibility includes the selection and application of appropriate methods to prepare the information reported in the Sustainability Statement as well as the design, implementation and maintenance of internal controls for the preparation of information that is free from material misstatement, whether due to fraud or error. In addition, the responsibility includes the use of assumptions and estimates for disclosures made by the Group which are reasonable in the circumstances.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter Information based on the procedures we have performed and the evidence we have obtained. We have conducted our limited assurance engagement in accordance with the Global Internal Audit Standards as outlined in the International Professional Practices Framework issued by the Institute of Internal Auditors. These Standards require that we plan and perform the engagement with due professional care, considering materiality and risk, to provide an independent and objective limited assurance on whether the Subject Matter Information is free from material misstatement.

Inherent Limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Sustainability Statement 2024 may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Sustainability Statement 2024, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Our Quality Management and Independence

Horizon is independent of ASB and has no financial interest in the operation of ASB other than appointed as outsourced internal auditor of ASB.

INDEPENDENT LIMITED ASSURANCE STATEMENT (continued)

We have adhered to the ethical principles outlined in the Code of Ethics of the Institute of Internal Auditors, which are founded on the fundamental principles of integrity, objectivity, confidentiality and competency as prescribed in the International Professional Practices Framework.

Methodology

Our work was designed to gather evidence on which our conclusion is based. Our work included the following procedures:

- Interviewed key personnel responsible for collating information to clarify the Subject Matter Information;
- Obtained an understanding of the Group's control environment, processes and systems relevant to the preparation of the Subject Matter Information at the consolidated level and operating unit level. Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities;
- Evaluated the appropriateness of measurement and evaluation methods, reporting policies used and estimates made by the Group, noting that our procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Group's estimates;
- Performed limited substantive testing on a sampling basis on transactions included in the Subject Matter Information, which involved agreeing data points to / from source information, to ensure that the underlying information reviewed had been appropriately evaluated or measured, recorded, collated and reported; and
- Checked mathematical formulas, proxies and default value used in the Subject Matter Information against ASB's Reporting Criteria.

Please note that a limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks which vary in nature from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not report a reasonable assurance conclusion.

Restriction on Distribution and Use of Our Report

This Independent Limited Assurance Statement has been prepared solely for ASB in accordance with the terms of our engagement. It was not prepared for any other purpose. To the fullest extent permitted by law, Horizon will not, in providing this independent limited assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or towards any person by whom the independent limited assurance opinion may be read.

Without affecting, adding to or extending our duties and responsibilities to ASB or giving rise to any duty or responsibility being accepted or assumed by or imposed on us by any other party, we consent to the inclusion of this independent limited assurance statement in ASB's Sustainability Statement for the year ended 31 December 2024, to be disclosed in the 2024 Annual Report of ASB and uploaded in the website of ASB.

For and on behalf of
Horizon Corporate Sdn Bhd

Director
Date: 9 April 2025

Risk Management and Sustainability

The Board is **responsible for establishing a formal structure** for the Group's Risk Management and Sustainability Committee ("RMSC") and ensuring that a sound system, policy and/or framework is in place for risk management and internal control, and effective governance and management of sustainability initiatives and practices for the Group.

Under RMSC, there is a clear structure for the oversight of sustainability initiatives and adoption of indicators with specific measurements identified in tandem with the materiality matrix of the key sustainability matters so that our resources and efforts may be prioritised accordingly towards achieving our sustainability goals. The Group's sustainability framework, strategies, material sustainability matters, measures/indicators and targets, risks and opportunities are set out in the Sustainability Statement on pages 24 to 55 of this Annual Report.

For the purpose of this Statement, the Group means the Company and its subsidiaries, excluding its joint ventures and associate companies. This Statement does not cover the joint ventures and associate companies as the Company does not have full control over the operations, management and internal control system of these companies. However, we may have board representation on the boards of these companies.

IDENTIFYING AND MANAGING RISK

Risk management is rooted in our culture, and it is the responsibility of each employee to ensure that this culture is built into our working practices. Specifically, day-to-day management of risk is delegated by the Board to senior executives across each subsidiary, through appropriate committees, systems and controls. However, the Board provides direction by determining and setting the risk appetite.

Whilst encouraging an entrepreneurial and commercial culture that is focused on generating value for our clients, the Board actively seeks to ensure all relevant risk exposures are managed and mitigated.

We are subjected to the same general risks as many other businesses; for example, changes in general economic conditions, currency exchange and interest rate fluctuations, changes in taxation legislation, cybersecurity breaches, cost fluctuations of raw materials, impact of competition, political instability, pandemic and natural disasters.

The Board receives input from other key committees along with the framework employed by the Group to effectively manage risks.

OUR RISK STRATEGY

The established risk management framework includes risk assessment, response, communication and governance as key components to provide a comprehensive and proactive approach in managing risks. The Board is also responsible for ensuring that appropriate and proportionate resources are allocated to risk management activities.

OUR RISK MANAGEMENT FRAMEWORK

Under the RMSC, there is a structured risk management framework throughout the Group which is guided by the ISO 31000 — Risk Management Principles and Guidelines and set in place to identify the optimum operating condition to achieve the Group's strategic objective as well as to provide reasonable assurance that internal controls are adequate and effective in mitigating risks arising from business operations. This framework includes a standard set of risk categories, generic risk descriptions and scoring methodology, together with a process to analyse and manage risk. All our subsidiaries use this framework to identify and document their specific risks.

The risk management framework covers 6 broad processes as illustrated in Diagram 1 with corporate risk reporting tool, oversight and accountability and compliance assurance. Among others, the risk management process includes risk assessment that aids in appropriately identifying and analysing the risk at hand for better understanding. By this, an applicable response can be devised in order to mitigate the consequence and for continuous monitoring of the identified risk.

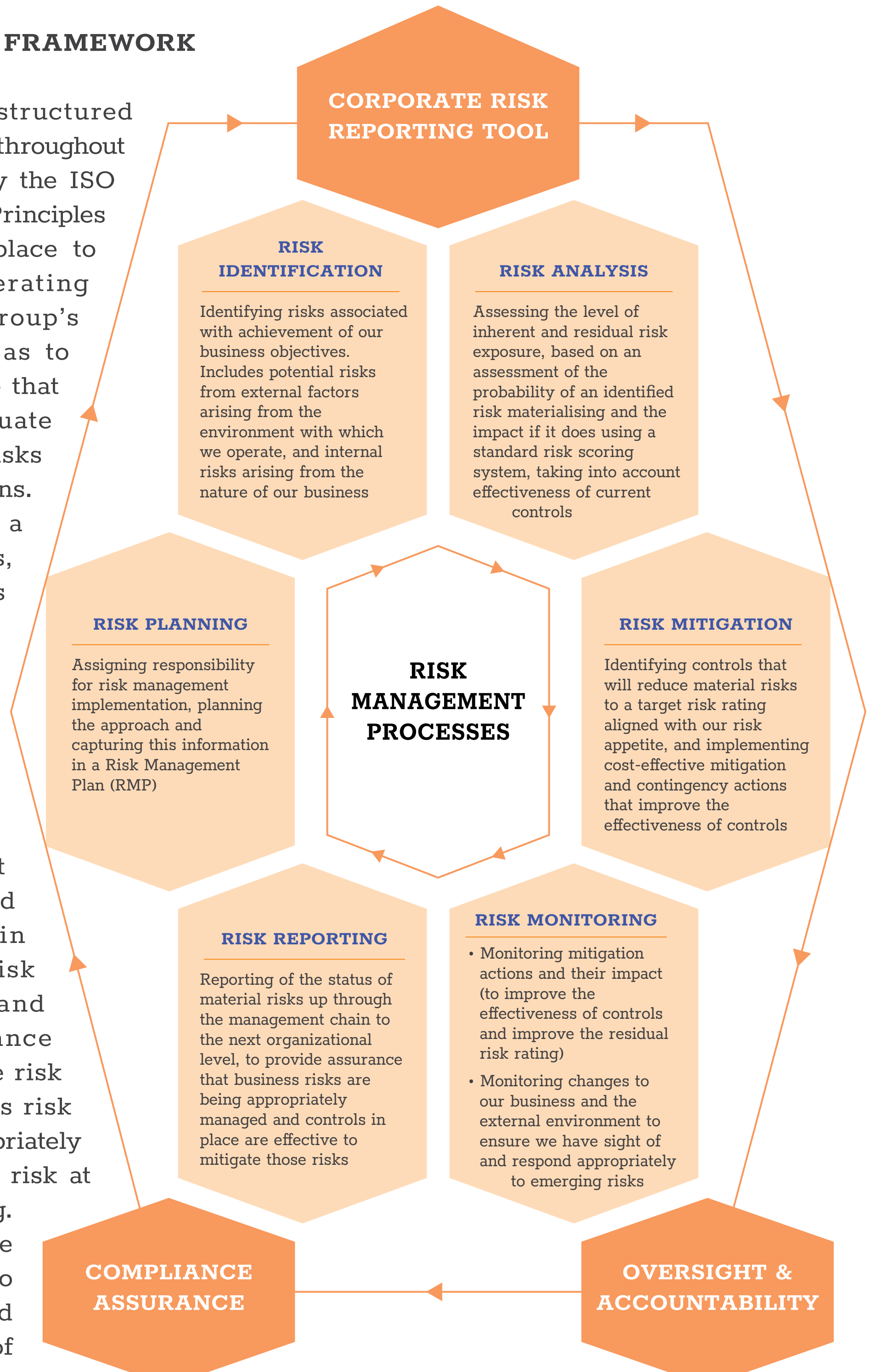


Diagram 1: Risk Management Process

OUR RISK MANAGEMENT FRAMEWORK (continued)

By having a well-defined process according to the framework, there will be a more effective and concise method to communicate across the Group so that the management will have a clearer picture in order to have a structured plan and sound governance as key components for providing a comprehensive and proactive approach in managing risks. At the Group level, this process becomes a complete reporting tool which provides an oversight of all related matters with a clear accountability structure that finally becomes a basis of transparency and ultimately providing assurance for best practices of risk management.

Risks are ranked in a risk register by combining their economic, operational or environmental impact and the likelihood that they may occur. This is done both before and after the identification of the controls in place as part of a continuous monitoring process to mitigate each risk. Those risks that pose the greatest threat to our business and score the highest are identified as key risks. All our people are responsible for managing risk. By using a common framework, we are able to view risk from both a top-down and bottom-up perspective and so ensure it is considered and managed at every level of our business.

Guided by this framework, the management of subsidiary companies will include related arising matters in their respective industry during regular risk management meetings and integrate points of concern in order to be vigilant in sustaining business and taking proactive measures in managing their business risk.

On a quarterly basis, the Group Risk Management Unit would meet each subsidiary management for a risk review meeting to discuss and review previously identified risks and verify whether any possible crystallisation of risk arising from day-to-day operational activities are addressed accordingly. This exercise, which is done periodically, are a valuable exchange on ideas both ways; understanding the requirements from subsidiary management and at the same time communicating the direction of the Group with regard to risk management.

SUSTAINABILITY INITIATIVES AND ECONOMIC, ENVIRONMENTAL AND SOCIAL (“EES”)

With a revitalized market outlook and emerging business opportunities, the Group remains committed to evolving in response to the dynamic business and sustainability landscape. We strive to stay ahead by embracing social responsibility and aligning our strategies with a value-driven ecosystem, one that fosters growth not only for the Group but also for our people, local communities, and stakeholders. By integrating sustainability into our core approach, we aim to create lasting positive impact across our entire sphere of influence.

We will continue to use a comprehensive materiality assessment to identify priority areas and set forth initiatives to advance our development in the EES areas to drive our efforts ahead in a more integrated and holistic manner where EES/Sustainability risks and considerations are integrated to the Group’s risk registers and overall risk management framework.

SUSTAINABILITY INITIATIVES AND ECONOMIC, ENVIRONMENTAL AND SOCIAL ("EES") (continued)

Going forward, we will enhance our risk management approach by aligning subsidiary-level risk registers related to EES focus areas with the Group's materiality assessment process. This integration will ensure a more strategic and cohesive evaluation of risks, further refining our approach to achieving the Group's sustainability goals. With this in place, we aim to establish a comprehensive and practical approach to managing risk at the operational level equipped with specific mitigation controls, while simultaneously driving to achieve the strategic sustainability objectives set at the Group level.

OUR KEY RISKS

Risks affect every area of our business. Their nature and potential impact changes constantly but through our regular reviews, we identify risks that could impact our strategy and allow us to setup controls to mitigate their effects.

We categorise our risks into the following areas:

- **Strategic** risks that could prevent us from achieving our strategic objectives.
- **Operational** risks which, if not successfully managed, would threaten our viability. These relate to our ability to operate a sustainable and safe business.
- **Financial** risks relating to the funding and fiscal security of the Group.
- **Compliance** risks which could affect our compliance with regulations and law and/or our licences to operate the business.
- **EES/Sustainability** risks which are described as an uncertain economic, environmental or social event or condition that, if it occurs, can cause significant negative impact on the Group. Successfully managing this area could see the Group being able to explore opportunities that may be available in changing economic, environmental or social factors to remain sustainable in our operations.

We have listed below the key risks that may affect our business, although there are other risks that may occur and impact the Group's performance.

Strategic risks	Strategy for risk management
Conditions in the global economy, economic fluctuations, volatility and cyclicality of market and outbreak of diseases or pandemic may adversely affect the results of the Group.	The Group maintains a balanced portfolio of products serving a wide range of end markets around the globe. Segment performance at the business unit level is closely monitored and corrective actions are taken as necessary. For external factor risks which are beyond the control of management, the focus will be on identification, close monitoring and action plans to mitigate the impact. With continuous and steadfast risk management practices, we are confident in gearing our Group towards more sustainable solutions and growth.

OUR KEY RISKS (continued)

Strategic risks (continued)	**Strategy for risk management** (continued)
The markets in which the Group operates are highly competitive and the Group may lose market share to other competitors.	The Group continues to invest in existing and new products through research and development ("R&D"). The Group continues to invest in new facilities to allow the Group to maintain its key market positions. The Group strengthens its regional position and growth through alliances and collaborations. The Group operates by the International Organisation for Standardisation ("ISO"), the ISO 9001:2015 Quality Management Systems and the Australian Design Rules ("ADRs") conforming to the Australian Road Vehicle Standards Act 2018 (RVSA), for our bus-body fabrication unit, to ensure products meet customers' agreed standards. The Group maintains a strong and good working relationship with our suppliers and customers to ensure support and regular customer feedback to enhance our products and services.
The Group's strategic plan involves significant change management including cost-effective reforms, joint ventures and tie up with foreign parties to enhance market positions and provide new technologies.	Strategic projects are managed in a structured framework which includes formal identification of risks. The Group has extensive experience in change management and making use of external specialist advice as required.
The ability of the Group to compete is highly dependent on its ability to develop technological innovations, introduce new products and protect its intellectual property, trade secrets and know-how.	The Group continues to invest in existing and new technologies through R&D.
The ongoing success of the Group is dependent on attracting and retaining high quality senior management and staff who can effectively manage the Group's operations.	The Group offers competitive compensation packages with annual bonus and long-term incentive arrangements for key employees including granting of shares as a long-term incentive plan to reward eligible employees and to align their interest with the corporate goals and objectives of the Group. Appropriate notice periods and non-compete clauses are used to mitigate short-term risk for key positions.
The Group could suffer losses of intellectual property and other assets through theft or fraud which could be significant.	The Group maintains controls both to detect and prevent theft and fraud as appropriate to the nature of the risk.

OUR KEY RISKS (continued)

Operational risks	Strategy for risk management
Occupational safety and health ("OSH") risk is the failure in ensuring the safety, health and welfare of people at work as well as protecting other people from the safety and health hazards arising from business activities.	The Group has in place Occupational Safety and Health Act ("OSHA") standards applicable to the bus-body fabrication and hospitality units as our uncompromising pledge towards excellence and industry recognition. The Group has in place a Group-wide operational assessment on the safety and health at the workplace. This plays a crucial role in ensuring a safe working environment to protect the employees. The Group has identified OSH coordinators for our business units and the relevant training has been provided to ensure compliance to the Occupational Safety and Health (Amendment) Act 2022 Section 29A.
The failure of the Group to procure key raw materials may lead to production interruptions and volatility in the prices of such raw materials including energy prices may adversely affect the profitability of the Group and its working capital position.	Sourcing strategies are in place Group-wide to access multiple sources for key raw materials and the Group works closely with key suppliers to ensure availability. The Group looks to identify alternative raw materials where possible. The Group actively manages margins and may recover input cost increases from customers. The Group implements measures for proactive cost management, streamlining of production process and high impact cost, and efficiency awareness for all its employees.
The failure or loss of a key production asset, manpower, process, information or communication system, whether temporarily or permanently could occur, directly or otherwise, through natural disasters, epidemic, industrial action, sabotage or the like, and would have an adverse impact on operations.	Crisis management procedures are in place for all subsidiaries. These are reviewed and updated regularly. The Group invests in its infrastructure to ensure appropriate levels of resilience in the event of temporary failures in information technology ("IT") systems. Backups and disaster recovery plans are in place for critical systems and processes.
With increasing use of technology, the Group may be exposed to increased cyber risk such as risk relating to data breaches, and sabotage on information processing and IT system. Such cyber risks can lead to the commercial losses and negative effect on the Group's businesses.	The Group strategises to be resilient against cyber risk by educating its staff on cyber risk and creating a cyber security culture. Assessment of the cyber risk/threat landscape is followed by risk mitigation planning based on the Group's risk appetite and implementation of a proactive approach to manage any cyber breach before, during and after it occurs. This is to ensure that critical infrastructure is protected to a level that commensurate with the risks.

OUR KEY RISKS (continued)

Compliance risks	Strategy for risk management
The Group may be liable for damages based on product liability claims brought against its customers in end-use markets.	Technically qualified personnel and control systems are in place to ensure products meet certification standards.
Compliance with extensive environmental, health and safety laws and regulations could require material expenditure, changes in the operations of the Group or site remediation.	Detailed safety, health and environmental processes are documented in operating guidance which is updated and communicated to staff on a regular basis. Our safety, health, and environmental risks are reviewed and considered in our risk management meetings by our respective Risk Management Unit.
The Group could suffer substantial penalties, damage to reputation and other sanctions for any failure to control anticompetitive behaviour, such as bribery and corruption, or ineffective compliance with local and national legislation.	All employees affirm their understanding of the code of business conduct covering corrupt and anticompetitive business practices. The Group has in place the Group Anti-Bribery and Anti-Corruption Framework and Policy. Malpractice reporting is similarly covered in the Group Whistleblowing Policy and Procedures on protecting our reputation. Training is provided regularly. Our Group constantly monitors new laws and regulations and assesses the impact on our Group businesses. To manage and track compliance issues, the Group appoints key personnel at Group level and at subsidiary companies for compliance roles and conducts internal audits. The responsibilities of each of our appointed risk officers also embodied compliance with rules and regulations specific to their roles and functions in the business operations.

Financial risks	Strategy for risk management
A proportion of the Group's turnover and assets are in currencies other than Ringgit Malaysia and fluctuations in currency exchange rates may significantly impact the results of the Group and may significantly affect the comparability of financial results between financial periods.	There is a natural hedging process at operating subsidiaries as they source their resources locally, whenever possible, in countries where they operate.
The Group's balance sheet and cash flow, and also credit market conditions and credit ratings, may restrict the ability of the Group to obtain credit facilities or to refinance its existing debt facilities in the longer term. In addition, interest rate fluctuations and increases in bank lending margins may increase the Group's costs of borrowing.	The Group closely monitors its operating cash flow and capital expenditure on a monthly basis and regularly reviews covenant compliance. The Group also closely monitors the leverage limits and has adequate headroom on a twelve-month forecast basis. Interest rate risk is managed through the use of interest rate hedging by a combination of loans with fixed and variable interest rates and the tenure of the loans.

OUR KEY RISKS (continued)

EES/Sustainability risks	Strategy for risk management
EES/sustainability risks could have a material impact to the Group's operations and investments and/or result in loss in opportunities.	The Group has established a sustainability performance framework and identified three (3) key pillars to enhance the monitoring and reporting of our sustainability performance: Sustaining Growth, Empowering Lives and Nurturing Communities. By these main pillars, we are able to further identify specific important areas of interest to be emphasised for its importance towards achieving the Group's sustainable goals. They are among others, Product Excellence, Supply Chain Management, Environment Management (energy, waste and water), Regulatory Compliance, Corporate Governance and Risk Management, Labour Practices and Standards, Diversity, Health and Safety Management and Community/Society.

Below are some key areas which are being monitored continuously by the Group in 2024:

1. **Product Excellence**

   The Group has continued to ensure our product offerings are well accepted and fit well with the demands and needs of our target market and consumers. All our business units operate in their respective specialty, are most proficient in their offerings and are well recognised and have an excellent track record of delivering our solutions and products to our client base.

2. **Corporate Governance and Anti-Corruption**

   We are committed to achieving the highest standards of business integrity, ethics and professionalism across all of the Group's activities. All our business units affirm their practices and business dealings are in accordance with the Anti-Bribery and Anti-Corruption framework and the Group's Whistleblowing Policy and Procedure is in place and we work together to ensure no unwanted incidents are to happen.

3. **Sustainable Practices**

   We believe good deed starts from home, thus we are working towards ensuring all our practices have sustainability at their core and the principles are absorbed in our practices and decision-making. We prioritise the well-being of our business to sustain its future, and to do our best to ensure our minimal impact to the nature and environment we operate in. We record quantifiable carbon footprint down to employee work-commute distance, electricity and water usage and waste management and any related measures which can be implemented are taken at our business unit level in contributing towards a greener practice. An example of that is our hospitality unit's ability to incorporate sustainable practices in their operations such as investment in energy optimising solution, steps to reduce detergent consumption, and undertaking rain-water harvesting, natural lighting and air cooling.

OUR KEY RISKS (continued)

4. **Community and Society Contribution**

   We are a strong proponent of a strong bond between our business and the community that supports us. We believe no business can succeed on its own and will have to play a role in bringing economic value to the community and have an inherent responsibility to preserve the well-being of the community it operates. Our various business units offer internship programmes to higher learning institutions and identify talent to be absorbed as permanent staff. We are aware of the need to do more and will continuously identify any possible community development projects that can be performed.

5. **Epidemic Outbreak**

   The Group monitored the health and safety risks by keeping the outbreak risk in sight across the board. We continued to prepare staff with knowledge and increasing awareness on prevention, health and safety measures. Our travel and tours division continued to actively assist clients in their travel plan changes and updating and monitoring travel restrictions, warnings and alerts from other countries and the World Health Organisation.

6. **Business Strategy Gap**

   Monitoring our business strategy remained the key focus of the Group. During the year, the Group reviewed the management and deployment of capital and resources to ensure efficiency, existing and/or new products and services to ensure that the Group is able to meet future demands, and internal controls to navigate future shocks. Maintaining close relationship with all our business partners remains prominent in this turbulent and uncertain economy.

7. **Supply Chain Management, Increased Costs and Inefficiencies**

   During the year, increasing costs, uncertainties in supply chain and manpower shortages continued to weigh heavily on the Group's operations. Thus, the on-going process of the Group regularly reviewing its operations to address any inefficiency that may exist in pockets of the operations and to redeploy resources, re-engineer business processes and/or reorganise the workforce remained. With operations spanning multiple countries, the Group continues to monitor and manage our assets and liabilities denominated in foreign currencies to mitigate the risk of losses arising from foreign exchange fluctuations.

OUR KEY RISKS (continued)

8. Revenue Gap

The Group is continuously looking into reshaping the businesses and possibilities to further capitalise by enhancing existing products and/or deploying new products to stay relevant. The Group also continued to review factors which may affect the risk of revenue gap such as competition, economic slowdown and dependence on a few key customers and ensured that the controls put in place within the Group are effective. The assessment included whether to terminate the risk through cessation of business or discontinuation of non-performing product lines or market segments.

9. Non-Compliance

Non-compliance is another key risk area reviewed as the Group operates in many countries and in regulated industries. During the year, the Group ensured compliance with all related regulations governing its various businesses in their respective industries.

10. Human Capital Gap

Reviewing the risk of capacity and competency gaps to meet the Group's human capital requirements is an ongoing focus of the Group to minimise disruption in the operations and to ensure that the Group gets the best person for the job.

OTHER FOCUS OF THE GROUP DURING THE YEAR

During the year, we have persistently tracked each business units' key EES measurements for each quarter reporting. With this, we will be able to strengthen our Sustainability Performance Management Framework by guiding the Group towards a well-defined target and with clear and concise direction from the RMSC.

The Group continues to recognise the importance of compliance with laws, rules, regulations and guidelines particularly in corporate governance and corporate liability and sets a high expectation on its personnel to conduct themselves with high standards of honesty, integrity and accountability at all times in the performance of their duties and ensures that all activities or services are conducted in compliance with the applicable laws, rules, regulations and guidelines. Our staff had attended training related to regulatory requirements such as — the "Contemporary Issues In Anti Money Laundering and Anti Terrorism Financing" attended by the staff in the finance services division and "Code of Conduct/Anti Bribery and Anti Corruption" by the hospitality unit. These trainings are meant to reemphasise our internal policies and procedures set out in ASB Group Anti-Bribery and Anti-Corruption Policy. The Group also closely monitors the ASB Group Whistleblowing Policy and Procedures which provide the necessary avenues and reporting channels for internal staff and external parties to raise concerns about possible improprieties, fraudulent acts or any irregularities. A summary of the incident report was tabled at every quarterly review meeting of the RMSC. During the year under review, there was no such incident report.

OTHER FOCUS OF THE GROUP DURING THE YEAR (continued)

The above policies and procedures provide a bird's-eye view of the Group corporate governance in place, thereby providing additional assurance to our shareholders and stakeholders knowing that the Group has sound governance and operates with integrity and transparency.

INTERNAL CONTROL SYSTEM

The internal control system focuses on key financial reporting, operational and compliance controls. The system encompasses the policies, processes and activities that contribute to the reliability of financial reporting, the effectiveness and efficiency of operations and compliance with laws and regulations.

The processes applied in reviewing the adequacy and effectiveness of the Group's system of internal control include:

- The presence of the internal audit function that operated independently and reporting to the Audit Committee. Each year, improvements are implemented to the internal audit reviews including its objectives, scope and procedures to enhance effectiveness;

- Rigorous review of the quarterly financial results and reports and evaluating the reasons for unusual variances noted thereof by the Board and Audit Committee;

- The Group Managing Director closely monitors the business and operations of the Group and reports to the Board on significant changes in the business and external environment which affect the operations of the Group at large; and

- The Board has in place an organisational structure with defined lines of responsibility, proper segregation of duties and delegation of authority. A process of hierarchical reporting has been established which provides for a documented and auditable trail of accountability. The Group's system of internal controls includes the establishment of an appropriate control environment and framework as well as reviewing its integrity and adequacy on a regular basis in mitigating the risk of failure to achieve corporate objectives.

INTERNAL AUDIT FUNCTION

The internal audit adopts a risk-based approach in developing its audit plan based on the Group's key risks profile. Internal audit plan and the scope of the internal audit are presented and approved by the Audit Committee on a yearly basis. The Group's internal audit function is performed by the Internal Auditors (outsourced) who are independent of the activities audited by them. The principal role of the internal audit function is to review the Group's operations, evaluating their efficiency, effectiveness and compliance with corporate policies, procedures, laws and regulations.

In 2024, the Internal Auditors executed the approved audit plan and performed the following:

INTERNAL AUDIT FUNCTION
(continued)

- Internal controls review on most of the Group's operating units such as review on operating processes relating to production efficiency, inventory control, accounting for revenue and cost of sales, project management process, fraud monitoring, chargeback and disputes processes, processes in support and maintenance, bad debts management and review on adequacy of risk management policies and procedures.

- Compliance review on operating units which are required to comply with guidelines and acts issued by external regulatory bodies.

- Reviewed the control procedures taken by management on recurrent related party transactions.

- Followed-up on the implementation of corrective action plans agreed by management.

- Issued reports on the results of the internal reviews, identifying weaknesses with recommendations for improvements.

- Tabled internal audit reports at the Audit Committee meeting on a quarterly basis.

The internal audit function provides assurance of the effectiveness of the internal control system within the Group.

Internal Auditors perform risk assessment, operational and system review as part of the audit activities. The areas of audit coverage are based on areas of high risk that are independently assessed. All audit findings are deliberated and resolved with management of the subsidiaries. Follow-up reviews will subsequently be performed to ascertain the effectiveness of the recommended mitigation efforts.

The Audit Committee reviews the internal audit issues identified and recommendations made by the Internal Auditors on a regular basis, in addition to the recommendations from the external auditors during the annual statutory audit.

REVIEW OF ADEQUACY AND EFFECTIVENESS

The RMSC had reviewed and reported to the Board the adequacy and effectiveness of the Group's risk management system, including the Group's risk tolerance and the enterprise-wide risk governance framework. The Audit Committee had reviewed and reported to the Board the adequacy and effectiveness of the system of internal controls operated by the Group for fiscal 2024 and till its last meeting prior to the date of the Annual Report. The Board considers the system of internal controls described in this Statement to be satisfactory and the risks to be at an acceptable level within the context of the Group's business environment. The Board had received assurance from the Group Managing Director and Senior Accounts Manager of the Company that the Group's risk management and internal control system for the current Group's business environment is operating adequately and effectively, in all material aspects, based on the risk management framework adopted by the Group.

REVIEW OF ADEQUACY AND EFFECTIVENESS (continued)

The Board and the management of the Group will continuously take measures to strengthen and monitor the internal control framework and environment of the Group. For the financial year under review, the Board is satisfied that the system of internal controls is satisfactory and there are no material losses incurred during the current financial year as a result of weaknesses in internal control.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors had reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year ended 31 December 2024 in accordance with paragraph 15.23 of the Listing Requirements of Bursa Malaysia Securities Berhad and reported to the Board that nothing has come to their attention that caused them to believe that this Statement is not prepared in all material aspects in accordance with the disclosures required under paragraphs 41 and 42 of the Statement on Risk Management and Internal Control (Guidelines for Directors of Listed Issuers) nor is it factually inaccurate.

AAPG 3, Guidance for Auditors on the Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants, does not require the external auditors to consider whether the Directors' statement on risk management and internal controls covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control procedures including the assessment and opinion by the Board and management thereon. They are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will in fact remedy the problems.

Our Corporate Information

BOARD OF DIRECTORS

Yong Teck Ming
Group Chair

Anton Syazi Dato' Ahmad Sebi
Group Executive Deputy Chair

Lee Su Nie
Group Managing Director

Aryati Sasya Dato' Ahmad Sebi
Non-Independent Non-Executive Director

Chew Lee Fong
Non-Independent Non-Executive Director

Cheah Ping Huey
Non-Independent Non-Executive Director
(Appointed on 19 July 2024)

Chim Wai Khuan
Independent Non-Executive Director

Loo Pak Soon
Independent Non-Executive Director
(Appointed on 22 March 2024)

Karen Khoo Kah Mei
Independent Non-Executive Director
(Appointed on 16 December 2024)

Dr. Rali Mohd Nor
Independent Non-Executive Director
(Resigned on 1 March 2024)

Datuk Hardew Kaur a/p Hazar Singh
Independent Non-Executive Director
(Resigned on 16 December 2024)

GROUP ADVISOR

Dato' Ahmad Sebi Bakar

AUDIT COMMITTEE

Chim Wai Khuan
Chair

Loo Pak Soon
Member
(Appointed on 22 March 2024)

Karen Khoo Kah Mei
Member
(Appointed on 16 December 2024)

RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Loo Pak Soon
Chair
(Appointed on 22 March 2024)

Aryati Sasya Dato' Ahmad Sebi
Member

Karen Khoo Kah Mei
Member
(Appointed on 16 December 2024)

NOMINATION AND REMUNERATION COMMITTEE

Karen Khoo Kah Mei
Chair
(Appointed on 16 December 2024)

Chew Lee Fong
Member
(Appointed on 27 May 2024)

Loo Pak Soon
Member
(Appointed on 27 May 2024)

COMPANY SECRETARY

K Jayavathani a/p Kanagaratnam (MAICSA 7010433)

REGISTERED OFFICE

Ground Floor, Synergy 9
9 Jalan Kajibumi U1/70
Temasya Glenmarie
40150 Shah Alam
Selangor
Tel : 03-5192 8822
Fax : 03-5192 8811
Email : *investor_relations@asb.com.my*

SHARE REGISTRAR

Sectrars Management Sdn Bhd
Lot 9-7 Menara Sentral Vista
No. 150 Jalan Sultan Abdul Samad
Brickfields
50470 Kuala Lumpur
Tel : 03-2276 6138 / 6139 / 6130
Fax : 03-2276 6131
Email : *sectrarsmg@gmail.com*

AUDITORS

Baker Tilly Monteiro Heng PLT
Chartered Accountants
Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Tel : 03-2297 1000
Fax : 03-2282 9980

PRINCIPAL BANKER

CIMB Bank Berhad **Hong Leong Bank Berhad** **Affin Bank Berhad**

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

WEBSITE

www.asb.com.my

Our Board

Yong Teck Ming

Group Chair (age 71)

Mr Yong Teck Ming was appointed to the Board as an Independent Non-Executive Director and as Chair of the Audit Committee on 9 July 2007 until 7 April 2023. From 7 April 2023 he was re-designated as a Non-Independent Non-Executive Director and as a member of the Audit Committee. He also served as Chair of the Risk Management Committee from 1 October 2007 until 1 August 2021. On 31 October 2023, he was appointed as the Group Chair and ceased to be a member of the Audit Committee.

He holds a Bachelor of Commerce Degree from the University of Auckland, New Zealand. He is a member of Chartered Accountants Australia, New Zealand and a member of the Chartered Governance Institute (previously known as Institute of Chartered Secretaries and Administrators, United Kingdom).

Teck Ming started his career in New Zealand in 1973 and worked in several accounting positions before returning to Malaysia in February 1979. From March 1979 to January 1995, he served in various positions in the Berjaya Group of Companies including as Group Executive Director from February 1988 until January 1995. He has also been a non-executive director of SJ Securities Sdn Bhd and its subsidiaries since 2 May 2002 and has been appointed as its Chairman since 19 January 2017. He does not hold any directorship in public companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Anton Syazi Dato' Ahmad Sebi

Group Executive Deputy Chair (age 47)

Mr Anton Syazi Dato' Ahmad Sebi was appointed to the Board on 27 February 2017 and was subsequently redesignated as Group Executive Deputy Chair on 1 September 2017.

Anton graduated from the London School of Economics, University of London, with a Bachelor of Science in Economics. He has a Master of Arts in Finance and holds an Investment Management Certificate awarded by the UK Society of Investment Professionals.

Anton is also Group Executive Director of Captii Limited ("Captii"), a 58.3%-owned subsidiary of Advance Synergy Berhad and Chair of Captii Ventures Pte Ltd and Postpay Sdn Bhd, both Captii subsidiaries. He has been a member of the Captii Board since 22 June 2006 and was previously Group Chief Executive Officer of Captii from 10 August 2010 to 31 August 2017 and Group Deputy Chief Executive Officer from December 2005 to 9 August 2010.

Anton is Chair of Paydee Sdn Bhd, Paydee Nura Sdn Bhd and Qurex Sdn Bhd, the fintech subsidiaries of Advance Synergy Berhad, and sits on the board of various other subsidiaries within the Group including subsidiaries under the Group's property investment unit. He has also been a Non-Executive Director of SJ Securities Sdn Bhd since 20 September 2005 and a Director of SJ Capital Berhad, a non-listed public company since 2 March 2020.

