ANNUAL REPORT 2024

Techfin | Beyond Tech & Finance

TABLE OF CONTENTS

CONTENTS

Our Vision

To be the leader in Technology Financing ("Techfin") business through ICT Everything as a Service ("XaaS") Solutions in the Asia Pacific region

Our Mission

· Experiencing technology through ICT XaaS Solutions
· Bridging technology needs through Techfin business
· Generating wealth as a Techfin company through ICT XaaS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Seri Ng Thien Phing
Non-Independent Non-Executive Chairman

Lim Kok Kwang
Managing Director and Chief Executive Officer

Vincent Ng Soon Kiat
Executive Director and Chief Operating Officer

KAREN YAP PIK LI
Independent and Non-Executive Director

CHONG PEI NEE
Independent and Non-Executive Director

SIM SHU MEI
Independent and Non-Executive Director

CONTINUING ADVISOR

Malacca Securities Sdn Bhd
BO1-A-13A, Level 13A, Menara 2, No. 3, Jalan Bangsar,
KL Eco City, 59200, Kuala Lumpur, Wilayah Persekutuan

Tel : +603 2201 2100

COMPANY SECRETARIES

Tan Tong Lang
(SSM PC NO. 20220800250 / MAICSA 7045482)

Eng Khoon Hong
(SSM PC No. 202008001890 / MAICSA 7031959)

STOCK EXCHANGE LISTING

LEAP Market of Bursa Malaysia Securities Berhad
Sector: Technology
Sub-Sector: Technology Equipment

Ordinary Shares
Stock Name : ICTZONE
Stock Code : 03038

ICPS
Stock Name : ICTZONE-PA
Stock Code : 03038P

CORPORATE INFORMATION

AUDITORS

Messrs PKF PLT
202206000012 (LLP0030836-LCA) & AF0911
Chartered Accountants
Level 33, Menara 1MK, Kompleks 1 Mont' Kiara,
No. 1, Jalan Kiara, Mont' Kiara,
50480 Kuala Lumpur, Wilayah Persekutuan
Tel : +603 6203 1888 Fax : +603 6201 8880

REGISTERED OFFICE

B-21-1, Level 21, Tower B,
Northpoint Mid Valley City,
No. 1, Medan Syed Putra Utara,
59200, Kuala Lumpur, Wilayah Persekutuan
Tel : +603 9770 2200 Fax : +603 2201 7774
Email : boardroom@boardroom.com.my

SHARE REGISTRAR

Aldpro Corporate Services Sdn Bhd
B-21-1, Level 21, Tower B,
Northpoint Mid Valley City,
No. 1, Medan Syed Putra Utara,
59200, Kuala Lumpur, Wilayah Persekutuan
Tel : +603 9770 2200 Fax : +603 2201 7774
Email : admin@aldpro.com.my

PRINCIPAL BANKERS

Affin Islamic Bank Berhad
Al-Rajhi Banking & Investment Corporation (Malaysia) Berhad
Bank Muamalat Malaysia Berhad
CIMB Islamic Bank Berhad
Maybank Islamic Berhad

PRINCIPAL PLACE OF BUSINESS

Ground Floor, Block H,
Excella Business Park, Jalan Ampang Putra,
55100 Ampang Kuala Lumpur, Wilayah Persekutuan
Tel : +603 4289 5288 Fax : +603 4289 5388
Website : www.ictzone.asia E-mail : info@ictzone.asia

GROUP STRUCTURE

ICT ZONE ASIA BERHAD

ICT ZONE SDN BHD

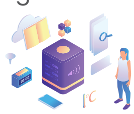
100%

Trading, repairing and servicing of computers and related parts and accessories

ICT ZONE VENTURES BERHAD

100%

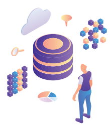
Provision of ICT solutions, management of investment schemes, technology financing as well as leasing and factoring facilities services



TECHFIN CAPITAL SDN BHD

100%

Dormant. Provide information technology financing



HAAS TECHNOLOGIES SDN BHD

58.25%

Information technologies and cloud solutions and providers; training and consultancy; software distribution and development

BOARD OF DIRECTORS

BOARD OF DIRECTORS' PROFILE

Datuk Seri Ng Thien Phing
Non-Independent Non-Executive Chairman
Malaysian, Aged 49, Male

Datuk Seri Ng Thien Phing, a Malaysian aged 49, is our substantial shareholder and Non-Independent Non-Executive Chairman. He was appointed to our Board as Non-Independent Non-Executive Chairman on 28 January 2019.

He completed his Diploma in Accountancy from Politeknik Kota Bharu, Kelantan in June 1997. He also graduated with a Bachelor of Business Administration from Universiti Kebangsaan Malaysia in October 2004.

After completing his Diploma, he joined Strategic Forum Expertise Sdn Bhd ("**Strategic Forum**") as Conference Producer in July 1997. During his tenure there, he assisted in conducting market research as well as organised and planned business conferences and events.

With the experience that he has obtained during his time in Strategic Forum, in June 1999, DS Ng founded NTP World Forum Sdn Bhd, a company that is currently involved in the provision of corporate training programmes.

Subsequently, he co-founded ICT Zone Holding Sdn Bhd (formerly known as NTP World Marketing Sdn Bhd) with Lim Kok Kwang and ICT Zone Sdn Bhd in September 2000 and September 2001, respectively. He is currently an indirect controlling shareholder of our Group via his interests in ICT Zone Holding Sdn Bhd.

In November 2006, he founded SkyWorld Development Berhad (formerly known as NTP World Development Sdn Bhd) (**"SkyWorld"**) and subsequently ventured into the property development industry. SkyWorld is listed on the Main Market of Bursa Securities. He is the controlling shareholder and Non-Independent Executive Chairman of SkyWorld.

He is also the founder of the Malaysia Chinese Assembly Hall (**"MCAH"**) and the NTP World Foundation (a non-profit organisation incorporated under the Trustees (Incorporation) Act 1952) which was established in October 2003 and December 2012 respectively. He currently serves on the board of trustees of NTP World Foundation. He served as the Secretary General of MCAH from October 2003 to January 2015 and he was appointed as the Honorary Adviser of MCAH from 2021 to 2024. He was also appointed as the Chairman of the National Polytechnic Youth Association in October 1999, a position he currently holds. In addition, he is also the co-founder and director of SkyWorld Foundation which was established in May 2023 to serve as a platform for SkyWorld group's corporate social responsibility initiatives. The foundation aims to provide aid and improve the welfare of communities.He has no family relationship with any Director and/or major shareholders of the Company.

He has no family relationship with any Director and/or major shareholders of the Company. He does not have any conflict of interest with the Group. He has not been convicted of any offences within the past 5 years other than traffic offences, if any, and there is no sanction or penalty imposed on him by the relevant regulatory bodies during the Company's financial year ended 31 January 2024.

BOARD OF DIRECTORS' PROFILE (CONT'D)

Lim Kok Kwang
Managing Director and Chief Executive Officer
Malaysian, Aged 49, Male

Lim Kok Kwang, a Malaysian aged 49, is our substantial shareholder, Managing Director and Chief Executive Officer (**"CEO"**). He oversees and manages our Group's strategic business direction. He was appointed to our Board as Managing Director on 28 January 2019.

He completed his Diploma in Accountancy from Politeknik Kota Bharu, Kelantan in June 1997. He also graduated with a Bachelor of Business Administration from Universiti Kebangsaan Malaysia in September 2005.

He began his career when he joined Mobil Oil Malaysia Sdn Bhd as Card Sales Marketing Representative in July 1997. During his tenure there, he was responsible for conducting sales of the company's card program to other companies.

In September 2000, he co-founded ICT Zone Holding Sdn Bhd (formerly known as NTP World Marketing Sdn Bhd) alongside our Non-Independent Non-Executive Chairman, Datuk Seri Ng Thien Phing, and was appointed as Sales and Marketing Manager in October 2000. At the time, he was responsible for overseeing and managing all business development activities of the company. He was also appointed as General Manager of ICT Zone Sdn Bhd, where he was responsible for managing the overall business operations of the company.

He was subsequently transferred and redesignated to the position of CEO of ICT Zone Ventures Sdn Bhd, where he was responsible for overseeing both the leasing business and the management of the funding scheme. Then, in January 2019, he was appointed to his present position as our Group's Managing Director and CEO.

He has no family relationship with any Director and/or major shareholders of the Company. He does not have any conflict of interest with the Group. He has not been convicted of any offences within the past 5 years other than traffic offences, if any, and there is no sanction or penalty imposed on him by the relevant regulatory bodies during the Company's financial year ended 31 January 2024.

BOARD OF DIRECTORS' PROFILE (CONT'D)

Vincent Ng Soon Kiat
Executive Director and Chief Operating Officer
Malaysian, Aged 48, Male

Vincent Ng Soon Kiat, a Malaysian aged 48, is our Executive Director and Chief Operating Officer. He was appointed to our Board as Executive Director on 13 January 2020 and he is responsible for overseeing and managing the overall day-to-day operations of our Group.

He obtained his Malaysia Higher School Certificate when he left Sekolah Menengah Gajah Berang in 1995.

He began his professional career with Oto Bodycare Pte Ltd, a Singaporean company involved in the retail of fitness, relaxation and wellness equipment, as a Retail Supervisor. During his tenure there, he was responsible for leading and managing a team in the sale of fitness and relaxation equipment.

After he resigned from Oto Bodycare Pte Ltd, he joined ICT Zone Holding Sdn Bhd (formerly known as NTP World Marketing Sdn Bhd) as a Business Development Manager. At the time, he was responsible for overseeing and managing the sale of audio-visual equipment. In January 2006, he was transferred to ICT Zone Sdn Bhd, where he assumed various positions throughout his tenure, including Corporate and Distribution Sales Manager, Corporate and Rental Sales Manager, Senior Sales Manager, Rental and IT Management Senior Manager, Senior Sales and Commercial Manager, Sales and Marketing General Manager, Sales and Service General Manager. He was then promoted to Chief Operating Officer in January 2018. Throughout his tenure with our Group, he was responsible for leading the sales department, planning and developing marketing activities to drive sales of rental products, building relationships with principals and suppliers, as well as overseeing the daily operations of our Group. In January 2020, he was appointed as Executive Director and Chief Operating Officer of our Group.

He has no family relationship with any Director and/or major shareholders of the Company. He does not have any conflict of interest with the Group. He has not been convicted of any offences within the past 5 years other than traffic offences, if any, and there is no sanction or penalty imposed on him by the relevant regulatory bodies during the Company's financial year ended 31 January 2024.

BOARD OF DIRECTORS' PROFILE (CONT'D)

Karen Yap Pik Li
Independent and Non-Executive Director, Malaysian, Aged 51, Female

Karen Yap Pik Li, a Malaysian, aged 51, is our Independent Non-Executive Director. She was appointed to our Board as Independent Non-Executive Director on 13 February 2024.

She graduated with a Diploma in Commerce (Management Accounting) from Kolej Tunku Abdul Rahman in May 1995. She is an Associate of the Chartered Institute of Management Accountants (CIMA) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA) since November 2000 and December 2001, respectively. She is also a Chartered Global Management Accountant (CGMA) of CIMA and a member of the Institute of Corporate Directors Malaysia (ICDM) since January 2012 and October 2023, respectively. She has been admitted as a Fellow of CIMA since March 2024.

She began her career with Lityan Management Sdn Bhd, a subsidiary of Theta Edge Berhad (formerly known as Lityan Holdings Berhad), as Account Executive in September 1995. During her tenure with Theta Edge Berhad, she worked in various subsidiaries where she undertook diverse responsibilities and held various positions including Assistant Accountant, Accountant, Corporate Finance Manager, Corporate Services General Manager. She was appointed the Chief Financial Officer of the Group in January 2010. As Chief Financial Officer, she was also the Head of Shared Services, where she oversaw and managed the daily operations of activities relating to finance, procurement and logistics, human resources and administration, as well as corporate and Board related matters. Throughout her tenure there, she garnered over 20 years of experience in the financial management of the Group's business and operations. In January 2022, she resigned from Theta Edge Berhad.

She has no family relationship with any Director and/or major shareholders of the Company. She does not have any conflict of interest with the Group. She has not been convicted of any offences within the past 5 years other than traffic offences, if any, and there is no sanction or penalty imposed on her by the relevant regulatory bodies during the Company's financial year ended 31 January 2024.

BOARD OF DIRECTORS' PROFILE (CONT'D)

Chong Pei Nee
Independent and Non-Executive Director
Malaysian, Aged 50, Female

Chong Pei Nee, a Malaysian aged 50, is our Group's Independent Non-Executive Director. She was appointed to our Board as Independent Non-Executive Director on 2 April 2024.

She graduated with a Higher Diploma in Hotel Management from Taylor's College in March 1999. She subsequently completed her Master of Business Administration from University of Wales, United Kingdom in July 2002. She is a Certified Professional Trainer and Certified Professional CSR Manager by the Malaysian Institute of Management since 2010. She is also an Accredited Trainer certified by the Human Resource Development Corporation. She has over 20 years of experience in the areas of talent development.

She was the Assistant General Manager in MIM Education Sdn Bhd where she was responsible for overseeing daily operations, developing and implementing new strategies to drive business growth, analysing market trends, as well as sourcing for potential strategic partnerships. She subsequently joined Lion Group as the Assistant General Manager – Group Learning and Development and is mainly responsible for assessing the learning needs of the various operating companies within the group. Additionally, she also spearheads CEDR Corporate Consulting Sdn Bhd (a subsidiary of Lion Industries Corporation Berhad) as a Principal Consultant where her responsibilities include revamping the organisational structure to improving its financial status, and prospecting smart partnerships to expand its business.

She has no family relationship with any Director and/or major shareholders of the Company. She does not have any conflict of interest with the Group. She has not been convicted of any offences within the past 5 years other than traffic offences, if any, and there is no sanction or penalty imposed on her by the relevant regulatory bodies during the Company's financial year ended 31 January 2024.

BOARD OF DIRECTORS' PROFILE (CONT'D)

Sim Shu Mei
Independent and Non-Executive Director
Malaysian, Aged 36, Female

Sim Shu Mei, a Malaysian aged 36, is our Group's Independent Non-Executive Director. She was appointed to our Board as Independent Non-Executive Director on 2 April 2024.

She graduated with a Degree of Bachelor of Science in Actuarial Mathematics and Finance from University of Malaya in August 2010. She has been a Chartered Financial Analyst® (CFA®) charterholder since September 2016.

She currently serves as an Associate Director at Ekuiti Nasional Berhad ("**Ekuinas**"), a distinguished private equity firm in Malaysia, accumulating over 7 years of invaluable experience. Her primary role at Ekuinas centers around the end-to-end process of originating, evaluating, investing and subsequently divesting the investment assets. Additionally, she also plays a role in driving value creation initiatives and contributing to the turnaround of companies within her portfolios. Her expertise spans various sectors, with specialised knowledge in manufacturing, F&B retails, pharmaceutical and education.

Prior to joining Ekuinas, she garnered over 7 years of experience in sell-side corporate finance with investment banks in Malaysia. During this time, she handled a wide range of corporate exercises related to the Malaysian capital market, including mergers and acquisitions, independent advice and fundraising.

She has no family relationship with any Director and/or major shareholders of the Company. She does not have any conflict of interest with the Group. She has not been convicted of any offences within the past 5 years other than traffic offences, if any, and there is no sanction or penalty imposed on her by the relevant regulatory bodies during the Company's financial year ended 31 January 2024.

KEY SENIOR MANAGEMENT'S PROFILE

Teh Siow Voon
General Manager – Admin & Finance
Malaysian, Aged 43, Female

Teh Siow Voon, a Malaysian aged 43, is our Group's General Manager, Admin & Finance. She is responsible for overseeing and managing our Group's corporate finance activities, asset management as well as human resources and administrative matters.

She obtained her Third Level Group Diploma in Accounting from London Chamber of Commerce and Industry Examinations Boards in February 2001. She subsequently obtained her Diploma in Accounting and Finance from FTMS College (previously known as Institute Latihan FTMS-ICL, Malaysia) in March 2004. She also graduated with Bachelor of Arts in Accounting and Finance from University of East London, United Kingdom in October 2004.

She began her career when she joined Penerbitan Pelangi Sdn Bhd, a subsidiary of Pelangi Publishing Group Berhad, as an Account Assistant in October 2004, where she assisted in handling the financial and accounting functions of the company and subsequently promoted to Account Officer. During her tenure there, she was responsible for managing the group's general ledger function, as well as handling all tax related matters. Subsequently, she joined TSM Global Berhad (formerly known as Juan Kuang (M) Industrial Berhad), as Account Executive in June 2007. During her tenure there, she was responsible for the preparation of the group's financial statements.

In March 2011, she joined ICT Zone Sdn Bhd as Account Executive. In August 2011, she was transferred to ICT Zone Ventures Sdn Bhd and assumed the position of Senior Account Executive, where she was responsible for the preparation of financial statements, asset management as well as corporate finance activities. She was then promoted to Account and Finance Manager in March 2012 and promoted to Senior Manager, Corporate Finance in February 2017, where she was responsible for handling all corporate finance related matters of our Group. In January 2022, she was promoted again to Assistant General Manager, Admin & Finance of our Group, where she was responsible for overseeing our Group's and corporate finance activities, asset management as well as handling human resource and administrative matters. In January 2024, she was promoted to her present position as our Group's General Manager, Admin & Finance.

She has no family relationship with any Director and/or major shareholders of the Company. She does not have any conflict of interest with the Group. She has not been convicted of any offences within the past 5 years other than traffic offences, if any, and there is no sanction or penalty imposed on her by the relevant regulatory bodies during the Company's financial year ended 31 January 2024.

KEY SENIOR MANAGEMENT'S PROFILE (CONT'D)

Cheah Chin Mon
Accountant
Malaysian, Aged 39, Female

Cheah Chin Mon, a Malaysian aged 39, is our Group's Accountant. She is responsible for the management of the financial affairs of our Group including, amongst others, monitoring and analysing our Group's financial performance, financial reporting, treasury management and tax compliance.

She is a member of the Association of Chartered Certified Accountants, United Kingdom and also a Chartered Accountant of the Malaysian Institute of Accountants since March 2015 and October 2016, respectively. She is also a member of the Kampuchea Institute of Certified Public Accountants and Auditors and an Asean Chartered Professional Accountant of the Asean Chartered Professional Accountants Coordinating Committee since September 2020 and November 2020, respectively.

She began her career with Bengkel Sentiasa Makmur as Admin Clerk in January 2005, where she was responsible for compiling documents relating to car accidents and submitting insurance claims. After that, she joined Yuen Tang & Co. as Audit Assistant in August 2006. During her tenure there, she was involved in conducting audit on small scale entities as well as assisted the manager in conducting audits on large and/or listed companies. She subsequently joined PKF in March 2008. Throughout her tenure with PKF, she assumed the position of Audit Senior 3, Audit Senior 2 Audit Senior 1, Assistant Manager, and Manager, where she was responsible for reviewing financial reports, liaising with clients, as well as coordinating and leading teams in conducting audit for various entities, including small, large and/or public listed companies, and non-profit organisations. In April 2017, she joined CE Corporate Executives Sdn Bhd as Manager, where she was responsible for managing a team of accountants, as well as overseeing and reviewing client financial reports.

In January 2018, she joined Covenant Ltd., an accountancy firm located in Cambodia, as Manager, where she was responsible for assisting in the day-to-day operations of the firm, liaising with clients, conducting financial due diligence, as well as reviewing accounts, tax and audit files of clients. In October 2018, she was appointed as the director of Covenant Ltd., where she was responsible for overseeing and managing the daily business operations of the company, as well as overseeing financial due diligence and reviewing client accounts, tax and audit files. In May 2023, she joined our Group and assumed her present position as our Group's Accountant.

She has no family relationship with any Director and/or major shareholders of the Company. She does not have any conflict of interest with the Group. She has not been convicted of any offences within the past 5 years other than traffic offences, if any, and there is no sanction or penalty imposed on her by the relevant regulatory bodies during the Company's financial year ended 31 January 2024.

KEY SENIOR MANAGEMENT'S PROFILE (CONT'D)

Lau Yeo Chuan
Assistant General Manage, Operations Support
Malaysian, Aged 53, Male

Lau Yeo Chuan, a Malaysian aged 53, is our Group's Assistant General Manager, Operations Support. He is responsible for handling all credit control functions of our Group, including credit evaluation, account receivables and payment collections, as well as conducting contract reviews.