Prior to joining Advance Synergy Berhad in June 2001, Anton was with the South East Asia Investment Banking Division of Credit Suisse First Boston.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad, except that his father, Dato' Ahmad Sebi, is the Advisor of the Group and substantial shareholder of Advance Synergy Berhad. Anton is a director of Bright Existence Sdn Bhd and Suasana Dinamik Sdn Bhd, substantial shareholders of Advance Synergy Berhad. His father, Dato' Ahmad Sebi, is also a substantial shareholder and director of Bright Existence Sdn Bhd and Suasana Dinamik Sdn Bhd. His sister, Aryati Sasya Dato' Ahmad Sebi, is a Non-Independent Non-Executive Director of Advance Synergy Berhad. Anton has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Lee Su Nie

Group Managing Director (age 64)

Ms Lee Su Nie is a Non-Independent Director and the Group Managing Director of Advance Synergy Berhad. She was appointed to the Board on 9 July 2007 and redesignated from Executive Director/Chief Executive Officer to Group Managing Director on 28 September 2012.

Su Nie holds a Bachelor of Commerce (Accounting) degree from the University of Birmingham, United Kingdom and a Master of Science (Business Administration) from the University of Bath, United Kingdom. She is also a Fellow Member of The Association of Chartered Certified Accountants, United Kingdom.

In 1985, she joined Kassim Chan Management Consultants Sdn Bhd, where she provided management consultancy services. She joined the Corporate Finance Department of Rakyat Merchant Bankers Berhad in 1989. In 1991, she left Rakyat Merchant Bankers Berhad to join Perdana Merchant Bankers Berhad. She subsequently left her position as First Vice President, Corporate Finance of the Bank to join Advance Synergy Berhad in 1995 as Assistant General Manager, Corporate Planning & Finance. She was subsequently appointed the Group General Manager, Operations of Advance Synergy Berhad prior to her appointment as Chief Executive Officer on 22 April 2004.

She is a Non-Independent Non-Executive Director of Captii Limited, an indirect subsidiary of Advance Synergy Berhad, which is listed on the Singapore Exchange Securities Trading Limited. Su Nie has been a member of the Captii Limited Board since 18 December 2003 and was the Non-Executive Chairman of Captii Limited from 22 June 2006 to 10 August 2010. She also sits on the board of other subsidiaries of Advance Synergy Berhad including Cherating Holiday Villa Berhad, a non-listed public company.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Aryati Sasya Dato' Ahmad Sebi

Non-Independent Non-Executive Director (age 50)

Ms Aryati Sasya Dato' Ahmad Sebi is a Non-Independent Non-Executive Director of Advance Synergy Berhad. She was appointed to the Board on 7 March 2013.

Sasya holds a Bachelor of Commerce from Deakin University, Australia, a Diploma in Economics from La Trobe University, Melbourne and a Master of Finance from RMIT University, Melbourne.

Her early career included working as a Research Analyst at SJ Securities Sdn Bhd, a well established stockbroking company in Malaysia. Her time there allowed her to develop her analytical skills, which she later applied in her work in the retailing and mining industries. In 2002, Sasya transitioned into the retail industry and took on a consulting position with a local specialised men's retailer in Melbourne. As part of her role, she was responsible for the day-to-day management of the company and prepared sales and market forecasts for the board of directors. This experience gave her valuable insights into the operations of a retail business, honed her management skills, and provided her an appreciation for the importance of understanding customer behaviour and market trends.

Within the same period, Sasya was appointed as a Director of Tantalum Australia NL, now known as Prodigy Gold NL, a public listed company in Australia. During her time on the board, she gained considerable knowledge of the mining sector and expanded her financial analysis skills to include some technical analysis of the commodities sector. Her experience in this role has given her a deep understanding of the intricacies and challenges of the mining industry. She resigned from the board in 2006.

In addition to her experience in corporate management and the mining industry, Sasya has gained valuable experience in events management and brand consultancy through her own company, which she founded in 2013. As the founder and CEO of this company, she was responsible for conceptualising and executing various events and marketing campaigns, and honed her skills in project management, marketing and brand strategy.

Throughout her 20-year career, Sasya has demonstrated a proven track record of effectively managing diverse teams, fostering a positive company culture, implementing successful brand engagement programmes and providing a unique perspective on business operations.

Presently, she sits on the board of various companies incorporated in Malaysia (including Cherating Holiday Villa Berhad, a non-listed public company and subsidiary of Advance Synergy Berhad) and overseas. She continues to remain active in the corporate industry and also participates in various cultural arts engagement projects in a consulting capacity.

Aryati Sasya Dato' Ahmad Sebi (continued)

Sasya is the Chief Executive Officer of Metroprime Corporation Sdn Bhd (an education subsidiary of Advance Synergy Berhad) and a member of the Risk Management and Sustainability Committee of Advance Synergy Berhad.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad, except that her father, Dato' Ahmad Sebi, is the Advisor of the Group and substantial shareholder of Advance Synergy Berhad. Her brother, Anton, is the Group Executive Deputy Chair and also a director of Bright Existence Sdn Bhd and Suasana Dinamik Sdn Bhd, both companies are substantial shareholders of Advance Synergy Berhad. Her father, Dato' Ahmad Sebi, is also a substantial shareholder and director of Bright Existence Sdn Bhd and Suasana Dinamik Sdn Bhd. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Chim Wai Khuan

Independent Non-Executive Director (age 74)

Mr Chim Wai Khuan is an Independent Non-Executive Director of Advance Synergy Berhad. He was appointed to the Board on 7 April 2023.

Wai Khuan is a member of the Malaysian Institute of Accountants. He has vast experience in the areas of accounting, audit, tax and corporate secretarial as well as consultancy matters, having served in various capacities both in the United Kingdom and in Malaysia since 1975. Currently, he practices as a Corporate and Management Consultant and also manages his own audit practice under the name of WKC & Co.

Wai Khuan is the Chair of the Audit Committee. He was formerly an Independent Non-Executive Director and member of the Audit Committee of Advance Synergy Berhad from December 2001 to March 2013.

Wai Khuan is also a non-independent non-executive director of United U-Li Corporation Berhad. He also sits on the board of several private limited companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Loo Pak Soon

Independent Non-Executive Director (age 62)

Mr Loo Pak Soon is an Independent Non-Executive Director of Advance Synergy Berhad. He was appointed to the Board on 22 March 2024.

Pak Soon graduated with a Bachelor of Commerce (Hons) with major in Finance from the University of Windsor, Canada in 1984. He started his career as a banker in 1984 and has 8 years of commercial and merchant banking experience working with various banks. In 1992, he joined NCK Corporation Berhad and was involved in the restructuring and listing exercise of NCK Corporation Berhad on to the Main Board of the Kuala Lumpur Stock Exchange ("KLSE").

Pak Soon joined Powernet Industries Sdn Bhd as a Financial Controller in 1993. While there, he was also a Director of Ken Holdings Berhad from 1996 to 2006. At Powernet Industries Sdn Bhd, he successfully assisted in turning the company around from a loss-making concern and got it listed on to the Second Board of the KLSE as Kumpulan Powernet Berhad in 2002. He was the Executive Director and Special Assistant to the Chairman cum Managing Director from 2002 to 2015. From October 2015 to February 2016, he remained in Kumpulan Powernet Berhad to handover outstanding matters to the new owners and management team. He was principally involved in the financial operations and strategic planning of Kumpulan Powernet Berhad. With his vast experience in various industries, finance background and corporate experience, he joined MTS Fibromat (M) Sdn Bhd as the Chief Operating Officer in 2016. In May 2019, Fibromat (M) Berhad, through a restructuring exercise, acquired MTS Fibromat (M) Sdn Bhd and was listed on the LEAP Market of Bursa Malaysia Securities Berhad. On 22 August 2019, he was appointed as an Executive Director of Fibromat (M) Berhad and on 31 March 2021, he left the Group and remained as Non-Executive Director and subsequently as Independent Non-Executive Director on 31 March 2024. Pak Soon is also a Non-Independent Non-Executive Director of Ken Holdings Berhad and Independent Non-Executive Director of Malpac Holdings Berhad.

Pak Soon is a member of the Audit Committee and Nomination and Remuneration Committee, and the Chair of the Risk Management and Sustainability Committee of Advance Synergy Berhad.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Chew Lee Fong

Non-Independent Non-Executive Director (age 64)

Ms Chew Lee Fong is a Non-Independent Non-Executive Director of Advance Synergy Berhad. She was appointed to the Board on 31 October 2023.

Lee Fong holds a Bachelor of Science in Marketing from Southern Illinois University at Carbondale, USA.

She joined Advance Synergy Berhad in 1991 as the Personal Assistant to the former Group Chair, Dato' Ahmad Sebi Bakar, and was promoted to Executive Assistant in 2000.

She also sits on the board of several subsidiaries of Advance Synergy Berhad. She does not hold any directorship in public companies.

Lee Fong is a member of the Nomination and Remuneration Committee of Advance Synergy Berhad.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Cheah Ping Huey

Non-Independent Non-Executive Director (age 53)

Ms Cheah Ping Huey (Agnes) is a Non-Independent Non-Executive Director of Advance Synergy Berhad. She was appointed to the Board on 19 July 2024.

Upon graduating from Stamford College with a Diploma in Business Administration in early 1990's, she began her career as a Banquet Sales Secretary in Istana Hotel. She accumulated her experience in sales as a Sales Executive and worked her way up the corporate ladder while studying Hotel Management Diploma Course. With over 20 years' working experience, Agnes has served at management level in various international hotels including Guoman Hotels Group and Nikko Hotel and was awarded the Youngest Director of Sales, Corporate Division by Nikko Hotel in 2000 and Most Outstanding Sales Achievement in 2001. Her other accomplishments include spearheading the hotel pre-opening sales & marketing team of Guoman Hotels Group in Port Dickson and Hanoi.

In 2002, Agnes took on a new challenge and joined the travel industry where she subsequently assumed the role as General Manager in a Japanese-owned travel agency, Intersect Travel and Tour Sdn Bhd. Her acute insight and quick execution was quickly noted and in 2004, she was appointed the General Manager of Orient Escape Travel Sdn Bhd, a subsidiary of Advance Synergy Berhad, and has since grown the company into one of the leading travel agencies in Malaysia. In 2007, she was promoted to her current position as the Executive Director of Orient Escape Travel Sdn Bhd. Agnes was appointed the Chief Executive Officer of Synergy Tours Sdn Bhd on 1 January 2016. She does not hold any directorship in public companies.

Agnes does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Karen Khoo Kah Mei

Independent Non-Executive Director (age 46)

Karen Khoo Kah Mei is an Independent Non-Executive Director of Advance Synergy Berhad. She was appointed to the Board on 16 December 2024.

Karen holds a Bachelor of Business Management (Hons) in International Marketing from Oxford Brookes University, United Kingdom.

Karen has extensive experience in corporate sales across the hotel and advertising industries, managing projects involving over 100 multinational corporations in Malaysia, Singapore, and Dubai. She began her career at Eastin Hotel, Petaling Jaya and progressed through roles at Hilton Kuala Lumpur, GHM Hotels, Sunway Resort Hotel and Spa, Novotel Kuala Lumpur, and Thinkscape AMPS Sdn Bhd from 2001 to 2011. In 2012, she founded Kalex Enterprise, a creative agency, followed by Racing Creatures Sdn Bhd, now a holistic marketing agency specializing in brand development, place making, and community building.

She is also a Director and Co-Founder of Coffee Art Fringe Festival Asia Sdn Bhd and Kakao Ventures Sdn Bhd. Additionally, she serves on the board of Osteria Gamberoni Sdn Bhd, a subsidiary of Advance Synergy Berhad. She does not hold any directorship in public companies.

Karen is a member of the Audit Committee and Risk Management and Sustainability Committee, and Chair of the Nomination and Remuneration Committee of Advance Synergy Berhad.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Our Key Management

CORPORATE OFFICE

Dato' Ahmad Sebi Bakar
Group Advisor

Anton Syazi Dato' Ahmad Sebi
Group Executive Deputy Chair

Lee Su Nie
Group Managing Director

Sng Ngiap Koon
Chief Operating Officer — Asset Development

Yap Chee Kong
General Manager — Corporate Services

Aaron Wong Ching Ping
Senior Accounts Manager

K Jayavathani A/P Kanagaratnam
Group Secretarial Manager

HEADS OF GROUP DIVISIONS

INFORMATION & COMMUNICATIONS TECHNOLOGY

- **CAPTII LIMITED**
  Wong Tze Leng
  Group Executive Chair
  Anton Syazi Dato' Ahmad Sebi
  Group Executive Director

TRAVEL & TOURS

- **ORIENT ESCAPE TRAVEL SDN BHD**
  Cheah Ping Huey
  Executive Director
- **SYNERGY TOURS SDN BHD**
  Cheah Ping Huey
  Chief Executive Officer

FINANCIAL SERVICES

- **PAYDEE SDN BHD**
  Cheah Foo Choong
  Executive Director & Chief Executive Officer
- **PAYDEE NURA SDN BHD**
  Nicholas Ho Wei Kiat
  Executive Director & Chief Executive Officer
- **QUREX SDN BHD**
  Cheah Foo Choong
  Executive Director

BUS-BODY FABRICATION

- **AVIVA MASTER COACH TECHNOLOGY SDN BHD**
  Yap Chee Kong
  Managing Director

PROPERTY DEVELOPMENT & INVESTMENT

PROPERTY DEVELOPMENT

- **ADVANCE SYNERGY REALTY SDN BHD**
  Sng Ngiap Koon
  Executive Director & Chief Operating Officer

PROPERTY INVESTMENT

- **CHERATING HOLIDAY VILLA BERHAD**
  (Assets managed by Holiday Villa)
  Sng Ngiap Koon
  Director
- **SHANGHAI HOLIDAY VILLA HOTEL CO. LTD.**
  (Assets managed by Holiday Villa)
  Puan Sri Datin Masri Khaw Abdullah
  Director
- **57-59 PHILBEACH GARDENS LIMITED**
  Anton Syazi Dato' Ahmad Sebi
  Director
  Angelo Grossi
  General Manager
- **YAP AH SHAK HOUSE GROUP**
  Anton Syazi Dato' Ahmad Sebi
  Director
  Aryati Sasya Dato' Ahmad Sebi
  Director

EDUCATION

- **METROPRIME CORPORATION SDN BHD**
  Aryati Sasya Dato' Ahmad Sebi
  Chief Executive Officer
- **THE LANGUAGE HOUSE**
  Patricia Mary Jayasuriya @ Cecilia
  Principal

Our Group Senior Management

Dato' Ahmad Sebi Bakar

Group Advisor (age 77)

Dato' Ahmad Sebi Bakar assumed the role of Group Advisor after he resigned as Non-Independent Non-Executive Director and Group Chair of Advance Synergy Berhad on 31 October 2023. He was appointed to the Board on 9 April 1991 and re-designated from Executive Chair to Group Executive Chair on 28 September 2012. On 1 September 2017, he was redesignated to Non-Executive Group Chair.

Dato' Ahmad Sebi holds a Bachelor of Arts (Hons) from the University of Malaya, Kuala Lumpur, a Diploma in Journalism from the Thomson Foundation, United Kingdom and a Master of Arts from Michigan State University, United States of America.

He was also the Non-Executive Chair of Unified Communications Holdings Limited (now known as Captii Limited), an indirect subsidiary of Advance Synergy Berhad which is listed on the Singapore Exchange Securities Trading Limited, from December 2003 to June 2006. Besides, he had held both the positions as Executive Chair and Managing Director of Kumpulan Powernet Berhad from 12 January 2002 to 28 August 2015.

He was conferred the Ahli Mangku Negara (A.M.N.) by the Yang Di-Pertuan Agong, DYMM Tuanku Haji Ahmad Shah Al-Mustain Billah Ibni Almarhum Sultan Abu Bakar in 1983, the Justice of Peace (J.P.) by DYMM Sultan Azlan Muhibbuddin Shah Ibni Almarhum Sultan Yusoff Izzuddin Shah Ghafarullah, Sultan of Perak, in 1986 and the Dato' Setia Diraja Kedah (D.S.D.K.) by DYMM Tuanku Alhaj Abdul Halim Mu'adzam Shah Ibni Almarhum Sultan Badlishah, Sultan of Kedah, in 1988.

He also sits on the board of various subsidiaries of Advance Synergy Berhad. He does not hold any directorship in public companies.

Dato' Ahmad Sebi is a substantial shareholder of Advance Synergy Berhad. He is also a substantial shareholder and a Director of Suasana Dinamik Sdn Bhd and Bright Existence Sdn Bhd, companies that are also substantial shareholders of Advance Synergy Berhad.

Except for his daughter, Sasya, who is a Non-Independent Non-Executive Director and his son, Anton, who is the Group Executive Deputy Chair, Dato' Ahmad Sebi does not have any family relationship with any other director or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad.

Dato' Ahmad Sebi has not been convicted for any offences within the past 5 years and no public sanction or penalty has been imposed by the relevant regulatory bodies during the financial year.

Wong Tze Leng *(age 60)*

• Group Executive Chair of Captii Limited

Mr Wong Tze Leng was appointed the Group Executive Chair of Captii Limited, a 58.3%-owned subsidiary of Advance Synergy Berhad which is listed on the Singapore Exchange Securities Trading Limited, on 10 August 2010. He previously served as Group Chief Executive Officer of Captii Limited, a position he held since 22 December 2002 until his appointment as Executive Chair.

Tze Leng has over 30 years' experience in the information technology industry, with specific expertise in the telecommunications sector. He started his career in 1988 as an Engineer in the Singapore Institute of Standards & Industrial Research's design and development centre. He gained specialised expertise in computer telephony technology when he joined Federal Computer Services Pte Ltd in 1990 as a Software Engineer and later progressed to the position of Software Manager.

In 1993, he joined Dialogic as an Applications Engineer and was later promoted to the position of Business Development Director for the Asia Pacific region. During his career with Dialogic, he established a close rapport and working relationship with numerous IT companies and telcos in the Asia Pacific region. In 1998, he left Dialogic and founded the Captii Limited Group.

Tze Leng graduated from Monash University, Victoria, Australia, with a Bachelor's degree in Computer Science in 1985 and subsequently obtained a Bachelor's degree in Electrical and Electronic Engineering in 1987 from the same university.

Tze Leng also sits on the Board of various private limited companies including subsidiaries of Advance Synergy Berhad. He does not hold any directorship in other public companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad, save for his substantial shareholding in Captii Limited. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Sng Ngiap Koon *(age 77)*

• *Chief Operating Officer — Asset Development of Advance Synergy Berhad*
• *Executive Director/Chief Operating Officer of Advance Synergy Realty Sdn Bhd*

Mr Sng Ngiap Koon was appointed the Executive Director/Chief Operating Officer of Advance Synergy Realty Sdn Bhd on 14 July 2007 and the Chief Operating Officer – Asset Development of Advance Synergy Berhad on 28 September 2012.

Ngiap Koon is an Associate Member of the Institute of Chartered Accountants in England and Wales.

Prior to 1984, he was working in London, England. Between 1984 to 1985, he was the Group Accountant of Innovest Berhad. He joined Advance Synergy Berhad in 1986 as the Group Accountant. In 1987, he was appointed the Group Financial Controller of Advance Synergy Berhad. Prior to his appointment as the Executive Director of Advance Synergy Berhad in 2003 till 2006, he held the positions of Senior Group General Manager and Company Secretary. He was also a Director of Advance Synergy Berhad from 1988 to early 1991.

Ngiap Koon currently sits on the board of various subsidiaries of Advance Synergy Berhad including Cherating Holiday Villa Berhad, a non-listed public company.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Yap Chee Kong *(age 57)*

- *General Manager — Corporate Services of Advance Synergy Berhad*
- *Financial Controller of Advance Synergy Capital Sdn Bhd*
- *Managing Director of Aviva Master Coach Technology Sdn Bhd*

Mr Yap Chee Kong was appointed as a Financial Controller of Advance Synergy Capital Sdn Bhd in October 2001 and General Manager – Corporate Services of Advance Synergy Berhad on 28 September 2012. He was appointed as the Managing Director of Aviva Master Coach Technology Sdn Bhd on 27 March 2017.

He is a qualified accountant by training and prior to joining Advance Synergy Capital Sdn Bhd, he was an audit manager with PricewaterhouseCoopers. During his time with PricewaterhouseCoopers, he gained extensive experience in auditing where he held a portfolio of public listed companies involved in diverse range of industries, which included financial institutions and stock broking companies. He also has experience in financial advisory work and was actively involved in due diligence review, technical research, training and recruitment. He was also involved in special audit and special business approval certification of stock broking companies.

He sits on the board of various subsidiaries and an associate company of Advance Synergy Berhad. He does not hold any directorship in public companies.

Chee Kong is a member of the Malaysian Institute of Accountants.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. He has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Cheah Foo Choong *(age 51)*

• *Executive Director and Chief Executive Officer of Paydee Sdn Bhd*
• *Executive Director of Qurex Sdn Bhd*

Mr Cheah Foo Choong (Darren) joined Qurex Sdn Bhd ("Qurex") in August 2018 as General Manager of Business Development. He was also serving as Head of Merchant Business for Paydee Sdn Bhd ("Paydee") since August 2018. In August 2019, he was appointed as Executive Director of Qurex and in December 2019 as Director of Paydee. Subsequently he was re-designated as Executive Director of Paydee in October 2020 and then as Executive Director and Chief Executive Officer of Paydee in December 2020.

Darren started his career in 1996 in the advertising and promotions department of The Store and progressed to the position of Assistant Manager of loyalty rewards programme. In 2004, he joined Unrealmind Interactive Berhad, a pioneer in the premium SMS business in Malaysia as Manager in the Advertising & Promotions department where he led and managed the advertising and promotion activities of the company's core products. In 2006, Darren was with R&D Media Malaysia Sdn Bhd, a Dutch premium SMS business as their Regional Manager-Marketing and Content. He then progressed to the position of General Manager in 2008, reporting to the Group CEO based in Amsterdam before joining the Captii Limited Group in June 2010 as General Manager for Mobilization Sdn Bhd (now known as Postpay Sdn Bhd) and was responsible for the overall business operations.

On 1 June 2017, Darren was appointed as the General Manager of Service Management under Unified Communications Sdn Bhd ("UC") and was promoted to the position of Deputy Head of Business Development, and subsequently redesignated as Head of Business Development of UC and also the Country Head as well as Chief Executive Officer for UC Pakistan.

Darren holds a Masters in Business Administration (MBA) degree from Nottingham Trent University, United Kingdom.

Darren does not hold any directorship in public companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. Darren has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Nicholas Ho Wei Kiat *(age 36)*

- *Executive Director and Chief Executive Officer of Paydee Nura Sdn Bhd*
- *Senior Manager — Investments & Innovation of Paydee Sdn Bhd*

Mr Nicholas Ho Wei Kiat joined the Financial Services Division of Advance Synergy Berhad in October 2021 and was appointed the Executive Director and Chief Executive Officer of Paydee Nura Sdn Bhd ("MyNura") in February 2024. Within the Financial Services Division, his responsibility includes strategy planning and execution, corporate developments and strategic mergers and acquisition ("M&A") activities for the Division. Since joining, he has also assisted in establishing MyNura's consumer lending operations.

Nicholas has more than fourteen years of professional experience in strategy, M&A and corporate finance. Nicholas started his career in 2011 with KPMG Deal Advisory. At KPMG, he was a Manager that specialised in M&A and buy-side financial due diligence for various multinational clients on local and cross-border M&A deals, in the consumer market, manufacturing, automotive and insurance sectors.

In 2016, he was recruited by Photobook Worldwide Sdn Bhd ("Photobook"), a leading business-to-consumer technology personalization company in South East Asia as the Head of Strategy and Investment. At Photobook, Nicholas was responsible for strategy planning and execution, and fund raising activities.

After leaving Photobook and prior to joining the Group, he had a brief stint with UEM Edgenta Berhad's Group Strategy Office, supporting the organisation on its ESG strategy planning and its goal of being included in the FTSE4Good Bursa Malaysia Index.

Nicholas holds a Bachelor of Commerce (Accounting & Finance) degree from University of Queensland, Australia. He is also a Certified Practising Accountant with CPA Australia.

Nicholas does not hold any directorship in public companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. Nicholas has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Puan Sri Datin Masri Khaw Abdullah *(age 72)*

• Director of Shanghai Holiday Villa Hotel Co. Ltd.

Puan Sri Datin Masri was one of the first Asians to complete the General Manager's Programme at the Holiday Inn University in Memphis, USA in 1976. In 1982, she completed a summer course on Hotel Development & Design at Cornell University, USA and had undergone hotel training in Singapore and Canada.

She was awarded the Best Marketing Person of the Year for Holiday Inn Hotels Asia Pacific in 1985. Puan Sri Datin Masri played a key role when Antara Holiday Villas Sdn Bhd garnered several awards namely, the Special Award for Quality Management in the Industry Excellence Award 1997 (organized by the Ministry of International Trade and Industry and received this prestigious award from the former Prime Minister Tun Dr. Mahathir Mohamad on 18 December 1997), the National HR Excellence Award 2004 and the Industry Excellence Award 2005 — Export Excellence (Services). Her experience in the hotel industry dates back to 1969 and she has since contributed significantly to the development of new hotels. She was the co-founder of Holiday Villa chain in 1987 with the opening of the 1st Holiday Villa Cherating.

She also sits on the board of several subsidiaries of Advance Synergy Berhad under the hospitality unit. She does not hold any directorship in public companies.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Angelo Grossi *(age 42)*

• General Manager of 57-59 Philbeach Gardens Limited

Mr Angelo Grossi joined the Property Development and Investment Division on 5 December 2022 as the General Manager of The Marloes, aparthotel property owned by 57-59 Philbeach Gardens Limited, where he is tasked to manage full spectrum of the Marloes's operation.

Angelo brings close to 2 decades of hotel operations and management experience, serving many roles from Hotel Management including Front Office Manager and Night Duty Manager, Guest Services Manager, Revenue Management to Director level. His experience spans across boutique hotels, short let service apartments to 5 stars hotels, in London and Italy and remotely support hotel operations in United States of America ("USA"), United Kingdom ("UK") and other European countries. Angelo started his career as Guest Relations and Duty Manager of Crowne Plaza London — The City in the Financial District in March 2006 and moved to the Ritz, London in March 2010 as Night Manager, responsible for the overall night operations of a 5-star hotel with four F&B outlets with 134 keys. In June 2012, Angelo returned to Crowne Plaza London — The City (IHG) as Front Office Manager of a 203-bedroom hotel with five F&B outlets.

In June 2013, he joined Armani Hotel, Milano as a Director of Lifestyle. He managed 30 staff and 95 luxury hotel rooms with two F&B outlets reporting to the Regional General Manager in Dubai. He also spent a month as well in Armani Hotel Dubai (160 luxury rooms and 144 luxury apartments) as part of his development program. He left and launched his own company, AG Hotels on the Italian Riviera in Italy in June 2014 managing two hotel properties of 80 rooms each. In June 2020, with his company, AG Business Services Management, he worked as Property Manager during Covid-19 pandemic and remotely partnered with UK, Europe & USA businesses, overseeing contracted services for various companies in property management and digital marketing. In July 2022, he joined the Emotion Hotel Group as a Booking & Revenue Manager and managed 20 staff, 4 properties in the Italian Riviera overseeing reservations, sales, customer service and maintenance operations and management.

Angelo holds a Bachelor of Arts — BA, Tourism and Hospitality from London South Bank University, UK in 2010. He also received a Hotel Revenue Management certificate from Cornell University, New York, USA in 2020.

Angelo does not hold any directorship in public companies.

He does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does he have any conflict of interest with Advance Synergy Berhad. Angelo has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Patricia Mary Jayasuriya @ Cecilia *(age 68)*

• Principal of The Language House

Ms Patricia Mary Jayasuriya is the Principal of The Language House ("TLH"), the education unit of Advance Synergy Berhad.

Patricia brings almost four decades of experience in education both in Malaysia and Hong Kong to TLH.

A psychology graduate of the University of Manchester, United Kingdom ("UK"), Patricia went on to take a postgraduate qualification in business administration from Cranfield University, UK. She has both professional and academic qualifications in Teaching of English as a Second Language and has successfully completed the American Hotel and Lodging Institute's Certified Hospitality Educator programme.

Patricia takes a hands-on approach in management and is passionate about maintaining quality in education especially in teaching standards and curricular.

Patricia does not hold any directorship in public companies.

She does not have any family relationship with any director and/or major shareholder of Advance Synergy Berhad, nor does she have any conflict of interest with Advance Synergy Berhad. She has no convictions for any offences within the past 5 years and no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Notes:

The key senior management of operating divisions is all Malaysian. The profiles of the following key senior management who are also Directors of Advance Synergy Berhad are set out in the Directors' Profile on pages 70 to 79 of this Annual Report:

1. **Mr Anton Syazi Dato' Ahmad Sebi**
    - *Group Executive Director of Captii Limited*
    - *Chair of Paydee Sdn Bhd and Qurex Sdn Bhd*
    - *Director of 57-59 Philbeach Gardens Limited and Yap Ah Shak House Sdn Bhd*
2. **Ms Aryati Sasya Dato' Ahmad Sebi**
    - *Chief Executive Officer of Metroprime Corporation Sdn Bhd*
    - *Director of Osteria Gamberoni Sdn Bhd*
3. **Ms Cheah Ping Huey**
    - *Executive Director of Orient Escape Travel Sdn Bhd*
    - *Chief Executive Officer of Synergy Tours Sdn Bhd*

Governance

The Board has included **gender balance** as one of the main criteria for appointment of new directors to promote the representation of women in the composition of the Board. Currently, we have five (5) women directors representing 55.6% of the Board of nine (9) members.

COMMITTED TO THE HIGHEST STANDARDS

Responsibility for good governance lies with the Board. The Board is accountable to shareholders and is committed to the highest standards of corporate governance as set out in the Malaysian Code on Corporate Governance 2021 (“Code”). This Corporate Governance Overview Statement describes how the Board has applied the main practices of good governance, as set out in the Code, during the year under review.

HOW WE GOVERN THE COMPANY

The Board leads the Group’s governance framework; it is responsible for setting the strategic targets for the Group, monitoring progress made, approving proposed actions and for ensuring that the appropriate internal controls are in place and that they are operating effectively.

The Board is assisted by three (3) principal committees (Audit, Nomination and Remuneration, and Risk Management and Sustainability), each of which is responsible for reviewing and dealing with matters within its own terms of reference (“TOR”). At scheduled Board meetings, the minutes of all committee meetings are circulated. All the non-executive directors are members of all principal committees. The Chair of the Board is not a member of the Audit Committee, Nomination and Remuneration Committee or Risk Management and Sustainability Committee. Individual reports from each principal committee can be found on pages 97 to 110 of this Annual Report. In addition the Board is also assisted by Share Grant Scheme Committee and Whistleblowing Committee.

The roles and responsibilities of the Board and the Board Committees as well as the relationship with management are clearly set out and with clear accountability.

BOARD COMPOSITION AND SUCCESSION

The Board is made up of nine (9) members, comprising the Group Chair, Group Executive Deputy Chair, Group Managing Director, three (3) Non-Independent Non-Executive Directors and three (3) Independent Non-Executive Directors. The age of our Board members ranges from 46 to 74 years. The current Directors bring a wide range of business and financial experience, skills and knowledge necessary for the effective stewardship of the Group. Profiles of the Directors are set out on pages 70 to 79 of this Annual Report.

Each of the Independent Non-Executive Directors is considered independent of management and free of any relationship that could materially interfere with the exercise of their independent judgment. The Board considers that each Independent Non-Executive Director brings their own senior level of experience, gained within their field.

Succession planning for the Board is an on-going process to ensure the Board's continued effective performance through leadership continuity. The Board assesses the competencies and composition of the Board taking into consideration the challenges faced by the businesses of the Group and also assesses the competencies of each existing director. Succession planning at executive management level is also being reviewed on an on-going process basis and at present is stable.

Diversity and gender balance

The Board recognises diversity in the boardroom as a critical element for efficient functioning of the Board and good governance practices. The Board also believes that diversity leads to the consideration of all facets of an issue and, consequently, better decisions and performance. Hence, the appointment of Board members and senior management not only takes into consideration the objective criteria and merit but also gives due regard for diversity in skills, experience, age, cultural background and gender.

The Board has included gender balance as one of the main criteria for appointment of new directors to promote the representation of women in the composition of the Board. Currently, we have five (5) women directors representing 55.6% of the Board of nine (9) members.

The remuneration for all Directors including Executive Directors is determined at levels so as to ensure that the Company attracts and retains the right calibre of Directors needed for the successful performance of the Group. The Nomination and Remuneration Committee Report is set out on pages 101 to 110 of this Annual Report.

LEADERSHIP AND RESPONSIBILITIES

The Board is committed to ensure that it provides leadership to the business as a whole, having regards to the interests and views of its shareholders and other stakeholders. It is also responsible for setting the Group's strategy, value and standards.

The Board has a formal schedule of matters reserved for its decision which includes:

- Strategy setting, implementation and supervisory
- Board membership
- Financial reporting and controls
- Corporate governance
- Contracts/acquisitions/disposals
- Dividend policy
- Capital structure
- Sustainability
- Risk management and internal controls

LEADERSHIP AND RESPONSIBILITIES (continued)

The Board together with management take responsibility for the effective governance and management of sustainability initiatives and practices of the Group which may include setting the Group's sustainability strategies, priorities and targets. Material sustainability issues, considerations, risks and opportunities of the Group are set out in the Sustainability Statement on pages 24 to 55 of this Annual Report.

The Board also acknowledges its overall responsibility for maintaining a sound risk management and sustainability framework and internal control system to safeguard shareholders' investments and the Company's assets. The Board through the Risk Management and Sustainability Committee and Audit Committee will review the adequacy, integrity and effectiveness of the Group's risk management and sustainability framework and internal control system periodically. The Risk Management and Sustainability Committee and Audit Committee reports can be found on pages 56 to 68 and pages 97 to 100 respectively of this Annual Report.

The presence of three (3) Independent Non-Executive Directors making up at least one-third (1/3) of the total number of Directors fulfills a pivotal role in ensuring that there is balance of power and authority. Although all the Directors have an equal responsibility for the Group's operations, the role of these Independent Non-Executive Directors is particularly important in ensuring that the strategies proposed by the executive management are fully deliberated upon, and takes into account the long term interests of the shareholders, employees, customers, suppliers and the communities in which the Group conducts its business. Together, their representations on the Board fairly reflect the investment of the minority shareholders of the Company and in addition carry sufficient weight for decision making.

INDEPENDENCE OF DIRECTORS

The Board, through the Nomination and Remuneration Committee, evaluates the independence of its independent directors annually in accordance with the criteria as prescribed by the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Independent Directors are required to affirm their commitment to bring independent and objective judgment upon their appointments and annually thereafter. On 27 May 2024, the Board approved the proposal to merge the Nomination Committee and Remuneration Committee into one single Board committee to be known as Nomination and Remuneration Committee to enhance the efficiency of the Board in discharging its duties and responsibilities.

During the financial year ended 31 December 2024, the Board, through the Nomination and Remuneration Committee, conducted such assessment on all the Independent Directors and each Director confirmed his/her independence to the Nomination and Remuneration Committee. Based on the said assessment, the Board is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interest of the Company during deliberation at meetings of the Board and Board Committees.

INDEPENDENCE OF DIRECTORS (continued)

The Code stipulates that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to re-designation as a Non-Independent Director. In addition, pursuant to Bursa Malaysia Berhad's letters dated 19 January 2022 and 25 May 2022 on the tenure of an independent director, all long-serving Independent Directors of more than twelve (12) years must resign or be redesignated as Non-Independent Directors by 1 June 2023.

That notwithstanding, the Nomination and Remuneration Committee may assess and assist the Board in recommending, and providing justification for shareholders' consideration and approval through a two-tier voting process in the event the Board intends to retain an Independent Director after serving a cumulative nine-year term.

During the year, there were several changes to the Board composition with the resignation of Dr. Rali Mohd Nor and Datuk Hardew Kaur A/P Hazar Singh, and the appointment of Mr Loo Pak Soon, Ms Cheah Ping Huey and Ms Karen Khoo Kah Mei. The Board has unanimously resolved to effect the aforesaid changes after having considered the mix of skills, experience, qualification and other qualities to meet the Group's needs and based on the recommendation of the Nomination and Remuneration Committee.

Following the above Board changes, there were changes to the Board Committees with Mr Loo Pak Soon and Ms Karen Koh Kah Mei appointed to the Audit Committee as members thus the Audit Committee continues to comprise three (3) Independent Non-Executive Directors. Mr Loo Pak Soon is also the Chair of Risk Management and Sustainability Committee ("RMSC") and member of the Nomination and Remuneration Committee ("NRC") whilst Ms Karen Koh Kah Mei chairs the NRC and the Whistleblowing Committee ("WBC"). She is also a member of the RMSC. Besides the Board Committees, the Share Grant Scheme Committee ("SGSC") is chaired by a Non-Executive Director and members of the WBC and SGSC include both Independent Non-Executive Directors and Non-Independent Non-Executive Directors.

SUFFICIENT PROVISIONS

The Company recognises that its Directors may be invited to become directors of other companies and the Directors are therefore at liberty to accept other Board appointments so long as such appointments are not in conflict with the business of the Group and do not adversely affect the Directors' performance as a member of the Board. In maintaining and monitoring the limitation on directorship as required by the Listing Requirements of Bursa Securities, the Directors upon appointment, and from time to time during their tenure, will notify the Company Secretary of their directorship in other companies for disclosure to the Board at Board meetings.

The Board is of the opinion that the provisions of the Companies Act 2016 ("Act") and Listing Requirements of Bursa Securities are sufficient to ensure adequate commitment given by the Directors to perform their duties without it being formally regulated.

To facilitate the Directors' time planning, a planned annual meetings calendar is prepared and circulated to them before the beginning of each year. It provides the scheduled dates for meetings of the Board and Board Committees as well as the Annual General Meeting.

SUFFICIENT PROVISIONS (continued)

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities and this is demonstrated by the attendance record of the Directors at the meetings of the Board and Board Committees for the financial year ended 31 December 2024 as set out below:

Name of Directors	Board	Audit Committee	Nomination Committee	Remuneration Committee	Nomination and Remuneration Committee	Risk Management and Sustainability Committee
Mr Yong Teck Ming *(Group Chair)*	7 / 7	-	-	-	-	-
Mr Anton Syazi Dato' Ahmad Sebi	7 / 7	-	-	-	-	-
Ms Lee Su Nie	7 / 7	* 5 / 5	-	-	-	* 4 / 4
Ms Aryati Sasya Dato' Ahmad Sebi	7 / 7	* 4 / 4	-	1 / 1	-	4 / 4
Ms Chew Lee Fong	7 / 7	-	1 / 1	-	1 / 1	-
Mr Loo Pak Soon *(Appointed on 22 March 2024)*	5 / 5	4 / 4	-	-	1 / 1	3 / 3
Dr. Rali Mohd Nor *(Resigned on 1 March 2024)*	2 / 2	1 / 1	1 / 1	1 / 1	-	1 / 1
Mr Chim Wai Khuan	7 / 7	5 / 5	-	-	-	-
Ms Cheah Ping Huey *(Appointed on 19 July 2024)*	3 / 3	-	-	-	-	-
Datuk Hardew Kaur a/p Hazar Singh *(Resigned on 16 December 2024)*	7 / 7	5 / 5	1 / 1	1 / 1	1 / 1	4 / 4
Ms Karen Khoo Kah Mei *(Appointed on 16 December 2024)*	0 / 0	0 / 0	-	-	0 / 0	0 / 0

** Attended the meeting(s) by invitation.*

CONTINUAL TRAINING FOR DIRECTORS

The Board acknowledges the importance of continual education and training to enhance its competencies, to broaden its perspectives, skills and knowledge, and to keep abreast of the relevant changes in law, regulations and the business environment.

The Directors have been regularly updated on developments in corporate governance, relevant laws, regulations and business practices and attended relevant courses/seminar as a continuing effort to train and equip themselves to effectively discharge their duties. The Board also evaluates the training needs of its members on a continuous basis pursuant to the Listing Requirements of Bursa Securities and is updated on quarterly basis on the training programmes/courses/seminars attended by Directors.

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

For corporate reporting to our shareholders and stakeholders, our Board ensures that information is complete and accurate and are disseminated in a timely manner. The Company has established a dedicated section for investor on its website. This section provides information relating to corporate governance, annual reports, announcements to Bursa Securities and Board Charter. Contact details are provided on the Company's website to address queries from its shareholders and stakeholders.

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (continued)

The Board acknowledges the importance of establishing a direct line of communication with shareholders and investors through timely dissemination of information on the Group's performance and operations via distribution of annual reports and relevant circulars, and release of quarterly financial results, press releases and announcements.

The AGM is the principal forum for dialogue with shareholders. There is an open 'question and answer' session in which shareholders may pose questions regarding the resolutions being proposed at the meeting and also on matters relating to the Group's businesses and affairs.

The Board members are in attendance at general meetings to provide explanations to all shareholders' queries and shareholders are encouraged to participate in discussions and to give their views to the Directors. The Chair of the Audit, Nomination and Remuneration and Risk Management and Sustainability Committees are also in attendance to provide meaningful response to questions.

Service providers were engaged to provide secured facilities for our virtual 100th AGM in 2024, whereby shareholders participated in such meeting remotely, submitted their questions online and carried out the electronic voting using the remote participation and voting facilities. The forthcoming 101st AGM in 2025 will be held physically.

ACTIVITIES AND FOCUS OF THE BOARD DURING THE YEAR AND FOR THE COMING YEAR

During the financial year ended 31 December 2024, seven (7) Board meetings were held where the Board deliberated upon and considered a variety of matters including the Group's corporate developments, financial results, investments, performance of various business units, short and long term plans of the Group, frameworks, policies and procedures to enhance good governance systems and business behaviour, and reports on risk management and internal audits of the Group. For Board meetings, the Directors received complete meeting materials within a reasonable period prior to the meeting. All proceedings from the Board meetings were minuted and signed by the Chair of the meeting.

Apart from the Mandatory Accreditation Programme attended by the newly appointed Directors, the Board, through the Nomination and Remuneration Committee, also reviewed the training programmes/courses/seminars attended by the Directors to keep abreast with the current developments in laws, regulations, corporate governance and business practices to aid the Directors in discharging their duties and the re-election of Directors.

ACTIVITIES AND FOCUS OF THE BOARD DURING THE YEAR AND FOR THE COMING YEAR (continued)

The Nomination and Remuneration Committee met to review the annual fixed fee structure of members of the Board taking into consideration the increasing responsibilities and time commitment expected from the Directors and the remuneration packages of the Group Executive Deputy Chair, Group Managing Director and senior management of the Company to ensure that the Executive Directors and senior management are fairly remunerated or rewarded for their contributions or individual roles and level of responsibilities and advised the Board accordingly as set out in the Nomination and Remuneration Committee Report on pages 101 to 110 of this Annual Report.

The Audit Committee met with the external auditors three (3) times during the financial year ended 31 December 2024, without the presence of the Executive Directors to discuss the Directors' statement on risk management and internal control, audit plan, audit findings, auditing and accounting issues, fraud related matters, adequacy of management's response and/or other key matters arising from the statutory audit for the financial years ended 31 December 2023 and 2024, and the Company's consolidated audited financial statements.

The Risk Management and Sustainability Committee assisted the Board in assessing the risks including risks with economic, environmental and social ("EES") aspects, key risk areas and internal controls to ensure that the Group Risk Management and Sustainability Framework was sufficiently robust in addressing and mitigating various risks of the Group and reviewing the risk registers to ensure the controls in place as stated in the risk registers are executed accordingly by management. Besides, the Risk Management and Sustainability Committee also assisted the Board in the assessment of anti-bribery and anti-corruption risk as well as whistleblowing incidents to ensure adequate processes is in place for monitoring of such risk as part of the Group risk management and sustainability exercise.

For coming year, the Board will continue with assessment, implementation and monitoring of strategies and plans that are in place for the turnaround and growth of the Group businesses. This includes on-going assessment of the business risks, adequacy and effectiveness of the governance, risk management and sustainability framework and internal control system as well as the material EES issues against the changing business environment, stakeholder opinions, and emerging global and local trends in order to keep abreast of critical issues.

This report is to be read together with the Corporate Governance Report 2024 of the Company which is available on the Company's website. The Corporate Governance Report 2024 provides the details on how the Company has applied each practice as set out in the Code during the financial year 2024.

Audit
Committee Report

Key objectives are the provision of effective governance over the appropriateness of the Group's financial reporting, including the adequacy of related disclosures, the performance of both the internal and external audit functions, and the management of the Group's systems of internal control, business risks and related compliance activities.

COMPOSITION

For the financial year ended 31 December 2024, the Audit Committee comprises a Chair, and two (2) members as follows, all of whom are independent non-executive directors duly appointed by the Board following recommendations by the Nomination and Remuneration Committee after evaluation of their calibre and fit and proper:

Chim Wai Khuan
Chair

Dr. Rali Mohd Nor
Member
(Resigned w.e.f. 1 March 2024)

Datuk Hardew Kaur a/p Hazar Singh
Member
(Resigned w.e.f. 16 December 2024)

Loo Pak Soon
Member
(Appointed w.e.f. 22 March 2024)

Karen Khoo Kah Mei
Member
(Appointed w.e.f. 16 December 2024)

Each member of the Audit Committee brings an appropriate balance of senior level financial and commercial experience combined with a good understanding of the Group's business and is therefore considered by the Board to be competent. Members of the Audit Committee also undertake ongoing training as required.

OBJECTIVES

The Audit Committee's key objectives are the provision of effective governance over the appropriateness of the Group's financial reporting, including the adequacy of related disclosures, the performance of both the internal and external audit functions, and the management of the Group's systems of internal control, business risks and related compliance activities.

TERMS OF REFERENCE ("TOR") OF AUDIT COMMITTEE

The duties and functions of the Audit Committee are set out in its TOR under Schedule 1 of the Board Charter. The Board Charter is accessible via the Company's website at *www.asb.com.my* by referring to the 'Corporate Governance' section.

MEETINGS AND ATTENDANCE

The Audit Committee met five (5) times during the financial year under review and members' attendance at the meetings is set out in the table below:

Name of Directors	Attended
Chim Wai Khuan *Chair*	5 / 5
Dr. Rali Mohd Nor *Member* *(Resigned w.e.f. 1 March 2024)*	1 / 1
Datuk Hardew Kaur a/p Hazar Singh *Member* *(Resigned w.e.f. 16 December 2024)*	5 / 5
Loo Pak Soon *Member* *(Appointed w.e.f. 22 March 2024)*	4 / 4
Karen Khoo Kah Mei *Member* *(Appointed w.e.f. 16 December 2024)*	-

SUMMARY OF ACTIVITIES

During the financial year ended 31 December 2024, the principal activities of the Audit Committee comprised:

(a) Financial Reporting

(i) Reviewed the quarterly unaudited financial results and turnaround plan for non-performing subsidiaries prior to tabling of the same to the Board for approval.

(ii) Reviewed the draft announcements on quarterly and yearly unaudited financial results of the Group prior to tabling the same to the Board for approval.

(iii) Reviewed the annual audited financial statements for the financial year ended 31 December 2023 prior to submission to the Board for approval.

(iv) Reviewed the applicability of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board.

(b) Internal Audit

(i) Reviewed and approved the objectives, adequacy and coverage of the internal audit ("IA") activities of the IA Plan for 2024 after taking into consideration the risk based approach based on the Group businesses and activities. A total of fourteen (14) IA assignments were approved for the 2024 IA Plan.

(ii) Reviewed on a quarterly basis the IA reports and follow-up audits presented by the Internal Auditor (outsourced).

(iii) Reviewed the resource requirements of the IA function.

SUMMARY OF ACTIVITIES (continued)

(b) Internal Audit (continued)

(iv) Reviewed a subsidiary's compliance on Anti-Money Laundering and Counter Financing of Terrorism polices, process and procedures.

(v) Reviewed the results arising from the evaluation/performance of the Internal Audit functions for the financial years ended 31 December 2023 and 31 December 2024.

(c) External Audit

(i) Convened meetings with the external auditors on 26 February 2024, 2 April 2024 and 27 November 2024 without the presence of management to review and deliberate on various matters including Directors' statement on risk management and internal control, audit planning memorandum and audit review memorandum. These audit memorandums included significant audit findings, auditing and accounting issues, fraud related matters, adequacy of management's response and/or other key matters arising from the statutory audit for the financial year ended 31 December 2024.

(ii) Reviewed the audit fees payable to the external auditors.

(iii) Considered and recommended to the Board the re-appointment of external auditors.

(iv) Reviewed the results arising from the evaluation/performance of the External Auditors for the financial years ended 31 December 2023 and 31 December 2024.

(d) Related Party Transactions and Recurrent Related Party Transactions

Reviewed the Group's related party transactions and recurrent related party transactions as well as conflict of interest situations that may arise within the Company or the Group and to ensure that the transactions are conducted in the best interest of the Company, on fair, reasonable and normal commercial terms and are not detrimental to the interest of the minority shareholders.

(e) Conflict of Interest

Reviewed and monitored the conflict of interest declaration/confirmation received from the Directors and key senior management of the Group on a quarterly basis and the proposed measures taken to resolve, eliminate or mitigate such conflict, and report the same to the Board.

(f) Risk Management

Reviewed the matters arising from the Risk Management and Sustainability Committee meetings relating to the adequacy of the risk management policies and procedures implemented within the Company and the Group.

(g) Audit Committee Report

Reviewed the Audit Committee Report and recommended to the Board for inclusion in the Annual Report for the financial year ended 31 December 2024.

(h) Audit Committee Members' Self and Peer Evaluation

Reviewed the results arising from the Audit Committee Members' Self and Peer Evaluation/Performance for the financial years ended 31 December 2023 and 31 December 2024.

INTERNAL AUDIT FUNCTION

The Audit Committee has adopted a top-down, risk-based approach in the implementation and monitoring of internal controls of the Group. This approach was achieved through critical in-depth review and deliberation of the reports and relevant issues presented during the Audit Committee meetings. This top-down, risk-based approach has enabled the Audit Committee to identify any major weaknesses in the risk management and internal controls of the Group and any major areas for improvement, and to make the necessary recommendations to address the issues.

The Audit Committee is assisted by the Internal Auditor (outsourced) to provide an independent appraisal and assurance to ensure the maintaining of a sound system of internal control to safeguard shareholders' investment. The Internal Auditor conducts regular systematic reviews of the system of controls in accordance with the IA Plan approved by the Audit Committee and independently reports directly to the Audit Committee.

During the financial year ended 31 December 2024, the Internal Auditor carried out various operational, system and risk assessment reviews to review and appraise the adequacy and effectiveness of the risk management and internal control processes within the Group. Follow-up audits were also performed by the Internal Auditor to ensure that audit recommendations and corrective action plans were implemented accordingly. A total of fourteen (14) IA reports in relation to IA Plan for year 2024 were presented to the Audit Committee during the financial year ended 31 December 2024. The Internal Auditor also reviewed the related party transactions and recurrent related party transactions entered into by the Company and its subsidiaries to ensure that the transactions were carried out on an arm's length basis.

The costs incurred for the internal audit function of the Group in respect of the financial year ended 31 December 2024 was RM90,399.

Nomination and Remuneration Committee Report

On 27 May 2024, the Company has merged the Nomination Committee and Remuneration Committee into a single Board Committee known as the Nomination and Remuneration Committee ("NRC") to enhance the efficiency of the Board in discharging its duties and responsibilities ("the Merger").

The composition of Nomination Committee and Remuneration Committee before the Merger were as follows:

COMPOSITION

Nomination Committee

The Nomination Committee consisted of three (3) Non-Executive Directors:

Datuk Hardew Kaur a/p Hazar Singh
Chair, Independent Non-Executive Director

Chew Lee Fong
Member, Non-Independent Non-Executive Director

Dr. Rali Mohd Nor
Member, Independent Non-Executive Director
(Resigned on 1 March 2024)

Loo Pak Soon
Member, Independent Non-Executive Director
(Appointed on 22 March 2024)

Remuneration Committee

The Remuneration Committee consisted of three (3) Non-Executive Directors:

Dr. Rali Mohd Nor
Chair, Independent Non-Executive Director
(Resigned on 1 March 2024)

Datuk Hardew Kaur a/p Hazar Singh
Chair, Independent Non-Executive Director
(Re-designated as Chair on 22 March 2024)

Aryati Sasya Dato' Ahmad Sebi
Member, Non-Independent Non-Executive Director

Loo Pak Soon
Member, Independent Non-Executive Director
(Appointed on 22 March 2024)

COMPOSITION (continued)

Following the Merger, all members resigned from Nomination Committee and Remuneration Committee and was appointed as members of NRC with the same designation on 27 May 2024 except Aryati Sasya Dato' Ahmad Sebi who resigned as a member of the Remuneration Committee on 27 May 2024 and was not appointed as a member of the NRC.

Subsequently on 16 December 2024, Karen Khoo Kah Mei was appointed as the Chair of the NRC to replace Datuk Hardew Kaur a/p Hazar Singh who resigned as an Independent Non-Executive Director of the Company and relinquished the Chair of the NRC on 16 December 2024.

The composition of the NRC at the end of the financial year 31 December 2024 was as follows:

Karen Khoo Kah Mei
Chair, Independent Non-Executive Director
(Appointed on 16 December 2024)

Chew Lee Fong
Member, Non-Independent Non-Executive Director
(Appointed on 27 May 2024)

Loo Pak Soon
Member, Independent Non-Executive Director
(Appointed on 27 May 2024)

The details of the aforesaid changes are stated in the Governance Report on page 93 of this Annual Report.

The primary function of the NRC is to review the structure, size and composition of the Board, considers succession planning, and makes recommendations to the Board for approval on suitably qualified candidates for new appointment and/or re-appointment/re-election of director(s) and/or senior management, as well as setting the remuneration policy framework for directors and senior management and ensures that the Directors and senior management are fairly remunerated or rewarded for the contributions or individual roles and level of responsibilities.

Its key objective is to ensure that the Board comprises individuals with the necessary character, skills, experience, expertise, knowledge, professionalism, integrity, competencies, time commitment, and other qualities including diversity in gender, age, cultural background and ethnicity and meeting the fit and proper criteria as set out in Schedule 7 of the Board Charter to ensure that the Board is effective in discharging its responsibilities. The NRC also assists to assess the independence of all the independent directors, and the contribution of each Director on an on-going basis. Additionally, the NRC is responsible for determining the overall remuneration policy framework applied to the Group, including the quantum of variable remuneration and the method of delivery. In carrying out its delegated responsibilities, the NRC receives advice, when they consider it to be appropriate, on remuneration, tax, accounting and regulatory issues from external advisers and internally from the Human Resources, Compliance, Risk and Finance departments.

The Chair of NRC is an Independent Non-Executive Director. The Board believes that the Chair of the NRC is competent to chair the NRC by virtue of her vast experience and is capable to lead the NRC in ensuring that the Board composition meets the needs of the Company.

COMPOSITION (continued)

With the establishment of the NRC, a formal transparent procedure is in place for the appointment of new directors to the Board. The NRC is responsible for making recommendations on any nomination to the Board and to Committees of the Board. The NRC considers candidates for directorship proposed by existing Board members, management or major shareholders, and when appropriate, utilises independent sources to identify suitable candidates. This procedure involves identification of candidates for directorship, evaluation of suitability of candidates, deliberation by the NRC and recommendation to the Board.

DUTIES AND FUNCTIONS

The duties and functions of the NRC are set out in its Terms of Reference ("TOR") which is reviewed by the NRC to comply with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other applicable laws and regulations from time to time where appropriate, and the same be approved by the Board before uploading to the Company's website under Schedule 1 of the Board Charter.

The NRC will assess annually, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each individual director.

The Board, through the NRC, reviews annually its required mix of skills, knowledge, experience, independent element and other qualities, including core competencies, which directors should bring to the Board.

The NRC will also review the term of office and performance of the Audit Committee and each of its members annually to ensure that the Audit Committee has carried out their duties in accordance with their TOR.

REMUNERATION POLICY FRAMEWORK FOR EXECUTIVES

The NRC believes strongly that total remuneration should take into account the competition for talent in an industry where successful people are rewarded and mobile. The Group compensates employees through both fixed and variable compensation.

Fixed compensation comprises principally base salaries and the NRC reviews these as part of their overall annual review taking into account the performance of the individual, comparisons with peer group companies within the industry, the experience of the individual and their roles and level of responsibilities. Other elements related to base salary include an employer's contribution to the Employees Provident Fund.

The policy framework for variable compensation is to recognise corporate performance and individual achievement of objectives through discretionary bonus. Discretionary variable compensation can be delivered in two main forms:

- Annual cash bonus; and
- Long-term incentive award.

REMUNERATION POLICY FRAMEWORK FOR EXECUTIVES (continued)

The executive directors and other senior management assess individual performance through clearly defined objectives and structured process of review and feedback. In particular, the aggregate fixed and variable remuneration by individual is determined with regard to the complexity of the business performance in managing material sustainability risks and opportunities, performance of the individual, performance of the area or function of the business in which the individual works or for which the individual is responsible, the profitability of the Group and levels of reward for comparable roles in the external market.

Executive directors and members of the senior management team do not participate in decisions concerning their own remuneration.

SUMMARY OF ACTIVITIES

During the financial year ended 31 December 2024, the Nomination Committee, Remuneration Committee and/or NRC assisted the Board to carry out the following principal activities:

(i) Reviewed the term of office and performance of the Audit Committee and each of its members to ensure that the Audit Committee carried out their duties in accordance with their TOR.

(ii) Reviewed the structure, size and composition of the Board to ensure that the Board comprises individuals with necessary skills, experience, expertise, knowledge, professionalism, integrity, competencies, time commitment, and other quality including diversity in gender, age, cultural background and ethnicity.

(iii) Recommended to the Board for approval, the suitable candidates for appointment as Director and member of Board Committees.

(iv) Assessed the effectiveness of the Board, Board Committees, and individual directors including the directors standing for election and re-election and recommended to the Board for approval of the retiring directors to be re-elected as they met the criteria of character, experience, integrity, competency and time commitment that will enable them to discharge their respective role as director of the Company effectively.

(v) Reviewed the Nomination Committee Report and Remuneration Committee Report and recommended to the Board for approval to be included in the Company's 2023 Annual Report.

(vi) Assessed the independence of independent directors taking into consideration their tenure as independent directors, the Bursa Securities' requirement applicable to an independent director after serving nine (9) years and the affirmation received from the independent directors on their independence.

SUMMARY OF ACTIVITIES (continued)

The NRC also reviewed the following training programmes/courses/seminars attended by directors and concluded that all directors have attended programmes/courses/seminars to keep abreast with the current developments in laws, regulations, corporate governance and business practices to aid them in discharging their duties:

Directors	Date	Programmes/courses/seminars/ conferences attended	Organiser
Yong Teck Ming	12.03.2024	Online training on "CA Sustainability Community" — Session 1	Chartered Accountants Australia and New Zealand
	21.03.2024	Live Webinar on "BIMB Securities Virtual Corporate Day (Economics) 2024"	BIMB Securities and Bursa Malaysia Berhad
	07.05.2024	Online training on "CA Sustainability Community" — Session 2	Chartered Accountants Australia and New Zealand
	13.08.2024	Fintech Webinar on Deep Dive into Payments	Chartered Accountants Australia and New Zealand (Singapore)
	10.09.2024	Online training on "CA Sustainability Community" — Session 3	Chartered Accountants Australia and New Zealand
	12.11.2024	Online training on "CA Sustainability Community" — Session 4	Chartered Accountants Australia and New Zealand
Anton Syazi Dato' Ahmad Sebi	28 - 29.02.2024	Online training on "Mandatory Accreditation Programme Part II : Leading for Impact (LIP)"	Bursa Malaysia Berhad
	19.08.2024	Webinar on "Bursa PLCs Investor Relations Series 12 — BR Capital: The Digital Credit Market Platform for PLCs and Non-PLCs"	Bursa Malaysia Berhad
Lee Su Nie	30.01.2024	Webinar on "Bursa PLCs Investor Relations Series 1: 2024 Outlook, A Year for Policy Reform"	Bursa Malaysia Berhad
	06.02.2024	Webinar on "LHDN E-Invoicing in Malaysia: Navigating Tax, Compliance & IT Processes"	Collaboration between Baker Tilly Monteiro Heng PLT and ClearTax Malaysia Solutions
	21.03.2024	Live Webinar on "BIMB Securities Virtual Corporate Day (Economics) 2024"	BIMB Securities and Bursa Malaysia Berhad
	04.04.2024	Webinar on "Driving Sustainable Growth: ESG Strategies for Malaysian Businesses"	Baker Tilly Monteiro Heng PLT

SUMMARY OF ACTIVITIES (continued)

Directors	Date	Programmes/courses/seminars/ conferences attended	Organiser
Lee Su Nie (continued)	08.04.2024	Online training on "ESG Matters@ACCA: Applying IFRS Sustainability Disclosures Standards (ISSB S1 & S2)"	Association of Chartered Certified Accountants ("ACCA")
	09.05.2024	Online training on "Leading in a Changed World: Upskill Your Leadership Capabilities To Drive Resilient Teams"	ACCA
	27.05.2024	Online training on "ESG Matters@ ACCA: Decoding Greenhouse Gas Emissions (GHG) Accounting: Scope 1, Scope 2 and Scope 3"	ACCA
	28.06.2024	Webinar on Bursa PLCs Investor Relations Series 9 — Market Outlook 2024	Bursa Malaysia Berhad
	17.07.2024	Webinar on Bursa PLCs Investor Relations Series 10 — Navigating Bursa Malaysia's Enhanced Sustainability Reporting Framework	Bursa Malaysia Berhad
		Webinar on Navigating Capital Gains Tax	KPMG
	17.10.2024	Webinar on "Geopolitical Risks and the Strategic Imperatives for Boards and C-Suite"	KPMG Asia Pacific Board Leadership Center
Aryati Sasya Dato' Ahmad Sebi	30.01.2024	Briefing on 2024 Budget Update & E-Invoicing	Malaysian Dutch Business Council
	11.09.2024	Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Bill 2024	KPMG
	24.09.2024	Bursa Malaysia — Building Sustainable Credibility: Assurance, Greenwashing And The Rise Of Green-Hushing	Bursa Malaysia Berhad
Chim Wai Khuan	28 - 29.02.2024	Online training on "Mandatory Accreditation Programme Part II : Leading for Impact (LIP)"	Bursa Malaysia Berhad
	30.04.2024	Program Taklimat PKPS 2.0 Dan E-Invois	Inland Revenue Board of Malaysia
	08.05.2024	Webinar on "HASiL — CTIM Tax Forum 2024"	Chartered Tax Institute of Malaysia ("CTIM")
	22 - 23.07.2024	National Tax Conference 2024	CTIM

SUMMARY OF ACTIVITIES (continued)

Directors	Date	Programmes/courses/seminars/ conferences attended	Organiser
Chim Wai Khuan (continued)	03.12.2024	Webinar on "Beyond COP: From Insights to Competitive Advantage"	Bursa Malaysia Berhad
	04.12.2024	Seminar on "2025 Budget"	CTIM
	12.12.2024	Online training on "Corporate Zakat and ESG: Bridging Ethical Finance, Driving Sustainability, and Maximizing Returns for PLCs"	Bursa Malaysia Berhad
	16.12.2024	Case Study-Based MFRS Webinar: Accounting for Equity	Malaysian Institute of Accountants ("MIA")
	17.12.2024	Case Study-Based MFRS Webinar: Financial Reporting and Ethical Considerations	MIA
	19 - 20.12.2024	Case Study-Based MFRS Seminar: Financial Reporting of Contracts for Financial Instruments, Revenue and Right-of-use.	MIA
Datuk Hardew Kaur a/p Hazar Singh	28 - 29.02.2024	Online training on "Mandatory Accreditation Programme Part II: Leading for Impact (LIP)"	Bursa Malaysia Berhad
	21.03.2024	Live Webinar on "BIMB Securities Virtual Corporate Day (Economics) 2024"	BIMB Securities
	11.07.2024	Webinar on The Risk Landscape — Navigating Climate Transition Risks in a Circular Economy	KPMG
	19.08.2024	Webinar on "Bursa PLCs Investor Relations Series 12 — BR Capital: The Digital Credit Market Platform for PLCs and Non-PLCs"	Bursa Malaysia Berhad
	11.09.2024	Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Bill 2024	KPMG
	18.09.2024	Online training on "Capacity Building Series: Navigating Sustainability Disclosures and Beyond"	Bursa PLCs Investor Relations
Chew Lee Fong	30 - 31.01.2024	Mandatory Accreditation Program (MAP) — Part I	Bursa Malaysia Berhad
	28 - 29.02.2024	Online training on "Mandatory Accreditation Programme Part II: Leading for Impact (LIP)"	Bursa Malaysia Berhad
	11.09.2024	Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Bill 2024	KPMG

SUMMARY OF ACTIVITIES (continued)

Directors	Date	Programmes/courses/seminars/ conferences attended	Organiser
Chew Lee Fong (continued)	17.10.2024	Webinar on "Geopolitical Risks and the Strategic Imperatives for Boards and C-Suite"	KPMG Asia Pacific Board Leadership Center
Loo Pak Soon	21.02.2024	Online training on "Capital Gains Tax (CGT) on Foreign and Domestic Transactions"	ACCA
	19.08.2024	Webinar on "Bursa PLCs Investor Relations Series 12 — BR Capital: The Digital Credit Market Platform for PLCs and Non-PLCs"	Bursa Malaysia Berhad
	11.09.2024	Cybersecurity Oversight: Board Responsibilities in Light of the Cybersecurity Bill 2024	KPMG
	24.09.2024	Bursa Malaysia — Building Sustainable Credibility: Assurance, Greenwashing And The Rise Of Green-Hushing	Bursa Malaysia Berhad
	03.12.2024	Webinar on "Beyond COP: From Insights to Competitive Advantage"	Bursa Malaysia Berhad
Cheah Ping Huey	11 - 12.11.2024	Mandatory Accreditation Program (MAP) — Part I	Bursa Malaysia Berhad

REMUNERATION FOR THE YEAR

The NRC also reviewed the remuneration package of the Directors and recommended to the Board for approval. The remuneration breakdown of individual Directors and senior management which includes fees, allowance, salary, bonus, benefits-in-kind and other emoluments for the financial year ended 31 December 2024 are as follows:

(a) Remuneration of Directors received from the Company:

Name of Director	Fees RM	Allowance RM	Salary RM	Bonus RM	Benefits-in-kind RM	Other Emoluments RM	Total RM
Executive							
Anton Syazi Dato' Ahmad Sebi	-	96,000	564,000	66,750	-	87,210	813,960
Lee Su Nie	-	96,000	660,000	78,750	52,200	120,170	1,007,120
Sub-total	-	192,000	1,224,000	145,500	52,200	207,380	1,821,080
Non-Executive							
Yong Teck Ming	75,000	-	-	-	-	-	75,000
Aryati Sasya Dato' Ahmad Sebi	30,000	-	-	-	-	-	30,000

REMUNERATION FOR THE YEAR (continued)

(a) Remuneration of Directors received from the Company: (continued)

Name of Director	Fees RM	Allowance RM	Salary RM	Bonus RM	Benefits-in-kind RM	Other Emoluments RM	Total RM
Non-Executive (continued)							
Chew Lee Fong	30,000	-	300,000	33,750	25,000	40,050	428,800
Dr. Rali Mohd Nor *(Resigned on 1 March 2024)*	8,000	-	-	-	-	-	8,000
Chim Wai Khuan	42,000	-	-	-	-	-	42,000
Datuk Hardew Kaur a/p Hazar Singh *(Resigned on 16 December 2024)*	42,582	-	-	-	-	-	42,582
Loo Pak Soon *(Appointed on 22 March 2024)*	33,844	-	-	-	-	-	33,844
Cheah Ping Huey *(Appointed on 19 July 2024)*	13,607	-	-	-	-	-	13,607
Karen Khoo Kah Mei *(Appointed on 16 December 2024)*	1,880	-	-	-	-	-	1,880
Sub-total	276,913	-	300,000	33,750	25,000	40,050	675,713
Grand total	276,913	192,000	1,524,000	179,250	77,200	247,430	2,496,793

(b) Remuneration of Directors received from the Group:

Name of Director	Fees RM	Allowance RM	Salary RM	Bonus RM	Benefits-in-kind RM	Other Emoluments RM	Total RM
Executive							
Anton Syazi Dato' Ahmad Sebi	-	138,000	564,000	66,750	-	92,670	861,420
Lee Su Nie	-	96,000	660,000	78,750	52,200	120,170	1,007,120
Sub-total	-	234,000	1,224,000	145,500	52,200	212,840	1,868,540
Non-Executive							
Yong Teck Ming	75,000	-	-	-	-	-	75,000
Aryati Sasya Dato' Ahmad Sebi	30,000	-	60,000	-	-	7,800	97,800
Chew Lee Fong	30,000	-	300,000	33,750	25,000	40,050	428,800
Dr. Rali Mohd Nor *(Resigned on 1 March 2024)*	8,000	-	-	-	-	-	8,000
Chim Wai Khuan	42,000	-	-	-	-	-	42,000
Datuk Hardew Kaur a/p Hazar Singh *(Resigned on 16 December 2024)*	42,582	-	-	-	-	36,000	78,582
Loo Pak Soon *(Appointed on 22 March 2024)*	33,844	-	-	-	-	-	33,844

REMUNERATION FOR THE YEAR (continued)

(b) Remuneration of Directors received from the Group: (continued)

Name of Director	Fees RM	Allowance RM	Salary RM	Bonus RM	Benefits-in-kind RM	Other Emoluments RM	Total RM
Non-Executive (continued)							
Cheah Ping Huey *(Appointed on 19 July 2024)*	13,607	-	469,560	160,650	-	91,230	735,047
Karen Khoo Kah Mei *(Appointed on 16 December 2024)*	1,880	-	-	-	-	36,000	37,880
Sub-total	276,913	-	829,560	194,400	25,000	211,080	1,536,953
Grand total	276,913	234,000	2,053,560	339,900	77,200	423,920	3,405,493

(c) Remuneration of top five (5) senior management:

In view of the competitive nature of the human resource market, the remuneration of the top five (5) senior management which includes salary, bonus, benefits-in-kind and other emoluments for the financial year ended 31 December 2024 is disclosed in bands of RM50,000:

Remuneration Range	Number of Senior Management staff
Between RM350,001 - RM400,000	1
Between RM450,001 - RM500,000	2
Between RM550,001 - RM600,000	1
Between RM1,000,001 - RM1,050,000	1

DIVERSITY

The NRC and the Board have sought to ensure that the best and suitable candidates are appointed to the Board and the appointments are based on objective criteria and merit, and with due regard for diversity in skills, experience, age, cultural background and gender for the benefits of the Group.