He graduated with Master of Business Administration from Universiti Tun Abdul Razak in August 2001. He is an Associate of the Association of International Accountants since March 1999.

He began his career when he joined Ong Boon Bah & Co in June 1995 as an Audit Assistant, where he assisted in reviewing and preparing audit reports and he was then promoted to Audit Supervisor Trainee, where he was involved in training and supervising junior staffs, handling tax for companies, as well as preparing accountant's reports and financial statement for clients. In December 2000, he joined Rimbaka Timber Envi-Harvester Sdn Bhd as Assistant Manager, Business Development. During his tenure there, he was responsible for handling the finance and business development functions of the company.

Before joining ICT Zone Sdn Bhd, he held various positions in multiple companies where he was primarily responsible for managing accounts, human resources, and administrative tasks. With his background in finance management, he has demonstrated expertise in overseeing diverse operational facets across multiple organisations. His roles have encompassed managing accounts, directing purchasing and procurement activities, handling human resources functions, and optimising billing and collection processes.

In May 2012, he joined ICT Zone Sdn Bhd as Senior Account and Finance Manager. In March 2014, he was promoted to Account and Finance Senior Manager. During his tenure at ICT Zone Sdn Bhd, he was responsible for overseeing all accounting and finance related activities, identifying and enhancing accounting policies and procedures, ensuring compliance with regulations, as well as leading the finance department. In June 2016, he was transferred from ICT Zone Sdn Bhd to ICT Zone Holding Sdn Bhd assumed the same roles and subsequently in May 2020, he was transferred to ICT Zone Sdn Bhd and redesignated as Credit Controller. In January 2021, he was promoted to Assistant General Manager, Operations Support. In January 2023, he was transferred to ICT Zone Ventures Berhad where he assumed his present position as Assistant General Manager, Operations Support of our Group.

He has no family relationship with any Director and/or major shareholders of the Company. He does not have any conflict of interest with the Group. He has not been convicted of any offences within the past 5 years other than traffic offences, if any, and there is no sanction or penalty imposed on him by the relevant regulatory bodies during the Company's financial year ended 31 January 2024.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors (**"Board"**) of ICT Zone Asia Berhad (**"ICT Zone Asia"** or **"Company"**), we are pleased to present our Annual Report and audited financial statements for the financial year ended 31 January 2024 (**"FYE 2024"**).

HIGHLIGHTS

I'm delighted to share with our stakeholders that we achieved an impressive 3-year compound annual growth rate (**"CAGR"**)of 63.8% in our Group's total unbilled order book, showcasing remarkable growth from RM57.2 million as at 31 January 2021 to RM251.2 million as at 31 January 2024. As at 31 January 2024, our Group's total unbilled order book in the technology financing as well as cloud solutions and services segments has soared to an unprecedented RM251.2 million, compared to RM189.5 million in the previous year. This remarkable surge, amounting to approximately RM61.7 million or 32.6% within a year, underscores the growing demand for our ICT offerings and reflects the unwavering trust our customers have in our ability to deliver tailored, sustainable technology financing solutions. This robust unbilled order book is poised to translate into our Group's revenue and profit over the next 5 financial years, providing us with strong visibility for the future.

To further increase our Group's total unbilled order book in the technology financing segment, we successfully completed a private placement of 53,375,700 new ordinary shares on 3 November 2023, raising RM10.1 million. The proceeds from this placement have been utilised to purchase ICT hardware and software for our technology financing segment, as well as other operating expenses aimed at enhancing our overall business operations.

During the FYE 2024, we have initiated the roll out of our innovative services under DaaS 360, namely Carbon Neutral Computing Services (**"CNCS"**). These groundbreaking offerings provide access to carbon-neutral ICT hardware, empowering our customers to seamlessly align with sustainability objectives and regulatory standards while bolstering their corporate reputation. Upon subscribing to these services, our customers receive comprehensive sustainability reports, offering transparent insights into the environmental footprint of their carbon-neutral ICT hardware.

Our commitment to sustainability has earned us prestigious recognition at the HP Amplify™ Partner Conference in Las Vegas, USA. We were honoured with the HP Amplify Impact Global Emerging Sustainability Leader Award, acknowledging our significant contributions to sustainability-driven initiatives within the region. This accolade underscores our relentless pursuit of environmentally conscious solutions and our dedication to integrating Environmental, Social, and Governance (**"ESG"**) principles into our corporate ethos. Additionally, winning the HP Greater Asia Partner of The Year FY23—Emerging Amplify Impact Partner award further solidifies our position as a leader in championing sustainable practices within the technology industry, reaffirming our pivotal role in shaping a greener future.

On top of the tremendous growth achieved, I'm proud to announce that ICT Zone Ventures Berhad has been granted the rights by the Malaysian Green Technology and Climate Change Corporation (MGTC) to use the MyHIJAU Mark on DaaS 360 ICT Lifecycle Services from June 2023 to June 2024. This certification marks a significant milestone in our commitment to environmental sustainability, demonstrating our dedication to reducing our carbon footprint and promoting environmentally conscious practices aligned with ESG principles.

CHAIRMAN'S STATEMENT (CONT'D)

HIGHLIGHTS (CONTINUED)

In line with our commitment to enhancing shareholder value and expanding our market presence, we have announced our intention to transition from the LEAP Market to the ACE Market on Bursa Malaysia Securities Berhad on 19 February 2024. This strategic move aims to bolster our visibility, attract a broader investor base, and consolidate our position as a leading provider of technology financing solutions in Malaysia's dynamic capital market landscape. Throughout this transition, we remain committed to maintaining transparency, accountability, and regulatory compliance, ensuring a seamless and successful listing on the ACE Market.

Our steadfast commitment to delivering exceptional value to our customers has been pivotal in propelling this sustainable growth trajectory. By prioritising customer satisfaction, we have cultivated enduring relationships and positioned ourselves as a trusted partner within the ICT industry. As we continue to focus on innovation and excellence in technology financing, we are confident in our ability to strengthen our market presence and solidify our reputation as a leading provider of technology financing solutions in the years ahead.

As we celebrate these milestones and look toward the future, we remain steadfast in our commitment to delivering long-term value to all our stakeholders, fostering innovation, and driving sustainable growth that transcends boundaries, creating enduring positive impacts for generations to come.

PERFORMANCE REVIEW

We are thrilled to announce a momentous achievement in our financial performance this year. For the first time in our Group's history, our revenue has surpassed RM100 million, marking a significant milestone in our journey. Our revenue has experienced impressive growth, increasing by RM39.37 million or 52.45%, from RM75.06 million in the previous financial year to RM114.43 million in the current financial year. Alongside this extraordinary revenue achievement, we are also pleased to report an increase in our profit before tax, which rose by RM0.79 million or 9.66% to RM8.97 million compared to RM8.18 million in the previous financial year. Furthermore, our profit after tax surged to RM7.46 million this financial year, an increase of RM1.08 million compared to RM6.38 million in the previous financial year. These outstanding results were driven by robust demand for ICT solutions and services, attributable in part to a more effective pricing strategy implemented by our Group to secure additional contracts from the corporate and government sectors.

Within our revenue breakdown, our trading of ICT solutions segment remains the primary contributor to our Group's revenue during the financial year under review, contributing RM55.63 million or 48.62% of our total revenue. Following closely behind are our technology financing segment and provision of cloud solutions and services segment, which contributed RM49.36 million or 43.14% and RM9.16 million or 8.01% respectively. The remaining segment, namely provision of ICT services, make up the balance, contributing RM0.28 million or 0.24%. This diversified revenue stream underscores the resilience and strength of our business model across various segments of the ICT industry, positioning us for continued growth and success in the future.

DIVIDENDS

As per the terms of our irredeemable convertible preference shares (**"ICPS"**), which are outlined in our Information Memorandum dated 6 November 2020, we have paid a preference dividend of approximately RM1.51 million to our ICPS holders for the current financial year. This demonstrates our commitment to fulfilling our obligations to our stakeholders and maintaining transparent communication regarding our financial performance.

CHAIRMAN'S STATEMENT (CONT'D)

DIVIDENDS (CONTINUED)

While our performance for this financial year has been commendable, our Board has made the decision not to distribute any dividend payments to our ordinary shareholders for the FYE 2024. This choice is aimed at preserving our cash reserves, deemed essential for supporting our future growth strategies. Our commitment to delivering enduring value to all shareholders remains unwavering, and we are convinced that retaining our earnings will enable us to invest in strategic initiatives conducive to sustainable growth and profitability in the long run. Our capital allocation strategy will continue to prioritise a balanced and cautious approach, serving the best interests of all stakeholders. We are confident that retaining our earnings will lay a robust groundwork for future accomplishments, and we eagerly anticipate updating our shareholders on our progress in the forthcoming years.

LOOKING INTO THE YEARS AHEAD / PROSPECTS

In September 2023, The New Industrial Master Plan (**"NIMP"**) 2030 was launched by Malaysian government with a targeted total investment of up to RM95 billion to drive industrialisation and establish Malaysia as a regional economic leader. In NIMP 2030, the government intends to accelerate the technology adoption by enhancing National Policy on Industry 4.0 (Industry4WRD) programmes to increase technology adoption and accelerating digital infrastructure rollout in Jalinan Digital Negara (JENDELA) plan. In addition, the government also intends to accelerate government digitalisation and integration by digitalising end-to-end government touch points across business life cycle to ensure processes are integrated, providing a seamless experience for businesses in Malaysia.

Our Group believes that the industry which we operate in will continue to be a key contributor in building a digital Malaysia over the long run and we are fully committed to playing our part in advancing our country's digitalisation journey.

We will continue with our strategic focus on our business model and value creation – Techfin ecosystem, to bridge the gap between technology and finance while promoting a circular economy for ICT solutions. The technology financing segment will remain as our main focus for the coming year. On top of that, we will also continue to reshape our operating model and cost structure to explore new financing option of ICT solutions to our new and existing customers. In addition, we also intend to leverage on our existing customer base to expand our revenue stream from ICT cloud solutions. By analysing the current needs and usage patterns of our existing customers, we aim to introduce cloud solutions that specifically address their requirements, further bolstering our offerings. Collaborating closely with Channel Partners and Strategic Partners within the government sector, we envision expanding our cloud solutions outreach. Through strategic cross-selling initiatives, we aim to promote cloud solutions to customers who are yet to leverage them fully. These ICT cloud solutions encompass a wide array of services, including comprehensive device management such as security management, data backup as well as seamless device replacement or upgrades. Our commitment remains resolute in providing innovative solutions that empower our clients while driving sustainable growth in the ICT landscape.

ACKNOWLEDGEMENTS

We express our sincere appreciation and gratitude to all our stakeholders for their invaluable insights, astute guidance, and unwavering support over the years. As we look back on the past year, we are proud of the progress we have made and the achievements we have accomplished.

CHAIRMAN'S STATEMENT (CONT'D)

ACKNOWLEDGEMENTS (CONTINUED)

First and foremost, we would like to thank our valued customers for their trust and confidence in our services. Your continued patronage and feedback have helped us improve our offerings and meet your evolving needs. We are committed to providing you with the best possible solutions and services to support your businesses.

Additionally, we would like to recognise the crucial role played by our Principals namely Hewlett-Packard (M) Sdn Bhd, Microsoft, Intel Malaysia and Lenovo Group Limited to strategically collaborate to provide DaaS Solution which comprise life cycle management and device recovery services with financial solution. Your expertise, technology, and quality products have enabled us to provide our customers with cutting-edge solutions and services. We appreciate your trust and support, and we look forward to continuing our partnership and exploring new opportunities for collaboration in the future. We also acknowledge the support and cooperation of our Channel Partners, Strategic Partners and other business partners as well as other suppliers, who have played a vital role in enabling us to deliver quality services and solutions to our customers.

We also extend our heartfelt thanks to our senior management and employees, who have worked tirelessly to deliver exceptional results and maintain high standards of service. Your dedication, passion, and hard work have contributed significantly to our success, and we are grateful for your unwavering commitment to our vision and mission.

Finally, we express our appreciation to the regulatory authorities, industry associations, and other stakeholders who have supported and encouraged our efforts to enhance the quality of our services, comply with the relevant regulations, and uphold high standards of corporate governance.

Once again, we express our heartfelt appreciation to all stakeholders for their indispensable contributions towards the growth and prosperity of our organisation. We would like to reaffirm our commitment to be the leader in Technology Financing (Techfin) business through ICT Everything as a Services (XaaS) Solutions, enhancing our customers' experiences, and creating value for all our stakeholders. We look forward to your continued support and partnership in the years to come.

Datuk Seri Ng Thien Phing
Non-Independent Non-Executive Chairman

MANAGEMENT'S DISCUSSION & ANALYSIS

OVERVIEW

ICT Zone Asia Berhad (**"ICT Zone Asia"** or **"Company"**) was established in 2019 as an investment holding company to facilitate our listing on the Leading Entrepreneur Accelerator Platform (**"LEAP"**) Market of Bursa Malaysia Securities Berhad (**"Bursa Securities"**). Our Company and subsidiaries (**"Group"**) are principally involved in the technology financing (i.e. rental and leasing), and trading of information and communication technologies (**"ICT"**) solutions to private corporations, Channel Partners (companies which market, distribute and install ICT solutions to our end-user customers) as well as Strategic Partners (companies which we have signed strategic partnerships agreements with to provide us with the exclusive rights to finance, supply and deliver ICT solutions to their customers) for their onward rental, lease or sale of ICT solutions to their customers in the government associations and private corporations. On top of that, our Group also provides maintenance and technical support services to our customers to support the use of our ICT solutions.

Our wholly-owned subsidiaries, namely ICT Zone Sdn Bhd (**"ICT Zone"**), ICT Zone Ventures Berhad (**"ICT Zone Ventures"**) and Techfin Capital Sdn Bhd (**"Techfin Capital"**), which is currently dormant, were consolidated under our Group on 22 November 2019. ICT Zone is involved in the trading, repairing and servicing of computers and related parts and accessories, ICT Zone Ventures is involved in the provision of ICT solutions, management of investment schemes, technology financing as well as leasing and factoring facilities services while Techfin Capital was intended to provide ICT financing services.

On 18 November 2021, our Group entered into a share sale and purchase agreement with ICT Zone Holding Sdn Bhd to acquire 255,000 ordinary shares in HaaS Techologies Sdn Bhd (**"HaaS")**, a company which is principally engaged in cloud solutions and cloud consultancy services under the CLOUDIFY.ASIA brand for a total cash consideration of RM204,000. At the same time, our Group had also entered into a share subscription agreement with HaaS for a total subscription sum of RM276,000. Following this, on 22 November 2021, HaaS became a 58.3% owned subsidiary of our Group.

BUSINESS OVERVIEW

<u>Products and Services</u>

Our Group's ICT solutions comprise ICT hardware and software as well as cloud solutions and services as illustrated below.

ICT Hardware
- Computers
- Laptops
- Printers
- Projectors
- Related peripheral devices (sourced from Principals and Principal's Distributors)

ICT Software*
- Operating system
- Antivirus and other computer security software
- Application software
- Device management software

ICT Services
- Periodic and corrective maintenance services
- Technical support in the case of technical issues

Cloud Solutions & Services
- Infrastructure as a service (IaaS)
- Platform as a service (PaaS)
- Software as a service (SaaS)

* Normally bundled with ICT hardware and are sourced from Principals .

MANAGEMENT'S DISCUSSION & ANALYSIS (CONT'D)

Our Group's principal activities are categorised into the following segments:

(a) Technology financing

In contrast to the traditional ICT distributors/resellers whose primary function is to distribute ICT solutions outright but their involvement usually ends at the point of sale as well as the financial service providers who strictly specialise in providing financial solutions to facilitate the purchase of ICT solutions, technology financing solutions refer to a combination of ICT solutions and financing solutions to provide customers with access to ICT solutions on a subscription basis, thereby spreading the cost of the customer over time, whilst providing customers with an ease of mind as such ICT solutions are covered with maintenance services.

We provide customers with various alternative means to use and manage their ICT hardware and software, including:

i-Leasing

We provide leasing for technology equipment as well as solutions that are adherent to Islamic concepts and regulations.

DaaS 360

Device as a Service (DaaS) delivers a modern Device & Service by subscription model which is designed to simplify how commercial organisations receive their financing services. Internal users are equipped with the right hardware through Proactive & Analytical Services, Remote-Managed & Device Recovery Services.

We offer complete device lifecycle management to get the job done – improving company cash flow, end user productivity, IT efficiency & cost predictability.

EzRental (Long-term Rental)

We specialise in the long-term rentals of various IT equipment which includes computers, laptops, projectors, printers, scanners, display screens, tech devices and more. We offer additional services including maintenance, warranties and insurance regardless if they are new or pre-owned tech devices.

Rentit.my (Flexible Rent)

For short-term and long-term usage, we also offer rental of equipment such as computers, laptops, projectors, printers, scanners, display screens, tech devices and more. Even though our 'Flexible Rent' solution does not require a binding contract but the solution is covered with warranty and insurance, providing more flexibility for smaller scale businesses and end-users.

MANAGEMENT'S DISCUSSION & ANALYSIS (CONT'D)

(a) Technology financing (continued)

Furthermore, we can also augment our technology financing solutions to include other value-added ICT service offerings based on the customer's needs and requirements. These value-added ICT services include proactive and analytical services for devices, managed services to provide maintenance and technical support services, data backup and device recovery services, security management and Carbon Neutral Computing Services (**"CNCS"**).

(b) Trading of ICT solutions

We trade new ICT hardware and software and refurbished ICT hardware, employing both direct sales channels and through our proprietary e-commerce platform, www.komputermurah.my. These sales are transaction-based in nature and typically do not include ICT maintenance and technical support services. The product warranty for newly procured ICT solutions is provided by the Principals (ICT hardware manufacturers and software developers) while the one-month product warranty for refurbished ICT solutions are provided by our Group. We also offer new ICT equipment which consists of our key brands such as Hewlett-Packard, Dell and Lenovo.

EzTech

We offer trading solutions where products are procured from our Principals and are then sold to end-users.

Komputer Murah

We offer a complete spectrum of refurbished products ranging from computer, projector and printer to peripheral devices and other accessories

(c) Provision of ICT services

We charges maintenance and service fees for providing ICT maintenance and technical support services. These fees encompass a spectrum of services, ranging from corrective and preventive maintenance to comprehensive technical support, ensuring the sustained functionality of ICT solutions provided to our customers.

MANAGEMENT'S DISCUSSION & ANALYSIS (CONT'D)

(d) Provision of cloud solution and services

We offers cloud solutions to our customers, including infrastructure as a service (IaaS), platform as a service (PaaS), and software as a service (SaaS) through a subscription fee model. This service is complemented by ICT consultancy services specifically tailored for cloud solutions. The consultancy services involve proposing suitable cloud-based infrastructure and solutions and guiding customers through migrating their software applications and data from on-premises ICT infrastructure to cloud-based alternatives. These services are delivered through consultation and implementation fees, offering a comprehensive approach to cloud adoption for our Group's clientele.

Cloudify.Asia

Cloudify.Asia is a hybrid multi cloud infrastructure and architecture solution, complete with additional services and cloud consultancy. Cloudify is a non-traditional cloud service provider that allows users to choose and customise their cloud services.

BUSINESS DEVELOPMENTS

Embarking on the Path to ACE Market on Bursa Securities

In a strategic move aimed at bolstering our market presence and unlocking new growth opportunities, ICT Zone Asia has announced its intention to transition from the LEAP Market to the ACE Market on Bursa Securities on 19 February 2024. This transition signifies a significant milestone in our Company's journey towards further expansion and market maturity. By making this move, ICT Zone Asia seeks to enhance its visibility, attract a broader investor base, and strengthen its position as a leading provider of technology financing solutions in Malaysia's dynamic capital market landscape.

Preparations for the transition are underway, with ICT Zone Asia prioritising adherence to regulatory requirements and stringent listing criteria set by Bursa Securities. With a clear focus on maintaining transparency, accountability, and compliance throughout the transition process, our Company remains committed to ensuring a smooth and seamless move to the ACE Market. As we look ahead to this exciting new phase, stakeholders can anticipate continued innovation, sustainable growth, and a steadfast commitment to delivering value to customers and shareholders alike.