Further information regarding Board diversity can be found on page 91 and gender diversity in the Group as a whole on page 91.

LOOKING AHEAD

In the year ahead, the NRC will continue to assess the Board composition and how it may enhance integrity, compliance and promote ethical practices within the Group, and the effectiveness of the Board in discharging its responsibilities.

Directors' responsibility statement in respect of the audited financial statements

In presenting the annual financial statements and quarterly announcement of results, the Board aims to present a balanced and understandable assessment of the Group's position and prospects. This also applies to other price sensitive public reports and reports to regulators. The Audit Committee assists the Board in scrutinising such reports to ensure accuracy and adequacy. The Audit Committee meets on a quarterly basis to review the integrity and reliability of the quarterly announcement of results. At least twice a year, the Audit Committee will meet to review the integrity and reliability of the Group's annual financial results in the presence of the external auditors without the management, prior to recommending them for the Board's approval and issuance to shareholders.

As part of the Directors' responsibility for preparing financial statements, the Directors are required by the Companies Act 2016 ("Act") to prepare the financial statements for each financial year which have been made out in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Act so as to give a true and fair view of the financial position of the Group and the Company as at the end of the financial year and the financial performance and cash flows of the Group and the Company for the financial year. The Directors have the responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the Act.

In preparing the financial statements, the Directors have:

- Selected suitable accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Ensured that all applicable financial reporting standards have been followed; and
- Prepared financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

Additional Compliance Information

1. UTILISATION OF PROCEEDS

a. As at 31 December 2024, the status of utilisation of proceeds raised from the disposal of a property, Wisma Synergy, by AESBI Power Systems Sdn Bhd, an indirect wholly-owned subsidiary of the Company is as follows:

	Proposed Utilisation RM'000	Utilisation to-date RM'000	Balance Unutilised RM'000	Intended timeframe for Utilisation from 08.11.2019	Extended timeframe for Utilisation from 31.12.2024
Repayment of borrowings	61,340	*61,336	-	Within 3 months	-
Working capital of the Group	51,900	*49,282	2,622	Within 12 months	Within 12 months
Expenses for the disposal	10,760	10,760	-	Within 3 months	-
	124,000	121,378	2,622		

* *The remaining amount of RM4,000 which was not utilised for repayment of borrowing was utilised for working capital of the Group.*

b. As at 31 December 2024, the status of utilisation of proceeds raised from the disposal of hotel management agreements, licensing agreements and trademarks of Alangka-Suka Hotels and Resorts Sdn Bhd Group is as follows:

	Proposed Utilisation RM'000	Utilisation to-date RM'000	Balance Unutilised RM'000	Intended timeframe for Utilisation from 03.12.2021
Working capital of the Group	4,844	*4,857	-	Proceeds of RM4.844 million - Within 24 months
	2,000	2,000	-	Proceeds of RM200,000 per quarter totaling RM2.0 million for Remaining Balance - Within 3 months from the receipt of the quarterly payment
Expenses for the disposal	156	*143	-	Within 12 months
	7,000	7,000	-	

* *The remaining amount of RM13,000 which was not utilised for expenses in relation to the disposal was utilised for working capital of the Group.*

1. UTILISATION OF PROCEEDS (continued)

c. As at 31 December 2024, the status of utilisation of proceeds raised from the Rights Issue is as follows:

	Proposed Utilisation RM'000	Utilisation to-date RM'000	Balance Unutilised RM'000	Intended timeframe for Utilisation from 04.11.2022
Investment in existing businesses and/or future business expansion/ new strategic investment	53,200	52,055	1,145	Within 36 months
Working capital	25,600	*25,618	-	Within 36 months
Expenses for the Rights Issue	1,200	*1,182	-	Immediately
	80,000	78,855	1,145	

* *The remaining amount of RM18,000 which was not utilised for expenses in relation to the Rights Issue was utilised for working capital of the Group.*

d. As at 31 December 2024, the status of utilisation of proceeds raised from termination of lease for Langkawi Hotel is as follows:

	Proposed Utilisation RM'000	Utilisation to-date RM'000	Balance Unutilised RM'000	Intended timeframe for Utilisation from 01.01.2024
Working capital of the Group	29,890	*38,117	-	Within 36 months
Incidental expenses	15,050	*6,823	-	Within 12 months from the Unconditional Date
Expenses for the termination	60	60	-	Within 6 months from date of the Lease Termination
	45,000	45,000	-	

* *The remaining amount of RM8.2 million which was not utilised for incidental expenses in relation to the termination of lease for Langkawi Hotel was utilised for working capital of the Group.*

2. AUDIT AND NON-AUDIT FEES PAID OR PAYABLE TO EXTERNAL AUDITORS

For the financial year ended 31 December 2024, the following audit and non-audit fees are paid or payable by the Company and the Group:

Description	Company	Group
Audit Fees paid or payable to the external auditors, Messrs Baker Tilly Monteiro Heng PLT ("BTMH")	RM151,500	RM501,700
Non-Audit Fees paid or payable to BTMH, or a firm or corporation affiliated to BTMH (Note 1)	RM6,500	RM100,400

Note 1 *The amount disclosed included non-audit fees incurred for reviewing the statement on risk management and internal control, agreed upon procedures and tax filing.*

3. MATERIAL CONTRACTS INVOLVING THE INTERESTS OF THE DIRECTORS, CHIEF EXECUTIVE WHO IS NOT A DIRECTOR OR MAJOR SHAREHOLDERS

At the date of this report, the Group is not aware of any material contracts involving the interests of directors, the Chief Executive who is not a director, or major shareholders, that were either still subsisting at the end of the financial year ended 31 December 2024 or, if not subsisting, were entered into after the previous financial year-end.

FINANCIAL STATEMENTS

Contents

Directors' Report

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and the provision of full corporate and financial support to its subsidiaries. The principal activities of the Company's subsidiaries are disclosed in Note 10 to the financial statements.

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

RESULTS

	Group RM'000	Company RM'000
(Loss)/Profit for the financial year, net of tax	(75,632)	18,636
Attributable to:		
Owners of the Company	(58,728)	18,636
Non-controlling interests	(16,904)	-
	(75,632)	18,636

DIVIDENDS

Since the end of the previous financial year, a first and final single tier dividend of 0.05 sen per ordinary share totalling RM1,264,594 in respect of the financial year ended 31 December 2023 was paid on 19 August 2024.

At the forthcoming Annual General Meeting, a first and final single tier dividend of 0.05 sen per ordinary share in respect of the financial year ended 31 December 2024 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the next financial year ending 31 December 2025.

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.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that there were no known bad debts and that adequate allowance had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

CONTINGENT AND OTHER LIABILITIES (CONTINUED)

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

(ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial year.

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

CHANGE OF CIRCUMSTANCES

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

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and the Company during the financial year are RM1.22 million and RM0.15 million respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the Directors,

(i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS

The Directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Yong Teck Ming	
Anton Syazi Dato’ Ahmad Sebi	
Lee Su Nie	
Aryati Sasya Dato’ Ahmad Sebi	
Chew Lee Fong	
Chim Wai Khuan	
Loo Pak Soon	(Appointed on 22 March 2024)
Cheah Ping Huey	(Appointed on 19 July 2024)
Karen Khoo Kah Mei	(Appointed on 16 December 2024)
Dr. Rali Mohd Nor	(Resigned on 1 March 2024)
Datuk Hardew Kaur A/P Hazar Singh	(Resigned on 16 December 2024)

The Directors of the Company’s subsidiaries in office during the financial year and during the period from the end of the financial year to the date of this report are:

Alain Cheseaux
Ann Wan Kuan
Anton Syazi Dato’ Ahmad Sebi
Aryati Sasya Dato’ Ahmad Sebi
Cheah Foo Choong
Chee Chong Fatt
Chew Lee Fong
Chin Wei Li
Dato' Ahmad Sebi Bakar
Datuk Hardew Kaur a/p Hazar Singh

DIRECTORS (CONTINUED)

The Directors of the Company's subsidiaries in office during the financial year and during the period from the end of the financial year to the date of this report are: (continued)

Frank Michael Turrisi	
Ho Ting Sai	
Ir. Haji Mansor Salleh @ Md Salleh	
Karen Khoo Kah Mei	
Lee Buck Chye	
Lee Chien Siong	
Lee Su Nie	
Ng Sai Kit	
Nina Karina Azman Shah	
Phang Deng Sheng	
Puan Sri Datin Masri Khaw Abdullah	
Sng Ngiap Koon	
Tan Sri Dato' Azman Shah Haron	
Wong Tze Leng	
Yap Chee Kong	
Yong Choon Vooi	
Lee Chin Leng	(Appointed on 18 January 2024)
Norsusilawati Binti Haji Abd. Mutalip	(Appointed on 18 January 2024)
Nicholas Ho Wei Kiat	(Appointed on 1 February 2024)
Tiong Yee Kou	(Appointed on 24 April 2024)
Yong Kam Fei	(Appointed on 24 April 2024)
Afdal Dasina Ahmad Sebi	(Appointed on 18 June 2024)
Arneda Haji Udin	(Resigned on 18 January 2024)
Md Nazirul Mubin Julkiflee	(Resigned on 18 January 2024)
Dr. Rali Mohd Nor	(Resigned on 1 March 2024)
Chuah Seong Phaik	(Resigned on 24 April 2024)
Phuah Peng Hock	(Resigned on 24 April 2024)
Lim Hong Hoo	(Resigned on 31 May 2024)
Kenneth Tan Wei Chin	(Resigned on 26 September 2024)
Wong Kwai Yim, Woo	(Removed on 26 December 2024)

NOMINATION AND REMUNERATION COMMITTEE

The Company has merged the Nomination Committee and Remuneration Committee into a single Board Committee known as the Nomination and Remuneration Committee ("NRC") with effect from 27 May 2024 ("the Merger").

NOMINATION AND REMUNERATION COMMITTEE (CONTINUED)

The NRC is responsible for review of Board effectiveness as well as setting the remuneration policy framework for Directors and Senior Management. The NRC ensures that the Directors are fairly remunerated or rewarded for the contributions or individual roles and level of responsibilities. Additionally, the NRC is responsible for determining the overall remuneration policy framework applied to the Group, including the quantum of variable remuneration and the method of delivery.

Before the Merger, the member of the Nomination Committee and Remuneration Committee were as follows:

<u>Nomination Committee</u>

• Datuk Hardew Kaur a/p Hazar Singh	(Chair, Independent Non-Executive Director)
• Dr Rali Mohd Nor	(Member, Independent Non-Executive Director) (Resigned on 1 March 2024)
• Chew Lee Fong	(Member, Non-Independent Non-Executive Director)
• Loo Pak Soon	(Member, Independent Non-Executive Director) (Appointed on 22 March 2024)

<u>Remuneration Committee</u>

• Dr. Rali Mohd Nor	(Chair, Independent Non-Executive Director) (Resigned on 1 March 2024)
• Aryati Sasya Dato' Ahmad Sebi	(Member, Non-Independent Non-Executive Director)
• Datuk Hardew Kaur a/p Hazar Singh	(Chair, Independent Non-Executive Director) (Re-designated as Chair on 22 March 2024)
• Loo Pak Soon	(Member, Independent Non-Executive Director) (Appointed on 22 March 2024)

Following the Merger, all members resigned from Nomination Committee and Remuneration Committee and was appointed as members of NRC with the same designation on 27 May 2024 except Aryati Sasya Dato' Ahmad Sebi who resigned as a member of the Remuneration Committee on 27 May 2024 and was not appointed as a member of the NRC.

Subsequently on 16 December 2024, Karen Khoo Kah Mei was appointed as the Chair of the NRC to replace Datuk Hardew Kaur a/p Hazar Singh who resigned as an Independent Non-Executive Director of the Company and relinquished the Chair of the NRC on 16 December 2024.

NOMINATION AND REMUNERATION COMMITTEE (CONTINUED)

The composition of the NRC at the end of the financial year 31 December 2024 was as follows:

- Karen Khoo Kah Mei (Chair, Independent Non-Executive Director) (Appointed on 16 December 2024)
- Chew Lee Fong (Member, Non-Independent Non-Executive Director) (Appointed on 27 May 2024)
- Loo Pak Soon (Member, Independent Non-Executive Director) (Appointed on 27 May 2024)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of the Directors in office at the end of the financial year in the shares of Advance Synergy Berhad ("ASB") and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	At 1.1.2024	**Bought**	**Sold**	**At 31.12.2024**
The Company				
Direct Interests				
Aryati Sasya Dato' Ahmad Sebi	66,924,000	-	-	66,924,000
Chew Lee Fong	42,481	-	-	42,481
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*191,401,000	-	-	*191,401,000
Lee Su Nie	*21,095,000	-	-	*21,095,000

	At 22.3.2024 (Date of Appointment	**Bought**	**Sold**	**At 31.12.2024**
The Company				
Deemed Interests				
Loo Pak Soon	*191,401,000	-	-	*191,401,000

DIRECTORS' INTERESTS (CONTINUED)

	Number of ordinary shares			
	At 1.1.2024	Bought	Sold	At 31.12.2024
Subsidiary (continued)				
Captii Limited ("Captii")				
Direct Interests				
Anton Syazi Dato' Ahmad Sebi	517,600	-	-	517,600
Lee Su Nie	20,000	-	-	20,000
Segi Koleksi Sdn. Bhd. ("SKSB")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*[3]1,670,796	-	-	*[3]1,670,796
Aryati Sasya Dato' Ahmad Sebi	*[3]1,670,796	-	-	*[3]1,670,796
Metroprime Corporation Sdn. Bhd. ("MCSB")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*[4]6,675,227	-	-	*[4]6,675,227
Aryati Sasya Dato' Ahmad Sebi	*[4]6,675,227	-	-	*[4]6,675,227
Temasya House Sdn.Bhd.				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*[5]150,000	-	-	*[5]150,000
Aryati Sasya Dato' Ahmad Sebi	*[5]150,000	-	-	*[5]150,000
Yap Ah Shak House Sdn. Bhd.				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*[5]1,273,565	-	-	*[5]1,273,565
Aryati Sasya Dato' Ahmad Sebi	*[5]1,273,565	-	-	*[5]1,273,565

DIRECTORS' INTERESTS (CONTINUED)

	Number of ordinary shares			
	At 1.1.2024	Bought	Sold	At 31.12.2024
Subsidiary (continued)				
Primo Espresso Sdn. Bhd.				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*5 671,687	-	-	*5 671,687
Aryati Sasya Dato' Ahmad Sebi	*5 671,687	-	-	*5 671,687
Osteria Gamberoni Sdn. Bhd.				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*5 1,022,964	-	-	*5 1,022,964
Aryati Sasya Dato' Ahmad Sebi	*5 1,022,964	-	-	*5 1,022,964
Alma Dining Sdn. Bhd. ("Alma")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*5 30	-	-	*5 30
Aryati Sasya Dato' Ahmad Sebi	*5 30	-	-	*5 30

	At 12.8.2024 (date of incorporation)	Bought	Sold	At 31.12.2024
Aras Tiga Sdn. Bhd. ("Aras")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*5 30	-	-	*5 30
Aryati Sasya Dato' Ahmad Sebi	*5 30	-	-	*5 30

DIRECTORS' INTERESTS (CONTINUED)

	Number of ordinary shares			
	At 1.1.2024	**Bought**	**Sold**	**At 31.12.2024**
Subsidiary (continued)				
Jiwa Baru. Sdn. Bhd. ("JBSB")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*6800,040	-	-	*6800,040
Aryati Sasya Dato' Ahmad Sebi	*6800,040	-	-	*6800,040
Acrylic Synergy Sdn. Bhd.				
Direct Interests				
Anton Syazi Dato' Ahmad Sebi	1	-	-	1

	Number of ordinary shares of CHF500.00 each			
	At 1.1.2024	**Bought**	**Sold**	**At 31.12.2024**
Posthotel Arosa AG ("Arosa")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*53,150	-	-	*53,150
Aryati Sasya Dato' Ahmad Sebi	*53,150	-	-	*53,150

	Number of ordinary shares of GBP1.00 each			
	At 1.1.2024	**Bought**	**Sold**	**At 31.12.2024**
57-59 Philbeach Gardens Limited ("PGL")				
Deemed Interests				
Anton Syazi Dato' Ahmad Sebi	*7100	-	-	*7100
Aryati Sasya Dato' Ahmad Sebi	*7100	-	-	*7100

DIRECTORS' INTERESTS (CONTINUED)

[*1] By virtue of their interest in Eighth Review (M) Sdn. Bhd. ("ERSB"), Mr Anton Syazi Dato' Ahmad Sebi and Mr Loo Pak Soon are deemed to be interested in the ordinary shares of ASB to the extent that ERSB has an interest.

[*2] This is her spouse's interest in the ordinary shares of ASB which shall be treated as her interest in the ordinary shares of ASB pursuant to Section 59(11)(c) of the Companies Act 2016 in Malaysia.

[*3] By virtue of their interest in Pacific Existence Sdn. Bhd. ("PESB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that PESB has an interest in SKSB.

[*4] By virtue of their interest in SKSB via PESB, Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that SKSB has an interest in MCSB.

[*5] By virtue of their interest in Kibar Konsep Sdn. Bhd. ("KKSB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that KKSB has an interest in Temasya House Sdn. Bhd., Yap Ah Shak House Sdn. Bhd., Primo Espresso Sdn. Bhd., Osteria Gamberoni Sdn. Bhd., Arosa, Alma and Aras.

[*6] By virtual of their interest in Campbell House Sdn. Bhd. ("CHSB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that CHSB has an interest in JBSB.

[*7] By virtue of their interest in Arosa via KKSB, Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that Arosa has an interest in PGL.

Other than as disclosed above, none of the other Directors in office at the end of the financial year had any interest in the securities of the Company and shares of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company 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 the Directors as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than any deemed benefit which may arise from transactions as disclosed in Note 34 to the financial statements.

DIRECTORS' BENEFITS (CONTINUED)

The Directors' benefits of the Group and of the Company are as follows:

	Group RM'000	Company RM'000
Directors of the Company		
Executive directors		
- Other emoluments	1,868	1,821
Non-executive directors		
- Fees	277	277
- Other emoluments	1,260	399
	1,537	676
	3,405	2,497

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

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage and insurance premium paid for the Directors and officers of the Company were RM30 million and RM39,650 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 10 to the financial statements.

The available auditors' reports on the accounts of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Details of the significant event during the financial year are disclosed in Note 38 to the financial statements.

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the Directors.

ANTON SYAZI DATO' AHMAD SEBI
Director

LEE SU NIE
Director

Selangor

Date: 9 April 2025

Statements of Financial Position

as at 31 December 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	195,558	234,193	47	54
Right-of-use assets	6	36,270	47,741	2,730	3,305
Investment properties	7	14,500	16,300	-	-
Intangible assets	8	32,936	46,904	-	-
Investment in subsidiaries	10	-	-	516,483	482,670
Investment in associates	11	3,546	3,933	-	-
Investment in a joint venture	12	-	-	-	-
Investment securities	13	43,676	70,715	-	-
Deferred tax assets	14	2,573	4,230	-	-
Inventories	15	4,701	4,699	-	-
Total non-current assets		333,760	428,715	519,260	486,029
Current assets					
Inventories	15	63,444	45,016	-	-
Trade and other receivables	16	75,868	131,935	20	14,890
Other assets	17	18,545	23,751	-	-
Current tax assets		1,590	1,362	123	-
Investment securities	13	2,501	2,323	541	432
Financial assets held for trading	18	25	47	-	-
Cash and fixed deposits	19	98,873	114,264	1,770	16,315
Total current assets		260,846	318,698	2,454	31,637
TOTAL ASSETS		594,606	747,413	521,714	517,666

as at 31 December 2024 (continued)

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	20	461,377	461,377	461,377	461,377
Other reserves	21	17,287	23,354	-	-
(Accumulated losses)/ Retained earnings	21	(123,997)	(64,092)	34,642	17,271
Shareholders' funds		354,667	420,639	496,019	478,648
Non-controlling interests	10(g)	52,848	67,593	-	-
Total equity		407,515	488,232	496,019	478,648
Non-current liabilities					
Borrowings	22	74,952	85,632	-	-
Lease liabilities	23	16,711	26,497	2,359	2,935
Deferred tax liabilities	14	3,660	4,368	-	-
Trade and other payables	24	5,412	6,384	-	-
Total non-current liabilities		100,735	122,881	2,359	2,935
Current liabilities					
Borrowings	22	19,679	49,302	-	-
Lease liabilities	23	2,951	3,985	577	557
Current tax liabilities		60	868	-	2
Trade and other payables	24	60,124	77,754	22,759	35,524
Other liabilities	17	3,542	4,391	-	-
Total current liabilities		86,356	136,300	23,336	36,083
Total liabilities		187,091	259,181	25,695	39,018
TOTAL EQUITY AND LIABILITIES		594,606	747,413	521,714	517,666

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

Statements of Comprehensive Income

for the financial year ended 31 December 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	25	270,507	287,566	34,739	15,921
Cost of sales	26	(207,912)	(219,933)	-	-
Gross profit		62,595	67,633	34,739	15,921
Other operating income		13,675	53,131	128	8
Distribution costs		(4,018)	(5,799)	-	-
Administrative expenses		(51,399)	(48,098)	(5,654)	(5,342)
Reversal of impairment losses/ (Impairment losses) on financial instruments and contract assets		551	(1,614)	(312)	(113)
Other operating expenses		(85,480)	(131,882)	(7,905)	(4,554)
Operating (loss)/profit	27	(64,076)	(66,629)	20,996	5,920
Finance income	28	2,368	1,248	-	-
Finance costs	29	(10,544)	(11,416)	(2,342)	(2,591)
Share of results of associates		38	(38)	-	-
(Loss)/Profit before tax		(72,214)	(76,835)	18,654	3,329
Income tax expense	30	(3,418)	(3,790)	(18)	(123)
(Loss)/Profit for the financial year		(75,632)	(80,625)	18,636	3,206
Other comprehensive income/(loss), net of tax					
Items that will not be reclassified subsequently to profit or loss:					
Fair value loss on equity instruments designated at fair value through other comprehensive income		(1,286)	(161)	-	-

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations		(1,552)	7,442	-	-
Other comprehensive (loss)/income for the financial year		(2,838)	7,281	-	-
Total comprehensive (loss)/income for the financial year		(78,470)	(73,344)	18,636	3,206
(Loss)/Profit attributable to:					
Owners of the Company		(58,728)	(49,339)	18,636	3,206
Non-controlling interests		(16,904)	(31,286)	-	-
		(75,632)	(80,625)	18,636	3,206
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(64,707)	(51,092)	18,636	3,206
Non-controlling interests		(13,763)	(22,252)	-	-
		(78,470)	(73,344)	18,636	3,206
Loss per ordinary share attributable to ordinary equity holders of the Company (sen)					
- Basic	31	(2.32)	(1.95)		
- Diluted	31	(2.32)	(1.95)		

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

Statements of Changes In Equity

for the financial year ended 31 December 2024

Group	Share Capital RM'000	Revaluation Reserve RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Retained Earnings/ (Accumulated Losses) RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1 January 2024	461,377	16,413	7,895	(954)	(64,092)	420,639	67,593	488,232
Loss for the financial year	-	-	-	-	(58,728)	(58,728)	(16,904)	(75,632)
Fair value of equity instruments through other comprehensive income	-	-	-	(1,286)	-	(1,286)	-	(1,286)
Crystalisation of revaluation reserve	-	(362)	-	-	362	-	-	-
Realisation of revaluation reserve	-	274	-	-	(274)	-	-	-
Exchange differences on translation of foreign operations	-	-	(4,693)	-	-	(4,693)	3,141	(1,552)
Total comprehensive loss for the financial year	-	(88)	(4,693)	(1,286)	(58,640)	(64,707)	(13,763)	(78,470)
Transactions with owners:								
Dividends paid (Note 32)	-	-	-	-	(1,265)	(1,265)	-	(1,265)
Dividends paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	(982)	(982)
Total transactions with owners	-	-	-	-	(1,265)	(1,265)	(982)	(2,247)
At 31 December 2024	461,377	16,325	3,202	(2,240)	(123,997)	354,667	52,848	407,515

for the financial year ended 31 December 2024 (continued)

Group	Share Capital RM'000	Revaluation Reserve RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Retained Earnings/ (Accumulated Losses) RM'000	Total RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1 January 2023								
- As previously reported	461,377	16,594	9,487	(793)	7,240	493,905	77,468	571,373
- Prior year adjustments	-	-	-	-	(5,548)	(5,548)	(2,266)	(7,814)
Restated balance at 1 January 2023	461,377	16,594	9,487	(793)	1,692	488,357	75,202	563,559
Loss for the financial year	-	-	-	-	(49,339)	(49,339)	(31,286)	(80,625)
Fair value of equity instruments through other comprehensive income	-	-	-	(161)	-	(161)	-	(161)
Crystalisation of revaluation reserve	-	(181)	-	-	181	-	-	-
Exchange differences on translation of foreign operations	-	-	(1,592)	-	-	(1,592)	9,034	7,442
Total comprehensive loss for the financial year	-	(181)	(1,592)	(161)	(49,158)	(51,092)	(22,252)	(73,344)
<u>Transactions with owners:</u>								
Dividends paid (Note 32)	-	-	-	-	(2,529)	(2,529)	-	(2,529)
Dividends paid to non-controlling interest of a subsidiary	-	-	-	-	-	-	(1,547)	(1,547)
Acquisition of additional interest in a subsidiary from non-controlling interest	-	-	-	-	(14,097)	(14,097)	14,097	-
Additional interest in subsidiaries	-	-	-	-	-	-	2,093	2,093
Total transactions with owners	-	-	-	-	(16,626)	(16,626)	14,643	(1,983)
At 31 December 2023	461,377	16,413	7,895	(954)	(64,092)	420,639	67,593	488,232

Company	Share Capital RM'000	Retained Earnings RM'000	Total RM'000
At 1 January 2023	461,377	16,594	477,971
Total comprehensive income for the financial year	-	3,206	3,206
Transaction with owners:			
Dividends paid (Note 32)	-	(2,529)	(2,529)
Total transactions with owners	-	(2,529)	(2,529)
At 31 December 2023	461,377	17,271	478,648
Total comprehensive income for the financial year	-	18,636	18,636
Transaction with owners:			
Dividends paid (Note 32)	-	(1,265)	(1,265)
Total transactions with owners	-	(1,265)	(1,265)
At 31 December 2024	461,377	34,642	496,019

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

Statements of Cash Flows

for the financial year ended 31 December 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities:					
(Loss)/Profit before tax		(72,214)	(76,835)	18,654	3,329
Adjustments for:					
Amortisation of intangible assets		846	707	-	-
Depreciation of property, plant and equipment		8,135	7,858	12	14
Depreciation of right-of-use assets		3,647	7,622	575	575
Dividends from quoted investment securities		(840)	(54)	(10)	(4)
Effect of modification to lease terms		(2,354)	(2,968)	-	-
Fair value (gain)/loss in:					
- investment properties		(700)	(200)	-	-
- quoted investment securities		(66)	205	(126)	(7)
- unquoted investment securities		22,247	25,871	-	-
Loss on deregistration of subsidiary		32	-	-	-
(Gain)/Loss on disposal of:					
- property, plant and equipment		(2,275)	2,942	-	-
- quoted investment securities		(80)	(1)	-	-
- investment properties		185	-	-	-
- investment in subsidiary		(37)	-	-	-
Net gain on termination of lease		-	(38,600)	-	-
Impairment losses/(Reversal of impairment losses) on:					
- amount owing from associates		254	-	-	-
- goodwill		15,035	39,465	-	-
- investment in unquoted shares		1,693	-	-	-
- right-of-use assets		2,174	6,000	-	-
- intangible assets		705	-	-	-
- investment in associates		25	-	-	-
- investment in subsidiaries		-	-	7,265	3,963
- property, plant and equipment		12,236	15,707	-	-
- trade and other receivables		(805)	1,727	312	113

for the financial year ended 31 December 2024 (continued)

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities: (continued)					
Interest expenses		10,544	11,416	2,342	2,591
Interest income		(2,698)	(2,345)	(329)	(1,097)
Inventories written down		-	1,664	-	-
Net unrealised (gain)/loss on foreign exchange		(735)	215	42	-
Property, plant and equipment written off		3	402	-	-
Share of results in associates		(38)	38	-	-
Operating (loss)/profit before working capital changes		(5,081)	836	28,737	9,477
Changes in working capital:					
Inventories		(18,430)	(10,755)	-	-
Receivables		61,825	(21,561)	(26,521)	(34,639)
Financial assets at fair value through profit or loss		21	(25)	-	-
Payables		(19,451)	7,506	(12,805)	(28,541)
Net cash generated from/(used in) operations		18,884	(23,999)	(10,589)	(53,703)
Retirement benefits paid		-	(25)	-	-
Tax paid		(3,507)	(2,342)	(143)	(123)
Net cash generated from/(used in) operating activities		15,377	(26,366)	(10,732)	(53,826)

for the financial year ended 31 December 2024 (continued)

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Cash flows from investing activities:					
Acquisition of:					
- intangible assets		(2,637)	(1,496)	-	-
- unquoted investment securities		(577)	(1,151)	-	-
Change in deposit placed with licensed banks		2,640	81,120	-	71,000
Dividend income received		1,240	54	10	4
Interest received		2,698	2,345	329	1,097
(Placement)/Withdrawal of pledged deposits		(1,084)	6,701	-	-
Proceeds from disposal of:					
- hotel management services contracts		-	800	-	-
- investment property		2,315	-	-	-
- property, plant and equipment		23,880	1,167	-	-
- quoted investments securities		16	-	16	-
- unquoted investment securities		1,193	460	-	-
Purchase of property, plant and equipment		(7,147)	(10,057)	(5)	(12)
Net cash generated from investing activities		22,537	79,943	350	72,089
Cash flows from financing activities:	(a)				
Dividends paid		(1,265)	(2,529)	(1,265)	(2,529)
Dividends paid to non-controlling interests of a subsidiary		(982)	(1,547)	-	-
Repayment of term loans		(9,764)	(4,428)	-	-
Interest paid		(10,544)	(11,416)	(2,342)	(2,591)
Payments of lease liabilities		(2,879)	(6,128)	(556)	(537)
Repayment of revolving credit		(29,000)	(1,000)	-	-
Net cash used in financing activities		(54,434)	(27,048)	(4,163)	(5,657)
Effects of exchange rate changes		3,303	(2,218)	-	-
Net change in cash and cash equivalents		(13,217)	24,311	(14,545)	12,606
Cash and cash equivalents at the beginning of the financial year					
As previously reported		88,084	61,101	16,315	3,709
Effect of exchange rate changes		(621)	2,672	-	-
		87,463	63,773	16,315	3,709
Cash and cash equivalents at the end of the financial year	19	74,246	88,084	1,770	16,315

(a) Reconciliation of liabilities arising from financial liabilities:

Group

	At 1 January RM'000	Cash flows RM'000	Lease modification RM'000	Addition RM'000	Exchange difference RM'000	At 31 December RM'000
2024						
Revolving credit	39,000	(29,000)	-	-	-	10,000
Term loans	95,934	(9,764)	-	-	(1,539)	84,631
Lease liabilities	30,482	(2,879)	(7,540)	-	(401)	19,662
	165,416	(41,643)	(7,540)	-	(1,940)	114,293
2023						
Revolving credit	40,000	(1,000)	-	-	-	39,000
Term loans	98,915	(5,689)	-	1,261	1,447	95,934
Lease liabilities	44,351	(6,128)	(9,120)	-	1,379	30,482
	183,266	(12,817)	(9,120)	1,261	2,826	165,416

Company

	At 1 January RM'000	Cash flows RM'000	At 31 December RM'000
2024			
Lease liabilities	3,492	(556)	2,936
2023			
Lease liabilities	4,029	(537)	3,492

(b) During the financial year, the Group and the Company had total cash outflows for leases of RM4,669,000 and RM683,000 (2023: RM6,690,000 and RM683,000) respectively.

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

Notes to the Financial Statements

31 December 2024

1. GENERAL INFORMATION

The principal activities of the Company are that of investment holding and the provision of full corporate and financial support to its subsidiaries. The principal activities of the Company's subsidiaries are disclosed in Note 10 to the financial statements. There have been no significant changes in the nature of these principal activities during the financial year.

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

The registered office of the Company is located at Ground Floor, Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor.

The principal place of business of the Company is located at Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor.

The financial statements were approved and authorised for issue by the Board of Directors in accordance with a resolution of the directors on 9 April 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2. BASIS OF PREPARATION (CONTINUED)

2.2 Adoption of amendments to MFRSs

The Group and the Company have adopted the following applicable to MFRSs for the current financial year:

Amendments to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statement of Cash Flows

The adoption of the above amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

Amendments to MFRS 101 Presentation of Financial Statements

The amendments include specifying that an entity's right to defer settlement of a liability for at least twelve months after reporting period must have substance and must exist at the end of the reporting period; clarifying that classification of a liability is unaffected by the likelihood of the entity to exercise its right to defer settlement of the liability for at least twelve months after the reporting period; clarifying how lending conditions affect classification of a liability; and clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The latest amendments to MFRS 101 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. As such, the amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective

(a) The Group and the Company have not adopted the following new MFRS and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New MFRS</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 107	Statement of Cash Flows	1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

(b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs and amendments to MFRSs that may be applicable to the Group and the Company are summarised below.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss — including "operating profit", which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)

(b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (continued)

MFRS 18 Presentation and Disclosure in Financial Statements (continued)

MFRS 18 requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures ("MPMs"). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity's financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the "operating" category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as "other" to be labelled and/or described in as faithfully representative and precise a way as possible.

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

Amendments to MFRS 121 respond to stakeholder feedback and concerns about diversity in practice in accounting for a lack of exchangeability between currencies.

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective (continued)

(b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRSs and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (continued)

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates (continued)

Applying the Amendments, entities will be applying a consistent approach in determining if a currency can be exchanged into another currency. These amendments provide guidance on the spot exchange rate to use when a currency is not exchangeable into another currency and the disclosures entities need to provide to enable users of financial statements to understand the impact on the entities' financial performance, financial position and cash flows as a result of a currency being not exchangeable into another currency.

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the classification and measurement requirements, including:

- clarify how the contractual cash flows on financial assets with environmental, social and corporate governance and similar features should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.
- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

2. BASIS OF PREPARATION (CONTINUED)

2.4 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 they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date.

Acquisition of entities under reorganisation scheme does not result in any change in economic substance. Accordingly, the consolidated financial statements of the Company are continuation of the acquired entity and is accounted for as follows:

- the assets and liabilities of the acquired entity are recognised and measured in the consolidated financial statements as the pre-combination carrying amounts, without restatement to fair value;
- the retained earnings and other equity balances of acquired entity immediately before the business combination are those of the Group; and
- the equity structure, however, reflects the equity structure of the Company and the differences arising from the change in equity structure of the Group will be accounted for in other reserves.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.1 Basis of consolidation (continued)

(b) Non-controlling interests

At the acquisition date, components of non-controlling interest of the Group are measured at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

(c) Associates

Investment in associates is accounted for in the consolidated financial statements of the Group using the equity method.

(d) Joint arrangements

The Group classifieds its joint arrangements as disclosed in Note 12 "joint venture" for Unified Telecom Private Limited and accounts its interests using the equity method as the Group has rights to the net assets of the arrangements.

(e) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries, joint ventures and associates are measured at cost less any accumulated impairment losses.

Contributions to subsidiaries are amounts which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.3 Financial instruments

Financial assets — subsequent measurement and gains and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity instruments at fair value through other comprehensive income

The Group and the Company subsequently measure all equity investments at fair value. Upon initial recognition, the Group and the Company have made an irrevocable election to classify its equity investments as disclosed in Note 13 to the financial statements that are not held for trading as equity instruments designated at fair value through other comprehensive income. The classification is determined on an instruments-by-instrument basis.

Gain and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial liabilities — subsequent measurement and gains and losses

The Group and the Company subsequently measure other financial liabilities at amortised cost under 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.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 Property, plant and equipment

Property, plant and equipment (other than certain freehold land and buildings and right-of-use assets) are measured at cost less accumulated depreciation and any accumulated impairment losses.

Certain freehold lands and buildings are measured at fair value, based on valuations by external independent valuers, less accumulated depreciation on buildings and any impairment losses recognised after the date of revaluation. Valuations are performed with sufficient regularity to ensure that the fair value of the freehold lands and buildings does not differ materially from the carrying amount. Any accumulated depreciation as at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

The revaluation reserve is transferred to retained earnings as the assets are used. The amount of revaluation reserve transferred is the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Freehold land has an unlimited useful life and therefore is not depreciated. Assets under construction included in property, plant and equipment are not depreciated as these assets are not available for use.

All other property, plant and equipment (other than right-of-use assets as disclosed in Note 3.5 to the financial statements) are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

Hotel properties (buildings)	50 years
Buildings	2%-5%
Plant and machinery	10%-20%
Motor vehicles	20%
Furniture, fittings and equipment	10%-25%
Renovation	10%-20%
Computer equipment and software	20%-33.33%
Crockeries, glassware, cutleries, linen and kitchen utensils	10%
Telecommunications, research and development equipment	20%-33.33%

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Leases

(a) Lessee accounting

The Group and the Company present right-of-use assets and lease liabilities as separate lines in the statements of financial position.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognised right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group and the Company recognise the lease payments as an operating expense on a straight-link basis over the term of the lease.

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are 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 asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payment that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Lessor accounting

The Group recognises lease payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognised as other income.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Investment properties

Investment properties are measured at fair value with gains and losses arising from changes in the fair values of investment properties in profit or loss for the period in which they arise.

3.7 Intangible assets

Intangible assets, other than goodwill, that are acquired by the Group and the Company, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

The amortisation methods used and the estimated useful lives are as follows:

	Method	**Useful lives (year)**
Deferred development costs	Straight-line	5
Licenses	Straight-line	5

3.8 Inventories

Inventories are measured at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- raw materials: purchase costs on a first-in first-out basis.
- finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

<u>Property under development and completed properties</u>

The cost of property under development recognised in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative sale value of the property sold.

The cost of unsold completed properties is determined on a specific identification basis.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income

Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

(a) Sales of goods

Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

The credit terms offered by the Group range from 30 to 90 days (2023: 30 to 90 days).

(b) Rendering of Services

Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs. For services that are not material transactions revenue is recognised as the services are provided.

Distinct goods or services created over time

For distinct goods or services in a series such as routine or recurring service contracts where the promise under the contract is for a specified quantity of goods or services that meets the over-time criteria or is a stand-ready or single continuous service and if the nature of each good or service is distinct, substantially the same and has the same pattern of transfer or each time increment is distinct, then revenue is recognised at the amount that the entity has the right to bill a fixed amount for each unit of goods or service provided.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(b) Rendering of Services (continued)

Distinct goods or services created over time (continued)

For long-term service contracts and projects for constructing, manufacturing or developing an asset the value to the customer is created over time during the contract period and it is accounted for as a single performance obligation that is satisfied over time. This is because the customer simultaneously receives and consumes the benefits of the entity's performance in processing each transaction as and when each transaction is processed; the performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or the performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. The revenue is recognised over time by using the input method. For the input method the revenue is recognised on the basis of the efforts or inputs to the satisfaction of a performance obligation such as costs incurred relative to the total expected inputs to the satisfaction of that performance obligation.

Sale of tickets

The Group is also involved in retaile and wholesale of airline tickets to their leisure travel customers and travel agents. The Groups sells the airlines tickets to their leisure travel customers as part of their travel packages, while their travel agents customers act as a form of distribution channel to other retail customers. Principal and agent relationship have been taken into consideration and the Group is acting as a principal in this regard.

The price of the sale of ticketing is based on an actual cost incurred plus a pre- determined mark-up rate.

Ticket refund occurs when there is a cancellation of flight or a change of date on the flight tickets, mainly referring to refund of airport taxes.

Revenue from sale of ticketing is recognised at a point in time upon issuance of the tickets.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(b) Rendering of Services (continued)

Sale of tour packages

Sale of tour packages consist of inbound and outbound tour packages. The inbound tour is the tour packages within Malaysia, whereas outbound tour is the tour packages to foreign countries. Accordingly, contracts for sale of tour package comprises multiple deliverables which includes significant integration service and are therefore recognised as a single performance obligation. Principal and agent relationship have been taken into consideration and the Group is acting as a principal in this regard.

Revenue from the sale of tour package is recognised based on the fixed price specified in the contract. Agent companies are entitled for corporate discounts and revenue derived from agent companies represent tour charges and sales of air tickets less discounts and refunds.

Tour refund refers to cancellation of tour due to several reasons. For example, travel alert, terrorism, not meeting minimum number of pax of travellers, and also customers' personal reasons. Sales vouchers will be given to customers under the circumstances when the customers intend to cancel or change the tour date to a later date.

Revenue from sale of tour package is recognised point in time based on the commencement of the tour.

Consistent with market practise, the Group collects deposits from customers for the sale of tour packages. A contract liability is recognised for the customer deposits as the Group has an obligation to render service to the customer in respect of deposit received which is presented in the statement of financial position within other payables as contract liabilities. Customer deposits would be recognised as revenue when the related services are rendered.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(c) Property development

The Group develops and sells residential properties.

For practical expediency, the Group and the Company applies revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics in the property development business if the Group reasonably expect that the effects on the financial statements would not differ materially from recognising revenue on each individual contracts (or performance obligations) within that portfolio.

Revenue from residential properties are recognised as and when the control of the asset is transferred to the customer. Based on the terms of the contract and the laws that apply to the contract, control of the asset is transferred over time as the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction of a performance obligation is determined by the proportion of property development costs incurred for work performed to date bear to the estimated total property development costs (an input method).

The consideration is due based on the scheduled payments in the contract, therefore, no element of financing is deemed present. When a particular milestone is reached in excess of the scheduled payments, a contract asset will be recognised for the excess of revenue recognised to date under the input method over the progress billings to-date and include deposits or advances received from customers. When the progress billings to-date and include deposits or advances received from customers exceeds revenue recognised to date then the Group recognise a contract liability for the difference.

Consistent with market practice, the Group collects deposit from customers for sale of properties. A contract liability is recognised for the customer deposits as the Group has obligations to transfer the goods or services to the customer in respect of deposits received. Customer deposits would be recognised as revenue upon transfer of goods or services to the customer.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(c) Property development (continued)

For residential properties, as part of the statutory requirements, the Group's obligations is to rectify any defects that become apparent within the defect liability period 24 months after the customer takes vacant procession of the building. No provision for rectification costs has been made as the end of the financial year as there has been no known material defect reported and only minimal costs have been incurred in the past.

(d) Hotel revenue

The Group recognised the revenue received from guests on the services rendered including room sales, food and beverage and other ancillary services. These are distinct performances obligations, for which prices invoiced to the guests are representative of their stand-alone selling price. These obligations are fulfilled over time when they relate to room sales, along the stay in the hotel, and at a point in time for other goods or services, when they have been delivered or rendered.

(e) Bus-body fabrication

The Group manufactures bus bodies and assembles buses. Contract with customer is highly integrated, it is recognised as a single performance obligation. Revenue is recognised progressively based on the progress towards complete satisfaction of the performance obligation.

Revenue is recognised over time when control of the asset is transferred over time when the Group's performance:

- creates and enhances an asset that the customer controls as the services are being performed; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Revenue and other income (continued)

(f) Rental income

Rental income from investment property is recognised on a straight-line basis over the term of the lease. Lease incentive granted is recognised as an integral part of the total rental income, over the term of the lease.

3.10 Deferred tax

When investment properties are carried at fair value in accordance with the material accounting policy information as disclosed in Note 3.6 to the financial statements, the amount of deferred tax recognised is measured using tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within the business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

3.11 Contract costs

The Group has applied the practical expedient to recognise the incremental costs of obtaining contracts as an expense when incurred if the amortisation periods of the asset that the Group otherwise would have recognised are one year or less.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

4.1 Impairment of goodwill on consolidation

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of CGU to which the goodwill is allocated. Estimating a value-in-use amount requires management to make an estimation of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

The carrying amounts of the Group’s goodwill key assumptions used to determine the recoverable amount for different cash-generating units, including sensitivity analysis, are disclosed in Note 9 to the financial statements.

4.2 Valuation of investment properties

The Group has investment properties carried at fair value. Valuation of these assets is based on valuation performed by independent professional property valuers. The valuation method adopted by the valuers was comparison method for similar assets and comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for location, size, tenure, title restrictions, neighbourhood, and other relevant factors. Significant judgement is made in determining the appropriate valuation methods and the key assumptions used in the valuations. Any changes in these assumptions will have an impact on the carrying amounts of the investment properties.

The carrying amounts of the Group’s investment properties are disclosed in Note 7 to the financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTION (CONTINUED)

4.3 Valuation of unquoted investments

The Group has significant balances of financial instruments that are not traded in an active market, the fair value is established by using valuation techniques that are appropriate in circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The fair value measurement requires the selection among a range of different valuation methodologies, making estimates about expected future cash flows and discounted rates. The models are tested for validity by calibrating to prices from any observable current market transactions in the same instrument when available. Where cost is used as an estimate of fair value, significant judgement is required where management considers various indicators where cost might not be representative of fair value.

The carrying amount of the Group's fair value of unquoted investments are disclosed in Note 13 to the financial statements.

4.4 Impairment in investment in a subsidiary

The Company determines whether there is any indication of impairment in investment in a subsidiary. If any of such indication exists, the Company makes an estimate of the recoverable amount of the investment in a subsidiary.

The recoverable amount of investment in a subsidiary was determined based on value-in-use which involves exercise of significant judgement on the discount rates applied and the assumption supporting the underlying cash flow projections which include future revenue, gross profit margin and operating expenses.

The carrying amount of the Company's investment in subsidiaries are disclosed in Note 10 to the financial statements.

5. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land	Buildings	Hotel properties -Freehold lands	Hotel properties -Buildings	Plant and machinery	Furniture, fittings and equipment	Renovation	Motor vehicles	Computer equipment and software	Crockeries, glassware, cutleries, linen and kitchen utensils	Telecom-munications and research and development equipment	Total
2024	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Cost/Valuation												
At 1 January 2024	407	63,912	89,275	78,449	4,207	13,198	25,561	1,239	10,937	888	33,349	321,422
Additions	1,894	6	-	189	485	1,972	1,435	-	589	100	477	7,147
Disposals	-	-	(12,025)	(11,683)	-	-	-	-	-	-	-	(23,708)
Written off	-	-	-	-	-	(18)	(1,417)	-	(12)	-	(505)	(1,952)
Reclassification	-	-	-	-	174	(284)	-	-	-	110	-	-
Exchange differences	-	(62)	(1,886)	(1,460)	(1)	(275)	(1,397)	(8)	(24)	(4)	(724)	(5,841)
At 31 December 2024	2,301	63,856	75,364	65,495	4,865	14,593	24,182	1,231	11,490	1,094	32,597	297,068
Accumulated Depreciation												
At 1 January 2024	-	5,639	-	2,141	2,035	9,788	8,474	1,208	9,109	363	22,763	61,520
Depreciation for the financial year	-	1,288	-	1,316	333	865	2,267	31	977	269	789	8,135
Disposals	-	-	-	(2,103)	-	-	-	-	-	-	-	(2,103)
Written off	-	-	-	-	-	(18)	(1,633)	-	(12)	-	(286)	(1,949)
Reclassification	-	-	-	-	85	(100)	-	-	-	15	-	-
Exchange differences	-	(36)	-	(35)	-	(204)	(1,039)	(8)	(31)	-	(194)	(1,547)
At 31 December 2024	-	6,891	-	1,319	2,453	10,331	8,069	1,231	10,043	647	23,072	64,056

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land	Buildings	Hotel properties -Freehold lands	Hotel properties -Buildings	Plant and machinery	Furniture, fittings and equipment	Renovation	Motor vehicles	Computer equipment and software	Crockeries, glassware, cutleries, linen and kitchen utensils	Telecom-munications and research and development equipment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group												
2024												
Accumulated Impairment Loss												
At 1 January 2024	-	-	7,683	8,024	-	352	1,225	-	-	-	8,425	25,709
Impairment loss for the financial year	-	-	-	-	-	-	12,078	-	-	-	158	12,236
Exchange differences	-	-	-	-	-	-	-	-	-	-	(491)	(491)
At 31 December 2024	-	-	7,683	8,024	-	352	13,303	-	-	-	8,092	37,454
Carrying Amount at 31 December 2024	2,301	56,965	67,681	56,152	2,412	3,910	2,810	-	1,447	447	1,433	195,558
Representing:												
Cost	2,301	56,965	-	-	2,412	3,910	2,810	-	1,447	447	1,433	71,725
Valuation	-	-	67,681	56,152	-	-	-	-	-	-	-	123,833
Total	2,301	56,965	67,681	56,152	2,412	3,910	2,810	-	1,447	447	1,433	195,558

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land	Buildings	Hotel properties -Freehold lands	Hotel properties -Buildings	Plant and machinery	Furniture, fittings and equipment	Renovation	Motor vehicles	Computer equipment and software	Crockeries, glassware, cutleries, linen and kitchen utensils	Telecom-munications and research and development equipment	Total
2023	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Cost/Valuation												
At 1 January 2023	407	63,504	85,755	72,312	9,028	34,561	26,169	2,736	8,481	3,186	32,688	338,827
Additions	-	350	-	3,379	403	2,021	418	111	2,484	267	624	10,057
Disposals	-	-	-	-	-	(19,973)	(1,219)	(1,053)	(27)	(1,502)	-	(23,774)
Written off	-	-	-	-	(5,293)	(3,495)	(10)	(561)	(23)	(1,065)	(528)	(10,975)
Reclassification	-	-	-	-	60	(60)	-	-	-	-	-	-
Exchange differences	-	58	3,520	2,758	9	144	203	6	22	2	565	7,287
At 31 December 2023	407	63,912	89,275	78,449	4,207	13,198	25,561	1,239	10,937	888	33,349	321,422
Accumulated Depreciation												
At 1 January 2023	-	4,321	-	1,277	6,958	28,930	7,261	2,736	7,964	1,897	22,218	83,562
Depreciation for the financial year	-	1,286	-	1,157	337	1,165	1,249	62	1,164	415	1,023	7,858
Disposals	-	-	-	-	-	(17,186)	(455)	(1,035)	(25)	(964)	-	(19,665)
Written off	-	-	-	-	(5,263)	(3,214)	-	(561)	(22)	(985)	(528)	(10,573)
Reclassification	-	-	-	(300)	1	13	286	-	-	-	-	-
Exchange differences	-	32	-	7	2	80	133	6	28	-	50	338
At 31 December 2023	-	5,639	-	2,141	2,035	9,788	8,474	1,208	9,109	363	22,763	61,520

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land	Buildings	Hotel properties -Freehold lands	Hotel properties -Buildings	Plant and machinery	Furniture, fittings and equipment	Renovation	Motor vehicles	Computer equipment and software	Crockeries, glassware, cutleries, linen and kitchen utensils	Telecom-munications and research and development equipment	Total
2023	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Accumulated Impairment Loss												
At 1 January 2023	-	-	-	-	-	352	1,225	-	-	-	7,939	9,516
Impairment loss for the financial year	-	-	7,683	8,024	-	-	-	-	-	-	-	15,707
Exchange differences	-	-	-	-	-	-	-	-	-	-	486	486
At 31 December 2023	-	-	7,683	8,024	-	352	1,225	-	-	-	8,425	25,709
Carrying Amount at 31 December 2023	407	58,273	81,592	68,284	2,172	3,058	15,862	31	1,828	525	2,161	234,193
Representing:												
Cost	407	58,273	-	-	2,172	3,058	15,862	31	1,828	525	2,161	84,317
Valuation	-	-	81,592	68,284	-	-	-	-	-	-	-	149,876
Total	407	58,273	81,592	68,284	2,172	3,058	15,862	31	1,828	525	2,161	234,193

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company 2024	**Computer equipment RM'000**	**Furniture, fittings and equipment RM'000**	**Renovations RM'000**	**Total RM'000**
Cost				
At 1 January 2024	97	115	46	258
Additions	2	3	-	5
At 31 December 2024	99	118	46	263
Accumulated Depreciation				
At 1 January 2024	88	103	13	204
Depreciation for the financial year	6	2	4	12
At 31 December 2024	94	105	17	216
Carrying Amount at 31 December 2024	5	13	29	47
Company 2023				
Cost				
At 1 January 2023	85	115	46	246
Additions	12	-	-	12
At 31 December 2023	97	115	46	258
Accumulated Depreciation				
At 1 January 2023	80	101	9	190
Depreciation for the financial year	8	2	4	14
At 31 December 2023	88	103	13	204
Carrying Amount at 31 December 2023	9	12	33	54

(a) Included in property, plant and equipment of the Group are assets pledged to the licensed banks to secure credit facilities granted to the Company and its subsidiaries as disclosed in Note 22 to the financial statements with the following carrying amounts:

	Group	
	2024 RM'000	**2023 RM'000**
Hotel properties	76,193	103,355
Buildings	86,524	88,894
	162,717	192,249

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Had the revalued assets been carried at cost less accumulated depreciation, the carrying amounts would have been as follows:

Group	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
2024			
Hotel properties			
- lands	49,523	-	49,523
- buildings	50,749	(6,014)	44,735
	100,272	(6,014)	94,258
2023			
Hotel properties			
- lands	60,663	-	60,663
- buildings	71,261	(11,263)	59,998
	131,924	(11,263)	120,661

(c) Fair value information

Fair values of revalued properties are categorised as follows:

Group	Level 3 RM'000
2024	
Hotel properties	
- lands	67,681
- buildings	56,152
	123,833
2023	
Hotel properties	
- lands	81,592
- buildings	68,284
	149,876

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(c) Fair value information (continued)

Valuation techniques and significant other observable inputs

Hotel property 1

Valuation technique for recurring fair value measurements	Comparison with market evidence of recent transaction prices for similar properties
Significant unobservable inputs	Price per square feet: RM73 (2023:RM73)
Relationship of unobservable inputs to fair value	The higher the price per square feet, the higher the fair value

Hotel property 2

Valuation technique for recurring fair value measurements	Comparison with market evidence of recent transaction prices for similar properties
Significant unobservable inputs	Price per square feet: RM6,310 (2023:RM6,982)
Relationship of unobservable inputs to fair value	The higher the price per square feet, the higher the fair value

Hotel property 3*

Valuation technique for recurring fair value measurements	Comparison with market evidence of recent transaction prices for similar properties
Significant unobservable inputs	Price per square feet: NIL (2023:RM694)
Relationship of unobservable inputs to fair value	The higher the price per square feet, the higher the fair value

* Disposed during the financial year

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(c) Fair value information (continued)

Valuation processes applied by the Group

The Group's finance department reporting to the senior accounts manager evaluates the valuation of land and buildings required for financial reporting purposes including Level 3 fair value.

The fair value of revalued hotel property 1 and hotel property 2 have been determined based on the valuation report dated in February 2022 and December 2023, carried out by Suleiman & Co and Anderson Wilde & Harris respectively, a firm of independent professional valuer, with recognised and relevant qualification and recent experience in the location and assets being valued. The valuation method used was Comparison Method that makes reference to recent transactions and sales evidences involving other similar properties in the vicinity. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input to this valuation approach is the price per square feet of comparable properties.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Transfer between levels of fair value hierarchy

There is no transfer between levels of fair values hierarchy during the financial year.

Highest and best use

In estimating the fair value of the hotel properties — freehold land and buildings, the highest and best use of the land and buildings is their current use.

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(d) Impairment loss

During the financial year, an impairment loss of RM12,078,000 (2023: Nil) was recognised in profit or loss under other operating expenses due to adverse business conditions affecting the hotel in China.

(e) The legal title for a freehold land under hotel property has yet to be transferred to the Group.

6. RIGHT-OF-USE ASSETS

Group	Leasehold land RM'000	Buildings RM'000	Hotel properties RM'000	Total RM'000
2024				
Cost				
At 1 January 2024	24,000	18,209	18,713	60,922
Additions	-	373	-	373
Derecognition	-	-	(5,933)	(5,933)
Exchange difference	-	-	(1,080)	(1,080)
At 31 December 2024	24,000	18,582	11,700	54,282
Accumulated Depreciation and Impairment Loss				
At 1 January 2024	1,417	3,185	8,579	13,181
Depreciation for the financial year	725	1,331	1,591	3,647
Impairment loss	-	-	2,174	2,174
Derecognition	-	-	(371)	(371)
Exchange difference	-	-	(619)	(619)
At 31 December 2024	2,142	4,516	11,354	18,012
Carrying Amount at 31 December 2024	21,858	14,066	346	36,270

6. RIGHT-OF-USE ASSETS (CONTINUED)

Group	Leasehold land RM'000	Buildings RM'000	Hotel properties RM'000	Total RM'000
2023				
Cost				
At 1 January 2023	24,000	16,702	48,757	89,459
Additions	-	2,392	-	2,392
Termination	-	-	(30,011)	(30,011)
Derecognition	-	(655)	-	(655)
Exchange difference	-	(230)	(33)	(263)
At 31 December 2023	24,000	18,209	18,713	60,922
Accumulated Depreciation and Impairment Loss				
At 1 January 2023	279	2,586	20,083	22,948
Depreciation for the financial year	1,138	1,477	5,007	7,622
Impairment loss	-	-	6,000	6,000
Termination	-	-	(22,508)	(22,508)
Derecognition	-	(655)	-	(655)
Exchange difference	-	(223)	(3)	(226)
At 31 December 2023	1,417	3,185	8,579	13,181
Carrying Amount at 31 December 2023	22,583	15,024	10,134	47,741

Company	Building RM'000
2024	
Cost	
At 1 January 2024/31 December 2024	5,174
Accumulated Depreciation	
At 1 January 2024	1,869
Depreciation for the financial year	575
At 31 December 2024	2,444
Carrying Amount at 31 December 2024	2,730

6. RIGHT-OF-USE ASSETS (CONTINUED)

	Building RM'000
Company	
2023	
Cost	
At 1 January 2023/31 December 2023	5,174
Accumulated Depreciation	
At 1 January 2023	1,294
Depreciation for the financial year	575
At 31 December 2023	1,869
Carrying Amount at 31 December 2023	3,305

(a) Lease terms

The Group and the Company's lease buildings and hotel properties with lease terms are as follows:

Buildings	over the lease period from 4 to 36 years
Hotel properties	over the lease period from 8 to 16 years
Leasehold land	over 43 years

(b) Impairment loss

During the financial year, an impairment loss of RM2.2 million (2023: RM6 million) was recognised in profit or loss under other operating expenses due to adverse business conditions affecting the hotel in China.

7. INVESTMENT PROPERTIES

	Group	
	2024 RM'000	2023 RM'000
At fair value:		
At 1 January	16,300	16,100
Disposal of investment	(2,500)	-
Fair value change	700	200
At 31 December	14,500	16,300

7. INVESTMENT PROPERTIES (CONTINUED)

Strata title of the shop office 1 has not been issued by Department of Director General of Lands and Mines in Malaysia as at 31 December 2024.

Details of the Group's investment properties are as follows:

Descriptions	Location	Existing use
Shop office 1	Lot 3A-5-1, 5th Floor, Block 3A, Plaza Sentral, Kuala Lumpur, Malaysia	Generate rental income
Shop office 2*	167 Jalan Kenari 23A, Bandar Puchong Jaya, 47100 Puchong, Selangor, Malaysia	Generate rental income
Residential house 1	No.9, Jalan SS3/39, 47300 Petaling Jaya, Selangor, Malaysia	Generate rental income
Residential house 2	17, Jalan CH 5C, Canary Residensi, Taman Cheras Hartamas, Cheras, Selangor, Malaysia	Generate rental income
Commercial bungalow	16, Jalan Othman, 46000 Petaling Jaya, Malaysia	Generate rental income
Residential condominium	39-5, Residensi Pantai Sentral 2, Secoya Residences, Jalan Pantai Murni 7, Kuala Lumpur, Malaysia	Generate rental income

* Disposed during the year.

The following amounts are recognised in the profit or loss:

	Group	
	2024 **RM'000**	**2023** **RM'000**
Rental income	232	186
Direct operating expenses arising from investment properties that generate rental income	(218)	(203)

7. INVESTMENT PROPERTIES (CONTINUED)

Included in investment properties of the Group are assets pledged to the licensed banks to secure credit facilities granted to the Company and its subsidiaries as disclosed in Note 22 to the financial statements with the following carrying amounts:

	Group	
	2024	2023
	RM'000	RM'000
Land and buildings		
- Shop office	7,000	9,100
- Commercial bungalow	4,901	4,601
	11,901	13,701

Valuation processes applied by the Group

The Group's finance department reporting to the senior accounts manager evaluates the valuation of investment properties required for financial reporting purposes including Level 3 fair value.

The fair value of the shop office 1 was measured based on the highest and best use method to reflect the actual market state and circumstances as of the end of the reporting year. The fair value was based on a valuation made by CBRE WTW Valuation & Advisory Sdn. Bhd., a firm of independent professional valuers, which hold a recognised and relevant professional qualification with sufficient recent experience in the location and category of the investment property being valued. There has been no change to the valuation technique during the year. Management determined that the highest and best use of the assets is the current use and that it would provide maximum value to market participants principally through its use in combination with other assets.

Valuation techniques and significant other observable inputs

Shop office 1

Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent transaction prices for similar properties
Significant observable inputs:	Price per square foot of RM792 (2023: RM747)
Sensitivity on management's estimates — 10% variation from estimate:	Impact-lower by RM700,000 (2023: RM660,000);higher by RM700,000 (2023: RM660,000);

7. INVESTMENT PROPERTIES (CONTINUED)

Valuation techniques and significant other observable inputs (continued)

Shop office 2*

Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent transaction prices for similar properties
Significant observable inputs:	Price per square foot of NIL (2023: RM418)
Sensitivity on management's estimates — 10% variation from estimate:	Impact-lower by NIL (2023: RM250,000); higher by NIL (2023: RM250,000)

Residential house 1

Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent transaction prices for similar properties
Significant observable inputs:	Price per square foot of RM1,100 (2023: RM1,008)
Sensitivity on management's estimates — 10% variation from estimate:	Impact-lower by RM300,000 (2023: RM275,000);higher by RM300,000 (2023: RM275,000);

Residential house 2

Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent transaction prices for similar properties
Significant observable inputs:	Price per square foot of RM501 (2023: RM501)
Sensitivity on management's estimates — 10% variation from estimate:	Impact-lower by RM160,000 (2023: RM160,000);higher by RM160,000 (2023: RM160,000);

7. INVESTMENT PROPERTIES (CONTINUED)

Valuation techniques and significant other observable inputs (continued)

Commercial bungalow

Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent transaction prices for similar properties
Significant observable inputs:	Price per square foot of RM329 (2023: RM320)
Sensitivity on management's estimates — 10% variation from estimate:	Impact-lower by RM190,000 (2023: RM185,000);higher by RM190,000 (2023: RM185,000);

Residential condominium

Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent transaction prices for similar properties
Significant observable inputs:	Price per square foot of RM948 (2023: RM948)
Sensitivity on management's estimates — 10% variation from estimate:	Impact-lower by RM100,000 (2023: RM100,000);higher by RM100,000 (2023: RM100,000);

* Disposed during the year.

Fair value information

Fair value of investment properties is categorised as level 3.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Transfer between levels of fair value hierarchy

There is no transfer between levels of fair values hierarchy during the financial year.

8. INTANGIBLE ASSETS

Group 2024	Goodwill on consolidation RM'000 (Note 9)	Intellectual property RM'000 (Note a)	Deferred development costs (completed) RM'000 (Note b)	Deferred development costs (under development) RM'000	Licenses RM'000 (Note c)	Total RM'000
Cost						
At 1 January 2024	99,016	4,973	25,785	1,595	844	132,213
Additions	-	903	-	1,734	-	2,637
Reclassification	-	-	1,528	(1,528)	-	-
Exchange differences	-	-	1,614	(56)	-	1,558
At 31 December 2024	99,016	5,876	28,927	1,745	844	136,408
Accumulated Amortisation and Impairment						
At 1 January 2024	59,824	52	24,590	-	843	85,309
Amortisation for the financial year	-	102	744	-	-	846
Impairment for the financial year	15,035	-	705	-	-	15,740
Exchange differences	-	-	1,577	-	-	1,577
At 31 December 2024	74,859	154	27,616	-	843	103,472
Carrying Amount at 31 December 2024	24,157	5,722	1,311	1,745	1	32,936

8. INTANGIBLE ASSETS (CONTINUED)

Group 2023	Goodwill on consolidation RM'000 (Note 9)	Intellectual property RM'000 (Note a)	Deferred development costs (completed) RM'000 (Note b)	Deferred development costs (under development) RM'000	Licenses RM'000 (Note c)	Total RM'000
Cost						
At 1 January 2023	99,016	4,485	26,844	1,225	844	132,414
Additions	-	488	-	1,008	-	1,496
Reclassification	-	-	565	(565)	-	-
Exchange differences	-	-	(1,624)	(73)	-	(1,697)
At 31 December 2023	99,016	4,973	25,785	1,595	844	132,213
Accumulated Amortisation and Impairment						
At 1 January 2023	20,359	52	25,544	-	843	46,798
Amortisation for the financial year	-	-	707	-	-	707
Impairment for the financial year	39,465	-	-	-	-	39,465
Exchange differences	-	-	(1,661)	-	-	(1,661)
At 31 December 2023	59,824	52	24,590	-	843	85,309
Carrying Amount at 31 December 2023	39,192	4,921	1,195	1,595	1	46,904

(a) Intellectual property

Intellectual property comprises rights and titles relating to mobile software.

(b) Deferred development costs

The deferred development costs mainly comprise staff costs, operating expenses and depreciation expenses for the development of the Captii Group's proprietary mobile software and cost of development of card issuing services and has an average remaining amortisation period of 5 years (2023: 5 years).

8. INTANGIBLE ASSETS (CONTINUED)

(c) Licenses

The licenses comprise compliance and testing costs of bus models and have an average amortisation period of 5 years (2023: 5 years).

9. GOODWILL ON CONSOLIDATION

Management reviews the business performance based on the type of products and services of the strategic business units which represent its reportable operating segments. For the purpose of impairment testing, goodwill acquired through business combinations is allocated to the following Group's CGUs which are also reportable operating segments, which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The carrying amounts of goodwill allocated to the Group's CGUs are as follows:

	Group	
	2024	**2023**
	RM'000	**RM'000**
Information and communications technology - CGU 1	20,222	35,257
Travel and tours - CGU 2	3,659	3,659
Others	276	276
	24,157	39,192

CGU 1

The recoverable amount of the CGU was determined based on its value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets and forecasts approved by management covering a five-year period using a discount rate of 13.90% (2023: 14.68%). The forecasted growth rate used to extrapolate cash flow projections beyond the five-year period is 2.0% (2023: 2.0%).

The discount rate applied to the cash flow projections is pre-tax and reflects management's estimate of the risks specific to the CGU at the date of assessment. Management determined the forecasted growth rate and budgeted gross margin based on past performance and its expectations of market developments.

9. GOODWILL ON CONSOLIDATION (CONTINUED)

CGU 1 (continued)

As at 31 December 2024, the Group estimated that the carrying amount of CGU 1 was higher than its recoverable amount and impairment loss of RM15.04 million (2023: RM39.47 million) was recognised. The impairment loss was fully allocated to goodwill and is recorded in statement of comprehensive income of the Group.

The value in use was determined by management using the discounted cash flow valuation technique. The key assumptions used for value in use calculations are as stated above.

CGU 2

The recoverable amount of the CGUs was determined based on its value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets and forecasts approved by management covering a five-year period using a discount rate of 8.84% (2023: 7.99%). The forecasted growth rate used to extrapolate cash flow projections beyond the five-year period is 0% (2023: 3%).

The discount rate applied to the cash flow projections is pre-tax and reflects management's estimate of the risks specific to the CGUs at the date of assessment. Management determined the forecasted growth rate and budgeted gross margin based on past performance and its expectations of market developments.

Based on the sensitivity analysis performed, management believes that no reasonably possible change in key assumptions would cause the carrying values of the CGU 2 to exceed its recoverable amounts.

The value in use was determined by management using the discounted cash flow valuation technique. The key assumptions used for value in use calculations are as stated above.

Other

Based on the sensitivity analysis performed, management believes that no reasonably possible change in key assumptions would cause the carrying values of the CGU to exceed its recoverable amounts.

10. INVESTMENT IN SUBSIDIARIES

	Company	
	2024	2023
	RM'000	RM'000
Unquoted shares - at cost	619,348	619,348
Less: Impairment loss	(163,419)	(158,384)
	455,929	460,964
Loans that are part of net investments		
At cost	64,607	23,529
Less: Impairment loss	(4,053)	(1,823)
	516,483	482,670

Loans that are part of net investments represent amount owing by a subsidiary which is non-trade in nature, unsecured and non-interest bearing. The settlement of the amount is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat these amounts as a long-term source of capital to the subsidiary. As the amount is, in substance, a part of the Company's net investment in the subsidiary, it is stated at cost less accumulated impairment loss, if any.

(a) Disposal of subsidiaries

(i) On 17 April 2024, Alam Samudera Corporation Sdn. Bhd. ("ASCSB"), a wholly-owned subsidiary of the Company, disposed its entire ownership of 1,043,000 ordinary shares representing 100% of issued share capital of Synergy Tours (Borneo) Sdn. Bhd. ("STB") for a total cash consideration of RM50,000. Consequently, STB ceased to be a subsidiary of the Company.

(ii) On 30 December 2024, Alangka-Suka Hotels & Resorts Sdn. Bhd. disposed its entire ownership of 250,000 ordinary shares representing 100% of the issued share capital of Holiday Villa Travel & Tours Sdn. Bhd. ("HVTT") to Holiday Villa Hotels & Resorts Sdn Bhd. for a total consideration of RM5,000. Consequently, HVTT ceased to be a subsidiary of the Company.

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Incorporation of Aras Tiga Sdn. Bhd. ("ATSB")

On 12 August 2024, ATSB was incorporated with an issued and paid-up ordinary share capital of RM100. ATSB is a 70% owned subsidiary of Advance Synergy Realty Sdn. Bhd., a wholly-owned subsidiary of the Company.