MANAGEMENT'S DISCUSSION & ANALYSIS (CONT'D)

BUSINESS DEVELOPMENTS (CONTINUED)

Our Commitment to Sustainability

At the heart of ICT Zone Asia's sustainability journey lies a dedication to achieving significant environmental impact without compromising on business success. This commitment is exemplified through key certifications such as the ISO 14001:2015 for Environmental Sustainability and the prestigious MyHijau Mark, highlighting Our Company's steadfast focus on promoting green initiatives throughout Malaysia.

In addition, our recognition at the HP Amplify™ Partner Conference held in Las Vegas, USA, further validates our dedication to sustainability. Honored with the HP Amplify Impact Global Emerging Sustainability Leader Award, we have been acknowledged for our outstanding contributions to sustainability-driven initiatives within the region.

Furthermore, our Company's consecutive win of the HP Greater Asia Partner of The Year FY23—Emerging Amplify Impact Partner award underscores our dedication to advancing CNCS and championing environmentally conscious solutions within the technology industry.

As we continue to receive acclaim, we remain committed to fostering sustainable business practices and playing a pivotal role in shaping a greener future for the technology sector and beyond.

DaaS 360 & EZRental: Creating a Future-Proof, Sustainable Business Ecosystem

Our Company's sustainability strategy places proactive management of climate action and environmental concerns at our core. We adopt a circular economy approach across all facets of our operations to minimise environmental impacts and emissions. Our focus lies in comprehensive technology lifecycle management, sustainable disposal solutions, and innovative financial services tailored to each customer's requirements—known as our "Integrated Technology and Financing Framework."

Our Group's Device-as-a-Service (**"DaaS"**) 360 streamlines technology access for commercial organisations, offering the right hardware and support backed by robust financing and sustainable practices. Through DaaS 360, we aim to reduce waste by repurposing, reconditioning, and reusing old products, thus ensuring fewer physical devices are discarded after their life cycle. This commitment not only helps customers fulfil their Environmental, Social, and Governance (ESG) commitments but also aligns with the circular economy principle of keeping materials within life cycles. During the FYE 2024, we have also initiated the roll out of our innovative services, CNCS under DaaS 360.

In addition, we have introduced and launched our new brand – EzRental. EzRental offers various refurbished IT technology equipment that caters to our customers' needs, including computers, laptops, projectors, and printers that have undergone comprehensive quality control testing to ensure they are as reliable and efficient as their brand-new counterparts. It is committed to providing businesses with access to the latest IT devices without the need for a huge capital investment.

MANAGEMENT'S DISCUSSION & ANALYSIS (CONT'D)

BUSINESS DEVELOPMENTS (CONTINUED)

Raised funds from the equity market to fuel our technology financing businesses

Our Company had, on 3 November 2023, completed the private placement following the issuance of 53,375,700[1] placement shares, which resulted to an enlarged 587,133,200 ordinary shares.

The status of utilisation of the gross proceeds raised from the private placement is as follows

Utilisation purposes	Proposed utilisation	Actual utilisation	Balance	Estimated timeframe for utilisation from receipt of proceeds
	RM'000	RM'000	RM'000	
Working capital[1]	10,071	10,071	-	Within 12 months
Defray estimated expenses for the Private Placement	70	70	-	Within 1 months
Total	10,141	10,141	-	

Note:
(1) The working capital was utilised for the purchase of ICT hardware and software for leasing/rental of ICT Solutions (RM7.12 million) and other operating expenses which includes payment of finance costs, legal fees and insurance expenses (RM2.95 million).

MANAGEMENT'S DISCUSSION & ANALYSIS (CONT'D)

5-YEARS GROUP FINANCIAL SUMMARY

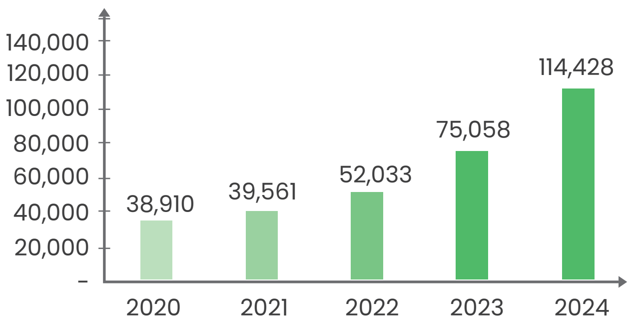
For the Financial Year Ended 31 January	2020	2021	2022	2023	2024
	RM'000	RM'000	RM'000	RM'000	RM'000
Statement of Comprehensive Income					
Revenue	38,910	39,561	52,033	75,058	114,428
Gross profit	8,888	9,762	12,136	15,797	20,901
Profit before tax ("PBT")	1,381	5,721	6,429	8,176	8,973
Profit after tax ("PAT")	1,049	3,876	4,370	6,376	7,455
Profit attributable to the owners of the company	1,049	3,876	4,283	6,338	7,342
Statement of Financial Position					
Deposits, cash and bank balances	1,225	2,809	10,328	8,969	9,857
Total borrowings (including lease liabilities)	5,853	10,987	18,947	37,918	96,595
Net debts(1)	4,628	8,178	8,619	28,949	86,738
Total assets	87,064	62,643	76,080	105,854	191,610
Total liabilities	58,486	29,658	38,850	62,247	130,407
Net assets	28,578	32,985	37,069	43,407	60,891
Financial Ratios					
Gross profit margin (%)	22.84	24.68	23.32	21.05	18.27
PBT margin (%)	3.55	14.46	12.36	10.89	7.84
PAT margin (%)	2.70	9.80	8.40	8.49	6.52
Gearing (times)(2)	0.16	0.25	0.23	0.67	1.42
Basic earnings per share	(3)0.20	(4)0.73	(4)0.80	(4)1.19	(5)1.25
Diluted earnings per share	(6)0.17	(7)0.64	(7)0.70	(7)1.04	(8)1.11
Net assets per share	(3)5.36	(4)6.18	(4)6.94	(4)8.13	(5)10.37

Notes:

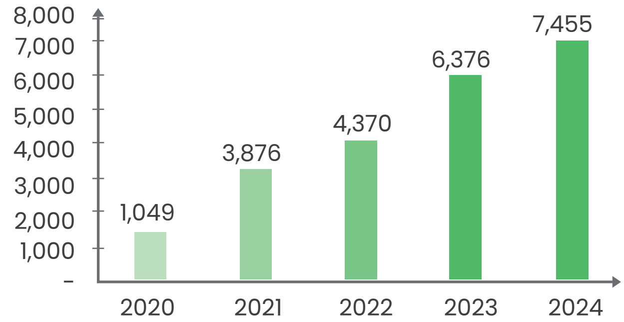
1. *Computed based on the total borrowings (include lease liabilities) less deposit, cash and bank balances.*
2. *Computed based on the net debts divide by net assets.*
3. *Computed based on 532,782,500 shares.*
4. *Computed based on 533,757,500 shares.*
5 *Computed based on 587,133,200 shares.*
6. *Computed based on 604,982,500 shares, based on a fully diluted basis.*
7. *Computed based on 609,077,500 shares, based on a fully diluted basis.*
8. *Computed based on 662,453,200 shares, based on a fully diluted basis*

MANAGEMENT'S DISCUSSION & ANALYSIS (CONT'D)

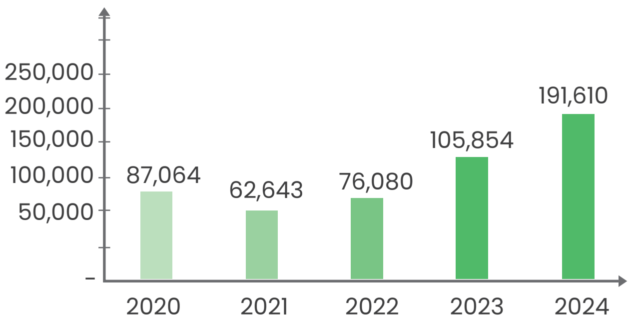
Revenue (RM'000)



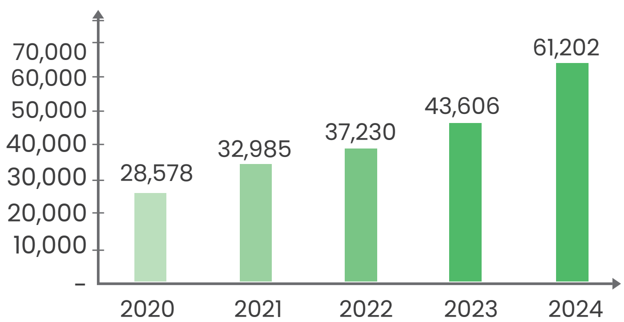
Profit After Tax (RM'000)



Total Assets (RM'000)



Total Equity (RM'000)



	FYE 2024	FYE 2023	Varience	
	RM'000	RM'000	RM'000	%
Technology financing	49,359	33,115	16,244	49.05
Trading of ICT solutions	55,631	37,114	18,517	49.89
Provision of ICT services	277	253	24	9.49
Provision of Cloud solutions and services	9,161	4,576	4,585	100.20
Total	**114,428**	**75,058**	**39,370**	**52.45**
PAT	**7,455**	**6,376**	**1,079**	**16.92**

MANAGEMENT'S DISCUSSION & ANALYSIS (CONT'D)

FINANCIAL PERFORMANCE REVIEW

Our Group has achieved a remarkable increase in total revenue, reaching RM114.43 million for the FYE 2024, marking a substantial growth of RM39.37 million or 52.45% compared to RM75.06 million for the financial year ended 31 January 2023 ("**FYE 2023**") This remarkable surge can be primarily attributed to the following:

(i) increase in revenue contributed from trading of ICT solutions segment, amounting to RM18.52 million or 49.91%, which was mainly driven by the additional contracts of purchasing ICT hardware and software secured from the corporate and government sectors and higher sales of the refurbished hardware oin our e-commerce platform; and

(ii) increase in revenue contributed from technology financing segment, amounting to RM16.24 million or 49.03%, which was mainly attributable to the extension of expired rental contracts and additional contracts secured during the FYE 2024, supported by the additional funds obtained from private placement and financial institutions, coupled with a more effective pricing strategy implemented by our Group.

Additionally, our Group's PAT witnessed a substantial increase of RM1.08 million or 16.93%, reaching RM7.46 million for the FYE 2024, compared to RM6.38 million for the FYE 2023. This increase in PAT was mainly attributable to the higher gross profit resulting from the increase in our Group's revenue as explained above. However, this increase was partially offset by an increase in finance cost and staff costs incurred due to additional headcount to support our Group's business expansion, alongside one-off expenses associated with the private placement.

Furthermore, our Group's total assets have surged significantly by RM85.76 million or 81.02%, reaching RM191.61 million as at 31 January 2024, compared to RM105.85 million as at 31 January 2023. The notable increase in total assets was mainly attributable to the increase in our ICT assets by RM61.86 million, net investment in sub-lease by RM10.26 million and trade receivables by RM5.73 million.

Finally, our Group's total borrowings (include lease liabilities) increased by RM58.68 million or 154.75% to RM96.60 million for the FYE 2024, compared to RM37.92 million for the FYE 2023. The increase in total borrowings was mainly due to additional term loans obtained from the financial institutions to purchase the ICT assets.

ANTICIPATED OR KNOWN RISK

1. Credit risk

The collection from our technology financing business is dependent on the creditworthiness of our customers. If our customers are unable or unwilling to pay us, we may experience payment delays or we may not be able to recover debt from them. Accordingly, we would have to make an allowance for doubtful debts or write-off bad debts, which may have an impact on our financial performance and financial position adversely.

Notwithstanding the above, our management team will continue to actively monitor outstanding trade receivables and take appropriate actions to mitigate the risk of bad debts. We remain committed to maintaining a sound credit risk management framework to safeguard the financial health of our business. For information purposes, our trade receivable aging profile remained healthy in FYE 2024, with less than 0.75% of our trade receivables aging past due more than 90 days.

MANAGEMENT'S DISCUSSION & ANALYSIS (CONT'D)

ANTICIPATED OR KNOWN RISK (CONTINUED)

2. Dependency on continuous relationship with our strategic partners

   We have signed strategic partnership agreements with Strategic Partners to provide us with the exclusive rights to finance, supply and deliver ICT solutions to their customers. Any adverse change in our relationship with Strategic Partners may have a short-term negative impact on our order book, which is expected to affect our financial performance.

   However, we do not anticipate any adverse change to these relationships as these agreements have been in place for more than 10 years and we have established reliable, trusted and mutually beneficial relationships with them. Nevertheless, we will also continuously expand our pool of Channel Partners and Strategic Partners as well as diversify our customer base to include retail consumers and third-party resellers. While we remain committed to our strategic partnerships, we recognise the importance of maintaining a diversified business model to mitigate potential risks associated with dependence on any one partner or customer.

3. Competition risk

   Our Group faces competition from both established and potential new ICT solution providers in Malaysia. This heightened competition has a significant impact on our ability to retain our existing customers and attract new ones, which may adversely affect our operational and financial performance.

   Our Group's future success and competitiveness are heavily reliant on our ability to meet customer requirements and maintain our service level and industry reputation. As a result, we are proactively taking measures to mitigate such risks. This includes continuously reviewing and updating our business strategies in response to changing market trends and collaborating with major ICT brands to offer our customers the latest and most reputable ICT products.

   We have earned a strong reputation over the years, which is reflected in our customer base in both the private and public sectors. We are confident that by providing high-quality services, we can build long-term business relationships with our customers, enabling us to remain competitive.

4. Political, economic and regulatory risk

   Like all other business entities, changes in the economic and political conditions in Malaysia, may indirectly affect the overall profitability of our business. Changes in interest rates, inflation rates, employment regulations, fiscal and monetary policies and regulations relating to taxation, licensing or business permits relating to our Group's business as well as other uncertainties may affect our operations and profitability. Any regulatory changes in relation to the leasing of ICT solutions may also affect our ability to offer these services to our customers.

   While we will continue to take measures to undertake careful financial planning and ensure efficient operating procedures, there is no assurance that adverse political and economic conditions will not materially affect our business.

MANAGEMENT'S DISCUSSION & ANALYSIS (CONT'D)

DIVIDEND

Save for the dividend paid for the ICPS holders, the Company has not adopted any dividend policy. However, it is committed to distributing a portion of its profits as dividends after taking into account, amongst others, the availability of adequate reserves and cash flows, financing commitments and anticipated future operating conditions, as well as future expansion, capital expenditure and investment plans.

FUTURE PROSPECTS AND OUTLOOK

ICT Solutions encompasses ICT products as well as services have become increasingly important in organisations ranging from private businesses to government agencies, as dependency on technology continues to grow. The implementations of these solutions have often been essential for companies to run their day-to-day business operations, as well as perform transactions with customers and suppliers.

The ICT trading industry size in Malaysia grew from RM28.2 billion in 2018 to RM34.2 billion in 2022, registering a compound annual growth rate (**"CAGR"**) of 4.9% during the period. The ICT trading industry in Malaysia grew to an estimated RM35.7 billion in 2023 and is forecast to increase to RM37.3 billion in 2024. Meanwhile the ICT services industry size registered a CAGR of 6.6% during the same period, having grown from RM79.2 billion in 2018 to RM102.1 billion in 2022. The ICT services industry in Malaysia grew to an estimated RM108.1 billion in 2023 and is forecast to increase to RM114.3 billion in 2024.

Moving forward, Providence expects that the growth of the ICT solution industry will be supported by the following factors:

(i) government initiatives to encourage digitalisation, which will drive demand for ICT solutions;

(ii) the digitalisation of the economy and rapid pace of technological evolution creates a need for enterprises to upgrade their ICT solutions;

(iii) increasing adoption of cloud computing is expected to lead to a growth in demand for ICT solutions from data centres;

(iv) growing number of companies indicates an increase in demand for ICT Solutions; and

(v) benefits of reducing upfront investments for ICT Solutions for corporations and organisations.

(Source: Providence)

We note the continuous growth of the ICT industry in Malaysia. In this regard, we view that our Group is well positioned to capitalise on the growing ICT industry in Malaysia and will continue to enjoy favourable prospects in the long term, by providing rental, leasing and trading of ICT Solutions, ICT cloud solutions and related services in Malaysia on the back of our historical track record.

SUSTAINABILITY STATEMENT

ICT Zone Asia Berhad (**"ICT Zone Asia"** or **"Company"**) recognises the importance of balancing its interests with those of the broader community and is committed to uphold good governance and sustainability practices in the operations in the Company and its subsidiaries (**"ICT Group"** or **"Group"**).

SCOPE OF REPORT AND COVERAGE

ICT Zone Asia prepares this Sustainability Statement (**"Statement"**) to report on the ongoing efforts, practices, and performance of how ICT Zone Asia manages its material sustainability matters to its stakeholders under the purview of Economic, Environment and Social (**"EES"**) for the financial year ended 31 January 2024 (**"FYE 2024"**). This Statement reports on the sustainability practices and performance pertaining to the Group's entire operations in Malaysia. This Statement is to be read in conjunction with the rest of the Company's Annual Report, highlighting other financial and non-financial aspects of the Group's business.

GOVERNANCE STRUCTURE

In order to instil strong sustainability stewardship and a clear tone at the top, sustainability is also incorporated in ICT Group's corporate governance structure where the Board of Directors (**"Board"**) holds ultimate responsibility in ensuring sustainability is considered in the Group's corporate strategies in the long term. The Group's sustainability initiatives are led by a six-member Sustainability Committee which is helmed by the Group Managing Director and is responsible for identifying sustainability targets, developing sustainability strategies, proposing them for the Board's approval, overseeing the implementation of sustainability strategies towards realising the Board-approved strategies. The Sustainability Committee will ensure that the sustainable initiatives are communicated to and supported by the ICT Group's internal stakeholders. They will ensure that there are proper processes and controls in place within respective departments so that the sustainability-related activities are carried out effectively.

STAKEHOLDER ENGAGEMENT

Although the Group has not formally engaged with all stakeholders, the Group has in place the

Stakeholders	Mode of Engagement
• Customers	• Customers' feedbacks • Customers' meetings
• Employees	• Management meetings • Learning and development programme • Staff appraisals
• Shareholders/ ICPS holders	• Annual general meetings
• Suppliers	• Suppliers' feedback • Suppliers' meeting
• Government and regulators	• Regulatory requirements
• Local communities	• Community programmes

SUSTAINABILITY STATEMENT (CONT'D)

MATERIAL AND AREAS OF FOCUS

ICT Zone Asia has conducted a series of materiality assessments to identify topics prioritised by the stakeholders to provide a framework for the Company's annual disclosure and alignment with the Group's strategic objectives. The stakeholders' feedback, combined with an assessment of industry trends and research, forms the key areas on which the Company's sustainability focus lies. These areas are:

(i) Economic

- Quality of products and services and timeliness in delivery

  Customer satisfaction is essential for achieving long-term business success. The attraction, retention and referrals of customers is vital for the sustainability of the Group. Therefore, product quality and timely delivery of the products and services are material aspects of the Group's economic performance. The Company has established policies and procedures to ensure delivery are made in accordance with the standards and specifications as well as the terms of contractual agreements entered into. In addition, product knowledge and service skills training also formed as are part of the Company's routine training programmes to ensure that the Company's employees provide excellent quality services to the customers. The Company places high priority on customer engagement and interaction via customer feedback form to further improve on its customer service and achieving customer satisfaction. For the year under review, the Group did not receive any customer complaints in relation to its products and services and the Company aims to maintain this achievement in the next year as well.

- Community investment

  As a part of the global community, the Company's aspiration is to help shape society through its products, technologies and community engagement. Accordingly, the Company has worked with its employees to promote a diverse range of social initiatives that help tackle challenges at the local level. The Company believes in the philosophy of giving back to society to show its gratitude and appreciation for its success. In giving, it strengthens the local communities which in turn will contribute to nation building to become more stable, henceforth support future businesses though well-funded infrastructure and high-quality talent pool.

  The Company has offered internship programme in order to bring highly qualified and motivated students with diverse education backgrounds into the Company to work. The internship programme provides the students an environment to acquire knowledge and skills with practical experience. During the year, the Company offered internships to 7 students (FYE 31 January 2023: 21 students) in various department that relevant to their course of study.