(c) Strike off of Medical Palace Sdn. Bhd. ("MPSB")

On 20 March 2024, MPSB, an indirect wholly-owned subsidiary of the Company, was struck off from the register under Section 550 of Companies Act 2016 and henceforth dissolved following the publication of the notice of striking off in the Gazette on 20 March 2024.

(d) Deregistration of Beaver Hotels Limited ("BHL")

On 14 May 2024, with the final gazette notice to BHL, an indirect wholly-owned subsidiary of the Company registered in England and Wales, published by Companies House, BHL was officially deregistered.

(e) Certain shares of subsidiaries in the Group have been charged to financial institutions for credit facilities granted to the Group as disclosed in Note 22 to the financial statements.

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(f) The details of the subsidiaries are as follows :

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest 2024 %	Ownership Interest 2023 %	Principal Activities
Direct subsidiaries				
Advance Synergy Capital Sdn. Bhd. ^	Malaysia	100	100	Investment holding and provision of management services
Advance Synergy Properties Sdn. Bhd.	Malaysia	100	100	Investment holding
Advance Synergy Realty Sdn. Bhd. *	Malaysia	100	100	Property development and investment
Alam Samudera Corporation Sdn. Bhd.	Malaysia	100	100	Investment holding
Alangka-Suka Hotels & Resorts Sdn. Bhd.	Malaysia	100	100	Investment holding
Ausborn Sawmill Sdn. Bhd.	Malaysia	100	100	Dissolved on 10 March 2025
Calmford Incorporated #	British Virgin Islands	100	100	Investment holding
Datakey Sdn. Bhd.	Malaysia	100	100	To carry out computer facilities management activities, computer consultancy and other management consultancy activities
Diversified Gain Sdn. Bhd.	Malaysia	100	100	Investment holding
Excellent Arch Sdn. Bhd.	Malaysia	100	100	Investment holding
Excellent Display Sdn. Bhd.	Malaysia	100	100	Property investment, management and rental of properties
iSynergy Sdn. Bhd.	Malaysia	100	100	Inactive
Nagapura Management Corporation Sdn. Bhd.	Malaysia	100	100	Investment holding
Sadong Development Sdn. Bhd.	Malaysia	100	100	Property development
Segi Koleksi Sdn. Bhd.	Malaysia	70	70	Investment holding
Strategic Research & Consultancy Sdn. Bhd.	Malaysia	100	100	Investment holding
Synergy Gold Incorporated #	British Virgin Islands	100	100	Inactive
Synergy Petroleum Incorporated #	British Virgin Islands	100	100	Investment holding
Worldwide Matrix Sdn. Bhd.	Malaysia	100	100	Investment holding

10 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(f) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest 2024 %	2023 %	Principal Activities
Indirect subsidiaries held through Advance Synergy Capital Sdn. Bhd.				
AESBI Power Systems Sdn. Bhd.	Malaysia	100	100	Property investment and management services
Aviva Master Coach Technology Sdn. Bhd.	Malaysia	100	100	Designing, building and fabrication of coaches
Paydee Sdn. Bhd.	Malaysia	100	100	Provision of payment card issuing and acquiring services
Paydee Capital Sdn. Bhd.	Malaysia	100	100	Provision of credit and leasing
Paydee Nura Sdn. Bhd.	Malaysia	100	100	Provision of credit and other financial service activities
Paydee Ventures Sdn. Bhd.	Malaysia	100	100	Investment holding and venture capital business
Triton-K Sdn. Bhd.	Malaysia	100	100	Provision of management services
Indirect subsidiary held through Aviva Master Coach Technology Sdn. Bhd.				
Quality Bus & Coach Pty. Ltd. #	Australia	100	100	Designing, building and fabrication of coaches and coach certification and testing
Indirect subsidiary held through Quality Bus & Coach Pty. Ltd.				
Motorcoach Australia Pty. Ltd. #	Australia	100	100	Designing, building and fabrication of coaches and coach certification and testing
Indirect subsidiaries held through Alangka-Suka Hotels & Resorts Sdn. Bhd.				
Alangka-Suka International Limited #	British Virgin Islands	100	100	Investment holding
Alor Setar Holiday Villa Sdn. Bhd.	Malaysia	100	100	Inactive
Antara Holiday Villas Sdn. Bhd.	Malaysia	100	100	Hotel management services
Asbina Hotel & Property Sdn. Bhd.	Malaysia	100	100	Inactive
Cherating Holiday Villa Berhad	Malaysia	100	100	Operates Holiday Villa Beach Resort & Spa Cherating
Grand Hotel Sudan Limited #	British Virgin Islands	100	100	Inactive

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(f) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest 2024 %	Ownership Interest 2023 %	Principal Activities
Indirect subsidiaries held through Alangka-Suka Hotels & Resorts Sdn. Bhd. (continued)				
Holiday Villa Assets Sdn. Bhd.	Malaysia	100	100	Investment holding
Holiday Villa Travel & Tours Sdn. Bhd. $	Malaysia	-	100	Disposed during the year
Holiday Villas International Limited #	British Virgin Islands	100	100	Investment holding
Langkawi Holiday Villa Sdn. Bhd.	Malaysia	100	100	Inactive
Mayor Hotels Sdn. Bhd.	Malaysia	100	100	Inactive
P.T. Diwangkara Holiday Villa Bali #	Republic of Indonesia	100	100	Hotel management services
Super Leisure Sdn. Bhd.	Malaysia	100	100	Investment holding
Indirect subsidiaries held through Alangka-Suka International Limited				
Asbina Shenzhen Limited #	British Virgin Islands	90	90	Dormant
Holiday Villa Makkah Limited #	British Virgin Islands	100	100	Inactive
Larkswood Assets Limited #	British Virgin Islands	100	100	Investment holding
Indirect subsidiary held through Asbina Hotel & Property Sdn. Bhd.				
Asbina Hotel & Property (Cambodia) Pte. Ltd. #	Kingdom of Cambodia	100	100	Inactive
Indirect subsidiary held through Holiday Villa Assets Sdn. Bhd.				
Posthotel Arosa AG #	Switzerland	65	65	Investment holding
Indirect subsidiary held through Posthotel Arosa AG				
57-59 Philbeach Gardens Limited +	England and Wales	65	65	Investment holding
Indirect subsidiary held through 57-59 Philbeach Gardens Limited				
Beaver Hotels Limited @	England and Wales	-	65	Dissolved on 14 May 2024

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(f) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest 2024 %	2023 %	Principal Activities
Indirect subsidiaries held through Holiday Villas International Limited				
Holiday Villa China International Limited #	British Virgin Islands	100	100	Investment holding
Holiday Villa Middle East Limited #	British Virgin Islands	100	100	Inactive
Holiday Villa (UK) Ltd. #	England and Wales	100	100	Inactive
Indirect subsidiaries held through Holiday Villa China International Limited				
Changshu Holiday Villa Hotel Management Co. Ltd. *	People's Republic of China	100	100	Hotel management services
Holiday Villa Hong Kong Company Limited #	Hong Kong	100	100	Investment holding
Indirect subsidiary held through Holiday Villa Hong Kong Company Limited				
上海豪立纬酒店有限公司 (Shanghai Holiday Villa Hotel Co. Ltd.) *	People's Republic of China	100	100	Operate Holiday Villa Hotel & Residence Shanghai Jiading P.R.C.
Indirect subsidiary held through Advance Synergy Properties Sdn. Bhd.				
Synergy Realty Incorporated #	British Virgin Islands	100	100	Investment holding
Indirect subsidiary held through Segi Koleksi Sdn. Bhd.				
Metroprime Corporation Sdn. Bhd.	Malaysia	70	70	Managing and operating The Language House and provision of educational products and services
Indirect subsidiary held through Alam Samudera Corporation Sdn. Bhd.				
Synergy Tours (Borneo) Sdn. Bhd. $	Malaysia	-	100	Disposed on 17 April 2024
Indirect subsidiary held through Diversified Gain Sdn. Bhd.				
Orient Escape Travel Sdn. Bhd.	Malaysia	100	100	Travel and tour agent and the provision of travel related services

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(f) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest 2024 %	Ownership Interest 2023 %	Principal Activities
Indirect subsidiaries held through Orient Escape Travel Sdn. Bhd.				
OET Services Sdn. Bhd. *(formerly known as Motorsports Adventure Sdn. Bhd.)*	Malaysia	100	100	Inactive
Orient Escape Travel (Penang) Sdn. Bhd.	Malaysia	100	100	Inactive
Qurex Sdn. Bhd.	Malaysia	100	100	Money services business
Synergy Tours Sdn. Bhd.	Malaysia	100	100	Tour operator
Indirect subsidiary held through Excellent Arch Sdn. Bhd.				
Advance Synergy Furniture Sdn. Bhd. ^^	Malaysia	100	100	In liquidation
Indirect subsidiary held through Excellent Display Sdn. Bhd.				
Dama TCM Sdn. Bhd.	Malaysia	100	100	In the process of striking-off
Indirect subsidiary held through Dama TCM Sdn. Bhd.				
Medical Palace Sdn. Bhd.	Malaysia	-	100	Deregister on 20 March 2024
Indirect subsidiaries held through Nagapura Management Corporation Sdn. Bhd.				
Acrylic Synergy Sdn. Bhd.	Malaysia	93.72	93.72	Inactive
Syarikat Fit and Weld Engineering (M) Sdn. Bhd. ^^	Malaysia	70	70	In liquidation
Xgo Technik Sdn. Bhd.	Malaysia	100	100	Provision of management services
Indirect subsidiaries held through Advance Synergy Realty Sdn. Bhd.				
Alma Dining Sdn. Bhd.	Malaysia	70	70	Operates and manages food and beverage business and related services
Aras Tiga Sdn. Bhd.	Malaysia	70	-	Operates and manages food and beverage business and related services
Harta Sinergi Sdn. Bhd.	Malaysia	100	100	Investment holding
Jiwa Baru Sdn. Bhd.	Malaysia	60	60	Property investment, management and rental of properties and investment holding

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(f) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest 2024 %	Ownership Interest 2023 %	Principal Activities
Indirect subsidiaries held through Advance Synergy Realty Sdn. Bhd. (continued)				
Osteria Gamberoni Sdn. Bhd.	Malaysia	70	70	Operates and manages food and beverage business and related business
Primo Espresso Sdn. Bhd. *	Malaysia	70	70	Operates and manages food and beverage business and its related business
Temasya House Sdn. Bhd.	Malaysia	70	70	Property management and rental of property and related services
Yap Ah Shak House Sdn. Bhd.	Malaysia	70	70	Operation and management of serviced office, property management, rental of property and other related businesses / services
Indirect subsidiary held through Sadong Development Sdn. Bhd.				
Hotel Golden Dragon Sdn. Bhd.	Malaysia	95	95	Inactive
Indirect subsidiary held through Hotel Golden Dragon Sdn. Bhd.				
Simpang Tiga Realty Sdn. Bhd.	Malaysia	95	95	In the process of striking-off
Indirect subsidiary held through Worldwide Matrix Sdn. Bhd.				
Captii Limited *^	Singapore	58.30	58.30	Investment holding and the provision of management services
Indirect subsidiaries held through Captii Limited				
Captii Ventures Pte. Ltd. *	Singapore	58.30	58.30	Undertake investment in technology companies
Postpay Asia Sdn. Bhd. *	Malaysia	58.30	58.30	Investment holding
Unified Assets Sdn. Bhd. *	Malaysia	58.30	58.30	Investment holding
Unified Communications (OHQ) Sdn. Bhd. *	Malaysia	58.30	58.30	Provisions of management and operational headquarters ("OHQ") services to its related companies
Unified Communications (OSS) Sdn. Bhd. *	Malaysia	58.30	58.30	Investment holding

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(f) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest 2024 %	Ownership Interest 2023 %	Principal Activities
Indirect subsidiaries held through Captii Limited (continued)				
Unified Communications Pte. Ltd. *	Singapore	58.30	58.30	Distribution of telecommunications products, the design and development of telecommunications solutions, project management, and maintenance and support services for the telecommunications industry
Unified Communications Sdn. Bhd. *	Malaysia	58.30	58.30	Research and development, software engineering, system integration, project management, and maintenance and support services for the telecommunications industry
Indirect subsidiary held through Captii Ventures Pte. Ltd.				
OOPA Pte. Ltd. *	Singapore	37.64	37.64	Investment holding
Indirect subsidiary held through Unified Communications (OSS) Sdn. Bhd.				
GlobeOSS Sdn. Bhd. *	Malaysia	29.73	29.73	Provision of global roaming quality of service management solutions
Indirect subsidiary held through GlobeOSS Sdn. Bhd.				
GlobeOSS Pte. Ltd. *	Singapore	29.73	29.73	Dormant
Indirect subsidiary held through GlobeOSS Pte. Ltd.				
GlobeOSS (Brunei) Sdn. Bhd. *	Brunei Darussalam	29.73	29.73	Provision of global roaming quality of service management solutions
Indirect subsidiaries held through Unified Communications Pte. Ltd.				
Adzentrum Sdn. Bhd. #	Malaysia	58.30	58.30	Dormant
Unified Communications (Private) Limited *	Pakistan	58.30	58.30	Provision of telecommunications products, technology and customised solutions to telecommunications operators, service providers and enterprises
Indirect subsidiaries held through Unified Communications Sdn. Bhd.				
Ahead Mobile Sdn. Bhd. *	Malaysia	58.30	58.30	Software engineering, system integration, project management, and maintenance and support services for the telecommunications industry
Unified Communications (Tech) Pte. Ltd. *	Singapore	58.30	58.30	Distribution of information technology and telecommunications products

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(f) The details of the subsidiaries are as follows: (continued)

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest 2024 %	Ownership Interest 2023 %	Principal Activities
Indirect subsidiaries held through Postpay Asia Sdn. Bhd.				
Postpay Sdn. Bhd. *	Malaysia	58.30	58.30	Providing money lending services, credit profiling, pay-later solutions, and/or other incidental/relevant businesses to any telecommunications operators, service providers, enterprises, or entities of any descriptions
Postpay Technology Sdn. Bhd. *	Malaysia	58.30	58.30	Provision of telecommunications products, technology and customised solutions to telecommunications operators, service providers and enterprises

* *Audited by auditors other than Baker Tilly Monteiro Heng PLT.*

\+ *Audited by an independent member firm of Baker Tilly International.*

$ *Disposed during the financial year.*

@ *Dissolved during the financial year.*

\# *Not required to be audited in their countries of incorporation. The financial statements have been reviewed for consolidation purposes.*

^ *Shares have been charged to financial institutions for credit facilities granted as disclosed in Note 22 to the financial statements.*

^^ *In liquidation.*

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(g) The Group's subsidiaries that have material non-controlling interest ("NCI") are as follows:

	Captii Limited RM'000	Posthotel Arosa AG RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
2024				
NCI percentange of ownership interest and voting interest	41.7%	35%		
Carrying amount of NCI	48,398	6,560	(2,110)	52,848
Loss allocated to NCI	(15,718)	(74)	(1,112)	(16,904)
Summarised financial information before intra-group elimination				
Summarised statements of financial position				
As at 31 December 2024				
Non-current assets	52,520	1		
Current assets	79,598	94,609		
Non-current liabilities	(1,753)	-		
Current liabilities	(14,302)	(20,936)		
Net assets	116,063	73,674		
Summarised statements of comprehensive income				
Financial year ended 31 December 2024				
Revenue	59,856	-		
(Loss)/Profit for the financial year	(29,515)	913		
Total comprehensive (loss)/income	(25,061)	913		
Summarised cash flow information				
Financial year ended 31 December 2024				
Cash flows used in operating activities	(1,959)	5,653		
Cash flows used in investing activities	(1,251)	-		
Cash flows used in financing activities	(1,458)	-		
Net decrease in cash and cash equivalents	(4,668)	5,653		
Dividends paid to NCI	982	-		

10. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(g) The Group's subsidiaries that have material non-controlling interest ("NCI") are as follows: (continued)

	Captii Limited RM'000	Posthotel Arosa AG RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
2023				
NCI percentange of ownership interest and voting interest	41.7%	35%		
Carrying amount of NCI	61,956	28,091	(22,454)	67,593
Loss allocated to NCI	(23,169)	(367)	(7,750)	(31,286)
Summarised financial information before intra-group elimination				
Summarised statements of financial position				
As at 31 December 2023				
Non-current assets	82,923	1		
Current assets	83,996	96,051		
Non-current liabilities	(1,309)	-		
Current liabilities	(17,035)	(15,791)		
Net assets	148,575	80,261		
Summarised statements of comprehensive income				
Financial year ended 31 December 2023				
Revenue	62,196	-		
(Loss)/Profit for the financial year	(39,860)	1,048		
Total comprehensive (loss)/income	(45,426)	1,048		
Summarised cash flow information				
Financial year ended 31 December 2023				
Cash flows used in operating activities	(762)	(9,089)		
Cash flows used in investing activities	(1,776)	-		
Cash flows used in financing activities	(3,678)	-		
Net decrease in cash and cash equivalents	(6,216)	(9,089)		
Dividends paid to NCI	1,547	-		

11. INVESTMENT IN ASSOCIATES

	Group 2024 RM'000	Group 2023 RM'000
Unquoted shares, at cost	6,538	6,538
Less: Impairment loss	(345)	(320)
	6,193	6,218
Share of post-acquisition reserve, net of dividends received	(2,647)	(2,285)
	3,546	3,933

(a) The details of the associates are as follows:

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest 2024 %	Ownership Interest 2023 %	Principal Activities
Indirect associate held through Advance Synergy Capital Sdn. Bhd.				
SIBB Berhad *	Malaysia	20	20	Investment dealings
Indirect associate held through Langkawi Holiday Villa Sdn. Bhd.				
M OOD Perfumes Sdn. Bhd. #	Malaysia	30	30	Inactive
Indirect associate held through Super Leisure Sdn. Bhd.				
Smile Integrated Solution Sdn. Bhd.	Malaysia	49	49	Inactive
Indirect associate held through Synergy Tours Sdn. Bhd.				
P.T. Panorama Synergy Indonesia *	Republic of Indonesia	49	49	Inactive
Indirect associate held through Strategic Research & Consultancy Sdn. Bhd.				
Kopistop Sdn. Bhd. *	Malaysia	40	40	Investment holding and the business of food and beverage

* *Audited by another firm of auditors other than Baker Tilly Monteiro Heng PLT.*

\# *The Group has discontinued recognising its share of losses as the share of accumulated losses of the associate has exceeded the Group's investment in that associate.*

11. INVESTMENT IN ASSOCIATES (CONTINUED)

(b) The following table summarises the information of the Group's material associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associates:

Group 2024	SIBB Berhad RM'000
Assets and liabilities:	
Non-current assets	14,830
Current assets	10,423
Current liabilities	(13)
Net assets	25,240
Results:	
Total comprehensive income	(1,732)
Included in the total comprehensive income is:	
Revenue	319

	SIBB Berhad RM'000	Other individually immaterial associates RM'000	Total RM'000
Reconciliation of net assets to carrying amount			
Group's share of net assets	5,048	(1,502)	3,546
Carrying amount in the statements of financial position	5,048	(1,502)	3,546
Group's share of results			
Group's share of profit	45	(7)	38

11. INVESTMENT IN ASSOCIATES (CONTINUED)

(b) The following table summarises the information of the Group's material associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associates: (continued)

Group 2023	SIBB Berhad RM'000
Assets and liabilities:	
Non-current assets	13,715
Current assets	12,103
Current liabilities	(39)
Net assets	25,779
Results:	
Total comprehensive income	(168)
Included in the total comprehensive income is:	
Revenue	273

	SIBB Berhad RM'000	Other individually immaterial associates RM'000	Total RM'000
Reconciliation of net assets to carrying amount			
Group's share of net assets	5,156	(1,223)	3,933
Carrying amount in the statements of financial position	5,156	(1,223)	3,933
Group's share of results			
Group's share of loss	(34)	(4)	(38)

11. INVESTMENT IN ASSOCIATES (CONTINUED)

(b) The following table summarises the information of the Group's material associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associates: (continued)

The summarised financial information of the associates is as follows:

	Group	
	2024	2023
	RM'000	RM'000
Results		
Revenue	319	273
Loss for the financial year	(1,754)	(187)
Assets and Liabilities		
Total assets	32,207	32,785
Total liabilities	5,709	5,733

(c) The Group has not recognised its share of losses of associates amounting to RM0.010 million (2023: RM0.008 million) because the Group's cumulative share of losses has exceeded its interest in that associate and the Group has no obligation in respect of these losses. The Group's cumulative accumulated losses not recognised were RM0.11 million (2023: RM0.10 million).

12. INVESTMENT IN A JOINT VENTURE

	Group	
	2024	2023
	RM'000	RM'000
Carrying amount:		
Unquoted shares at cost	1,927	1,927
Allowances for impairment	(767)	(767)
Share of post-acquisition reserve, net of dividends received	(1,160)	(1,160)
	-	-

12. INVESTMENT IN A JOINT VENTURE (CONTINUED)

The details of the joint venture are as follows:

Name of Company	Principal place of Business / Country of Incorporation	Ownership Interest 2024 %	Ownership Interest 2023 %	Principal Activities
Indirect joint venture held through Unified Communications Pte. Ltd.				
Unified Telecom Private Limited *	India	29.15	29.15	Provision of telecommunications products, services and customised solutions

* *Audited by another firm of auditors other than Baker Tilly Monteiro Heng PLT.*

The statutory reporting year end of the joint venture is 31 March. The unaudited management financial statements for the period from 1 January 2024 to 31 December 2024 of the joint venture have been used for equity accounting since it is not significant to the Group. The financial statement of the joint venture is not material to the Group.

13. INVESTMENT SECURITIES

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Non-Current:				
Financial asset:				
Designated at fair value through other comprehensive income				
At fair value				
Quoted securities				
Equity instruments				
- in Malaysia	6,832	8,118	-	-
Unquoted securities				
Equity instruments				
- in Malaysia	253	253	-	-
- outside Malaysia	10	1,703	-	-
	263	1,956	-	-

13. INVESTMENT SECURITIES (CONTINUED)

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Designated at fair value through profit or loss				
At fair value				
Unquoted securities				
Convertible preference shares				
- in Malaysia	-	449	-	-
- outside Malaysia	4,380	29,659	-	-
Convertible loan notes				
- outside Malaysia	32,201	30,533	-	-
	36,581	60,641	-	-
Total non-current investment securities	43,676	70,715	-	-
Current:				
Financial assets at fair value through profit or loss:				
At fair value				
Quoted securities				
Equity instruments				
- in Malaysia	950	800	541	432
- outside Malaysia	1,551	1,523	-	-
Total current investment securities	2,501	2,323	541	432
Total investment securities	46,177	73,038	541	432

13. INVESTMENT SECURITIES (CONTINUED)

Fair value information

Fair value of investment securities is categorised as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Level 1				
Quoted securities	9,333	10,441	541	432
Level 3				
Unquoted securities	36,844	62,597	-	-
	46,177	73,038	541	432

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy

	Group	
	2024	2023
	RM'000	RM'000
Movements during the year:		
Fair value at beginning of the year	62,597	82,427
Additions	578	1,158
Disposal	(1,196)	(463)
Decrease in fair value included under other losses	(21,283)	(23,204)
Foreign exchange adjustments	(3,852)	2,679
Fair value at end of the year	36,844	62,597

Valuation processes, technique and significant other observable input applied by the Group

The Group adopted the following valuation methodologies in estimating the fair values of the investments:

(a) Cost approach: This is applied to estimated fair value of companies in very preliminary development stages where revenue forecasts are difficult to estimate with any degree of certainty and assumes the book value or cost of an asset approximates its fair value. Adjustments, such as impairment allowance, are made to assets on a case-by-case basis if this assumption does not hold true.

13. INVESTMENT SECURITIES (CONTINUED)

Valuation processes, technique and significant other observable input applied by the Group (continued)

The Group adopted the following valuation methodologies in estimating the fair values of the investments: (continued)

(b) Option Pricing Model ("OPM"): The OPM, which applies the Black-Scholes formula for option pricing, is a generally accepted valuation methodology used in estimating fair values of early-stage companies, in particular those with different classes of shares. In applying the OPM to determine the fair value of an investee, management considers terms such as level of seniority among the securities, dividend policy, conversion ratios, and cash allocations of the various stockholders' agreements with the investee that would affect the distributions to each class of equity upon a liquidity event. In addition, the method implicitly considers the effect of the liquidation preference as of the future liquidation date, not as of the valuation date.

(c) Market approach via calibration: This model estimates the enterprise value ("EV") based on a relevant liquidity event (e.g. the recent funding round), adjusted for observable movements in comparable companies over the period up to the valuation date, to derive an adjusted implied EV/Revenue multiple on which the OPM model is applied to allocate the estimated enterprise value to various classes of shares. In the absence of a relevant recent funding round, the EV is determined via a direct comparison to comparable companies in the market as of the valuation date, prior to application of the OPM model.

The key assumptions used in applying the OPM and implied EV models which are unobservable inputs, were as follows:

Unobservable inputs	2024	2023	Sensitivity of inputs to fair value
Risk free rates (range)	2.8%—4.4%	1.7%—5.4%	Increase (decrease) of the inputs would result in decrease (increase) in fair values
Asset volatility (range)	36%—95%	30%—95%	
Expected terms (years)	1 to 2.1	1.1 to 3.3	

The Group has the policy to assess annually and evaluate the appropriate valuation methodologies in ascertaining the fair value of the investments.

14. DEFERRED TAX (ASSETS)/LIABILITIES

(a) Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts of deferred tax assets and liabilities, after appropriate offsetting, are as follows:

	Group	
	2024	**2023**
	RM'000	**RM'000**
At 1 January	138	(702)
Recognised in profit or loss (Note 30)	779	660
Recognised in equity	170	180
At 31 December	1,087	138
Presented after appropriate offsetting:		
Deferred tax assets, net	(2,573)	(4,230)
Deferred tax liabilities, net	3,660	4,368
	1,087	138

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

Deferred tax liabilities

Group	**Property, Plant and Equipment RM'000**	**Others RM'000**	**Total RM'000**
At 1 January 2023	3,883	42	3,925
Recognised in profit or loss	139	12	151
Recognised in equity	323	(31)	292
At 31 December 2023	4,345	23	4,368
Recognised in profit or loss	(708)	-	(708)
At 31 December 2024	3,637	23	3,660

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

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

Deferred tax assets

Group	Unutilised tax losses and unabsorbed capital allowances RM'000	Others RM'000	Total RM'000
At 1 January 2023	4,512	115	4,627
Recognised in profit or loss	636	127	763
Recognised in equity	(1,272)	112	(1,160)
At 31 December 2023	3,876	354	4,230
Recognised in profit or loss	(1,102)	(381)	(1,483)
Recognised in equity	-	(174)	(174)
At 31 December 2024	2,774	(201)	2,573

(c) The amount of temporary differences for which no deferred tax assets have been recognised are as follows:

	Group	
	2024 RM'000	2023 RM'000
Unutilised tax losses	259,872	252,112
Unabsorbed capital allowances	33,838	23,460
Right-of-use assets	557	413
Other deductible temporary differences	9,987	14,008
	304,254	289,993

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

(d) The unused tax losses are available indefinitely for offset against future taxable profits of the Group except for certain unused tax losses which will expire in the following financial years:

	Group	
	2024 RM'000	2023 RM'000
Unused tax losses arising from local subsidiaries		
2028	152,226	150,897
2029	14,271	15,747
2030	13,645	14,568
2031	13,732	13,422
2032	11,032	13,851
2033	14,627	10,846
2034	9,239	-
	228,772	219,331

15. INVENTORIES

	Group	
	2024 RM'000	2023 RM'000
Non-current		
At cost or net realisable value:		
Leasehold land held for development	4,701	4,699
Current		
At cost or net realisable value:		
Finished goods	235	16
Food and beverages	970	885
Operating supplies	2,436	1,090
Completed properties	12,301	12,427
Properties under development	47,502	30,598
	63,444	45,016
	68,145	49,715

15. INVENTORIES (CONTINUED)

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM24.80 million (2023: RM26.56 million).

The cost of inventories of the Group and the Company recognised as an expense in cost of sales during the financial year in respect of write-down of inventories to net realisable value was NIL (2023: RM1.66 million) respectively, in view of aged inventories.

Completed properties and properties under development:

	Group	
	2024 RM'000	2023 RM'000
Non-current assets		
Leasehold land held for development	4,701	4,699
Current assets		
Leasehold land held under development	3,637	3,713
Development costs	43,865	26,885
Completed properties	12,301	12,427
	59,803	43,025
	64,504	47,724

Certain leasehold land held for development and completed properties with carrying amount of RM4.70 million (2023: RM5.00 million) has been charged to financial institutions for credit facilities granted to a subsidiary as disclosed in Note 22 to the financial statements.

16. TRADE AND OTHER RECEIVABLES

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Trade					
Trade receivables		54,843	55,202	-	-
Less : Impairment losses					
Trade receivables		(2,274)	(4,075)	-	-
	(a)	52,569	51,127	-	-
Non-Trade					
Other receivables	(d)	22,977	77,285	-	15,087
Deposits		6,516	8,467	5	5
Amounts owing by associates	(b)	2,362	2,362	-	-
Amounts owing by subsidiaries	(c)	-	-	327	65
		31,855	88,114	332	15,157
Less : Impairment losses					
Other receivables	(d)	(6,194)	(5,198)	-	(267)
Amounts owing by associates	(b)	(2,362)	(2,108)	-	-
Amounts owing by subsidiaries	(c)	-	-	(312)	-
		(8,556)	(7,306)	(312)	(267)
		23,299	80,808	20	14,890
Total trade and other receivables		75,868	131,935	20	14,890

(a) Trade receivables

Trade receivables are unsecured, non-interest bearing and normal credit terms offered by the Group range from 2 to 120 days (2023: 2 to 120 days). Other credit terms are assessed and approved on a case-by-case basis.

Trade receivables that are individually determined to be credit impaired at the reporting date relate to receivables that have defaulted on payments.

The information about the credit exposures is disclosed in the Note 36(b)(i) to the financial statements.

16. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Amount owing by associates

The amount owing by associates are unsecured, interest-free and are repayable on demand by cash.

(c) Amount owing by subsidiaries

The amount owing by subsidiaries are unsecured, interest-free and are repayable on demand by cash.

(d) Other receivables

In the last financial year, the other receivables of the Group and the Company consist of amount of RM45 million from the termination of lease rental and an amount of RM14.82 million dividend receivable from a subsidiary respectively.

17. OTHER ASSETS/(LIABILITIES)

	Group	
	2024	2023
	RM'000	RM'000
Other assets		
Contract assets		
Contract assets relating to property development contracts	2,032	1,314
Contract assets relating to information technology contracts	8,239	11,323
Contract assets relating to bus-body fabrication	1,632	2,502
	11,903	15,139
Contract costs		
Costs incurred to obtain or fulfil a contract relating to information technology	1,775	2,967
Prepayments	4,867	5,645
	18,545	23,751

17. OTHER ASSETS/(LIABILITIES) (CONTINUED)

	Group	
	2024	**2023**
	RM'000	**RM'000**
Other liabilities		
Contract liabilities		
Contract liabilities relating to information technology contracts	(1,062)	(1,595)
Contract liabilities relating to travel & tour sales	(2,327)	(2,638)
Contract liabilities relating to education	(153)	(158)
	(3,542)	(4,391)

The movement in contract costs are as follows:

	Group	
	2024	**2023**
	RM'000	**RM'000**
At 1 January	2,967	3,539
Additions	4,174	4,290
Recognised as cost for performance obligation satisfied	(5,360)	(4,848)
Exchange differences	(6)	(14)
At 31 December	1,775	2,967

17. OTHER ASSETS/(LIABILITIES) (CONTINUED)

	2024		2023	
	Contract assets Increase/ (decrease) RM'000	Contract liabilities (Increase) decrease RM'000	Contract assets Increase/ (decrease) RM'000	Contract liabilities (Increase) decrease RM'000
Revenue recognised that was included in contract liability at the beginning of the financial year	-	5,172	-	5,229
Increase due to consideration received from customers, but revenue not recognised	-	(4,324)	-	(4,533)
Increase due to revenue recognised for unbilled goods or services transferred to customers	15,779	-	12,756	-
Transfer from contract assets recognised at the beginning of the period to receivables	(19,015)	-	(4,512)	-

18. FINANCIAL ASSETS HELD FOR TRADING

	Group	
	2024 RM'000	2023 RM'000
Financial assets held for trading designated at fair value through profit or loss:		
Foreign currencies held for sale	25	47

19. CASH AND FIXED DEPOSITS

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Cash and bank balances		65,356	65,135	1,770	6,315
Fixed deposits	(a)	33,517	49,129	-	10,000
As reported in the statements of financial position		98,873	114,264	1,770	16,315
Less:					
Deposits pledged to licensed banks	(b)	(24,086)	(23,000)	-	-
Deposit with maturity more than three months		(541)	(3,180)	-	-
Cash and cash equivalents included in the statements of cash flows		74,246	88,084	1,770	16,315

Included in the fixed deposits of the Group are:

(a) fixed deposits are made for varying period of between 7 days to 12 months (2023: 7 days to 12 months).

(b) an amount of RM24 million (2023: RM23 million) charged to licensed banks as security for banking facilities granted to certain subsidiaries as disclosed in Note 22(a) to the financial statements;

(c) the Group has an amount of RM1.36 million (2023: RM1.52 million) deposited with a bank in Pakistan. In accordance with the requirement of Pakistan Foreign Exchange Regulations, the group requires the approval from the State Bank of Pakistan on any foreign remittance.

The weighted average effective interest rate of the short-term deposits is disclosed in Note 36(b)(iii) to the financial statements.

20. SHARE CAPITAL

	2024		2023	
	Number of Shares '000	Amount RM'000	Number of Shares '000	Amount RM'000
Issued and fully paid up (no par value):				
Ordinary shares				
At 1 January / 31 December	2,529,195	461,377	2,529,195	461,377

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one (1) vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual interest.

The Company's share grant scheme ("SGS") was approved by the shareholders on 29 July 2022 and administered by the SGS Committee which was appointed by the Board on 10 November 2022 in accordance with the SGS By-Laws. The SGS shall continue to be in force for a period of five (5) years from 17 November 2022 (Effective Date) to 16 November 2027 and may be extended or renewed (as the case may be) for a further period of five (5) years or such shorter period, at the sole and absolute discretion of the Board upon the recommendation by the SGS Committee, provided always that the aforesaid initial SGS period and such extension of the SGS period made pursuant to the SGS By-Laws shall not in aggregate exceed a duration of ten (10) years from the Effective Date.

No SGS Shares has been granted or vested by the Company to any Eligible Persons during the financial year.

21. RESERVES

		Group		Company	
		2024	**2023**	**2024**	**2023**
	Note	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Non-distributable					
Fair value reserve	(a)	(2,240)	(954)	-	-
Foreign currency translation reserve	(b)	3,202	7,895	-	-
Revaluation reserve	(c)	16,325	16,413	-	-
		17,287	23,354	-	-
(Accumulated losses)/ Retained earnings		(123,997)	(64,092)	34,642	17,271
		(106,710)	(40,738)	34,642	17,271

(a) Fair Value Reserve

The fair value reserve includes the cumulative net change in the fair value through other comprehensive income investment held until the investment is derecognised.

(b) Foreign Currency Translation Reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.

(c) Revaluation Reserve

The revaluation reserve represents the surplus on the revaluation of hotel properties of the Group.