SUSTAINABILITY STATEMENT (CONT'D)

(ii) Environment

- Waste management

Waste management is important as it saves the environment from the toxic effects of inorganic and biodegradable element present in waste. Proper waste management is key in ensuring the health and well-being of any environment. The Group's day-to-day operations generate non-hazardous waste and minimal quantities of hazardous waste. The Group's non-hazardous waste includes typical office and cafeteria waste, as well as packaging of products for delivery which consist mostly boxes and plastic film. Hazardous waste is waste designated as hazardous by applicable laws or regulations in a country, state, region, or locality and may include broken electronic devices, batteries and fluorescent light bulbs.

The Company recognises that waste management is important and has engaged waste management service providers to assist the Company in recycling and disposal of waste. For the discarded waste which are suitably assessed to be usable will be repurposed to extend its useful lifespan. For example, in the Company's business practice, all the old ICT equipment returned to the Company are refurbished and remarketed to ensure the life cycle is optimised up to at least 6 years before they are sent for recycling. The recycling process involves reusing all possible spare parts from the ICT equipment before it is disposed to a qualified e-waste recycler. In addition, the Group has also recycled approximately 1,175 kg of paper wastes through recycling vendors in the FYE 2024.

- Quality of products and services and timeliness in delivery

Environmental sustainability is important to preserve resources like clean air, water and wildlife for future generations. The Group is committed to continuing proactively to manage and monitor the water and energy use within the businesses in order to enhance operational efficiency and reduce the carbon footprints. The several energy-saving initiatives undertaken by the Group include educating the employees to turn off the computers or set workstations to hibernate mode, turn off the printers and any other office equipment when not in use, especially overnight and on weekends. The Group's energy consumption per thousand sales are as follows:

	As at 31 Jan 2023	As at 31 Jan 2024
Electricity (kWh) / Sales (RM'000)	4.98	0.81

The Group's business activities are not a significant water consumer aside from workplace hygiene, general cleaning, canteen (food preparation and cleaning-up) operations and minimal landscaping maintenance. The Company has put signs up to remind the employees to turn off the water while lathering and scrubbing hands, then turn it back on to rinse. The Company also put signs in the office kitchen to remind people to compost food scraps instead of using the garbage disposal, which uses water each time. This serves to minimise water wastage via lower water consumption.

SUSTAINABILITY STATEMENT (CONT'D)

(iii) Social

- Ethical business practices

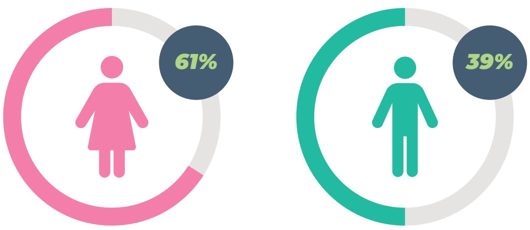
  The Group strongly believes that maintaining high standards of ethical business practices is pivotal and forms the foundation of sustainable business operations. Hence, the Group has embedded strong business ethics in the Company's corporate culture and in all the business dealings. The Company has formulated the Code of Conduct to establish standards of ethical behaviour and communicated to Directors, Senior Management, employee, suppliers and business associates of the Group. The anti-bribery and anti-corruption clauses are set out in the Code of Conduct to ensure all employees are equally responsible for preventing and reporting bribery and other forms of corruption.

  There has not been any incidence of conduct violation or breach during the reporting period.

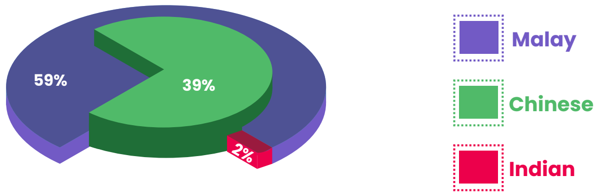
- Workplace diversity

  The Group values diversity in the workplace. The Group believes that diversity in skills, experience, age group and gender will enhance creativity and quality of solutions. The Group's conviction in treating employees fairly and providing equal opportunities to all employees will enable the Group to attract and retain a diverse and an engaged workforce.

Workforce by Gender



Workforce by Race



Workforce by Age

21 - 30 years old
38%

31 - 40 years old
20%

41 - 50 years old
34%

51 - 60 years old
8%

SUSTAINABILITY STATEMENT (CONT'D)

(iii) Social (continued)

- Employment engagement

  Employee engagement is about improving the work environment and culture to encourage employees to be more dedicated to company goals and values. Employee engagement is important to all organisations as having effective strategies in-place helps create a better work culture, reduce staff turnover, increase productivity, build better work and customer relationships which is expected to have an indirect impact on the company's financial performance. To achieve this, the Company has organised several employee engagement activities over the years, including departmental futsal, badminton, and bowling competitions, as well as monthly birthday celebrations at the Group level. Additionally, the Group also celebrated religious and cultural festivals such as Chinese New Year and Raya Aidilfitri Open House, Iftar sessions, and organised company trips.

- Talent attraction and retention

  Employees play an important role in the Group's operations as they contribute to business growth and maintain the quality and safety of products. Hence, various employee welfare is introduced to attract and retain talent and reward employee efforts. Amongst others, the benefits that the Company provided are as follows:

Leave	Health & Insurance Coverage	Allowance	Claims	Others
• Annual • Medical • Compassionate • Marriage • Maternity/Paternity • Examination	• Medical • Hospitalisation & Surgical • Group Personal Accident	• Fixed • Special • Acting	• Mileage • Toll & Parking • Accomodation • Meal • Medical	• Overtime • Office season's parking • Personal loan • Company product purchase





In addition to the industry-competitive remuneration package and staff benefits offered to attract talents, the Company also take note of ensuring a steady pipeline of talents for the workforce. As such, the Company has offered 7 internship placement to the nation's undergraduate pool from the local universities in Malaysia to expose them to real-world experience while also developing and refining skills such as leadership, communication and time management amongst others. Upon completing the internship programme, the students will be offered a permanent job with the Group if their performance meets the Company's expectation.

SUSTAINABILITY STATEMENT (CONT'D)

(iii) Social (continued)

- Training and development

  Continuous skill development and knowledge improvement remain to be one of the Group's key focus areas as talented and skilled people are a vital asset that brings the business to success. The Group acknowledges the importance of training and development in talent retention and development. To facilitate a high-performance culture and to unlock the potential of the Group's employees, the Company has sent its employees to participate in leadership programmes as part of our comprehensive continuous professional development. In addition, the Company also provides onboarding programmes and on-job practical trainings for the employees to gain insight into the Group's corporate culture, processes and operations.

  The Company also has in place a comprehensive employee revaluation system to better monitor and manage the employees' key performance indicators (KPI) and their overall performance. The system not only serve as quantifiable indicators of progress toward an intended result but also help to foster employees' personal growth.

- Occupation safety and health

  Occupational safety and health is deeply ingrained in the Group's workplace culture, and the Group places a high emphasis on cultivating and fostering a proactive occupation safety and health culture across the Group's operations. The Company acknowledges that it is its duty to create a safe and healthy work environment for its employees and external stakeholders namely contractors, visitors, and others, to protect them from serious occupational hazards. Hence, the Company has established an Occupational Safety, Health & Environment Policy which sets out the Company's commitment in providing a safe, secure, and conducive working environment to the employees and serves as a communication tool internally and externally. The Occupational Safety, Health & Environment Policy is reviewed and updated when necessary to ensure effectiveness and compliance with relevant laws and regulations.

  During the reporting period, there was no work-related injury incident reported within the Group.

Moving Forward

The Company's achievements rely on the unwavering and consistent support of various groups, such as its employees, shareholders, consumers, suppliers, local communities, government and relevant authorities. The Company firmly believes that to earn respect and confidence from these stakeholders, it must be an exceptional corporate citizen and contribute to the thriving of its marketplace. One crucial approach to achieving this is by constantly enhancing its sustainability initiatives. Therefore, as the Company moves ahead towards more growth, it is committed to upholding and prioritizing sustainability efforts in its core strategies. This ensures that the Company operates in a safe, efficient, and responsible manner while also delivering broader benefits to its environment.

SUSTAINABILITY STATEMENT (CONT'D)

Company Events and Awards

MyHIJAU Mark

On 27 June 2023, our subsidiary, ICT Zone Venture obtained the rights from Malaysian Green Technology And Climate Change Corporation (MGTC) to use MyHIJAU Mark on the DaaS 360 ICT Lifecycle Services. MyHIJAU Mark is Malaysia's official green recognition scheme endorsed by the Government of Malaysia, bringing together certified products and services that meet local and international environmental standards under one single mark. Registered green products and services will be listed in the MyHIJAU Directory which as a reference for green procurement (including Government Green Procurement; GGP and Green Private Purchasing; GPP), green incentives (including Green Investment Tax Allowance; GITA and Green Income Tax Exemption; GITE) and related green technology initiatives.

Awards from HP

HP Amplify Impact Global Emerging Sustainability Leader Award 2023

HP Greater Asia Partner of The Year FY23—Emerging Amplify Impact Partner Award

Top Rel Champion Award 2023 from Lenovo

SUSTAINABILITY STATEMENT (CONT'D)

Employees engagements

Berbuka Puasa Event

Q1 Meeting Year 2023

SUSTAINABILITY STATEMENT (CONT'D)

Employees engagements (Cont'd)

Open House Raya Event

Company Trip Bangkok & Jakarta/Bandung

Annual Dinner 2023

SUSTAINABILITY STATEMENT (CONT'D)

Employees engagements (Cont'd)

Annual Dinner


Company Retreat water rafting




ADDITIONAL COMPLIANCE INFORMATION

1. AUDIT AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable to the external auditors by the Company and its subsidiaries for the financial year ended 31 January 2024 are as follows:

Type of Fees	Company	Group
	(RM)	(RM)
Audit fees	26,500	82,601
Non-audit fees	-	-

2. MATERIAL CONTRACTS

The Company and its subsidiaries do not have any material contracts involving the interests of Directors and major shareholders either subsisting at the end of the financial period or entered into since end of the previous financial year.

3. RECURRENT RELATED PARTY TRANSACTIONS

There were no material recurrent related party transactions of a revenue or trading nature entered by the Company or its subsidiaries during the financial year ended 31 January 2024 other than those which are disclosed in Note 31 of the financial statements for the financial year ended 31 January 2024.

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 January 2024.

Principal activities

The Company is principally engaged to carry on the business of an investment holding company. The principal activities of the subsidiaries are as disclosed in Note 14 to the financial statements.

Results

	Group RM	Company RM
Profit for the financial year	7,455,139	382,614
Profit for the financial year attributable to:		
Owners of the parent	7,342,413	382,614
Non-controlling interest	112,726	-
	7,455,139	382,614

Reserves and provisions

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

Dividends

The Directors declared preference dividend of RM0.02 per Irredeemable Preference Share for the financial year ended 31 January 2024, amounting to RM1,506,400, which paid on 16 October 2023.

The Directors do not recommend any dividend payment for the financial year ended 31 January 2024.

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:

Datuk Seri Ng Thien Phing
Lim Kok Kwang
Vincent Ng Soon Kiat
Karen Yap Pik Li - Appointed on 13 February 2024
Sim Shu Mei - Appointed on 2 April 2024
Chong Pei Nee - Appointed on 2 April 2024

Directors (continued)

The names of the Directors of the Company's subsidiaries since the beginning of the financial year to the date of this report, excluding those who are already listed above are:

Loh Kuo Hsiung
Kwan Thean Poh
Lim Chen Yao

Directors' interest

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares of the Company and its related corporations during the financial year ended 31 January 2024 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016 in Malaysia were as follows:

	Number of Ordinary Shares			
	Balance as at 1.2.2023	**Bought**	**Sold**	**Balance as at 31.1.2024**
Direct interest in the Company:				
Vincent Ng Soon Kiat	22,500,000	-	-	22,500,000
Indirect interest				
Lim Kok Kwang	300,000	-	-	300,000
Vincent Ng Soon Kiat	125,000	-	-	125,000
Deemed interest via holding company				
Datuk Seri Ng Thien Phing	427,720,000	-	-	427,720,000
Vincent Ng Soon Kiat	427,720,000	-	-	427,720,000
Direct interest in the holding company:				
Datuk Seri Ng Thien Phing	4,675,520	-	-	4,675,520
Lim Kok Kwang	1,656,040	-	-	1,656,040
Vincent Ng Soon Kiat	590,520	-	-	590,520

	Number of Irredeemable Convertible Preference Shares ("ICPS")			
	Balance as at 1.2.2023	**Bought**	**Sold**	**Balance as at 31.1.2024**
Direct interest in the Company:				
Lim Kok Kwang	140,000	-	-	140,000
Indirect interest				
Lim Kok Kwang	960,000	-	-	960,000
Vincent Ng Soon Kiat	400,000	-	-	400,000

Directors' benefits

Since the end of previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except as disclosed in Note 32 to the financial statements.

There were no arrangements during or at the end of the financial year, which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Directors' remuneration and fee

Directors' remuneration of the Group is amounting to RM1,104,944 during the financial year as disclosed in Note 5 to the financial statements.

Indemnity and insurance for Directors, officers and auditors

There was no indemnity given to or insurance effected for any Director, officer or auditor of the Company.

Issue of shares and debentures

During the financial year:

(i) On 10 August 2023, the Company issued 31,318,700 ordinary shares for RM0.19 each for cash consideration for working capital purpose;
(ii) On 18 October 2023, the Company issued 12,052,400 ordinary shares for RM0.19 each for cash consideration for working capital purpose; and
(iii) On 1 November 2023, the Company issued of 10,004,600 ordinary shares for RM0.19 each for cash consideration for working capital purpose.

The ordinary shares issued during the financial year rank pari passu in all respects with the existing issued ordinary shares of the Company.

There were no debentures issued during the financial year.

Options granted over unissued shares

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

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

(i) proper action had been taken in relation to the writing-off of bad debts and the making of provision for doubtful debts and have satisfied themselves that there are no known bad debts and adequate provision had been made for doubtful debts; and

(ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

(i) which would necessitate the writing-off of bad debts or render the amount of the provision for doubtful debts inadequate to any substantial extent; or

(ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; or

(iii) 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; or

(iv) not otherwise dealt with in this report or the financial statements, which would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

(ii) any contingent liability in respect of the Group and of the Company that has arisen since the end of the financial year.

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

In the opinion of the Directors, the results of the operations of the Group and of the Company for the financial year ended 31 January 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

Holding company

The Directors regard ICT Zone Holding Sdn. Bhd., a company incorporated in Malaysia as the holding company.

Subsequent event

Details of subsequent event is disclosed in Note 35 to the financial statements.

Auditors

The auditors, Messrs PKF PLT, have indicated their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year ended 31 January 2024 amounted to RM82,601 and RM26,500 respectively.

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

DATUK SERI NG THIEN PHING

LIM KOK KWANG

Kuala Lumpur
30 May 2024

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016 IN MALAYSIA

In the opinion of the Directors, the accompanying financial statements as set out on pages 42 to 117 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 January 2024 and of their financial performance and their cash flows for the financial year ended on that date.

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

DATUK SERI NG THIEN PHING	LIM KOK KWANG

Kuala Lumpur
30 May 2024

STATUTORY DECLARATION PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT, 2016 IN MALAYSIA

I, LIM KOK KWANG, being the Director primarily responsible for the financial management of ICT ZONE ASIA BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements as set out on pages 42 to 117 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
above-named at Kuala Lumpur in Wilayah)
Persekutuan on 30 May 2024)

LIM KOK KWANG

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ICT ZONE ASIA BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ICT ZONE ASIA BERHAD, which comprise the statements of financial position as at 31 January 2024, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year ended, and notes to the financial statements, including material accounting policies, as set out on pages 42 to 117.

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 January 2024, and of their financial performance and their cash flows for the financial year ended 31 January 2024 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 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

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.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ICT ZONE ASIA BERHAD (continued)

Key Audit Matter (continued)

Investment properties
(Refer to Notes 2(g) and 12 to the financial statements)

The Group's investment properties are measured at fair value subsequent to their initial recognition. The Directors estimated the fair value of the investment properties based on the market valuation performed by an external independent valuer. The valuation of these properties requires the use of significant judgement in selecting the appropriate valuation methods and applying key assumptions in determining the fair value of the properties.

Our procedures included:

(a) evaluating the competence, capabilities and objectivity of the external valuer which includes consideration of their qualifications and experience;
(b) understanding the scope and purpose of the valuation by assessing whether any matters that might have affected their objectivity or limiting their scope of work; and
(c) reading the valuation reports for all properties and discussing with external valuer on their valuation approach and significant judgements used, including the selection of comparable properties, adjustments for differences in the key attributes of the transacted value of comparable properties and reasonableness of the projection used.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors are responsible for the other information. The other information comprises the Chairman's Statement, Management Discussion and Analysis and Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

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

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

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with 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.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ICT ZONE ASIA BERHAD (continued)

Responsibilities of the Directors for the Financial Statements (continued)

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.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ICT ZONE ASIA BERHAD (continued)**

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and contents of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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.

PKF PLT
202206000012 (LLP0030836-LCA) & AF0911
CHARTERED ACCOUNTANTS

NG CHEW PEI
03373/06/2024 J
CHARTERED ACCOUNTANT

Kuala Lumpur
30 May 2024

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM	RM	RM	RM
Revenue	3	114,428,481	75,058,009	3,000,000	1,605,000
Cost of goods sold		(93,527,084)	(59,260,567)	-	-
Gross profit		20,901,397	15,797,442	3,000,000	1,605,000
Other income	4	662,065	797,772	141,466	-
Other expenses		(8,868,216)	(6,832,431)	(2,545,600)	(166,086)
Profit from operations		12,695,246	9,762,783	595,866	1,438,914
Finance costs	6	(3,722,628)	(1,586,390)	(213,252)	(307,891)
Profit before tax	7	8,972,618	8,176,393	382,614	1,131,023
Tax expense	8	(1,517,479)	(1,800,223)	-	-
Profit, representing total comprehensive income, for the financial year		7,455,139	6,376,170	382,614	1,131,023
Total comprehensive income attributable to:					
Owners of the company		7,342,413	6,337,534	382,614	1,131,023
Non-controlling interest		112,726	38,636	-	-
		7,455,139	6,376,170	382,614	1,131,023
Earnings per ordinary share (sen)	9				
Basic		1.25	1.19		
Diluted		1.11	1.04		

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

STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2024

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
ASSETS					
Non-current assets					
Property, plant and equipment	10	128,190,044	65,915,985	3,549	4,069
Right-of-use assets	11	356,683	263,272	-	-
Investment properties	12	11,300,000	11,300,000	-	-
Intangible assets	13	17,591	-	17,591	-
Investment in subsidiaries	14	-	-	33,886,000	33,886,000
Net investment in sub-lease	15	6,705,925	-	-	-
Amount due from subsidiary	16	-	-	9,220,146	-
		146,570,243	77,479,257	43,127,286	33,890,069
Current assets					
Inventories	17	1,969,122	574,942	-	-
Trade receivables	18	22,798,591	17,065,848	-	-
Non-trade receivables, deposits and prepayments	19	5,907,318	1,002,483	366,294	8,333
Tax recoverable		922,818	354,467	-	-
Fixed deposits with licensed banks	20	873,877	592,577	-	-
Short-term cash investments	21	26,738	407,647	-	-
Net investment in sub-lease	15	3,557,834	-	-	-
Cash and bank balances		8,983,395	8,376,361	177,426	459,491
		45,039,693	28,374,325	543,720	467,824
TOTAL ASSETS		191,609,936	105,853,582	43,671,006	34,357,893

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

STATEMENTS OF FINANCIAL POSITION AS AT 31 JANUARY 2024 (CONTINUED)

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	22	38,265,287	28,123,904	38,265,287	28,123,904
Reserve	23	22,625,301	15,282,888	3,896,702	3,514,088
Equity attributable to owners of the parent		60,890,588	43,406,792	42,161,989	31,637,992
Non-controlling interest		312,204	199,478	-	-
Total equity		61,202,792	43,606,270	42,161,989	31,637,992
Non-current liabilities					
Irredeemable convertible preference shares	22	-	2,690,367	-	2,690,367
Deferred tax liabilities	24	9,995,160	8,240,882	-	-
Borrowings	25	51,833,736	25,297,456	-	-
Lease liabilities	26	8,472,834	-	-	-
		70,301,730	36,228,705	-	2,690,367
Current liabilities					
Trade payables	27	16,143,183	10,039,074	-	-
Non-trade payables and accruals	28	6,247,893	3,358,694	112,780	29,534
Borrowings	25	31,271,494	12,329,169	-	-
Lease liabilities	26	5,017,184	291,670	-	-
Irredeemable convertible preference shares	22	1,396,237	-	1,396,237	-
Tax payable		29,423	-	-	-
		60,105,414	26,018,607	1,509,017	29,534
Total liabilities		130,407,144	62,247,312	1,509,017	2,719,901
TOTAL EQUITY AND LIABILITIES		191,609,936	105,853,582	43,671,006	34,357,893

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

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

	Attributable to the owners of the parent					
	Share capital RM	Retained earnings RM	Merger reserve RM	Sub-total RM	Non-controlling interests RM	Total equity RM
Group						
At 1 February 2022	28,123,904	16,993,124	(8,047,770)	37,069,258	160,842	37,230,100
Profit, representing total comprehensive income for the financial year	-	6,337,534	-	6,337,534	38,636	6,376,170
At 31 January 2023	28,123,904	23,330,658	(8,047,770)	43,406,792	199,478	43,606,270
Profit, representing total comprehensive income for the financial year	-	7,342,413	-	7,342,413	112,726	7,455,139
Issuance of shares	10,141,383	-	-	10,141,383	-	10,141,383
At 31 January 2024	38,265,287	30,673,071	(8,047,770)	60,890,588	312,204	61,202,792

	Share capital RM	Retained earnings RM	Total equity RM
Company			
At 1 February 2022	28,123,904	2,383,065	30,506,969
Profit, representing total comprehensive income for the financial year	-	1,131,023	1,131,023
At 31 January 2023	28,123,904	3,514,088	31,637,992
Profit, representing total comprehensive income for the financial year	-	382,614	382,614
Issuance of shares	10,141,383	-	10,141,383
At 31 January 2024	38,265,287	3,896,702	42,161,989

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024

		Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Cash flows from operating activities					
Profit before tax		8,972,618	8,176,393	382,614	1,131,023
Adjustments for:					
Depreciation of property, plant and equipment		35,324,249	21,440,874	520	520
Depreciation of right-of-use assets		146,703	111,693	-	-
Interest expenses		3,722,056	1,577,963	212,270	306,910
Interest income		-	(7,913)	-	-
Impairment on trade receivables		8,649	-	-	-
Fair value gain on short-term cash investment		(9,091)	(7,647)	-	-
Loss on measurement on amount due from subsidiary		-	-	1,921,320	-
Gain on disposal of property, plant and equipment	(i)	(1,188,623)	(643,708)	-	-
Unwinding interest income		-	-	(141,466)	-
Property, plant and equipment written off		219	-	-	-
Operating profit before working capital changes		46,976,780	30,647,655	2,375,258	1,438,453
(Increase)/Decrease in inventories		(1,394,180)	327,517	-	-
Decrease in net investment in sub-lease		(428,780)	-	-	-
Increase in receivables		(10,646,226)	(7,930,200)	(357,962)	(1,500)
Increase/(Decrease) in payables		8,993,307	4,147,148	83,247	(5,549)
Cash generated from operations		43,500,901	27,192,120	2,100,543	1,431,404

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024 (CONTINUED)

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Cash generated from operations		43,500,901	27,192,120	2,100,543	1,431,404
Tax paid		(302,129)	(219,875)	-	-
Net cash from operating activities		43,198,772	26,972,245	2,100,543	1,431,404
Cash flows from investing activities					
Interest income		-	7,913	-	-
Acquisition of cash investment		-	(500,000)	-	-
Proceed from redemption of short-term cash investment		390,000	100,000	-	-
Net changes in fixed deposits with licensed banks		(281,300)	163,317	-	-
Proceeds from disposal of property, plant and equipment		2,985,551	2,539,069	-	-
Acquisition of intangible asset		(17,591)	-	(17,591)	-
Acquisition of property, plant and equipment	(ii)	(94,717,457)	(46,322,645)	-	-
Net cash used in investing activities		(91,640,797)	(44,012,346)	(17,591)	-

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024 (CONTINUED)

		Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from financing activities					
Drawdown of term loans	(iii)	66,299,930	26,411,000	-	-
Repayment of term loans	(iii)	(20,821,325)	(7,571,333)	-	-
Issuance of ordinary share		10,141,383	-	10,141,383	-
Dividend paid to ICPS holders		(1,506,400)	(1,506,400)	(1,506,400)	(1,506,400)
Advance to subsidiary		-	-	(11,000,000)	-
Repayment of lease liabilities	(iii)	(1,554,743)	(109,435)	-	-
Interest paid		(3,509,786)	(1,271,053)	-	-
Net cash from/(used in) financing activities		49,049,059	15,952,779	(2,365,017)	(1,506,400)
Net increase/(decrease) in cash and cash equivalents		607,034	(1,087,322)	(282,065)	(74,996)
Cash and cash equivalents at 1 February 2023/2022		8,376,361	9,463,683	459,491	534,487
Cash and cash equivalents at 31 January	(iv)	8,983,395	8,376,361	177,426	459,491

Notes:

(i) Gain on disposal of property, plant and equipment

During the financial year, the Company made the following disposal property, plant and equipment:

	Group	
	2024 RM	2023 RM
Revenue – disposal of asset (Note 3)	2,985,148	2,449,069
Carrying value of property, plant and equipment (ICT assets)	(1,796,919)	(1,895,361)
	1,188,229	553,708
Gain on disposal of property, plant and equipment (Note 4)	394	90,000
	1,188,623	643,708

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2024 (CONTINUED)

Notes:

(ii) Acquisition of property, plant and equipment

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

	Group 2024 RM	Group 2023 RM
Purchase of property, plant and equipment	99,395,455	46,322,645
Less: Finance lease arrangements	(4,677,998)	-
Cash payment on purchase of property, plant and equipment	94,717,457	46,322,645

(iii) Reconciliation of liabilities arising from financing activities

2024	1 February 2023/2022 RM	Non-cash flows RM	Cash flows RM	31 January RM
Group				
Term loans	37,626,625	-	45,478,605	83,105,230
Lease liabilities	291,670	14,753,091	(1,554,743)	13,490,018
ICPS	2,690,367	212,270	(1,506,400)	1,396,237
2023				
Group				
Term loans	18,786,958	-	18,839,667	37,626,625
Lease liabilities	159,597	241,508	(109,435)	291,670
ICPS	3,889,857	306,910	(1,506,400)	2,690,367
2024				
Company				
ICPS	2,690,367	212,270	(1,506,400)	1,396,237
2023				
Company				
ICPS	3,889,857	306,910	(1,506,400)	2,690,367

(iv) Cash and cash equivalents

Cash and cash equivalents comprise of cash and bank balances.

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

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

1. Basis of preparation

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

The accompanying financial statements have been prepared assuming that the Group and the Company will continue as a going concern which contemplates the realisation of assets and settlement of liabilities in the normal course of business.

These financial statements are presented in the Ringgit Malaysia ("RM"), which is the Group's and the Company's functional and presentation currency.

(a) Standards issued and effective

On 1 February 2023, the Company has adopted the following accounting standards, amendments and interpretations which are mandatory for annual financial periods beginning on or after 1 January 2023: .

Description

- Amendments to MFRS 101, *Presentation of Financial Statements*: Classifications of Liabilities as Current or Non-current
- Amendments to MFRS 101 Presentation of Financial Statements: Disclosures of Accounting Policies
- Amendments to MFRS 108, Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- Amendments to MFSR 112, Income Tax: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Directors expect that the adoption of the new and amended MFRS above have no impact on the financial statements of the Group and of the Company.

(b) Standards issued but not yet effective

Certain new accounting standards and interpretations have been issued but not yet effective for 31 January 2024 reporting periods and have not been early adopted by the Group and the Company. These standards are not expected to have a material impact on the Group and the Company in the current or future reporting periods.

(c) Basis of measurement

The financial statements have been prepared on the historical cost basis unless otherwise as indicated in the significant accounting policies.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements

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

(i) Income taxes

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

(ii) Depreciation of property, plant and equipment

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

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

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

(iii) Impairment of non-financial assets

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

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(iv) Provision for expected credit losses ("ECLs") of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on the payment profiles of sales over a period of 36 months before the end of the reporting period and the corresponding historical credit losses experienced within this period.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The historical observed default rates are updated and changes in the forward-looking estimates are analysed at every end of the reporting period.

(v) Deferred tax assets and liabilities

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the reporting date. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the reporting date, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in the profit or loss in the period in which actual realisation and settlement occurs.

(vi) Classification between investment properties

The Group determines whether a property qualifies as an investment property and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independent of the other assets held by the Group.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

1. Basis of preparation (continued)

(d) Significant accounting estimates and judgements (continued)

(vi) Classification between investment properties (continued)

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

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

(vii) Revaluation of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognised in the profit or loss. The valuation of these properties are carried out by independent professional property valuers by reference to open market values using the comparison method as disclosed in Note 12 to the financial statements.

2. Material accounting policies

The Group adopted Amendments to MFRS101, Presentation of Financial Statements - Disclosure of Accounting Policies for the first time in 2024. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments.

The material accounting policies adopted by the Group are consistent with those in the previous financial years unless otherwise stated.

Certain immaterial accounting policies have been voluntarily disclosed to ensure completeness in the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Control is achieved when the Group has:
- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of the Group's return.

Inter-company transactions, balances and unrealised gains on transaction between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any accumulated impairment losses, unless the investment is classified as held for sale or distribution. The cost of investment includes transaction costs.

(ii) Common control entities

Business combination involving entities under common control are accounted for by applying the merger accounting principles. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the combined financial statements.

In a business combination involving entities under common control, any difference between the cost of the merger and the share capital of the "acquired" entity is reflected within equity as merger reserve.

The combined financial statements of profit or loss and other comprehensive income reflects the results of the combining entities for the full year and the comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(a) Basis of consolidation (continued)

(iii) Loss of control

Upon loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interest and the other components of equity related to subsidiary. Any surplus or deficit arising on the loss of control is recognised in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as equity accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

In the previous years, if the Group retained any interest in the previous subsidiary, such interest was measured at the carrying amount at the date that control was lost and their carrying amount would be regarded as cost on initial measurement of the investment.

(iv) Transaction 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 gain arising from transactions with equity accounted associates are eliminated against the investments to the extent of the Group's interest in the associates and jointly controlled entities, Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

A performance obligation may be satisfied set a point in time or over time. The amount of revenue recognised is the amount allocate to satisfied performance obligation.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(b) Revenue (continued)

The Group transfers control of a goods and services over time and thereafter satisfied a performance obligation and recognised revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consume the benefits provided by the Group's performance as the Group performances.
- The Group's performance, creates or enhance an asset that the customer control as the assets is created or enhanced; or
- The Group's performance does not create an asset with an alternatives use to the Group and the Group has an enforceable right to payment for performance complete to date.

(i) Sales of goods

The Group sells a range of computer hardware to local customers. Revenue are recognised at a point in time when control of the asset is transferred, being when the products are delivered to the customer. The contract price is variable for different contracts as the revenue is recognised based on the assets price. The normal credit term is 60 days upon delivery.

Trade receivables are recognised when the goods are delivered as this is the point in time that consideration is unconditional because only the passage of time required before the payment is due.

In order to determine the point in time at which the customer obtain control of a promised asset and satisfies the performance obligation, the Group has considered indicators of the transfer of control, which include, but are not limited to, the following:

(a) The Group has present right to payment for the asset;
(b) The customer had legal title to the assets;
(c) The Group has transferred physical possession of the asset;
(d) The customer has the significant risks and rewards of ownership of the asset; and
(e) The customer has accepted the asset.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(b) Revenue (continued)

(ii) Lease income

Lease income from the ICT asset is recognised in profit or loss on a straight-line basis over the term of the lease and when the services are rendered. In the event invoices are yet to be issued at the year end, the revenue is accrued to the extent of the services rendered at the end of the reporting period.

(iii) Services

Services is the provision of ICT services that comprise of corrective and preventative maintenance.

(iv) Dividend income

Dividend income is recognised in profit or loss only when:

(a) the Group's or the Company's right to receive payment of the dividend is established;
(b) it is probable that the economic benefits associated with the dividend will flow to the Group or the Company; and
(c) the amount of the dividend can be measured reliably.

(v) Rendering of networking and cloud services

Revenue from rendering of networking and cloud services. The revenue is recognised overtime in proportion to the services performed on the contract at the end of the reporting date and based on services furnished to the customer as the customer simultaneously receive and consume the benefit provided by the services rendered. The normal credit term is 30 days to 60 days upon issuance of the sale invoice.

The customer pays the amount based on invoice. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payment receives exceed the services rendered, a contract liability is recognised.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(c) Employee benefits expense

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group.

Short term accumulating compensated absences, such as paid annual leave, are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

The Group's contribution to defined contribution plans is charged to the profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further liability in respect of the defined contribution plans.

(d) Tax expense

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(ii) Deferred tax

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

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(d) Tax expense (continued)

(ii) Deferred tax (continued)

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

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

The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from a business combination is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(e) Impairment

(i) Financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost, expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for cash and bank balances. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, which 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12-months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance amount.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(e) Impairment (continued)

(i) Financial assets (continued)

The gross carrying amount of a financial asset is written-off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedures for recovery amounts due.

(ii) Non-financial assets

The Group and the Company assess at each reporting date whether there is an indication that a non-financial asset may be impaired. If any such indication exists or when an annual impairment assessment for an asset is required, the Group and the Company make an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGUs")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(e) Impairment (continued)

(ii) Non-financial assets (continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in subsequent periods.

(f) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

ICT assets	20% - 33%
Motor vehicles	20%
Office equipment	20%
Furniture and fittings	10% - 20%
Computer and software	20% - 50%
Signboard	10%
Renovation	20%

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(f) Property, plant and equipment (continued)

The carrying amount of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

(g) Investment properties

Investment properties are properties held to earn rentals or for capital appreciation or both, but not use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business.

Investment property is recognised as an asset when, and only when, it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost can be measured reliably.

Investment properties are measured initially at cost including transaction costs. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure.

Subsequent to initial recognition, investment properties are measured at fair value with any changes therein recognised in profit or loss for the period in which they arise.

An investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

The gain or loss arising from derecognition of the asset is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in profit or loss in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(h) Financial assets

(i) Initial recognition and measurement

Financial assets are recognised when, and only when, the Group and the Company become party to the contractual provision of the instrument.

At initial recognition, the Group and the Company measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Subsequent measurement

The Group and the Company classify their financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group and the Company reclassified debt investments when and only when its business model for managing those asset changes.

(a) Amortised cost

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

Interest income from financial asset measured at amortised cost is recognised in profit or loss using the effective interest method. Any gain or loss on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gain and losses.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(h) Financial assets (continued)

(ii) Subsequent measurement (continued)

(b) Fair value through profit or loss ("FVTPL")

All financial assets not measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument).

Financial assets categorised as FVTPL are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

(iii) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risk and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) shall be recognised in profit or loss.

Any cumulative gain or loss arise from fair value changes in equity investment that had been recognised in other comprehensive income is transferred within equity when the equity investment is derecognised whereas any cumulative gain or loss arise from fair value changes in debt investment that had been recognised in other comprehensive income is transferred to profit or loss when the debt investment is derecognised.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, deposits with financial institution with maturities of less than 3 months, and highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(j) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group and the Company become party to the contractual provision of the instrument.

At initial recognition, the Group and the Company measure a financial liability at its fair value plus, in the case of a financial liability not at FVTPL, transaction costs that are directly attributable to the issue of the financial liability.

(ii) Subsequent measurement

All financial liabilities are measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.

The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liability assumed, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(k) Leases

(i) Initial recognition and measurement

(a) As a lessee

The Group recognises right-of-use asset and lease liability at the commencement date of the lease.

The right-of-use asset is initially measured at cost, which comprises as follows:

- the initial amount of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Variable lease payments that do not depends on an index or a rate are excluded from lease liability and right-of-use asset and recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases for which the Group is a lessor are classified as finance or operating leases.

Leases which transfer substantially all of the risks and rewards incidental to ownership of the underlying asset is a finance lease; if not, then it is an operating lease.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(k) Leases (continued)

(i) Initial recognition and measurement (continued)

(b) As a lessor

The Group recognises assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. Initial direct costs, other than those incurred by manufacturer or dealer lessors, are included in the initial measurement of the investment in the lease.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right- of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

(ii) Subsequent measurement

(a) As a lessee

The right-of-use asset is subsequently depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses determined in accordance with Note 2(e)(ii) to the financial statements, if any, and adjusted for certain remeasurements of the lease liability.

The carrying amount of lease liability is subsequently increased by interest on the lease liability and reduced by lease payments made. It is remeasured when there is a change in lease term, assessment of an option to purchase the underlying asset, future lease payments arising from the change in an index or rate, the Group's estimate of the amount expected to be payable under a residual value guarantee or in-substance fixed lease payments.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(k) Leases (continued)

(ii) Subsequent measurement (continued)

(a) As a lessee (continued)

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

(b) As a lessor

Finance income from finance leases is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease whereas lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term.

(l) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

(i) Ordinary shares

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised from equity in the period in which they are distributed.

(ii) Irredeemable convertible preference shares ("ICPS")

The Group evaluates the terms of an issued financial instrument to determine whether it contains both a liability and an equity component. The proceeds of a ICPS are allocated to the liability component measured at fair value, using the discounted cash flow method, and balance to the equity component.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

2. Material accounting policies (continued)

(m) Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market which must be accessible to by the Group and the Company.

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

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value are categories into different levels in a fair value hierarchy based on the input used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfer.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

3. Revenue

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Revenue from contract customers				
At point in time				
Sales of assets	2,985,148	2,449,069	-	-
Trading	57,022,512	35,405,045	-	-
Gain on disposal of net investment in sub-lease	1,208,155	-		
IT services	1,689,250	1,272,054	-	-
Training	321,414	326,557	-	-
	63,226,479	39,452,725	-	-
At over time				
Cloud solution and service	1,052,764	988,984	-	-
Other source of income				
Dividend income	-	-	3,000,000	1,605,000
Lease income	50,005,639	34,616,300	-	-
Interest income from net investment in sub-lease	143,599	-	-	-
	50,149,238	34,616,300	3,000,000	1,605,000
	114,428,481	75,058,009	3,000,000	1,605,000

4. Other income

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Interest income from:				
- fixed deposits	-	7,913	-	-
- unwinding interest	-	-	141,466	-
Gain on disposal of property, plant and equipment	394	90,000	-	-
Gain on realised exchange differences	572	-	-	-
Fair value gain on short-term cash investment	9,091	7,647	-	-
Rental income	629,040	624,192	-	-
Others	22,968	68,020	-	-
	662,065	797,772	141,466	-

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

5. Employee benefits expense

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
(a) Staff cost:				
Salaries, allowances and bonus	4,149,782	3,485,767	92,071	-
Contributions to defined contribution plan	517,609	422,791	11,028	-
Social security contributions	47,737	37,100	676	-
Other short-term employee benefits	746,138	389,115	278	-
	5,461,266	4,334,773	104,053	-
(b) Directors' remuneration:				
Salary and other emoluments	949,200	874,850	-	-
Contributions to defined contribution plan	117,254	110,796	-	-
Social security contributions	3,497	3,700	-	-
Other short-term employee benefits	34,993	-	-	-
	1,104,944	989,346	-	-
	6,566,210	5,324,119	104,053	-
Recognised as cost of sales:				
Other short-term employee benefits	160,983	97,650	-	-

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

6. Finance costs

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Interest expense on:				
- lease liabilities	253,136	13,592	-	-
- ICPS	212,270	306,910	212,270	306,910
- term loans	3,256,650	1,257,461	-	-
Others	572	8,427	982	981
	3,722,628	1,586,390	213,252	307,891

7. Profit before tax

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Profit before tax is arrived at after charging:				
Auditors' remunerations				
Audit fees	82,601	90,500	26,500	26,500
Material expenses				
Depreciation of				
- property, plant and equipment	35,324,249	21,440,874	520	520
- right-of-use assets	146,703	111,693	-	-
Impairment on trade receivables	8,649	-	-	-
Loss on measurement on amount due from subsidiary	-	-	1,921,320	-
Property, plant and equipment written-off	219	-	-	-

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

8. Tax expense

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Current tax				
- current year	110,996	423,241	-	-
- overprovision in prior year	(347,795)	(209,113)	-	-
	(236,799)	214,128	-	-
Deferred tax (Note 24)				
- current year	2,361,994	2,056,337	-	-
- over provision in prior year	(607,716)	(470,242)	-	-
	1,754,278	1,586,095	-	-
	1,517,479	1,800,223	-	-

Reconciliation of tax expense

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Profit before tax	8,972,618	8,176,393	382,614	1,131,023
Tax calculated using statutory tax rate at 24%	2,153,428	1,962,334	91,827	271,446
Non-deductible expenses	588,233	901,991	662,125	113,754
Non-taxable income	(307,443)	(443,640)	(753,952)	(385,200)
Deferred tax assets not recognised in prior year	38,772	58,893	-	-
	2,472,990	2,479,578	-	-
Overprovision of income tax in prior year	(347,795)	(209,113)	-	-
Overprovision of deferred tax in prior year	(607,716)	(470,242)	-	-
	1,517,479	1,800,223	-	-

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

8. Tax expense (continued)

The Group has unutilised tax losses and unabsorbed capital allowance amounting to RM97,412 and RM5,434,083 (2023: RM1,314,625 and RM2,061,551) available of offsetting against future taxable profits.