22. BORROWINGS

		Group	
		2024	2023
	Note	RM'000	RM'000
Non-current liabilities			
Term loans		74,952	85,632
Current liabilities			
Revolving credit		10,000	39,000
Term loans		9,679	10,302
		19,679	49,302
		94,631	134,934
Total liabilities			
Revolving credit	(a)	10,000	39,000
Term loans	(b)	84,631	95,934
		94,631	134,934

(a) Revolving Credit

The revolving credit is secured by way of:

(i) a pledge of short-term deposits as disclosed in Note 19(b) to the financial statements;

(ii) fixed charges over certain hotel properties and buildings of the Group as disclosed in Note 5(a) to the financial statements;

(iii) certain shares of subsidiaries at carrying amounts of RM72.22 million (2023: RM72.22 million) as disclosed in Note 10(e) to the financial statements; and

(iv) a guarantee and an indemnity from the Company.

The weighted average effective interest rate of the revolving credit is disclosed in Note 36(b)(iii) to the financial statements.

22. BORROWINGS (CONTINUED)

(b) Term Loans

	Group 2024 RM'000	Group 2023 RM'000
Term loans		
- secured	84,631	95,934
Represented by:		
Current		
- not later than one (1) year	9,679	10,302
Non-current		
- later than one (1) year but not later five (5) years	28,840	28,860
- later than five (5) years	46,112	56,772
	74,952	85,632
	84,631	95,934

The term loans are secured by way of:

(i) fixed charges over certain hotel properties and buildings and investment properties of the Group as disclosed in Note 5(a) and 7 to the financial statements;

(ii) the entire issued and paid up share capital of certain subsidiaries;

(iii) certain shares of subsidiaries at carrying amounts of RM72.22 million (2023: RM72.22 million) as disclosed in Note 10(e) to the financial statements;

(iv) fixed and floating charges over the assets of certain subsidiaries as disclosed in Note 15 and 19(b) to the financial statements; and

(v) a corporate guarantee by the Company and its subsidiaries.

The weighted average effective interest rate of the term loans is disclosed in Note 36(b)(iii) to the financial statements.

23. LEASE LIABILITIES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Minimum lease payments:				
- not later than one (1) year	3,988	5,649	683	683
- later than one (1) year but not later than five (5) years	14,727	24,715	2,560	2,730
- later than five (5) years	4,922	8,017	-	511
	23,637	38,381	3,243	3,924
Less: Future lease interest	(3,975)	(7,899)	(307)	(432)
Present value of lease liabilities	19,662	30,482	2,936	3,492
Represented by:				
Current				
- not later than one (1) year	2,951	3,985	577	557
Non-current				
- later than one (1) year but not later than five (5) years	12,165	19,222	2,359	2,435
- later than five (5) years	4,546	7,275	-	500
	16,711	26,497	2,359	2,935
	19,662	30,482	2,936	3,492

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the Group's incremental borrowing rate of 3.6% to 5.5% (2023: 3.6% to 5.5%) and Company's incremental borrowing rate of 3.6% (2023: 3.6%).

The Group determines the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Group is reasonably certain to exercise the relevant options. Management has considered the relevant facts and circumstances that create an economic incentive for the Group to either exercise the option to extend the lease, or to exercise the option to terminate the lease. Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Group.

The Group has recognised the lease payments associated with short term leases and low value assets on a straight-line basis over the lease terms and recognised as rental expenses as disclosed in Note 27 to the financial statements.

24. TRADE AND OTHER PAYABLES

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Non-Current:					
Non-Trade					
Other payables	(d)	5,412	6,384	-	-
Total non-current payables		5,412	6,384	-	-
Current:					
Trade					
Trade payables	(a)	18,661	20,584	-	-
Non-Trade					
Accruals		19,364	25,311	657	685
Amount owing to associates	(b)	16	16	-	-
Amount owing to subsidiaries	(c)	-	-	22,100	34,837
Deposits received		971	733	-	-
Other payables	(d)	21,112	31,110	2	2
		41,463	57,170	22,759	35,524
Total current payables		60,124	77,754	22,759	35,524
Total trade and other payables		65,536	84,138	22,759	35,524

(a) Trade payables

Trade payables are non-interest bearing and the normal credit terms granted to the Group range from 30 to 90 days (2023: 30 to 90 days).

(b) Amount owing to associates

The amount owing to associates are unsecured, interest-free and are repayable on demand by cash.

(c) Amount owing to subsidiaries

The amount owing to subsidiaries are unsecured, interest-free and are repayable on demand by cash.

(d) Other payables

The other payables included an amount of RM6,582,553 (2023: RM7,622,619) owing to a company that bears interest of 5.50% (2023: 5.50%) per annum.

25. REVENUE

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Revenue from contract customers				
Travel and tours	155,475	159,666	-	-
Information and communications technology	59,856	62,196	-	-
Property development and investment	26,386	42,658	-	-
Bus-body fabrication	22,772	12,045	-	-
Financial services	4,598	9,189	-	-
Education services	841	467	-	-
Revenue from other sources				
Interest income	330	1,097	329	1,097
Rental income	132	145	-	-
Dividend income	9	4	34,410	14,824
Others	108	99	-	-
	270,507	287,566	34,739	15,921

The Group and the Company report the following major segments: investment holding, property development and investment, information and communications technology, travel and tours, financial services and others in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure, it disaggregates revenue into primary geographical markets, and timing of revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Timing of revenue recognition:				
At a point in time	185,612	213,056	34,739	15,921
Over time	84,895	74,510	-	-
	270,507	287,566	34,739	15,921

The information on disaggregation of revenue into primary geographical markets is disclosed in Note 35 to the financial statements.

26. COST OF SALES

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Travel and tours	143,676	148,623	-	-
Information and communications technology	27,862	33,224	-	-
Property development and investment	16,196	19,721	-	-
Bus-body fabrication	16,070	10,433	-	-
Financial services	3,666	7,665	-	-
Education services	442	267	-	-
	207,912	219,933	-	-

27. OPERATING (LOSS)/PROFIT

Operating (loss)/profit has been arrived at after charging/(crediting):

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amortisation of intangible assets	846	707	-	-
Auditors' remuneration				
- statutory audit services:				
- Baker Tilly Monteiro Heng PLT	502	536	152	143
- Member firms of Baker Tilly International	109	93	-	-
- Other auditors	612	603	-	-
Other services				
- Baker Tilly Monteiro Heng PLT	12	25	6	20
- Member firms of Baker Tilly International	89	89	-	-
Depreciation of property, plant and equipment	8,135	7,858	12	14
Depreciation of right-of-use assets	3,647	7,622	575	575

27. OPERATING (LOSS)/PROFIT (CONTINUED)

Operating (loss)/profit has been arrived at after charging/(crediting): (continued)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Directors' remuneration:				
- fees	277	354	277	354
- other emoluments	2,734	2,164	1,915	1,763
- contributions to defined contributions plan	317	231	228	195
Effect of modication to lease term	(2,354)	(2,968)	-	-
Expense relating to short-term lease	421	562	-	-
Dividend income:				
- quoted investment securities	(840)	(54)	(10)	(4)
Fair value (gain)/loss in:				
- investment properties	(700)	(200)	-	-
- quoted investment securities	(66)	205	(126)	(7)
- unquoted investment securities	22,247	25,871	-	-
Impairment losses/(Reversal of impairment losses) on:				
- amount owing by associate	254	-	-	-
- goodwill	15,035	39,465	-	-
- intangible assets	705	-	-	-
- investment in associates	25	-	-	-
- investment in unquoted securities	1,693	-	-	
- investment in subsidiaries	-	-	7,265	3,963
- property, plant and equipment	12,236	15,707	-	-
- right-of-use assets	2,174	6,000	-	-
- trade and other receivables	(805)	1,727	312	113
Inventories written down	-	1,664	-	-
Loss on deregistration of subsidiary	32	-	-	-
Loss/(Gain) on disposal of:				
- property plant and equipment	(2,275)	2,942	-	-
- quoted investment securities	(80)	(1)	-	-
- investment in subsidiary	(37)	-	-	-
- investment property	185	-	-	-
Net gain on termination of lease	-	(38,600)	-	-

27. OPERATING (LOSS)/PROFIT (CONTINUED)

Operating (loss)/profit has been arrived at after charging/(crediting): (continued)

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Net loss/(gain) on foreign exchange:				
- realised	1,045	215	1	-
- unrealised	(735)	215	42	-
Property, plant and equipment written off	3	402	-	-
Rental income	(630)	(660)	-	-
Staff cost:				
- salaries and wages	43,831	46,086	3,730	3,424
- defined contribution plan	5,870	6,161	401	392
- other employee benefits	4,300	5,255	56	184

28. FINANCE INCOME

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest income:				
- short term deposits	2,128	1,223	-	-
- other investment	240	25	-	-
	2,368	1,248	-	-

29. FINANCE COSTS

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Interest expenses				
- term loans	8,753	8,903	2,217	2,446
- lease liabilities	1,791	2,513	125	145
	10,544	11,416	2,342	2,591

30 INCOME TAX EXPENSE

	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
Income tax				
Current year				
- In Malaysia	3,388	2,755	143	253
- Outside Malaysia	(150)	64	-	-
Prior years	(640)	(179)	(125)	(130)
	2,598	2,640	18	123
Real property gain tax				
Prior years	41	490	-	-
Deferred tax (Note 14)				
Current year	1,399	569	-	-
Prior years	(620)	91	-	-
	779	660	-	-
	3,418	3,790	18	123

The income tax is calculated at the statutory rate of 24% (2023: 24%) of the estimated assessable profit for the year.

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

	Group 2024 %	Group 2023 %	Company 2024 %	Company 2023 %
Applicable tax rate	(24)	(24)	24	24
Tax effects arising from				
- Non allowable expenses	41	36	16	87
- Non taxable income	(17)	(14)	(39)	(107)
- Utilisation of previously unrecognised tax losses and capital allowances	(2)	(2)	-	-
- Deferred tax assets not recognised in the year	4	5	-	-
- Different tax rate in foreign jurisdiction	3	4	-	-
Average effective tax rate	5	5	1	4

31. LOSS PER ORDINARY SHARE

(a) Loss per ordinary share

Basic loss per ordinary share are based on the loss attributable to the ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	2024	**2023**
	RM'000	**RM'000**
Loss attributable to ordinary equity holders of the Company	(58,728)	(49,339)
	'000 Units	**'000 Units**
Weighted average number of ordinary shares in issue	2,529,195	2,529,195
	Sen	**Sen**
Basic loss per share	(2.32)	(1.95)

(b) Diluted loss per ordinary share

The basic and diluted loss per share are reported to be the same for the current year and last year as the Company has no dilutive potential shares.

32. DIVIDENDS

	Company	
	2024	2023
	RM'000	RM'000
Final single tier dividend of 0.05 sen per share in respect of financial year ended 31 December 2023, paid on 19 August 2024	1,265	-
Final single tier dividend of 0.10 sen per share in respect of financial year ended 31 December 2022, paid on 18 August 2023	-	2,529

In addition, the Directors have recommended a final single tier dividend of 0.05 sen per ordinary share in respect of the financial year ended 31 December 2024 and payable upon approval by shareholders at the forthcoming Annual General Meeting.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained earnings in the next financial year ending 31 December 2025.

33. CONTINGENT LIABILITIES

	Group	
	2024	2023
	RM'000	RM'000
Litigation	131	7,312

On 19 November 2013, Unified Telecom Private Limited ("UTPL"), a joint venture of Unified Communications Pte Ltd ("UCPL"), filed a petition to the High Court of Delhi, New Delhi in India under Section 9 of India Arbitration and Conciliation Act, 1996 to obtain interim relief on the protection of assets currently under the custody of a former customer, a mobile telecoms network operator and service provider in India (the "Telco"), and to deny the penalty claims by the Telco against UTPL.

The Telco had via a letter issued in July 2013 alleged that UTPL is liable for a sum of INR11.3 crore (approximately RM6.9 million) for damages and expenditure incurred in connection with the contract during its currency.

33. CONTINGENT LIABILITIES (CONTINUED)

Legal advice has been sought from reputable law firms in both India and Singapore with good credentials in handling contract litigation and dispute resolution, to review and advice on the merit of this claim by the Telco on UTPL. Based on the legal opinions obtained from the law firm concerned, management is of the view that UTPL has full rights and title to the assets and should be entitled to demand their return, and that the Telco's claim against UTPL has no legal merit. Accordingly, external legal counsels in Singapore and India have been appointed to advise and represent UCPL and UTPL to pursue legal recourse.

As announced by the company on 16 January 2015, the hearing on the petition filed by UTPL which was originally scheduled to be heard on 23 April 2014, having been adjourned on several occasions, was dismissed by the High Court, as the Telco had initiated the arbitration proceedings before a tribunal. The High Court was of the view that the matter should be resolved through arbitration proceedings since the tribunal had already been constituted.

Since 2015, a number of procedural hearings have been held by the Arbitrator in relation to the matter. During the year, the provision of evidence by all witnesses and the subsequent cross examination of these witnesses was completed by all parties. Following these, UTPL and the Telco filed their final written submission on 10 February 2024.

On 3 May 2024, the company announced that UTPL has received the Arbitration Award, issued by the Arbitrator in the arbitration, with the conclusion as follows:

a) The Arbitrator dismissed the majority of the Telco's claims, only allowing the Telco to claim 33.1% of the gratification costs in the sum of INR11 Lakh (approximately RM0.056 million), along with simple interest at 12% per annum accrued from 15 July 2013 until the date of actual payment;

b) The Arbitrator granted a declaration that the hardware remains the property of UTP and the Telco is to return the hardware to UTPL;

c) The Arbitration award is made and pronounced at New Delhi, India on 25 April 2024; and

d) The application of Counter Claimant under Section 17 of Arbitration and Conciliation Act, 1996 along with their counterclaim and the petition of claimant on claim stand disposed off.

In the opinion of management, no material losses are expected to arise pertaining to the aforesaid contingent matter.

34. SIGNIFICANT RELATED PARTY DISCLOSURES

(a) Identification of related parties

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

Related parties of the Group include:

(i) subsidiaries;
(ii) associates;
(iii) joint venture;
(iv) entities in which the directors have a substantial financial interest; and
(v) key management personnel of the Group and the Company, comprising persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions and balances

Significant related party transactions other than those disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Income				
(i) Dividends receivable from subsidiary				
- Alangka-Suka Hotels & Resorts Sdn. Bhd.	-	-	34,400	14,820

34. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(c) Remuneration of key management personnel

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

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Fees	277	354	277	354
Emoluments and benefits	5,738	4,946	2,566	2,228
Contributions to defined contribution plan	523	493	228	220
	6,538	5,793	3,071	2,802
Benefit-in-kind	207	152	154	100

Included in the employee benefits of the Group and Company are Executive Directors' remuneration amounting to RM1,816,340 (2023: RM1,606,180) and RM1,768,880 (2023: RM1,558,720) respectively.

35. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* and on the basis of internal reports on the Group's strategic business units which are regularly reviewed by the Group Managing Director in order to allocate resources to the segments and to assess their performances.

The Group's operating and reportable segments are business units engaged in providing different products or services and business units operating in different geographical locations. These businesses are managed and assessed separately as each requires a differentiated strategy focused on the specific products and services. The Group Managing Director reviews the internal management reports on a quarterly basis in order to assess their performance.

There are varying levels of integration among Investment Holding segment and Travel and Tours segment with the other segments. This integration includes rental of properties, corporate support and provision of travel-related service. Inter-segment pricing is determined on a negotiated basis.

35. SEGMENT INFORMATION (CONTINUED)

Segment results

Segment performance is used to measure performance as Group Managing Director believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets

The total segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Group Managing Director. Segment total asset is used to measure the return on assets of each segment.

Segment liabilities

The total segment liability is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the Group Managing Director.

The Group's operating segments are as follows:

Investment holding	:	Investment holding and providing full corporate and financial support to the Group.
Property development & investment	:	Development of residential and commercial properties, property management and rental of property and operation and management of serviced office and other related services. Operate hotels and resorts and other related services.
Information and communications technology	:	Design and development of telecommunications software applications and systems and the provision of solutions and services for the telecommunications industry.
Travel and tours	:	Travel and tour agent and provision of travel related services.
Financial services	:	Payment card issuing and acquiring and related services and money services business.
Others	:	Businesses involving design, building and fabrication of coaches and bus maintenance and related services and owns and operates language centre and related services.

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment:

2024	Investment holding RM'000	Property development and investment RM'000	Information and communications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimination RM'000	Notes	Total RM'000
Revenue									
External	579	26,386	59,856	155,475	4,598	23,613	-		270,507
Inter-segment	39,415	2,781	-	161	-	-	(42,357)	(a)	-
	39,994	29,167	59,856	155,636	4,598	23,613	(42,357)		270,507
Results									
Segment results	15,136	(21,663)	(29,254)	6,982	(9,361)	(517)	(33,575)	(b)	(72,252)
Share of results of associates	45	(7)	-	-	-	-	-		38
Consolidated (loss)/ profit before tax	15,181	(21,670)	(29,254)	6,982	(9,361)	(517)	(33,575)		(72,214)
Income tax expense	(69)	(1,103)	(636)	(1,610)	-	-	-		(3,418)
Loss for the financial year									(75,632)
Attributable to:									
Owners of the Company									(58,728)
Non-controlling interests									(16,904)

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment: (continued)

2024	Investment holding RM'000	Property development and investment RM'000	Information and communications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimination RM'000	Notes	Total RM'000
Other information									
Segment assets	13,831	350,548	148,391	30,167	21,498	22,462	-		586,897
Investment in associates and a joint venture	3,476	70	-	-	-	-	-		3,546
Unallocated corporate assets									4,163
Total assets									594,606
Segment liabilities	3,616	142,222	13,242	9,738	4,288	10,265	-		183,371
Unallocated corporate liabilities									3,720
Total liabilities									187,091
Additions to non-current assets (other than financial instruments and deferred tax assets)									
- Property, plant and equipment	17	5,599	621	37	436	437	-		7,147
- Software development expenditure	-	-	1,734	-	903	-	-		2,637

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment: (continued)

2024	Invest-ment holding RM'000	Property develop-ment and investment RM'000	Information and commu-nications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimi-nation RM'000	Notes	Total RM'000
Other information (continued)									
Income:									
Dividend income	813	16	-	-	-	11	-		840
Interest income	329	1,621	476	266	6	-	-		2,698
Expense:									
Amortisation of intangible assets	-	-	744	-	102	-	-		846
Depreciation on property, plant and equipment	149	5,972	1,000	23	771	220	-		8,135
Depreciation on right-of-use assets	-	2,855	495	148	-	149	-		3,647
Finance cost	2,297	8,160	40	13	-	34	-		10,544
Fair value loss/(gain) in:									
- investment properties	(50)	(250)	(400)	-	-	-	-		(700)
- quoted investment securities	(126)	-	60	-	-	-	-		(66)
- unquoted investment securities	1,008	-	21,217	-	-	22	-		22,247
Loss/(Gain) on disposal of:									
- investment in subsidiary	-	(37)	-	-	-	-	-		(37)
- investment property	185	-	-	-	-	-	-		185
- property, plant and equipment	-	(2,275)	-	-	-	-	-		(2,275)
- quoted investment securities	-	(10)	-	-	-	(70)	-		(80)

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment: (continued)

2024	Investment holding RM'000	Property development and investment RM'000	Information and communications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimination RM'000	Notes	Total RM'000
Other information (continued)									
Expense: (continued)									
Loss on deregistration of subsidiary	-	32	-	-	-	-	-		32
Impairment loss/ (reversal of impairment) on:									
- amount owing by associate	254	-	-	-	-	-	-		254
- goodwill	7,740	-	7,295	-	-	-	-		15,035
- intangible assets	-	-	705	-	-	-	-		705
- investment in associate	-	25	-	-	-	-	-		25
- investment in unquoted shares	-	1,693	-	-	-	-	-		1,693
- property, plant and equipment	-	11,860	376	-	-	-	-		12,236
- right-of-use assets	-	2,174	-	-	-	-	-		2,174
- trade and other receivables	-	(881)	39	-	-	37	-		(805)
Property, plant and equipment written off	-	-	1	-	-	2	-		3
Staff costs:									
- salaries and wages	7,885	8,244	20,155	3,400	826	3,321	-		43,831
- defined contribution plan	952	1,368	2,633	443	107	367	-		5,870
- other employee benefits	165	1,007	2,256	661	78	133	-		4,300

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment: (continued)

2023	Investment holding RM'000	Property development and investment RM'000	Information and communications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimination RM'000	Notes	Total RM'000
Revenue									
External	1,345	42,658	62,196	159,666	9,189	12,512	-		287,566
Inter-segment	19,464	2,780	-	101	-	-	(22,345)	(a)	-
	20,809	45,438	62,196	159,767	9,189	12,512	(22,345)		287,566
Results									
Segment results	(23,535)	6,215	(38,403)	6,510	(7,776)	(5,661)	(14,147)	(b)	(76,797)
Share of results of associates	(34)	(4)	-	-	-	-	-		(38)
Consolidated (loss)/ profit before tax	(23,569)	6,211	(38,403)	6,510	(7,776)	(5,661)	(14,147)		(76,835)
Income tax expense	(135)	(707)	(1,457)	(1,491)	-	-	-		(3,790)
Loss for the financial year									(80,625)
Attributable to:									
Owners of the Company									(49,339)
Non-controlling interests									(31,286)

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment: (continued)

2023	Invest-ment holding RM'000	Property develop-ment and investment RM'000	Information and commu-nications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimi-nation RM'000	Notes	Total RM'000
Other information									
Segment assets	38,696	443,827	185,912	21,564	24,307	23,582	-		737,888
Investment in associates and a joint venture	3,831	102	-	-	-	-	-		3,933
Unallocated corporate assets									5,592
Total assets									747,413
Segment liabilities	7,728	203,902	16,735	9,961	10,028	5,591	-		253,945
Unallocated corporate liabilities									5,236
Total liabilities									259,181
Additions to non-current assets (other than financial instruments and deferred tax assets)									
- Property, plant and equipment	345	6,829	682	13	1,995	193	-		10,057
- Software development expenditure	-	-	1,008	-	488	-	-		1,496

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment: (continued)

2023	Investment holding RM'000	Property development and investment RM'000	Information and communications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimination RM'000	Notes	Total RM'000
Other information (continued)									
Income:									
Interest income	1,097	504	574	167	3	-	-		2,345
Dividend income	4	27	-	23	-	-	-		54
Expense:									
Amortisation of intangible assets	-	-	707	-	-	-	-		707
Depreciation on property, plant and equipment	153	5,364	1,203	25	825	288	-		7,858
Depreciation on right-of-use assets	-	6,702	670	118	-	132	-		7,622
Finance cost	2,536	8,751	87	24	-	18	-		11,416
Fair value loss/(gain) in:									
- quoted investment securities	(8)	227	(14)	-	-	-	-		205
- investment properties	(100)	(100)	-	-	-	-	-		(200)
- unquoted investment securities	2,827	-	23,044	-	-	-	-		25,871
Loss/(Gain) on disposal of:									
- property, plant and equipment	(29)	2,971	-	-	-	-	-		2,942
- quoted investment securities	-	(1)	-	-	-	-	-		(1)

35. SEGMENT INFORMATION (CONTINUED)

The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by operating segment: (continued)

2023	Investment holding RM'000	Property development and investment RM'000	Information and communications technology RM'000	Travel and tours RM'000	Financial services RM'000	Others RM'000	Elimination RM'000	Notes	Total RM'000
Other information (continued)									
Expense: (continued)									
Impairment loss on:									
- goodwill	25,176	-	14,289	-	-	-	-		39,465
- right-of-use assets	-	6,000	-	-	-	-	-		6,000
- property, plant and equipment	-	15,707	-	-	-	-	-		15,707
- trade and other receivables	113	963	-	-	-	651	-		1,727
Inventories written down	-	-	-	-	-	1,664	-		1,664
Property, plant and equipment written off	-	401	1	-	-	-	-		402
Staff costs:									
- salaries and wages	7,168	12,453	18,910	3,032	595	3,928	-		46,086
- defined contribution plan	886	1,900	2,518	377	127	353	-		6,161
- other employee benefits	945	1,520	2,049	493	90	158	-		5,255

35. SEGMENT INFORMATION (CONTINUED)

Notes Nature of elimination to arrive at amounts reported in the consolidated financial statements:

(a) Inter-segment revenues are eliminated on consolidation; and

(b) Inter-segment expenses are eliminated on consolidation.

Geographical Information

The Group operates mainly in Malaysia, Singapore, Africa and Middle East, Europe and others. In determining the geographical segments of the Group, revenue is based on the geographical location of customers. Segment assets and capital expenditure are based on the geographical location of the assets. The composition of each geographical segment is as follows:

Malaysia	:	Investment holding and providing full corporate and financial support to the Group, property development and investment, property management and rental of property, operation and management of serviced office and other related services, owner and operator of hotels and resorts and other related services, travel and tours and related services, money services, payment card issuing and acquiring and related services, design and development of telecommunications software applications and systems and the provision of solutions and services for the telecommunications industry, design, building and fabrication of coaches, and bus maintenance and related services and owns and operates language centre.
Singapore	:	Design and development of telecommunications software applications and systems and the provision of solutions and services for the telecommunications industry, provision of management and investment holdings.
Africa and Middle East	:	Design and development of telecommunications software applications and systems and the provision of solutions and services for the telecommunications industry.
Europe	:	Operate and manage hotels and resorts.
Others	:	Operate and manage hotels and resorts, design and development of telecommunications software applications and systems and the provision of solutions and services for the telecommunications industry.

35. SEGMENT INFORMATION (CONTINUED)

Geographical segments

The following table provides an analysis of the Group's revenue, segment assets and additions to non-current assets (other than financial instruments and deferred tax assets) by geographical segment:

	Revenue		Non-current assets		Additions to non-current assets (other than financial instruments and deferred tax assets)	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Malaysia	254,078	276,293	196,192	232,231	7,631	5,381
Singapore	2,208	1,732	40,111	39,397	1,734	1,024
Africa & Middle East	848	677	444	-	-	-
Europe	5,226	52	77,667	82,811	393	4,960
Others	8,147	8,812	13,227	66,113	26	188
	270,507	287,566	327,641	420,552	9,784	11,553

Major customers

For the information and technology communications division, revenue from two customers represented RM13.82 million (2023: RM15.51 million) and RM12.22 million (2023: RM13.36 million) respectively of the Group's total revenue.

36. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

(i) fair value through profit or loss ("FVPL");
(ii) designated fair value through profit or loss ("DFVPL");
(iii) amortised cost; and
(iv) designated fair value through other comprehensive income ("DFVOCI").

36. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

	Carrying amount RM'000	Amortised cost RM'000	FVPL RM'000	DFVPL RM'000	DFVOCI RM'000
2024					
Group					
Financial assets					
Investment securities	46,177	-	2,501	36,581	7,095
Trade and other receivables	75,868	75,868	-	-	-
Financial assets held for trading	25	-	-	25	-
Cash and fixed deposits	98,873	98,873	-	-	-
	220,943	174,741	2,501	36,606	7,095
Financial liabilities					
Borrowings	94,631	94,631	-	-	-
Trade and other payables	65,536	65,536	-	-	-
	160,167	160,167	-	-	-
Company					
Financial assets					
Investment securities	541	-	541	-	-
Trade and other receivables	20	20	-	-	-
Cash and fixed deposits	1,770	1,770	-	-	-
	2,331	1,790	541	-	-
Financial liabilities					
Trade and other payables	22,759	22,759	-	-	-

36. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

	Carrying amount RM'000	Amortised cost RM'000	FVPL RM'000	DFVPL RM'000	DFVOCI RM'000
2023					
Group					
Financial assets					
Investment securities	73,038	-	2,323	60,641	10,074
Trade and other receivables	131,935	131,935	-	-	-
Financial assets held for trading	47	-	-	47	-
Cash and fixed deposits	114,264	114,264	-	-	-
	319,284	246,199	2,323	60,688	10,074
Financial liabilities					
Borrowings	134,934	134,934	-	-	-
Trade and other payables	84,138	84,138	-	-	-
	219,072	219,072	-	-	-
Company					
Financial assets					
Investment securities	432	-	432	-	-
Trade and other receivables	14,890	14,890	-	-	-
Cash and fixed deposits	16,315	16,315	-	-	-
	31,637	31,205	432	-	-
Financial liabilities					
Trade and other payables	35,524	35,524	-	-	-

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management

The operations of the Group and of the Company are exposed to a variety of financial risks, including credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk. The Group and the Company have formulated a financial risk management framework whose principal objective is to minimise the Group's and the Company's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group and of the Company.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of financial loss that may arise on outstanding financial instruments should a counter party default on its obligation. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. It is the Group's and the Company's policy to monitor the financial standing of these receivables on an ongoing basis to ensure that the Group and the Company are exposed to minimal credit risk.

Cash deposits and trade receivables may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted.

Trade and other receivables

As at the end of the financial year, the Group has no significant concentration of credit risk other than an amount owing from a debtor of RM11.68 million (2023: RM11.81 million). The Group does not anticipate the carrying amounts as at the end of the financial year to be significantly different from the values that would eventually be received.

The maximum exposures to credit risk are represented by the carrying amounts of the financial assets in the statements of financial position.

Credit risk concentration profile

The Group determines concentrations of credit risk by industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the reporting date are as follows:

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Credit risk concentration profile (continued)

	Group			
	2024		2023	
	RM'000	% of total	RM'000	% of total
By industry sectors:				
Financial services	4,262	8.1%	8,891	17.4%
Investment holding	21	0.0%	11	0.0%
Information and communications technology	28,610	54.4%	20,306	39.7%
Property development & Investment	408	0.8%	2,626	5.1%
Travel and tours	10,968	20.9%	8,979	17.6%
Others	8,300	15.8%	10,314	20.2%
	52,569	100.0%	51,127	100.0%

The Group applies the simplified approach to trade receivables and general approach to other receivables to providing for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables and other receivables. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information. The Group also assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable.

The ageing analysis of the Group's trade receivables is as follows:

	Group	
	2024	2023
	RM'000	RM'000
Neither past due nor impaired	24,197	37,367
Past due 0 to 3 months	18,088	4,692
Past due 3 to 9 months	9,111	8,338
Past due over 9 months	3,447	4,805
	30,646	17,835
Credit impaired (individually assessed)	(2,274)	(4,075)
	52,569	51,127

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Receivables that are impaired

The receivables of the Group's that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Trade receivables		Other receivables		Amount owing by subsidiaries		Amount owing by associates	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Group								
At 1 January	4,075	3,491	5,198	4,055	-	-	2,108	2,108
Charge for the financial year								
- individually assessed	37	584	996	1,143	-	-	254	-
Reversal of impairment loss	(1,838)	-	-	-	-	-	-	-
At 31 December	2,274	4,075	6,194	5,198	-	-	2,362	2,108
Company								
At 1 January	-	-	267	154	-	-	-	-
Charge for the financial year								
- individually assessed	-	-	-	113	312	-	-	-
Reversal of impairment loss	-	-	(267)	-	-	-	-	-
At 31 December	-	-	-	267	312	-	-	-

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Other receivables and inter-company loans and advances

For other receivables, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Regardless of the analysis above, a significant increase in credit risk is presented if a debtor is more than 30 days past due in the making of a contractual payment.

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the borrower does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Other than the credit impaired other receivables, the Group and the Company consider those financial assets to have low credit risk.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Financial guarantees

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

The maximum exposure to credit risk amounts to RM61.05 million (2023: RM93.51 million) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantees are provided as credit enhancement to the subsidiaries' secured borrowings.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

As at 31 December 2024, the Company's current liabilities exceeded its current assets by RM20.9 million (2023: RM4.4 million). Despite this, the Group's financial position, including dividend income from the subsidiaries, provides adequate resources to enable the Company in meeting its obligations and continue its operations of at least 12 months from the end of the financial year.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations:

	Carrying Amount RM'000	Contractual interest rate %	← Contractual cash flows → On demand or within 1 Year RM'000	Between 1 - 5 Years RM'000	More than 5 Years RM'000	Total RM'000
2024						
Group						
Financial liabilities						
Trade and other payables	65,536	5.50	60,124	5,076	336	65,536
Revolving credit	10,000	5.68-5.90	10,000	-	-	10,000
Term loans	84,631	4.75-8.22	15,405	45,547	51,132	112,084
Company						
Financial liabilities						
Other payables	22,759	-	22,759	-	-	22,759
Financial guarantee contracts	-	-	61,052	-	-	61,052

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations: (continued)

			← Contractual cash flows →			
	Carrying Amount RM'000	Contractual interest rate %	On demand or within 1 Year RM'000	Between 1 - 5 Years RM'000	More than 5 Years RM'000	Total RM'000
2023						
Group						
Financial liabilities						
Trade and other payables	84,138	5.50	77,754	4,631	1,753	84,138
Revolving credit	39,000	5.64-5.90	39,000	-	-	39,000
Term loans	95,934	4.70-8.22	16,753	49,312	65,798	131,863
Company						
Financial liabilities						
Other payables	35,524	-	35,524	-	-	35,524
Financial guarantee contracts	-	-	93,511	-	-	93,511

(iii) Interest rate risk

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

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Interest rate risk (continued)

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Group's borrowings and is managed through the use of fixed and floating rate debts and tenure of the loans. The Group does not use derivative financial instruments to hedge its risk.

The Company manages the net exposure to interest rate risks by maintaining sufficient lines of credit to obtain acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis. Management does not enter into interest rate hedging transactions since it considers that the cost of such instruments outweighs the potential risk of interest rate fluctuation.

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments based on carrying amounts as at the end of the reporting period were:

		2024		2023	
		Weighted average effective interest rate	Carrying amount	Weighted average effective interest rate	Carrying amount
Fixed rate	**Note**	**%**	**RM'000**	**%**	**RM'000**
Group					
Financial assets					
Fixed deposits	19	2.28	33,517	2.66	49,129
Company					
Financial assets					
Fixed deposits	19	-	-	3.55	10,000
Floating rate					
Group					
Financial liabilities					
Revolving credit	22(a)	5.68-5.90	10,000	5.64-5.90	39,000
Term loans	22(b)	5.16	84,631	5.50	95,934
			94,631		134,934

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Interest rate risk (continued)

Sensitivity analysis for interest rate risk

(a) Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets at fair value through profit or loss and equity. Therefore, a change in interest rates at the reporting date would not affect profit or loss and equity.

(b) Cash flow sensitivity analysis for variable rate instruments

At the reporting date, if interest rates had been 100 basis points lower/higher, with all other variables held constant, the Group's and the Company's profit net of tax would have been RM1.18 million lower/higher and RM0.08 million higher/lower respectively, arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings and higher/lower interest income from fixed rate fixed deposits. The assumed movement in basis points for interest rate sensitivity analysis is based on a prudent estimate of the current market environment.

(iv) 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.