The unabsorbed capital allowances disclosed above is available indefinitely for offsetting against future taxable profit whereas unutilised tax losses can be carried forward for a period of 10 years of assessment ("YA") to set off against future taxable profits as follows:

Group	**RM**	**Utilised up to**
YA 2023	97,412	YA 2033

9. Earnings per share

Basic/Diluted earnings per share of the Group is calculated by dividing net profit for the financial year attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year.

(a) Basic earnings per share

	Group 2024	**Group 2023**
Total comprehensive income attributable to owners (RM)	7,342,413	6,337,534
Weighted average number of ordinary shares in issue (units)	587,133,200	533,757,500
Basic earning per share (sen)	1.25	1.19

(b) Diluted earnings per share

	Group 2024	**Group 2023**
Total comprehensive income attributable to owners (RM)	7,342,413	6,337,534
Weighted average number of ordinary shares in issue (units)	587,133,200	533,757,500
ICPS (units)	75,320,000	75,320,000
Weighted average number of ordinary shares in issue (units)	662,453,200	609,077,500
Diluted earning per share (sen)	1.11	1.04

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

10. Property, plant and equipment

Group	ICT assets RM	Motor vehicles RM	Office equipment RM	Furniture and fittings RM	Computer and software RM	Signboard RM	Renovation RM	Total RM
2024								
Cost								
At 1 February 2023	115,149,767	286,287	855,749	589,083	532,462	81,175	258,116	117,752,639
Additions	98,806,461	-	24,301	190,057	163,760	-	210,876	99,395,455
Disposals/Written off	(17,094,060)	-	(117,781)	(29,730)	-	(16,380)	(69,189)	(17,327,140)
At 31 January	196,862,168	286,287	762,269	749,410	696,222	64,795	399,803	199,820,954
Accumulated depreciation								
At 1 February 2023	49,666,950	286,286	758,701	452,791	450,861	68,721	152,344	51,836,654
Charge for the financial year	35,151,953	-	32,393	36,754	32,511	2,471	68,167	35,324,249
Disposals/Written off	(15,297,141)	-	(117,764)	(29,541)	-	(16,377)	(69,170)	(15,529,993)
At 31 January	69,521,762	286,286	673,330	460,004	483,372	54,815	151,341	71,630,910
Carrying amount								
At 31 January	127,340,406	1	88,939	289,406	212,850	9,980	248,462	128,190,044

Group	ICT assets RM	Motor vehicles RM	Office equipment RM	Furniture and fittings RM	Computer and software RM	Signboard RM	Renovation RM	Total RM
2023								
Cost								
At 1 February 2022	82,476,583	526,287	802,817	498,112	507,056	81,175	191,636	85,083,666
Additions	46,086,856	-	52,932	90,971	25,406	-	66,480	46,322,645
Disposals	(13,413,672)	(240,000)	-	-	-	-	-	(13,653,672)
At 31 January	115,149,767	286,287	855,749	589,083	532,462	81,175	258,116	117,752,639
Accumulated depreciation								
At 1 February 2022	39,827,436	518,286	733,617	439,177	435,476	66,243	133,856	42,154,091
Charge for the financial year	21,357,825	8,000	25,084	13,614	15,385	2,478	18,488	21,440,874
Disposals	(11,518,311)	(240,000)	-	-	-	-	-	(11,758,311)
At 31 January	49,666,950	286,286	758,701	452,791	450,861	68,721	152,344	51,836,654
Carrying amount								
At 31 January	65,482,817	1	97,048	136,292	81,601	12,454	105,772	65,915,985

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

10. Property, plant and equipment (continued)

	2024 RM	2023 RM
Signboard		
Company		
Cost		
At 1 February 2023/2022/31 January	5,200	5,200
Accumulated depreciation		
At 1 February 2023/2022	1,131	611
Depreciation charge	520	520
At 31 January	1,651	1,131
Carrying amount		
At 31 January	3,549	4,069

11. Right-of-use assets

	Group	
	2024 RM	2023 RM
Carrying amount		
At 1 February 2023/2022	263,272	133,457
Addition	240,114	241,508
Depreciation charge	(146,703)	(111,693)
At 31 January	356,683	263,272

12. Investment properties

	Freehold property RM	Leasehold properties RM	Total RM
Group			
Fair value			
2024			
At 1 February 2023/31 January	1,800,000	9,500,000	11,300,000
2023			
At 1 February 2022/31 January	1,800,000	9,500,000	11,300,000

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

12. Investment properties (continued)

	Group 2024 RM	Group 2023 RM
Recognised in profit or loss:		
Rental income	629,040	624,192

The fair value of the investment properties of the Group at 31 January 2024 is determined by a valuation carried out by Messrs. Knight Frank Malaysia Sdn. Bhd., an independent professional valuer, based on the open market values on comparison approach.

The Group has pledged investment properties with a carrying amount of RM11,300,000 to licensed bank to secure banking facilities granted to the Group as disclosed in Note 25 to the financial statements.

Fair value measurement of the investment properties was categorised as follows:

	Level 2 RM	Level 3 RM	Total RM
2024			
Leasehold building	1,800,000	-	1,800,000
Office building	-	9,500,000	9,500,000
	1,800,000	9,500,000	11,300,000
2023			
Leasehold building	1,800,000	-	1,800,000
Office building	-	9,500,000	9,500,000
	1,800,000	9,500,000	11,300,000

<u>Level 2 Fair Value</u>

Level 2 fair value of land and buildings have been generally derived from sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property site. The most significant input into this valuation approach is price per square foot of comparable properties.

<u>Level 3 Fair Value</u>

Level 3 fair value of office buildings have been derived from the income approach. The most significant input are average gross rental and capitalisation rate.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

13. Intangible assets

	Group/Company 2024 RM	2023 RM
Carbon credit		
At fair value		
At 1 February 2023	-	-
Addition	17,591	-
At 31 January	17,591	-

The fair value of the intangible assets of the Group at 31 January 2024 is determined based on quoted prices (unadjusted) in active markets.

Group 2024	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Carbon credit	17,591	-	-	17,591

Level 1 Fair Value

Level 1 fair value of carbon credit have been generally derived from quoted price under Bursa Voluntary Carbon Market.

14. Investment in subsidiaries

	Company 2024 RM	2023 RM
At 1 February 2023/2022/31 January	33,886,000	33,886,000

The details of the subsidiaries, all of which are incorporated in Malaysia, are as

Name of company:	Effective equity interest 2024	2023	Principal activities
ICT Zone Ventures Bhd.	100%	100%	Provision of ICT Solutions, management of investment schemes, technology financing as well as leasing and factoring facilities services
ICT Zone Sdn. Bhd.	100%	100%	Trading, repairing and servicing of computers and related parts and accessories
Techfin Capital Sdn. Bhd.	100%	100%	Dormant. Provide information technology financing
HaaS Techonolgies Sdn. Bhd.	58.25%	58.25%	Information technologies and cloud solutions and providers;training and consultancy;software distribution and development

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

15. Net investment in sub-lease

	Group 2024 RM	2023 RM
At 1 February 2023/2022	-	-
Addition	11,043,134	-
Interest income from net investment in sub-lease	143,599	-
Lease payment received	(922,974)	-
At 31 January	10,263,759	-
Represented by:		
Within one year	3,557,834	-
Between one to five years	6,705,925	-
	10,263,759	-
Recognised in profit or loss:		
Interest income from net investment in sub-lease	143,599	-

16. Amount due from subsidiary

	Company 2024 RM	2023 RM
Amount due from subsidiary	11,000,000	-
Less: Amortisation		
At 1 February	-	-
Less: Loss on remeasurement	(1,921,320)	-
Add: Unwinding interest income	141,466	-
At 31 January	(1,779,854)	-
	9,220,146	-

The amount due from subsidiary is advances, unsecured with amortised cost adjustment at 6.60% (2023:NIL%) per annum which are repayable over 3 years.

Significant related party transactions are disclosed in Note 32 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

17. Inventories

Inventories comprised of ICT hardware and software to be consumed for technology financing and trading segments.

	Group	
	2024	**2023**
	RM	**RM**
At cost:		
Finished goods	1,969,122	574,942
Recognised in profit or loss		
Inventories recognised as cost of sales	50,673,933	33,062,185

18. Trade receivables

	Group	
	2024	**2023**
	RM	**RM**
Trade receivables		
- Third parties	22,795,440	17,065,848
- Related party	11,800	-
	22,807,240	17,065,848
Less: Impairment		
At 1 February 2023/2022	-	-
Addition	(8,649)	-
At 31 January	(8,649)	-
	22,798,591	17,065,848

The normal trade credit terms of the Group are 60 days (2023: 60 days). Other credit terms are assessed and approved on a case-by-case basis.

Significant related party transactions are disclosed in Note 32 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

19. Non-trade receivables, deposits and prepayments

	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Non-trade receivables	4,330,802	238,177	112	-
Deposits	170,975	144,215	-	-
Prepayments	1,405,541	620,091	366,182	8,333
	5,907,318	1,002,483	366,294	8,333

20. Fixed deposits with licensed banks

The amount was deposited with a licensed bank as the Islamic fixed deposit for interest income purpose. The effective profit rate of the Islamic fixed deposit is between 1.59% to 2.39% per annum (2023: 1.85% to 2.10%)per annum. The maturity of Islamic deposit as at the end of the financial year is 12 months (2023: 3 months to 11 months).

21. Short-term cash investment

	Group 2024 RM	Group 2023 RM
At fair value		
Cash management fund with investment management company	26,738	407,647

22. Share capital

	Note	Group and Company 2024 Number of shares	Group and Company 2024 RM
Issued and fully paid:			
- ordinary shares	(a)	587,133,200	29,233,383
- ICPS	(b)	75,320,000	9,031,904
Total share capital		662,453,200	38,265,287

	Note	2023 Number of shares	2023 RM
Issued and fully paid:			
- ordinary shares	(a)	533,757,500	19,092,000
- ICPS	(b)	75,320,000	9,031,904
Total share capital		609,077,500	28,123,904

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

22. Share capital (continued)

(a) Issued and fully paid ordinary shares

	Group and Company			
	2024	2023	2024	2023
	Number of shares		RM	RM
At 1 February 2023/2022	533,757,500	533,757,500	19,092,000	19,092,000
Issuance	53,375,700	-	10,141,383	-
At 31 January	587,133,200	533,757,500	29,233,383	19,092,000

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one (1) vote per share without restriction and rank equally with regards to the Company's residual interests.

(b) Irredeemable convertible preference shares ("ICPS")

	Group and Company			
	2024	2024	2023	2023
	Number of ICPS	RM	Number of ICPS	RM
At 1 February 2023/2022/ 31 January	75,320,000	9,031,904	75,320,000	9,031,904

	Group and Company	
	2024	2023
ICPS – Liabilities Component	RM	RM
At 1 February	2,690,367	3,889,857
Accrued interest	212,270	306,910
Less: Dividend	(1,506,400)	(1,506,400)
	1,396,237	2,690,367
Representing:		
Non-current		
ICPS	-	2,690,367
Current		
ICPS	1,396,237	-
	1,396,237	2,690,367

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

22. Share capital (continued)

(b) Irredeemable convertible preference shares ("ICPS") (continued)

The salient features of the ICPS are as follows:

(i) A cumulative preference dividend rate of 10% per annum of the ICPS issue price shall be paid annually in arrears after 31 July each calendar year out of the distributable profits of the Company.

(ii) One (1) ICPS can be converted into one (1) new ordinary share of the Company at a price of RM0.20.

(iii) The ICPS may be converted at any time within 5 years commencing on and including 22 January 2020 ("Issue Date") up to and including 22 January 2025 ("Maturity Date"). Any remaining ICPS that are not converted by Maturity Date shall be automatically converted into new ordinary shares of the Company.

(iv) The ICPS holders have the same rights as ordinary shareholders as regards to receiving notices, reports and audited financial statements and attending general meetings. They are however not entitled to any voting rights or participation in any rights, allotments and/or other distribution in the Company until and unless such holders convert their ICPS into new shares of the Company except in the following circumstances:
- On a proposal to reduce the Company's share capital;
- On a proposal for the disposal of the whole of the Company's property, business and undertaking;
- On a proposal that affects their rights and privileges attached to the ICPS;
- On a proposal to wind up the Company; and
- During the winding up of the Company.

23. Reserves

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Distributable					
Merger reserve	(a)	(8,047,770)	(8,047,770)	-	-
Retained earnings	(b)	30,673,071	23,330,658	3,896,702	3,514,088
		22,625,301	15,282,888	3,896,702	3,514,088

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

23. Reserves (continued)

(a) Merger reserve

The distributable merger reserve is of deficit amounted to RM8,047,770. This arose from the merger of ICT Zone Ventures Sdn. Bhd. ("ICT Zone Ventures"), ICT Zone Sdn. Bhd. ("ICT Zone"), Techfin Capital Sdn. Bhd. ("Techfin") and HaaS Technologies Sdn. Bhd. ("HaaS") and is based on the difference between the amounts recorded as cost of merger, which comprised the share capitals issued by the Company and the nominal value of ICT Zone Venture's, ICT Zone's, Techfin's and HaaS's share capitals that merged under pooling of interest method of accounting.

(b) Retained earnings

Under the single tier system introduced by the Finance Act, 2007 in Malaysia which came into effect from the year of assessment 2008, dividends paid under this system are tax exempt in the hands of shareholders. As such, the whole retained earnings may be distributed to shareholders as tax exempt dividends.

24. Deferred tax liabilities

	Group	
	2024 RM	2023 RM
At 1 February 2023/2022	8,240,882	6,654,787
Recognised in profit or loss (Note 8)	1,754,278	1,586,095
At 31 January	9,995,160	8,240,882

The components and movements of deferred tax liabilities and assets prior to offsetting are as follows:

	Right-of-use asset RM	Property, plant and equipment RM	Net investment in sub-lease RM	Total RM
Deferred tax liabilities of the Group				
At 1 February 2023	78,866	8,405,411	998,742	9,483,019
Recognised in profit or loss	829,557	9,445,734	2,053,243	12,328,534
At 31 January 2024	908,423	17,851,145	3,051,985	21,811,553

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

24. Deferred tax liabilities (continued)

	Right-of-use asset RM	Property, plant and equipment RM	Net investment in sub-lease RM	Total RM
Deferred tax liabilities of the Group				
At 1 February 2022	117,317	6,190,009	881,906	7,189,232
Recognised in profit or loss	(38,451)	2,215,402	116,836	2,293,787
At 31 January 2023	78,866	8,405,411	998,742	9,483,019

	Others RM	Unabsorbed capital allowance and unutilised tax loss RM	Lease liabilities RM	Total RM
Deferred tax assets of the Group:				
At 1 February 2023	43,481	(383,598)	(902,020)	(1,242,137)
Recognised in profit or loss	(7,199,629)	(943,961)	(2,430,666)	(10,574,256)
At 31 January 2024	(7,156,148)	(1,327,559)	(3,332,686)	(11,816,393)

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

24. Deferred tax liabilities (continued)

The components and movements of deferred tax liabilities and assets prior to offsetting are as follows: (continued)

	Others RM	Unabsorbed capital allowance RM	Lease liabilities RM	Total RM
Deferred tax assets of the Group:				
At 1 February 2022	-	(572,670)	38,225	(534,445)
Recognised in profit or loss	43,481	189,072	(940,245)	(707,692)
At 31 January 2023	43,481	(383,598)	(902,020)	(1,242,137)

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	Group 2024 RM	2023 RM
Provisions	27,972	-
Others	239,431	-
	267,403	-

25. Borrowings

	Group 2024 RM	2023 RM
Non-current		
Term loans	51,833,736	25,297,456
Current		
Term loans	31,271,494	12,329,169
	83,105,230	37,626,625

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

25. Borrowings (continued)

The maturity structure of the term loans can be analysed as follows:

	Group	
	2024	2023
	RM	RM
Repayable within one year	51,833,736	12,329,169
Repayable between two to five years	31,271,494	25,297,456
	83,105,230	37,626,625

Term loan 1

The term loan is secured by the following:

(i) Multiple charges over the Investment Properties of the Company as disclosed in Note 12 to the financial statements;

(ii) Jointly and severally guaranteed by certain Directors of the Company; and

(iii) Guarantee from the Company and the holding company.

The term loan was obtained to refinance of a nine-story stratified office tower and is repayable over a period of twenty (20) years. The effective interest rate of the bank borrowings at the end of the reporting period is ranging from 4.58% (2023: 4.32%).

Term loan 2

The term loans are secured by the following:

(i) First party assignment of lease proceeds by the subsidiary to the Bank duly acknowledged by the Strategic Partner(s);

(ii) Third part assignment of lease proceeds by Strategic Partner(s) to the Bank duly acknowledged by the Principal Project Awarder(s);

(iii) Upfront placement of amount equivalent to 2 months principal amount for each tranche to be drawn (amount to be earmarked in escrow account); and

(iv) Specific Debenture over the Assets to be delivered under the contract financed by the Bank.

The term loans were obtained to finance the purchase of ICT assets (hardware and software) and are repayable over a period of three (3) to ten (10) years. The effective interest rate of the bank borrowings at the end of the reporting period is ranging from 4.20% to 6.81% (2023: 4.20% to 8.06%).

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

25. Borrowings (continued)

Term loan 3

The term loan is secured by the following:

(i) Joint and several guarantees by the Directors;

(ii) SJPP-Government Guarantee issued by Syarikat Jaminan Pembiayaan Perniagaan Bhd.; and

(iii) Corporate guarantees by the company.

The term loan was obtained to finance working capital and is repayable over a period of seven (7) years. The effective interest rate of the bank borrowings at the end of the reporting period is 5.40% (2023: 3.50% to 5.40%).

26. Lease liabilities

	Group 2024 RM	2023 RM
Representing:		
Non-current liabilities		
- finance leases	2,397,305	-
- operating leases	6,075,529	-
	8,472,834	-
Current liabilities		
- finance leases	1,592,449	-
- operating leases	3,424,735	291,670
	5,017,184	291,670
	13,490,018	291,670
Recognised in profit or loss:		
Interest expense on lease liabilities	253,136	13,592

The Group's lease liabilities bear interest at the rate of 3.50% to 8.11% (2023: 3.60% to 8.11%).

The total cash outflow for leases for the financial year ended 31 January 2024 is RM1,807,879 (2023: RM123,027).

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

27. Trade payables

	Group	
	2024	2023
	RM	RM
Trade		
- trading purchase	12,691,211	8,516,154
- purchase of ICT assets	3,451,972	1,522,920
	16,143,183	10,039,074

The normal trade credit term granted to the Group is 60 days (2023: 60 days).