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's and the Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's and the Company's operating activities (when sales, purchases and borrowings that are denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group and the Company ensure that the net exposure to this risk is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances. Management does not enter into currency hedging transactions since it considers that the cost of such instruments outweighs the potential risk of exchange rate fluctuations.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iv) Foreign currency risk (continued)

The unhedged financial assets and liabilities of the Group that are not denominated in their functional currencies are as follows:

	← Functional currencies →			
Group	**Ringgit Malaysia**	**US Dollar**	**Singapore Dollar**	**Total**
2024	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Financial assets and liabilities not held in functional currencies				
Investment securities				
Renminbi	-	1,693	-	1,693
Trade receivables				
US Dollar	-	-	849	849
Australia Dollar	520	-	-	520
Brunei Dollar	1,985	-	-	1,985
	2,505	-	849	3,354
Other receivables				
US Dollar	-	-	32	32
Cash and bank balances				
Australia Dollar	14	-	-	14
Euro	129	1	-	130
Pound Sterling	498	7	-	505
Renminbi	-	-	-	-
Singapore Dollar	2	298	-	300
US Dollar	3,129	-	1,081	4,210
Others	4	-	-	4
	3,776	306	1,081	5,163
Trade payables				
US Dollar	881	-	422	1,303
Others	457	-	2	459
	1,338	-	424	1,762

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iv) Foreign currency risk (continued)

The unhedged financial assets and liabilities of the Group that are not denominated in their functional currencies are as follows: (continued)

	← Functional currencies →			
Group	**Ringgit Malaysia**	**US Dollar**	**Singapore Dollar**	**Total**
2023	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Financial assets and liabilities not held in functional currencies				
Investment securities				
Renminbi	-	1,693	-	1,693
Trade receivables				
US Dollar	-	-	805	805
Australia Dollar	549	-	-	549
Brunei Dollar	180	-	-	180
	729	-	805	1,534
Other receivables				
US Dollar	-	-	3	3
Cash and bank balances				
Australia Dollar	14	-	-	14
Euro	141	3	-	144
Pound Sterling	30	7	-	37
Renminbi	1	-	-	1
Singapore Dollar	3	317	-	320
US Dollar	2,981	-	1,628	4,609
Others	5	-	-	5
	3,175	327	1,628	5,130
Trade payables				
US Dollar	1,062	-	466	1,528
Others	224	-	2	226
	1,286	-	468	1,754

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iv) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's total profit to a reasonably possible change in the USD, RMB, BND and SGD exchange rate against the respective functional currencies of the Group entities, with all other variables held constant.

Group		Effect on profit for the financial year
2024		**RM'000**
RM/BND	- strengthened 10%	(153)
	- weakened 10%	153
RMB/RM	- strengthened 10%	(169)
	- weakened 10%	169
USD/RM	- strengthened 10%	(231)
	- weakened 10%	231
2023		
USD/SGD	- strengthened 10%	(191)
	- weakened 10%	191
RMB/RM	- strengthened 10%	(169)
	- weakened 10%	169
USD/RM	- strengthened 10%	(198)
	- weakened 10%	198

(v) Market price risk

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

36. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(v) Market price risk (continued)

The Group is exposed to equity price risk arising from its investment in quoted equity instruments. Equity price risk arises from unfavourable movements in share price of quoted investments that adversely affect the valuation on equity instruments. There is a direct correlation between movements in share price of quoted equity investments and movements in stock market index. These instruments are classified as held for trading or available-for-sale financial assets. The Group does not have exposure to commodity price risk.

Sensitivity analysis for equity price risk

This analysis assumes that all other variables remain constant and the Group's equity investments moved in correlation with stock market index.

A 5 percent higher in equity prices at the end of the reporting period would have increased the Group's and the Company's equity by RM0.47 million (2023: RM0.60 million) and RM0.03 million (2023: RM0.02 million) respectively. A 5 percent lower in equity prices would have had equal but opposite effect on equity.

(c) Fair value measurement

(i) Financial instruments that are not carried at fair value and whose carrying amounts are reasonably approximated to fair value

The carrying amount of these financial assets and liabilities is reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

The carrying amount of the current portion of borrowings is reasonable approximation of fair values due to the insignificant impact of discounting.

The carrying amount of long term floating rate loans approximate their fair value as the loans to be repaid to market interest rate on or near report date.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement (continued)

(ii) Fair value hierarchy

The following are classes of financial instruments that are carried at fair value, by valuation method. The different levels have been defined as follows:

(i)	Level 1 -	Unadjusted quoted prices in an active market for identical financial instruments
(ii)	Level 2 -	Inputs other than quoted prices included within Level 1 that are observable either directly or indirectly
(iii)	Level 3 -	Inputs that are not based on observable market data

36. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement (continued)

(ii) Fair value hierarchy (continued)

The following table provides fair value measurement hierarchy of the Group's financial instruments:

		Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Fair	Carrying
Group		**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**	**value**	**amount**
2024	**Note**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Financial assets											
Investment securities:	13										
- Fair value through other comprehensive income financial assets		6,832	-	263	7,095	-	-	-	-	7,095	7,095
- Fair value through profit or loss financial assets		2,501	-	36,581	39,082	-	-	-	-	39,082	39,082
Financial liabilities											
Borrowings:											
- Term loans	22	-	-	-	-	-	-	74,952	74,952	74,952	74,952
Other payables	24	-	-	-	-	-	-	5,412	5,412	5,412	5,412

36. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement (continued)

(ii) Fair value hierarchy (continued)

The following table provides fair value measurement hierarchy of the Group's financial instruments: (continued)

Group		Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Fair value	Carrying amount
2023	Note	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	RM'000	RM'000
Financial assets											
Investment securities:	13										
- Fair value through other comprehensive income financial assets		8,118	-	1,956	10,074	-	-	-	-	10,074	10,074
- Fair value through profit or loss financial assets		2,323	-	60,641	62,964	-	-	-	-	62,964	62,964
Financial liabilities											
Borrowings:											
- Term loans	22	-	-	-	-	-	-	85,632	85,632	85,632	85,632
Other payables	24	-	-	-	-	-	-	6,384	6,384	6,384	6,384

36. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement (continued)

(ii) Fair value hierarchy (continued)

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Fair value hierarchy

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

<u>Financial instrument carried at fair value</u>

The fair value of quoted investments are estimated based on their quoted market prices as at the end of the reporting period.

Level 2 fair value

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

Level 3 fair value is estimated using unobservable input for the financial assets with the respective valuation technique.

Valuation process applied by the Group has been disclosed on Note 13 to the financial statements.

The Group has the policy to regularly assess and evaluate the appropriate valuation methodologies in ascertaining the fair value of the investments.

<u>Financial instruments not carried at fair value</u>

The fair value of the term loans are determined using the discounted cash flows method based on discount rates that reflects the issuer's borrowing rate as at the end of the reporting period.

36. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement (continued)

(ii) Fair value hierarchy (continued)

Transfer between levels of fair values hierarchy

There is no transfer between levels of fair values hierarchy during the financial year.

37. CAPITAL MANAGEMENT

The Group actively and regularly reviews and manages its capital structure with the objectives of ensuring that the Group will be able to continue as a going concern while maximising the return to stakeholders. These reviews take into consideration future capital requirements of the Group, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and strategic investment opportunities.

The capital structure of the Group consists of debt which includes borrowings (Note 22 to the financial statements), cash and cash equivalents (Statements of Cash Flows), and equity attributable to equity holders of the Company.

The Group's overall capital management strategy remains unchanged from 2023 and this includes maintaining a healthy gearing ratio taking into consideration the objectives of the Group. There were no changes in the Group's approach to capital management during the year. As at the reporting date, the gearing ratio calculated as total borrowings divided by total equity is as follows:

	Group	
	2024	**2023**
	RM'000	**RM'000**
Total borrowings (Note 22)	94,631	134,934
Less : Cash and cash equivalents (Note 19)	(74,246)	(88,084)
Subtotal	20,385	46,850
Total equity	407,515	488,232
Debt-to-equity ratio	5.00%	9.60%

A subsidiary of the Group is required to maintain the EBITDA to debts ratio of not less than 1.0 to comply with a bank covenant.

38. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Disposal of City Villa Kuala Lumpur in Mayor Hotel Sdn. Bhd. ("MHSB")

On 6 November 2020, the Company announced that MHSB has entered into a sale and purchase agreement ("SPA") for M1 Plaza Sdn. Bhd. ("Purchaser") to purchase from MHSB the hotel property known as City Villa Kuala Lumpur ("City Villa") for a total cash consideration of RM24,000,000 ("Purchase Price").

On 31 December 2024, the Company announced that proposed disposal of City Villa located at No.69, Jalan Haji Hussein, Off Jalan Tuanku Abdul Rahman, 50300 Kuala Lumpur by MHSB, an indirect wholly-owned subsidiary of ASB held via Alangka-Suka Hotels & Resorts Sdn. Bhd., a wholly-owned subsidiary of ASB has been completed.

MHSB had fulfilled and performed its obligations under the Sale and Purchase Agreement on 31 December 2024.

Statement By Directors

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

We, **ANTON SYAZI DATO' AHMAD SEBI** and **LEE SU NIE**, being two of the directors of Advance Synergy Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements 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 31 December 2024 and of their financial performance and cash flows for the financial year then ended.

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

ANTON SYAZI DATO' AHMAD SEBI
Director

LEE SU NIE
Director

Selangor

Date: 9 April 2025

Statutory Declaration

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

I, **LEE SU NIE**, being the director primarily responsible for the financial management of Advance Synergy Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements 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.

LEE SU NIE

Subscribed and solemnly declared by the abovenamed at Shah Alam, Selangor on 9 April 2025.

Before me,
SITI MARYAM BINTI KAMARUDIN
No. B498

Commissioner for Oaths
Malaysia

Independent Auditors' Report

to the Members of Advance Synergy Berhad
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Advance Synergy Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 129 to 254.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and 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.

Group

Impairment of goodwill (Note 4.1 and 9 to the financial statements)

The carrying amount of the goodwill related to information and communications technology ("ICT") and travel and tours ("TT") CGUs amounted to RM20,222,000 and RM3,659,000 respectively. The accounting policy of the Group is to test goodwill for impairment annually. The goodwill amount is required to be allocated to cash generating unit ("CGU") for impairment testing purposes.

We focused on this area because the Group's determination of recoverable amount of the CGU to which the goodwill is allocated requires the exercise of significant judgement to be made by the directors, especially in determining the assumptions to be applied in supporting the underlying cash flow projections in the recoverable amount calculation. These judgements and assumptions are inherently uncertain.

Our audit response:

Our audit procedures focus on evaluating the cash flow projections and the Group's projection procedures which included, among others:

- understanding the methodology adopted by the Group;
- comparing the actual results with previous cash flow projections to assess the performance of the business and historical accuracy of the projections;
- testing the mathematical computation of the impairment assessment;
- performing a sensitivity analysis of key assumptions that are expected to be most sensitive to the recoverable amount;
- comparing the Group's assumptions to externally derived data as well as our assessments in relation to key inputs such as discount rates, forecasted growth rates and profit margin; and
- review the assumptions used and key inputs used has been assessed by the component auditors.

Key Audit Matters (continued)

Group (continued)

Valuation of investment properties (Note 4.2 and 7 to the financial statements)

The Group's accounting policy is to measure investment properties at fair value subsequent to their initial recognition. The Group determines the fair value of the investment properties based on the market valuation performed by external independent valuers.

We focused on this area because the Group's measurement of fair value requires the exercise of significant judgement to be made by directors, especially in determining the appropriate valuation methods and the key assumptions used in the valuations. These judgements and assumptions are inherently uncertain.

Our audit response:

Our audit procedures included, among others:

- understanding the competency, capabilities and objectivity of the external valuers which includes consideration of their qualifications and experience;
- understanding the scope and purpose of the valuation by reading the terms of engagement to assess whether any matters that might have affected their objectivity or limits the scope of their work;
- reading the valuation reports for all significant properties and discussed with external valuers on their valuation approach and the significant judgements they made, including the selection of comparable properties and adjustments for differences in key attributes made to the transacted value of comparable properties; and
- discussing with the Group on the valuation approach used and appropriateness of the key assumptions.

Key Audit Matters (continued)

Group (continued)

Fair value of unquoted investment (Note 4.3 and 13 to the financial statements)

The Group has significant balances of financial instruments that are not traded in an active market which include unquoted investment securities amounting to RM36,581,000 as of 31 December 2024. The Group's accounting policy requires the directors to estimate the fair value of these financial instruments by using appropriate valuation methodology.

We focused on this area because the valuations of these financial instruments require significant judgement to be made by the directors in determining the appropriate valuation methodology and key assumptions to be applied for each investment in the fair value estimation. These judgements and assumptions are inherently uncertain.

Our audit response:

Our audit procedures included, among others:

- issuing group audit instructions to the component auditors to communicate our group audit strategy;
- discussing with the component auditors their assessment of the basis and process used by management in determining the fair values, the appropriateness of the valuation methodologies applied to value the unquoted financial instruments as well as the reasonableness of key inputs and assumptions used in the valuation;
- reviewing the component auditors' assessment on the objectivity, professional qualifications and resources of the independent external specialists used by management; and
- reviewing the adequacy of the disclosures made in the financial statements.

Key Audit Matters (continued)

Company

Investment in a subsidiary (Note 4.4 and 10 to the financial statements)

The Company has significant balance of investment in a subsidiary, namely Advance Synergy Capital Sdn. Bhd. The Company has assessed whether there is any indication that the cost of investment in the subsidiary is impaired at the end of each reporting date. Impairment is measured by comparing the carrying amount of an asset with its recoverable amount. Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value in use.

We focused on this area because the Company's determination of the recoverable amount requires significant judgement to be made by the directors, especially in determining the assumptions to be applied in supporting the underlying cash flow projections in the recoverable amount calculation. These judgements and assumptions are inherently uncertain.

Our audit response:

Our audit procedures focus on evaluating the cash flow projections which included, among others:

- comparing the Company's assumptions to our assessments in relation to key assumptions to assess their reasonableness of the projections;
- testing the mathematical accuracy of the impairment assessment; and
- performing a sensitivity analysis around the key assumptions.

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.

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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 subsidiaries of which we have not acted as auditors, are disclosed in Note 10 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 contents of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Ng Jou Yin
No. 03460/11/2025 J
Chartered Accountant

Kuala Lumpur

Date: 9 April 2025

This page has been intentionally left blank

OTHER INFORMATION

Contents

List of Properties

The top 10 properties of the Group as at 31 December 2024 are as follows:

Location	Description	Approx. land area	Approx. age of building (Years)	Tenure	Carrying Amount (RM'000)	Date of last revaluation/ acquisition
57 & 58 Philbeach Gardens - LN69764 59 Philbeach Gardens - LN205767 57 - 59 Philbeach Gardens Earl's Court, London SW5 9ED United Kingdom	Land with aparthotel building	1,118 sq. m.	> 145	Freehold	75,931	04.12.2023
GM1265 Lot 1300* GM1126 Lot 1301 GM424 Lot 1302 GM857 Lot 1303 GM405 Lot 1305 GM3522 Lot 7058 GM2561 Lot 5233 Mukim Sungai Karang Cherating Pahang Darul Makmur	Land with hotel building, recreational facilities, restaurant and apartment block	13 acres	31.5-37	Freehold	42,947	19.01.2022
Lot 849, Jalan Subang 7 Taman Industri Sungai Penaga 47620 Petaling Jaya Selangor Darul Ehsan	One storey warehouse with three storey office	12,015 sq. m.	26	Leasehold (expiring on 20/10/2065)	30,789	01.06.2022
17, Jalan Yap Ah Shak 50300 Kuala Lumpur	Five storey commercial building	722 sq. m.	7	Freehold	27,809	30.11.2018
9, Jalan Kajibumi U1/70 Seksyen U1 Temasya Glenmarie 40150 Shah Alam Selangor Darul Ehsan	Four storey commercial building	3,314 sq. m.	7	Freehold	25,396	30.11.2018

The top 10 properties of the Group as at 31 December 2024 are as follows (continued):

Location	Description	Approx. land area	Approx. age of building (Years)	Tenure	Carrying Amount (RM'000)	Date of last revaluation/ acquisition
Suite No. 3A-5-1 Level 5, Block 3A Plaza Sentral Jalan Stesen Sentral 5 Kuala Lumpur	Office Suite	749 sq. m. (floor area)	21	Freehold	7,000	07.01.2025
9, Jalan SS3/39 47300 Petaling Jaya Selangor Darul Ehsan	Double storey bangalow	669 sq. m.	57	Freehold	3,000	24.01.2025
PN5161, Lot 13, Seksyen 1, Bandar Petaling Jaya District Petaling Jaya 16, Jalan Othman 46000 Petaling Jaya Selangor Darul Ehsan	Leasehold land & building	503 sq. m.	63	Leasehold (expiring on 13/9/2060)	1,900	24.01.2025
HS(D) 607584 PTB 24734 Bandar Johor Bahru, District of Johor Bahru Johor Darul Ta'zim	Vacant land	1,136 sq. m.	n/a	Freehold	1,895	16.02.2024
B-16-8, Megan Avenue II 12 Jalan Yap Kwan Seng 50450 Kuala Lumpur	Office suite	364 sq. m. (floor area)	26	freehold	1,672	10.01.2013

** Legal title for the freehold land has yet to be transferred to the Group.*

Statement on Directors' Interests in the Company

and related corporations as at 26 March 2025

	Ordinary shares	
	Number	**Percentage**
Direct Interest in the Company		
Aryati Sasya Dato' Ahmad Sebi	66,924,000	2.65
Chew Lee Fong	72,981	negligible
Deemed Interest in the Company		
Anton Syazi Dato' Ahmad Sebi	[1]91,401,000	3.61
Loo Pak Soon	[1]91,401,000	3.61
Lee Su Nie	[2]1,095,000	0.04
Direct Interest in related corporation		
Captii Limited ("Captii")		
Anton Syazi Dato' Ahmad Sebi	517,600	1.62
Lee Su Nie	20,000	0.06
Arcylic Synergy Sdn Bhd		
Anton Syazi Dato' Ahmad Sebi	1	negligible
Deemed Interest in related corporation		
Segi Koleksi Sdn Bhd ("SKSB")		
Anton Syazi Dato' Ahmad Sebi	[3]1,670,796	30.00
Aryati Sasya Dato' Ahmad Sebi	[3]1,670,796	30.00
Metroprime Corporation Sdn Bhd ("MCSB")		
Anton Syazi Dato' Ahmad Sebi	[4]6,675,227	100.00
Aryati Sasya Dato' Ahmad Sebi	[4]6,675,227	100.00
Osteria Gamberoni Sdn Bhd ("Osteria")		
Anton Syazi Dato' Ahmad Sebi	[5]1,022,964	30.00
Aryati Sasya Dato' Ahmad Sebi	[5]1,022,964	30.00
Primo Espresso Sdn Bhd ("Primo")		
Anton Syazi Dato' Ahmad Sebi	[5]671,687	30.00
Aryati Sasya Dato' Ahmad Sebi	[5]671,687	30.00
Temasya House Sdn Bhd ("Temasya")		
Anton Syazi Dato' Ahmad Sebi	[5]150,000	30.00
Aryati Sasya Dato' Ahmad Sebi	[5]150,000	30.00
Yap Ah Shak House Sdn Bhd ("YAS")		
Anton Syazi Dato' Ahmad Sebi	[5]1,273,565	30.00
Aryati Sasya Dato' Ahmad Sebi	[5]1,273,565	30.00
Jiwa Baru Sdn Bhd ("Jiwa Baru")		
Anton Syazi Dato' Ahmad Sebi	[6]800,040	40.00
Aryati Sasya Dato' Ahmad Sebi	[6]800,040	40.00

	Ordinary shares	
	Number	Percentage
Deemed Interest in related corporation (continued)		
Alma Dining Sdn Bhd ("ADSB")		
Anton Syazi Dato' Ahmad Sebi	⑤30	30.00
Aryati Sasya Dato' Ahmad Sebi	⑤30	30.00
Aras Tiga Sdn Bhd ("ATSB")		
Anton Syazi Dato' Ahmad Sebi	⑤30	30.00
Aryati Sasya Dato' Ahmad Sebi	⑤30	30.00
	Ordinary shares of CHF500.00 each	
Posthotel Arosa AG ("Arosa")		
Anton Syazi Dato' Ahmad Sebi	⑤3,150	35.00
Aryati Sasya Dato' Ahmad Sebi	⑤3,150	35.00
	Ordinary shares GBP1.00 each	
57-59 Philbeach Gardens Limited ("PGL")		
Anton Syazi Dato' Ahmad Sebi	⑦100	100.00
Aryati Sasya Dato' Ahmad Sebi	⑦100	100.00

Notes:

① By virtue of their interest in Eighth Review (M) Sdn Bhd ("ERSB"), Mr Anton Syazi Dato' Ahmad Sebi and Mr Loo Pak Soon are deemed to be interested in the ordinary shares of ASB to the extent that ERSB has an interest.

② This is her spouse's interest in the ordinary shares of ASB which shall be treated as her interest in the ordinary shares of ASB pursuant to Section 59(11)(c) of the Companies Act 2016, Malaysia.

③ By virtue of their interest in Pacific Existence Sdn Bhd ("PESB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that PESB has an interest in SKSB.

④ By virtue of their interest in SKSB via PESB, Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that SKSB has an interest in MCSB.

⑤ By virtue of their interest in Kibar Konsep Sdn Bhd ("KKSB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that KKSB has an interest in Osteria, Primo, Temasya, YAS, ADSB, ATSB and Arosa.

⑥ By virtue of their interest in Campbell House Sdn Bhd ("CHSB"), Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that CHSB has an interest in Jiwa Baru.

⑦ By virtue of their interest in Arosa via KKSB, Ms Aryati Sasya Dato' Ahmad Sebi and Mr Anton Syazi Dato' Ahmad Sebi are deemed to be interested in the shares to the extent that Arosa has an interest in PGL.

Statistics on Shareholdings

as at 26 March 2025

TOTAL NUMBER OF ISSUED SHARES	:	2,529,194,943
ISSUED SHARE CAPITAL	:	RM461,376,644.99
CLASS OF SHARE	:	Ordinary Shares
VOTING RIGHT	:	1 vote per ordinary share

ANALYSIS OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	% of shareholders	No. of shares held	% of issued shares
Less than 100 shares	395	1.69	12,397	negligible
100 - 1,000 shares	4,359	18.68	3,559,085	0.14
1,001 - 10,000 shares	9,544	40.90	47,934,457	1.89
10,001 - 100,000 shares	7,079	30.34	285,498,485	11.29
100,001 - less than 5% of issued shares	1,955	8.38	1,026,025,736	40.57
5% and above of issued shares	3	0.01	1,166,164,783	46.11
	23,335	100.00	2,529,194,943	100.00

LIST OF TOP 30 SHAREHOLDERS

No.	Name	No. of shares held	Percentage
1.	Dato' Ahmad Sebi Bakar	747,989,224	29.57
2.	SJ Sec Nominees (Tempatan) Sdn Bhd Suasana Dinamik Sdn Bhd	242,399,778	9.58
3.	SJ Sec Nominees (Tempatan) Sdn Bhd Bright Existence Sdn Bhd	175,775,781	6.95
4.	SJ Sec Nominees (Tempatan) Sdn Bhd Eighth Review (M) Sdn Bhd	91,401,000	3.61
5.	Aryati Sasya Dato' Ahmad Sebi	66,924,000	2.65
6.	HSBC Nominees (Asing) Sdn Bhd Exempt An for Bank Julius Baer & Co. Ltd. (Singapore Branch)	35,639,400	1.41
7.	Chew Lee Hwa	27,775,300	1.10
8.	Chuah Kim Seng	17,200,000	0.68
9.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Lee Yoon Sing (MY3586)	10,570,500	0.42
10.	Kenanga Nominees (Tempatan) Sdn Bhd Kong Tiong Kian	10,500,000	0.42
11.	Lee Kim Soon	7,216,600	0.28
12.	Wong Ten An	7,100,000	0.28

LIST OF TOP 30 SHAREHOLDERS (continued)

No.	Name	No. of shares held	Percentage
13.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for Bank of Singapore Limited (Foreign)	6,649,500	0.26
14.	Tan Chi Ming	5,998,600	0.24
15.	Chang Meei Meei	5,705,475	0.22
16.	Maybank Nominees (Tempatan) Sdn Bhd Lay Man Wan @ Lai Mun Wan	5,580,600	0.22
17.	Ng Yoke Hin	5,128,000	0.20
18.	Teoh Eam Seong	5,000,000	0.20
19.	HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Kee Boon Seng (SIN 10014-5)	4,000,000	0.16
20.	Muhammad Nazim Bin Ibrahim	4,000,000	0.16
21.	Wong Jun Xiang	4,000,000	0.16
22.	Kenanga Nominees (Tempatan) Sdn Bhd Pledged securities account for Chia Yoon Ling (002)	3,915,900	0.15
23.	Yeoh Swee Leng	3,600,000	0.14
24.	Ling Soon Teck	3,514,900	0.14
25.	Lee Eng Gee	3,356,000	0.13
26.	Lim Hong Liang	3,246,300	0.13
27.	Maybank Nominees (Tempatan) Sdn Bhd Ng Fatt Chong	3,200,000	0.13
28.	Ong Ngoh Ing @ Ong Chong Oon	3,200,000	0.13
29.	Hoo Diong Hoo	3,000,000	0.12
30.	Malpac Capital Sdn Bhd	3,000,000	0.12
		1,516,586,858	59.96

SUBSTANTIAL SHAREHOLDERS

Name of substantial shareholders	No. of shares held		% of issued share capital	
	Direct	Deemed	Direct	Deemed
Dato' Ahmad Sebi Bakar	747,989,224	418,175,559	29.57	16.53
Suasana Dinamik Sdn Bhd	242,399,778	-	9.58	-
Bright Existence Sdn Bhd	175,775,781	-	6.95	-

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the **101st Annual General Meeting** ("101st AGM") of Advance Synergy Berhad will be held at the Mezzanine Floor, Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor, Malaysia on Thursday, 26 June 2025 at 10.00 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive the audited financial statements for the financial year ended 31 December 2024 and the Directors' and Auditors' reports thereon. **Please refer to Explanatory Note**
2. To declare a single tier dividend of 0.05 sen per ordinary share in respect of the financial year ended 31 December 2024. **Resolution 1**
3. To approve the payment of Directors' fees for the financial year ended 31 December 2024. **Resolution 2**
4. To approve the payment of benefits to the Directors from 27 June 2025 until the conclusion of the next annual general meeting of the Company. **Resolution 3**
5. To re-elect the following Directors:
   - 5.1 Mr Yong Teck Ming **Resolution 4**
   - 5.2 Mr Anton Syazi Dato' Ahmad Sebi **Resolution 5**
6. To elect the following Directors:
   - 6.1 Ms Cheah Ping Huey **Resolution 6**
   - 6.2 Ms Karen Khoo Kah Mei **Resolution 7**
7. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 8**

SPECIAL BUSINESS

To consider and, if thought fit, pass with or without modifications the following resolution:

8 **Ordinary Resolution — Authority to allot and issue securities** **Resolution 9**

"THAT subject always to the Companies Act 2016, Constitution of the Company and/or approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby authorised and empowered pursuant to Section 75(1) and Section 76(1) of the Companies Act 2016 to allot and issue new shares or convertible securities in the Company, from time to time at such price and upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares or convertible securities to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares (excluding any treasury shares) of the Company for the time being AND THAT the Directors be and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares or convertible securities so issued from Bursa Malaysia Securities Berhad AND THAT such authority shall continue to be in force until the conclusion of the next annual general meeting of the Company."

9. To transact any other ordinary business of which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that subject to the approval of the shareholders at the 101st AGM, a first and final single tier dividend of 0.05 sen per ordinary share in respect of the financial year ended 31 December 2024 will be paid on 15 August 2025 to the shareholders whose names appear in the Record of Depositors on 25 July 2025.

A depositor shall qualify for entitlement only in respect of:

a. Shares transferred to the Depositor's Securities Account before 4.30 p.m. on 25 July 2025 in respect of transfer; and
b. Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

K JAYAVATHANI A/P KANAGARATNAM
Secretary

Selangor
30 April 2025

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 5 June 2025 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this meeting.
2. A member of the Company entitled to attend, speak and vote at the general meeting is entitled to appoint a proxy or proxies to exercise all or any of his/her rights to attend, speak and vote on a show of hands or by poll on any question at this meeting. A proxy need not be a member.
3. A member of the Company may appoint at least one (1) proxy but not more than two (2) proxies to attend, speak and vote in his/her stead. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with shares of the Company standing to the credit of the said securities account. If a member appoints more than one (1) proxy, they must specify the proportion of the member's shareholdings to be represented by each proxy.

   Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, 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.
4. The instrument appointing a proxy in the case of an individual must be signed by the individual or an attorney who is authorised to act on behalf of the individual and in the case of a corporation, the instrument appointing a proxy must be sealed with the corporation's common seal or signed by an officer of the corporation or an attorney who is authorised to act on behalf of the corporation.
5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of such power or authority) shall be deposited at the Registered Office of the Company at Ground Floor, Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor, Malaysia not less than 48 hours before the time appointed for holding the meeting or any other adjournment thereof either (a) by hand or post, or (b) electronically via email to *Dvoteservice@gmail.com*.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 101st AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the 101st AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 101st AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes") (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

EXPLANATORY NOTES ON ORDINARY BUSINESS

Agenda 1 — Audited Financial Statements for financial year ended 31 December 2024

The audited financial statements for the financial year ended 31 December 2024 are laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.

Resolution 2 — Directors' Fees

Resolution 3 — Directors' Benefits

The proposed Resolution 2, if passed, will authorise the payment of Directors' fees for the financial year ended 31 December 2024 amounting to RM276,913 (2023: RM354,337).

The proposed Resolution 3, if passed, will authorise the payment of benefits to the Directors, if any, from 27 June 2025 until the conclusion of the next annual general meeting of the Company as and when incurred. The Board is of the view that it is just and equitable for these benefits to be paid as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company throughout the said period.

EXPLANATORY NOTES ON ORDINARY BUSINESS (continue)

Resolutions 4 and 5 — Re-election of Directors

Resolutions 6 and 7 — Election of Directors

The Nomination and Remuneration Committee ("NRC") had assessed the effectiveness of the Board, Board Committees and individual Directors including the Directors standing for re-election and election under the relevant proposed Resolutions 4 to 7. The NRC also recommended that the said Directors standing for re-election and election are suitable to be re-elected and elected as they meet the criteria of character, experience, integrity, competency and time commitment to effectively discharge their respective roles as Director of the Company. Based on the recommendation of the NRC, the Board (except for the Directors standing for re-election or election who abstained from the relevant proposed resolution involving their re-election or election) supports the re-election of Mr Yong Teck Ming and Mr Anton Syazi Dato' Ahmad Sebi, and the election of Ms Cheah Ping Huey and Ms Karen Khoo Kah Mei as Directors of the Company.

Details of the Directors standing for re-election under the proposed Resolutions 4 and 5 are stated in the Directors' profile on pages 70 to 71 of this Annual Report. Their securities holdings in the Company and its subsidiaries are stated on pages 270 and 271 of this Annual Report.

Details of the Directors standing for election under the proposed Resolutions 6 and 7 are stated in the Statement Accompanying Notice of Annual General Meeting.

EXPLANATORY NOTES ON SPECIAL BUSINESS

Resolution 9 — Authority to allot and issue securities

The proposed Resolution 9 is the renewal of the mandate obtained from the members at the last Annual General Meeting. As at the date of this Notice, the Company did not allot any shares or convertible securities pursuant to the mandate granted to the Directors at the 100th Annual General Meeting held on 19 June 2024 which will lapse upon the conclusion of the forthcoming 101st AGM.

The proposed Resolution 9, if passed, would provide flexibility and authority to the Directors to undertake fund raising activities, including but not limited to further placement of shares or convertible securities for the purpose of funding the Company's future investment project(s), working capital and/or acquisition(s), by the issuance of shares or convertible securities in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares or convertible securities to be issued pursuant to the mandate does not exceed 10% of the total number of issued shares of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

If there should be a decision to issue new shares or convertible securities after the general mandate is obtained, the Company will make an announcement in respect of the purpose and utilisation of proceeds arising from such issue.

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Malaysia Securities Berhad)

Details of individuals who are standing for election as Directors

Details of the Directors standing for election under the proposed Resolutions 6 and 7 are stated in the Directors' Profile on pages 78 and 79 of this Annual Report. Their securities holdings in the Company and its subsidiaries are stated on pages 270 and 271 of this Annual Report. None of them have any conflict of interest or potential conflict of interest, including interest in any competing business that they have, with the Company or its subsidiaries.

ADVANCE SYNERGY BERHAD [Registration No. 192001000024 (1225-D)]

Proxy Form

I/We ____

(Full Name as per NRIC/Passport/Certificate of Incorporation in capital letters)

NRIC No./Passport No./Registration No. ______________________ or CDS Account No. ______________

(for nominee companies only)

of ____

(full address)

being a member/members of ADVANCE SYNERGY BERHAD, hereby appoint:

Full Name in capital letters	NRIC/Passport No.	Proportion of Shareholdings to be represented	
Address		No. of Shares	%

And (if more than one (1) proxy)

Full Name in capital letters	NRIC/Passport No.	Proportion of Shareholdings to be represented	
Address		No. of Shares	%

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the 101st Annual General Meeting ("101st AGM") of the Company to be held at Mezzanine Floor, Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor, Malaysia on Thursday, 26 June 2025, at 10.00 a.m. or at any adjournment thereof and thereat to vote as indicated below:

*Please indicate with (✓) how you wish to cast your vote. If neither "**FOR**" nor "**AGAINST**" is indicated, the proxy will vote or abstain from voting at his/her discretion.*

NO.	RESOLUTION	FOR	AGAINST
1.	Declaration of dividend.		
2.	Approval of the payment of Directors' fees.		
3.	Approval of the payment of benefits to the Directors from 27 June 2025 until the conclusion of the next annual general meeting of the Company.		
4.	Re-election of Mr Yong Teck Ming as Director.		
5.	Re-election of Mr Anton Syazi Dato' Ahmad Sebi as Director.		
6.	Election of Ms Cheah Ping Huey as Director.		
7.	Election of Ms Karen Khoo Kah Mei as Director.		
8.	Re-appointment of Messrs Baker Tilly Monteiro Heng PLT as auditors of the Company and authorisation for the Directors to fix their remuneration.		
9.	Authorisation for Directors to allot and issue new securities pursuant to Sections 75(1) and 76(1) of the Companies Act 2016.		

Dated this ____________ day of ______________________ 2025

Number of shares held	

____

Signature

Notes:

1. In respect of deposited securities, only members whose names appear in the Record of Depositors on 5 June 2025 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at this meeting.
2. A member of the Company entitled to attend, speak and vote at the general meeting is entitled to appoint at least one (1) proxy but not more than two (2) proxies to attend and vote in his/her stead. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the member to speak at the meeting.
3. A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, 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.
5. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney duly authorised in writing and in the case of a corporation, the instrument appointing a proxy must be under its common seal or under the hand of an officer or attorney duly authorised.
6. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of such power or authority) shall be deposited at the Registered Office of the Company at Ground Floor, Synergy 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie, 40150 Shah Alam, Selangor, Malaysia not less than 48 hours before the time appointed for holding the meeting or any other adjournment thereof.

Personal Data Privacy: *By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 30 April 2025.*

Fold this flap for sealing

Please fold here

AFFIX STAMP

THE SECRETARY

ADVANCE SYNERGY BERHAD
Ground Floor, Synergy 9
9 Jalan Kajibumi U1/70
Temasya Glenmarie
40150 Shah Alam
Selangor, Malaysia

Please fold here

ADVANCE SYNERGY BERHAD
[Registration No. 192001000024 (1225-D)]

SYNERGY 9, 9 Jalan Kajibumi U1/70, Temasya Glenmarie
40150 Shah Alam, Selangor, Malaysia