28. Non-trade payables and accruals

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Non-trade payables	862,257	1,925,165	79,500	51
Accruals	2,534,548	571,565	33,280	29,483
Deposits received	2,851,088	861,964	-	-
	6,247,893	3,358,694	112,780	29,534

29. Leases commitments

Leases as lessor

The Group leased out its ICT assets (Note 10). The future aggregate minimum lease receivables under non-cancellable leases are as follows:

	Group	
	2024	2023
	RM	RM
Within one year	87,189,787	57,441,951
Between two to five years	163,990,050	129,294,245
	251,179,837	186,736,196

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

29. Leases commitments (continued)

Leases as lessor (continued)

The Group leased out its investment properties (Note 12). The future aggregate minimum lease receivables under non-cancellable leases are as follows:

	Group	
	2024 RM	2023 RM
Within one year	586,456	304,726
Between two to five years	321,094	-
	907,550	304,726

30. Capital commitments

	Group	
	2024 RM	2023 RM
Approved and contracted for in respect of property, plant and equipment	308,880	-

31. Contingent liabilities

(a) Corporate guarantee

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Corporate guarantee to customers	295,000	-	-	-

(b) Potential claim

On 2 May 2023, Rhipe Malaysia Sdn. Bhd. ("Rhipe"), an authorised reseller and/or distributor of Microsoft products and services, had demanded a payment of RM2.2 million via two invoices ("Alleged Outstanding Sums") for the usage from 1 November 2022 to 31 December 2022 ("Usage") in relation to the Group subscription on Microsoft Azure Stack Demo Account ("Demo Account"). The Group has disputed the Alleged Outstanding Sums on, amongst others, the basis that the Demo Account has been inactive for many years and the Group did not acquire the service for the Usage.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

31. Contingent liabilities (continued)

(b) Potential claim (continued)

On 4 September 2023, the Company received a letter of demand dated 1 September 2023 from Rhipe's lawyer addressed to the Company to claim for the sum of RM2.2 million being outstanding sum due and payable for the Usage as at 24 July 2023 ("the Letter of Demand"). The Letter of Demand addressed to the Company is an invalid demand by virtue of the principle of a separate legal entity. The Company has responded to the aforementioned letter of demand, stating that it has no knowledge of the allegations therein and denies the claims by Rhipe on 15 September 2023.

Subsequently, on 19 January 2024, the Group issued a letter to request for discovery against Rhipe through their lawyer, seeking clarification on pertinent matters relating to their claim. As at the date of this interim financial report, no response has been received from Rhipe's lawyer.

32. Significant related party's transactions

Related party transactions

The Group's related party transactions for the financial years ended 31 January 2024 and 31 January 2023 are as follows:

Name of companies With related parties	Type of transaction	2024 RM	2023 RM
Skyworld Development Sdn. Bhd.	Lease income	141,600	106,295
	Rental income	444,466	484,472
Desa Imbangan Sdn. Bhd.	Lease income	-	15,040
Risco Consulting Sdn. Bhd.	Insurance premium	(21,009)	(8,926)

Key management personnel compensation

The key management personnel are defined as directors of the Group and the Company. The remuneration of key management personnel during the financial year is as disclosed in Note 5 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

33. Operating segments

Operating segments are presented in respect of the Group's business segments. The primary format, business segment. The is based on the Group's management and internal reporting structure. Inter-segment transactions were carried out on terms and conditions not materially different from those obtainable in transactions with independent third parties.

(a) Business segments

The Group comprises the following main business segments:

Segments	**Descriptions**
(i) Technology financing	- Technology financing involves operating lease of ICT hardware and software
(ii) Trading	- Outright sales of ICT hardware and software and disposal of ICT assets
(iii) Service	- Provision of ICT services that comprise of corrective and preventative maintenance
(iv) Cloud solution and service	- Provision of customised cloud services with architecture solution and outright sales of ICT hardware and software for cloud solution

The management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss for the financial year, in certain respects as set out below, is measured differently from operating profit or loss in the consolidated financial statements.

Geographical information

The Group operate in one main geographical areas, namely Malaysia (the Company's home country).

Major customers

For the financial year, the revenue of 5 (2023: 5) customers contributed more than 86% (2023: 83%) of the total revenue of these major customer(s) is RM98,695,247 (2023: RM62,477,168).

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

33. Operating segments (continued)

(a) Business segments (continued)

	Technology financing RM	Trading RM	Service RM	Cloud solution and service RM	Others RM	Elimination RM	Consolidated RM
Group							
2024							
Revenue	49,515,638	65,170,237	284,397	9,787,264	3,000,000	(13,329,055)	114,428,481
Results							
Segment profit/ (loss) before interest and taxation	10,455,761	1,838,790	75,747	424,170	3,155,674	(3,254,896)	12,695,246
Interest expense	(3,734,189)	-	-	(273,512)	(213,282)	498,355	(3,722,628)
Tax expense	(725,154)	(954,415)	(4,165)	65,742	-	100,513	(1,517,479)
Consolidated profit for the financial year							7,455,139

Segment profit before interest and taxation includes the following expenses/(income):

	Technology financing RM	Trading RM	Service RM	Cloud solution and service RM	Others RM	Elimination RM	Consolidated RM
Group							
2024							
Depreciation of property, plant and equipment	34,087,370	40,712	-	1,195,647	520	-	35,324,249
Depreciation of right-of-use assets	97,001	13,133	-	36,569	-	-	146,703
ASSETS							
Segment assets	160,498,364	31,461,967	-	7,860,690	43,733,778	(51,944,863)	191,609,936
LIABILITIES							
Segment liabilities	117,262,401	22,157,250	-	7,000,347	1,511,787	(17,524,641)	130,407,144

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

33. Operating segments (continued)

(a) Business segments (continued)

	Technology financing RM	Trading RM	Service RM	Cloud solution and service RM	Others RM	Elimination RM	Consolidated RM
Group							
2023							
Revenue	33,219,168	41,969,517	252,928	4,576,335	1,605,000	(6,564,939)	75,058,009
Results							
Segment profit/ (loss) before interest and taxation	7,835,793	79,612	62,860	507,382	3,340,879	(2,063,743)	9,762,783
Interest expense	(1,547,145)	-	-	(198,702)	(307,921)	467,378	(1,586,390)
Tax expense	(697,520)	(881,254)	(5,311)	(216,138)	-	-	(1,800,223)
Consolidated profit for the financial year							6,376,170

Segment profit before interest and taxation includes the following expenses/(income):

	Technology financing RM	Trading RM	Service RM	Cloud solution and service RM	Others RM	Elimination RM	Consolidated RM
Group							
2023							
Depreciation of property, plant and equipment	20,894,770	41,469	-	504,115	520	-	21,440,874
Depreciation of right-of-use assets	50,937	11,256	-	150,154	-	(100,654)	111,693
ASSETS							
Segment assets	77,718,460	30,292,426	-	4,405,398	34,426,601	(40,989,303)	105,853,582
LIABILITIES							
Segment liabilities	40,855,764	21,132,132	-	3,927,605	2,723,071	(6,391,260)	62,247,312

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

34. Financial instruments

Categories of financial instruments

The table below provides an analysis of financial instruments categorised as financial assets and financial liabilities measured at amortised cost ("AC") and financial assets at fair value through profit or loss ("FVTPL").

	Carrying amount RM	AC RM	FVTPL RM
Group			
2024			
Financial assets			
Trade receivables	22,798,591	22,798,591	-
Non-trade receivables and deposits (exclude prepayments)	4,501,777	4,501,777	-
Fixed deposits with licensed banks	873,877	873,877	-
Short-term cash investment	26,738	-	26,738
Cash and bank balances	8,983,395	8,983,395	-
	37,184,378	37,157,640	26,738
Financial liabilities			
Trade payables	16,143,183	16,143,183	-
Non-trade payables and accruals	6,247,893	6,247,893	-
Borrowings	83,105,230	83,105,230	-
ICPS	1,396,237	1,396,237	-
	106,892,543	106,892,543	-
Group			
2023			
Financial assets			
Trade receivables	17,065,848	17,065,848	-
Non-trade receivables and deposits (exclude prepayments)	382,392	382,392	-
Fixed deposits with licensed banks	592,577	592,577	-
Short-term cash investment	407,647	-	407,647
Cash and bank balances	8,376,361	8,376,361	-
	26,824,825	26,417,178	407,647

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

34. Financial instruments (continued)

Categories of financial instruments (continued)

	Carrying amount RM	AC RM	FVTPL RM
Group			
2023			
Financial liabilities			
Trade payables	10,039,074	10,039,074	-
Non-trade payables and accruals	3,358,694	3,358,694	-
Borrowings	37,626,625	37,626,625	-
ICPS	2,690,367	2,690,367	-
	53,714,760	53,714,760	-
Company			
2024			
Financial assets			
Non-trade receivables	112	112	-
Amount due from subsidiary	9,220,146	9,220,146	-
Cash and bank balances	177,426	177,426	-
	9,397,684	9,397,684	-
Financial liabilities			
Non-trade payables and accruals	112,780	112,780	-
ICPS	1,396,237	1,396,237	-
	1,509,017	1,509,017	-
2023			
Financial asset			
Cash and bank balances	459,491	459,491	-
Financial liabilities			
Non-trade payables and accruals	29,534	29,534	-
ICPS	2,690,367	2,690,367	-
	2,719,901	2,719,901	-

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

34. Financial instruments (continued)

Net gains and losses arising from financial instruments

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Net losses arising from:				
Financial asset measured at amortised cost				
Fixed deposits interest income	-	7,913	-	-
Financial asset at FVTPL				
Short-term cash investment income	9,091	7,647	-	-
Financial liabilities measured at amortised cost				
Interest expenses on:				
- term loans	3,256,650	1,257,461	-	-
- ICPS	212,270	306,910	212,270	306,910
	3,468,920	1,564,371	212,270	306,910

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

34. Financial instruments (continued)

Categories of financial instruments (continued)

Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk and liquidity risk.

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing its credit risk, interest rate risk and liquidity risk.

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.

(a) Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost and deposits with banks and institutions, as well as credit exposures to the Group's customers, including outstanding receivables.

Risk management

The Group and the Company manage their exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Credit risk concentration profile

The Group's major concentration of credit risk relates to the amounts owing by 5 (2023: 3) major customers which constituted approximately 90% (2023: 95%) of its trade receivables for the trade in nature transaction as at the end of the reporting period.

Exposure to credit risk

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is represented by the carrying amount of the financial assets as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

34. Financial instruments (continued)

Categories of financial instruments (continued)

Financial risk management objectives and policies (continued)

(a) Credit risk (continued)

Impairment of financial assets

The Group's trade receivables are subject to expected credit loss model.

While cash and cash equivalents, refundable deposits and loans and advances to subsidiaries are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

Trade receivables

On the basis as disclosed in Note 1(d)(iv) to the financial statements, the loss allowance as at 31 January 2024 was determined as follows for trade receivables:

	Gross amount RM	Loss allowances RM	Carrying amount RM
Group			
2024			
Not past due	22,407,781	-	22,407,781
Past due:			
- more than 30 days	158,289	-	158,289
- more than 60 days	62,263	-	62,263
- more than 90 days	17,768	-	17,768
- more than 120 days	161,139	(8,649)	152,490
	22,807,240	(8,649)	22,798,591
2023			
Not past due	14,548,423	-	14,548,423
Past due:			
- more than 30 days	353,794	-	353,794
- more than 60 days	1,598,352	-	1,598,352
- more than 90 days	71,674	-	71,674
- more than 120 days	493,605	-	493,605
	17,065,848	-	17,065,848

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

34. Financial instruments (continued)

Financial risk management objectives and policies (continued)

(b) Interest risk

The Group's fixed deposits with licensed banks and fixed rate borrowings are exposed to fair value interest rate risk. The Group's variable rate borrowings are exposed to cash flows interest rate risk.

Risk management

The Group's policy is to obtain the most favourable rates available. Any surplus funds of the Group will be placed with licensed financial institutions to generate interest income.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period are as follows:

	Group	
	2024 RM	2023 RM
Fixed rate instruments		
Fixed deposits with licensed banks	873,877	592,577
ICPS	(1,396,237)	(2,690,367)
	(522,360)	(2,097,790)
Floating rate instruments		
Borrowings		
- term loans	(83,105,230)	(37,626,625)
	(83,627,590)	(39,724,415)

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and financial liabilities at FVTPL. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

34. Financial instruments (continued)

Financial risk management objectives and policies (continued)

(b) Interest risk (continued)

Interest rate risk sensitivity analysis (continued)

Cash flow sensitivity analysis for variable rate instruments

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of debt investments at FVOCI. This analysis assumes that all other variables remain constant.

	Group	
	2024	**2023**
	RM	**RM**
Effect on profit after tax		
Increase of 100 basis points	(635,570)	(301,906)
Decrease of 100 basis points	635,570	301,906

(c) 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 Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

Risk management

The Group and the Company practice prudent risk management by maintaining sufficient cash balances.

Maturity analysis

The table below analyse the Company' financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

34. Financial instruments (continued)

Financial risk management objectives and policies (continued)

(c) Liquidity risk (continued)

Maturity analysis (continued)

	Interest rate	Carrying amount RM	Contractual cash flows RM	Within 1 year RM	Between 2 to 5 years RM
Group					
2024					
Borrowings	4.20% - 6.81%	83,105,230	94,191,303	35,272,073	58,919,230
Trade payables	-	16,143,183	16,143,183	16,143,183	-
ICPS	7.89%	1,396,237	1,396,237	1,396,237	-
Non-trade payables and accruals	-	6,247,893	6,247,893	6,247,893	-
		106,892,543	117,978,616	59,059,386	58,919,230
Company					
2024					
ICPS	7.89%	1,396,237	1,396,237	1,396,237	-
Non-trade payables and accruals	-	112,780	112,780	112,780	-
		1,509,017	1,509,017	1,509,017	-

(c) Liquidity risk (continued)

Maturity analysis (continued)

	Interest rate	Carrying amount RM	Contractual cash flows RM	Within 1 year RM	Between 2 to 5 years RM
Group					
2023					
Term loan	4.20% to 8.06%	37,626,625	38,608,636	12,957,900	25,650,736
Trade payables	-	10,039,074	10,039,074	10,039,074	-
ICPS	7.89%	2,690,367	4,196,767	-	4,196,767
Non-trade payables and accruals	-	3,358,694	3,358,695	3,358,695	-
		53,714,760	56,203,172	26,355,669	29,847,503
Company					
2023					
ICPS	7.89%	2,690,367	4,196,767	-	4,196,767
Non-trade payables and accruals	-	29,534	29,534	29,534	-
		2,719,901	4,226,301	29,534	4,196,767

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

34. Financial instruments (continued)

Fair values

The financial assets and financial liabilities maturing within the next 12 months approximated their fair values due to the relatively short-term maturity of the financial instruments. The Directors are of the opinion that the carrying amounts recorded at the statement of financial position date do not differ significantly from the values that would eventually be recovered.

Fair value hierarchy

Fair value measurement of the financial assets was categorised as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Input for the assets or liabilities that are not based on observable market data (unobservable inputs).

Group	**Level 1**	**Level 2**	**Level 3**	**Total**
2024	**RM**	**RM**	**RM**	**RM**
Financial asset				
Short-term cash investment	26,738	-	-	26,738
2023				
Financial asset				
Short-term cash investment	407,647	-	-	407,647

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

35. Subsequent event

On 16 February 2024, the Company received a letter from its major shareholder, namely ICT Zone Holding Sdn. Bhd. ("ICT Zone Holding"), requesting the Company's Board of Directors to consider undertaking the Proposed Withdrawal and Proposed Listing (as defined herein).

On 19 February 2024, the Company proposes to undertake the following:-

a) proposed voluntary withdrawal of the Company's listing from the LEAP Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Proposed Withdrawal");

b) proposed listing and quotation of the entire enlarged issued ordinary shares of the Company on the ACE Market of Bursa Securities ("Proposed Listing"); and

c) proposed amendments to the Constitution of the Company to ensure compliance with the ACE Market Listing Requirements of Bursa Securities pursuant to the Proposed Listing and the Companies Act 2016,

(collectively, the "Proposals").

On 27 May 2024, the Company had despatched the circular and notice of extraordinary general meetings ("EGMs") to the Company's shareholders and ICPS holders to be held on 21 June 2024. Barring any unforeseen circumstances and subject to the approvals by the Company's shareholders and ICPS holders for the Proposals at the respective forthcoming EGMs, the applications for the Proposed Withdrawal and Proposed Listing are expected to be submitted to the relevant authorities (i.e. Bursa Securities, Securities Commission Malaysia (Equity Compliance Unit) and Ministry of Investment, Trade and Industry) by 2nd quarter 2024, upon the completion of, amongst others, the due diligence as well as related preparation works for the Proposals.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

36. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 January 2024 and 31 January 2023.

The gearing ratio of the Group as at the end of the reporting period was as follows:

	Group	
	2024	**2023**
	RM	**RM**
Borrowings	83,105,230	37,626,625
Add: ICPS	1,396,237	2,690,367
Less: Fixed deposits with licensed banks	(873,877)	(592,577)
Less: Cash and bank balances	(8,983,395)	(8,376,361)
Net debt	74,644,195	31,348,054
Total equity	61,202,792	43,606,270
Total capital	135,846,987	74,954,324
Gearing ratio (times)	0.55	0.42

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 JANUARY 2024

37. Holding company

The Directors regard ICT Zone Holding Sdn. Bhd., a company incorporated in Malaysia as the holding company.

38. General information

The Company is a public limited company limited by shares that is incorporated and domiciled in Malaysia.

The Company is principally engaged to carry on the business of an investment and holding company. The principal activities of the subsidiaries are as disclosed in Note 14 to the financial statements.

The registered office of the Company is located at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No.1 Medan Syed Putra Utara, 59200 Kuala Lumpur.

The principal place of business of the Company is located at Ground Floor, Block H, Excella Business Park, Jalan Ampang Putra, 55100 Kuala Lumpur.

The financial statements were approved and authorised for issue by the Board of Directors on 30 May 2024.

ANALYSIS OF SHAREHOLDINGS AS AT 07 MAY 2024

SHARES CAPITAL

Type of Securities	: Ordinary share
Total Number of Issued Share	: 587,133,200 ordinary shares
Voting Rights	: One vote per ordinary share held

DISTRIBUTION OF SHAREHOLDINGS
(based on the Record of Depositors as at 7 May 2024)

Size of Shareholdings	No. of Shareholders	%	NO. OF SHARES HELD	%
Less than 100	2	*	100	*
100 to 1,000	1	*	1,000	*
1,001 to 10,000	88	21.67	549,900	0.09
10,001 to 100,000	250	61.58	7,369,100	1.26
100,001 to less than 5% of issued shares	64	15.76	151,493,100	25.80
5% and above of issued shares	1	*	427,720,000	72.85
Total	**406**	**100.00**	**587,133,200**	**100.00**

Note :
** Less than 0.01%*

DIRECTORS' SHAREHOLDINGS
(based on the Register of Directors' Shareholdings as at 7 May 2024)

No	Names	Direct Interest		Indirect Interest	
		No. of Shares	%	No. of Shares	%
1	Datuk Seri Ng Thien Phing	-	-	(i)427,720,000	72.85
2	Lim Kok Kwang	-	-	(ii)428,020,000	72.90
3	Vincent Ng Soon Kiat	22,500,000	3.83	(iii)125,000	0.02
4	Karen Yap Pik Li	-	-	-	-
5	Sim Shu Mei	526,400	0.09	-	-
6	Chong Pei Nee	-	-	-	-

Notes :

i) *Deemed interested by virtue of his shareholdings held through ICT Zone Holding Sdn Bhd pursuant to Section 8 of the Companies Act 2016 ("Act").*
ii) *Deemed interested by virtue of his shareholdings held through ICT Zone Holding Sdn Bhd, as well as his spouse pursuant to Section 8 and Section 59(11) of the Act.*
iii) *Deemed interested by virtue of his spouse pursuant to Section 59(11) of the Act.*

ANALYSIS OF SHAREHOLDINGS AS AT 07 MAY 2024 (CONT'D)

SUBSTANTIAL SHAREHOLDERS
(based on the Register of Substantial Shareholders' Shareholdings as at 7 May 2024)

No	Names	Direct Interest		Indirect Interest	
		No. of Shares	%	No. of Shares	
1	ICT Zone Holding Sdn Bhd	427,720,000	72.85	-	
2	Datuk Seri Ng Thien Phing	-	-	(i)427,720,000	72.85
3	Lim Kok Kwang	-	-	(ii)428,020,000	72.90

Notes :

i) *Deemed interested by virtue of his shareholdings held through ICT Zone Holding Sdn Bhd pursuant to Section 8 of the Act.*
ii) *Deemed interested by virtue of his shareholdings held through ICT Zone Holding Sdn Bhd, as well as his spouse pursuant to Section 8 and Section 59(11) of the Act.*

ANALYSIS OF SHAREHOLDINGS AS AT 07 MAY 2024 (CONT'D)

THIRTY LARGEST SHAREHOLDERS
(based on the Record of Depositors as at 7 May 2024)

NO	NAME OF SHAREHOLDERS	NO. OF SHARES	%
1	ICT Zone Holding Sdn Bhd	427,720,000	72.85
2	Choo Chin Thye	25,150,000	4.28
3	Vincent Ng Soon Kiat	22,500,000	3.83
4	Zafidi Bin Mohamad	22,250,000	3.79
5	Kwan Thean Poh	14,375,000	2.45
6	Ng Wei Yee	10,526,400	1.79
7	Kong Chien Hiew	10,004,600	1.70
8	Tan Chaang Ming	7,894,800	1.34
9	CIMSEC Nominees (Tempatan) Sdn Bhd Cimb For Yoong Kah Yin (Pb)	5,276,000	0.90
10	Maybank Nominees (Tempatan) Sdn Bhd Exempt An For Mtrustee Berhad (Ethereal Capital Sdn Bhd)	5,100,000	0.87
11	Maybank Nominees (Tempatan) Sdn Bhd Exempt An For Tradeview Capital Sdn Bhd	3,454,600	0.59
12	Maybank Nominees (Tempatan) Sdn Bhd Maybank Private Wealth Management For Megat Najmuddin Bin Haji Megat Khas	2,750,000	0.47
13	Kung Shiong Loong	2,631,600	0.45
14	Koh Chen Foong	2,000,000	0.34
15	Rondy Yunanda Yong	1,350,000	0.23
16	Chong Fui Shim	1,316,000	0.22
17	Ang Kok Seong	1,052,700	0.18
18	Cartaban Nominees (Tempatan) Sdn Bhd Rhb Trustees Berhad For Tradeview Sustainability Fund	1,000,000	0.17
19	CIMB Group Nominees (Tempatan) Sdn Bhd Cimb Commerce Trustee Berhad For Phillip Master Equity Growth Fund	1,000,000	0.17
20	Fakhrur Razi Bin Mohamad Unose	693,750	0.12
21	Teoh Chee Chai	675,000	0.11
22	Lau Tiam Wah	656,250	0.11
23	Teh Siow Voon	631,250	0.11
24	Junaidi Bin Arfandi	531,250	0.09
25	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Sim Shu Mei (CCTS)	526,400	0.09
26	Boo Sok Huang	500,000	0.09
27	Tan Kim Hook	468,750	0.08
28	Cheong Choon Choy	375,000	0.06
29	Liew Siaw Chui	375,000	0.06
30	Phang Mang Kam	312,500	0.05

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS") HOLDINGS AS AT 7 MAY 2024

SHARES CAPITAL

Type of Securities	: ICPS
Total Number of Issued Share	: 75,320,000 ICPS
Voting Rights	: No voting rights

DISTRIBUTION OF ICPS HOLDINGS
(based on the Record of Depositors as at 7 May 2024)

Size of Shareholdings	No. of ICPS Holders	%	NO. OF SHARES HELD	%
Less than 100	-	-	-	-
100 to 1,000	-	-	-	-
1,001 to 10,000	3	0.79	25,000	0.03
10,001 to 100,000	260	68.78	11,459,600	15.22
100,001 to less than 5% of issued shares	113	29.89	40,555,000	53.84
5% and above of issued shares	2	0.54	23,280,400	30.91
Total	**378**	**100.00**	**75,320,000**	**100.00**

DIRECTORS' ICPS HOLDINGS
(based on the Register of Directors' ICPS holdings as at 7 May 2024)

No	Names	Direct Interest		Indirect Interest	
		No. of Shares	%	No. of Shares	%
1	Datuk Seri Ng Thien Phing	-	-	-	-
2	Lim Kok Kwang	140,000	0.19	(i)960,000	1.27
3	Vincent Ng Soon Kiat	-	-	(i)400,000	0.53
4	Karen Yap Pik Li	-	-	-	-
5	Sim Shu Mei	-	-	-	-
6	Chong Pei Nee	-	-	-	-

Note :

i) Deemed interest by virtue of his spouse pursuant to Section 59(11) of the Act..

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS") HOLDINGS AS AT 7 MAY 2024 (CONT'D)

THIRTY LARGEST SHAREHOLDERS
(based on the Record of Depositors as at 7 May 2024)

NO	NAME OF ICPS HOLDERS	NO. OF ICPS	%
1.	Choo Chin Thye	14,480,400	19.23
2.	Maybank Nominees (Tempatan) Sdn Bhd Maybank Private Wealth Management For Megat Najmuddin Bin Haji Megat Khas	8,800,000	11.68
3.	Teoh Chee Chai	2,160,000	2.87
4.	Lau Tiam Wah	1,780,000	2.36
5.	Boo Sok Huang	1,600,000	2.12
6.	Tan Kim Hook	1,500,000	1.99
7.	Cheong Choon Choy	1,200,000	1.59
8.	Liew Siaw Chui	1,200,000	1.59
9.	Phang Mang Kam	1,000,000	1.33
10.	Sandra Tioe	960,000	1.27
11.	Chow Way Kit	940,000	1.25
12.	Tan Siew Khim	920,000	1.22
13.	Lim Bee Lan	880,000	1.17
14.	Chan Swee Bee	800,000	1.06
15.	Cheam Jia Wen	800,000	1.06
16.	Tan Pee Chee	800,000	1.06
17.	Kartini Sulroldo	780,000	1.04
18.	Khor Li Luang	640,000	0.85
19.	Alicia Chow Li Xia	600,000	0.80
20.	Felicia Chow Li Yee	600,000	0.80
21.	Ng Leng Hooi	460,000	0.61
22.	Chang Ngee Fung	400,000	0.53
23.	Chia Siew Ling	400,000	0.53
24.	Chong Len Oi	400,000	0.53
25.	Lam Seng Hon	400,000	0.53
26.	Lee Phaik Bok	400,000	0.53
27.	Liew Pek Hin	400,000	0.53
28.	Lim Bee Leng	400,000	0.53
29.	Loh Huey Shi	400,000	0.53
30.	Loo Chee Kian	400,000	0.53

NOTICE OF FIFTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fifth ("**5th**") Annual General Meeting ("**AGM**") of ICT Zone Asia Berhad ("**ICT Zone Asia**" or "**Company**") will be conducted by way of fully virtual basis through live streaming via Remote Participation and Voting Facilities using Vote2U at https://web.vote2u.my (Domain Registration No. with MYNIC – D6A471702) provided by Agmo Digital Solutions Sdn Bhd in Malaysia on Friday, 21 June 2024 at 12.00 noon or immediately after the conclusion or adjournment of the Company's Extraordinary General Meeting for Irredeemable Convertible Preference Shares holders, whichever is later or at any adjournment thereof for the following businesses:

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 January 2024 together with the Reports of the Directors and Auditors thereon. — Explanatory Note A

2. To approve the payment of Directors' fees and other benefits payable up to RM250,000.00 to be divided amongst the Directors in such manner as the Directors may determine from the conclusion of the 5th AGM until the conclusion of the Sixth AGM of the Company. — Ordinary Resolution 1

3. To re-elect Lim Kok Kwang who is retiring by rotation in accordance with Clause 105(1) of the Company's Constitution. — Ordinary Resolution 2

4. To re-elect the following Directors, who are retiring in accordance with Clause 114 of the Company's Constitution:

   (a) Karen Yap Pik Li; — Ordinary Resolution 3
   (b) Sim Shu Mei; and — Ordinary Resolution 4
   (c) Chong Pei Nee. — Ordinary Resolution 5

5. To re-appoint Messrs. PKF PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. — Ordinary Resolution 6

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications the following resolutions:

6. **Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016** — Ordinary Resolution 7

   Waiver of pre-emptive rights over new ordinary shares or other convertible securities in the Company under Section 85(1) of the Companies Act 2016 read together with Clause 61 of the Company's Constitution

   "THAT subject to the Companies Act 2016, the LEAP Market Listing Requirements of Bursa Malaysia Securities Berhad (**"Bursa Securities"**) (**"Listing Requirements"**), the Company's Constitution and approval of the relevant governmental regulatory authorities, if required, the Directors be and are hereby empowered pursuant to Sections 75 and 76 of the Companies Act 2016 to allot and issue new shares in the Company, grant rights to subscribe for shares in the Company, convert any security into shares in the Company,or allot shares under an

NOTICE OF FIFTH ANNUAL GENERAL MEETING (CONT'D)

agreement or option or offer at any time and from time to time, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 100% of the total number of issued shares of the Company, of which the aggregate number of shares issued other than on pro-rata basis to existing shareholders must be not more than 50% of the total number of issued shares of the Company for the time being or such other percentage as prescribed by Bursa Securities AND THAT the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so allotted and issued from the Bursa Securities AND THAT such authority shall continue in force until the conclusion of the next AGM of the Company.

AND THAT in connection with the above, pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 61 of the Company's Constitution, the shareholders of the Company by approving this resolution are deemed to have waived their pre-emptive rights over all new shares, options over or grants of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities, such new shares when issued, to rank pari passu with the existing shares in the Company."

7. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

TAN TONG LANG (MAICSA 7045482 / SSM PC No. 202208000250)
ENG KHOON HONG (MAICSA 7031959 / SSM PC No. 202008001890)
Company Secretaries

Kuala Lumpur
30 May 2024

Notes :

1. *Please refer to the Administrative Guide for the procedures to register and participate in the virtual meeting. Shareholders will not be allowed to attend the 5th AGM in person at the Broadcast Venue on the day of the meeting.*

2. *A member of the Company entitled to attend and vote at this meeting may appoint proxy(ies) (or in case of a corporation, a duly authorised representative) to attend and vote on his stead. A proxy may but need not be a member of the Company.*

3. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, the proxy form shall be executed either under its common seal or under the hand of an officer or attorney duly authorised.*

NOTICE OF FIFTH ANNUAL GENERAL MEETING (CONT'D)

4. *Where a member appoints 1 or more proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. 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.*

5. *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.*

6. *The appointment of a proxy may be made in a hard copy form or by electronic form in the following manner and must be received by the Share Registrar of the Company not less than forty-eight (48) hours before the time appointed for holding this AGM at which the person named in the appointment proposes to vote:*

   i. *In hard copy form*
   In the case of an appointment made in hard copy form, this proxy form must be deposited with the Share Registrar of the Company at Aldpro Corporate Services Sdn Bhd at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.
   ii. *By electronic means*
   The proxy form can be electronically submitted to the Share Registrar of the Company at admin@aldpro.com.my.

7. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Aldpro Corporate Services Sdn Bhd at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time appointed for holding this AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*

8. *For a corporate member who has appointed an authorised representative, must deposit the **ORIGINAL** certificate of appointment of authorised representative with the Share Registrar of the Company at Aldpro Corporate Services Sdn Bhd at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time appointed for holdings this AGM. The certificate of appointment of authorised representative should be executed in the following manner.*

   i. *If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.*
   ii. *If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:*
      a. *at least two (2) authorised officers, of whom one shall be a director; or*
      b. *any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.*

NOTICE OF FIFTH ANNUAL GENERAL MEETING (CONT'D)

9. *Only the member whose names appear on the Record of Depositors as at **10 June 2024** shall be entitled to attend and vote at this meeting or appoint proxy(ies) to attend and vote on their behalf.*

10. *The Personal Data Protection Act 2010, which regulates the processing of personal data in commercial transactions, applies to the Company. By providing to us or our agents your personal data which may include your name, contact details and mailing address, you hereby consent, agree and authorise the processing and/ or disclosure of any personal data of or relating to you for the purposes of issuing the notice of this meeting and convening the meeting, including but not limited to preparation and compilation of documents and other matters, whether or not supplied by you. You further confirm to have obtained the consent, agreement and/or authorisation of all persons whose personal data you have disclosed and/or processed, in connection with the foregoing.*

EXPLANATORY NOTES ON:

Ordinary Business:

Item 1 of the Agenda - Audited financial statements for the financial year ended 31 January 2024

This item in the agenda is solely for discussion purposes, as Section 340(1)(a) of the Companies Act 2016 does not require shareholders to formally approve the audited financial statements. Therefore, this item will not be put forward for voting.

Ordinary Resolution 1: Payment of Directors' fees and other benefits

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of the Company and its subsidiaries shall be approved at a general meeting.

If passed, the proposed Ordinary Resolution 1 will facilitate the payment of the proposed Directors' fees and other benefits amounting to RM250,000.00 from the conclusion of the 5th AGM or at any adjournment thereof until the conclusion of the next AGM of the Company. The total estimated amount of Directors' benefit payable is calculated based on the number of scheduled meetings of the Company's Board of Directors ("**Board**") and other benefits from the conclusion of 5th AGM or at any adjournment thereof until the conclusion of the next AGM of the Company.

In the event that the proposed amount is insufficient (e.g. due to more meetings or enlarged board composition size), approval will be sought at the next AGM of the Company for additional fees to meet the shortfall.

Ordinary Resolution 2: Re-election of Director who retire in accordance with Clause 105(1) of the Company's Constitution

Clause 105(1) of the Company's Constitution provides that an election of Directors shall take place each year at the AGM of the Company, where one-third of the Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to one-third shall retire from office and be eligible for re-election, PROVIDED ALWAYS that the Directors shall retire from office once at least in each 3 years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

NOTICE OF FIFTH ANNUAL GENERAL MEETING (CONT'D)

Lim Kok Kwang is standing for re-election as the Director of the Company pursuant to Clause 105(1) of the Company's Constitution at the forthcoming 5th AGM of the Company and who is being eligible for re-election has offered himself for re-election in accordance with the Company's Constitution.

The Board has deliberated on the suitability of Lim Kok Kwang to be re-elected as Director. Upon deliberation, the Board (except for the Director concerned) collectively agreed that Lim Kok Kwang meets the criteria of character, experience, integrity, competence and time commitment to effectively discharge his role as Director of the Company and recommended the retiring Director be re-elected as the Director of the Company.

Ordinary Resolutions 3 to 5: Re-election of Directors who retire in accordance with clause 114 of the Company's Constitution

Clause 114 of the Company's Constitution provides that the Directors shall have power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but the total number of Directors shall not at any time exceed the maximum number fixed in accordance with the Company's Constitution. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

The date of the appointment of Directors for re-election under Clause 114 of the Company's Constitution are as below:-

No.	Name of Directors	Appointment Date	Position
(a)	Karen Yap Pik Li	13 February 2024	Independent Non-Executive Director
(b)	Sim Shu Mei	2 April 2024	Independent Non-Executive Director
(c)	Chong Pei Nee	2 April 2024	Independent Non-Executive Director

Ordinary Resolution 6: Re-appointment of Auditors

Pursuant to Section 271(3)(b) of the Companies Act 2016, the shareholders shall appoint Auditors who shall hold office until the conclusion of the next AGM of the Company. The current Auditors, Messrs. PKF PLT ("**PKF**") has expressed its willingness to continue in the office.

The Board has considered the re-appointment of PKF as the Auditors of the Company and recommends the re-appointment of PKF as External Auditors of the Company to hold the office until the conclusion of the next AGM.

Special Business:

Ordinary Resolution 7: Authority to allot and issue shares in general pursuant to Sections 75 and 76 of the Companies Act 2016; and waiver of pre-emptive rights over new ordinary shares or othe convertible securities in the Company under Section 85(1) of the Companies Act 2016 read together with Clause 61 of the Company's Constitution.

NOTICE OF FIFTH ANNUAL GENERAL MEETING (CONT'D)

The proposed Ordinary Resolution 7, if passed, will grant the Company a renewed general mandate ("**General Mandate**") under Sections 75 and 76 of the Companies Act 2016 and subject to Rule 5.04 of the LEAP Market Listing Requirements of Bursa Securities.

As at the date of this Notice, the Company has issued a total of 53,375,700 ordinary shares at an issue price of RM0.19 per share by way of private placement pursuant to the general mandate that granted by the shareholders at the Fourth AGM of the Company held on 19 June 2023 and will lapse at the conclusion of the 5th AGM.

The proposed Ordinary Resolution 7, if passed, will renew the general mandate given to the Directors of the Company to allot ordinary shares of the Company from time to time and expand the mandate to grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot shares under an agreement or option or offer at any time and from time to time, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares issued pursuant to this resolution does not exceed 100% of the total number of issued shares of the Company, of which the aggregate number of shares issued other than on pro-rata basis to existing shareholders must be not more than 50% of the total number of issued shares of the Company for the time being or such other percentage as prescribed by Bursa Securities ("**Renewed General Mandate**"). The Renewed General Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company, or during the expiration of period within which the next AGM is required by law to be held, whichever is earlier.

The Renewed General Mandate will enable the Directors to allot and issue ordinary shares at any time without convening a general meeting which will be both time and cost consuming. The mandate will provide flexibility to the Company for any possible acquisitions and/or fund-raising activities, including but not limited to the placement of shares for the purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, operational expenditures and/or acquisitions or such other application as the Directors may deem fit in the best interest of the Company.

Please refer to Section 85(1) of the Companies Act 2016 and Clause 61 of the Company's Constitution as detailed below.
Section 85(1) of the Companies Act 2016 provides as follows:

"85. Pre-emptive rights to new shares

(1) Subject to the constitution, where a company issue shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders."

NOTICE OF FIFTH ANNUAL GENERAL MEETING (CONT'D)

Clause 61 of the Company's Constitution provides as follows:

"61. "Subject to any direction to the contrary that may be given by the Company in general meeting, all new shares or other convertible Securities shall, before they are issued, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the Company. The Directors may, likewise, also dispose of any new shares or Securities which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Clause"

In order for the Directors to issue any new Shares or other convertible securities free of pre-emptive rights, such pre-emptive rights must be waived. The proposed Ordinary Resolution 7, if passed, will exclude the Company's shareholders' pre-emptive rights over all new shares, options over or grant of new shares or any other convertible securities in the Company and/or any new shares to be issued pursuant to such options, grants or other convertible securities under the authority to Directors to allot shares.

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS

ICT ZONE ASIA BERHAD – Fifth ("5th") Annual General Meeting ("AGM")

Day, Date, and Time of Meeting	: at 12.00 noon or immediately after the conclusion or adjournment of the Company's Extraordinary General Meeting for Irredeemable Convertible Preference Shares holders, whichever is later or at any adjournment thereof
Remote Participation and Voting Facilities	: https://web.vote2u.my
Meeting Venue	: Online Meeting Platform of Vote2U at https://web.vote2u.my
Domain Registration Numbers with MYNIC	: D6A471702

The AGM of ICT Zone Asia Berhad ("**ICT Zone Asia**" or the "**Company**") will be held as a fully virtual meeting via live streaming and online remote voting using Remote Participation and Voting ("**RPV**") facilities, Vote2U at https://web.vote2u.my provided by Agmo Digital Solutions Sdn Bhd in Malaysia.

Kindly note that the quality of the live streaming is highly dependent on the bandwidth and stability of the internet connection of shareholders and proxies. Hence, you are to ensure that internet connectivity throughout the duration of the meeting is maintained.

Entitlement to Participate and Vote Remotely

Shareholders whose names appear on the Record of Depositors as at ***10 June 2024*** shall be eligible to attend, participate and vote remotely in the meeting, or appoint proxy(ies)/ the Chairman of the general meeting to attend, participate and/or vote on his/her behalf.

PROCEDURES TO PARTICIPATE IN RPV FACILITIES

Please follow the procedures to participate in RPV facilities as summarised below:

BEFORE MEETING DAY

A:	**REGISTRATION**	
	Description	Procedure
i)	Shareholders to Register with Vote2U • Individual Shareholders	a. Access the website at https://web.vote2u.my. b. Select "**Sign Up**" to sign up as user. c. Read and indicate your acceptance of the 'Privacy policy'and 'Terms & Conditions' by clicking on a small box ☐. Then select "**Next**". d. Fill in your details – (i) ensure your email address is valid & (ii) create your own password. Then select "Continue". e. Upload a clear copy of your MyKAD for Malaysian (front only) or passport for non-Malaysian (page with photo). f. Registration as user completed. g. An email notification will be sent to you. *Note:* *If you have already signed up/registered as a user with Vote2U previously, you are not required to register again.*

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS (CONT'D)

B:	REGISTRATION OF PROXY	
	Description	Procedure
i)	Submit Proxy Form (hard copy) • Individual Shareholders • Corporate Shareholders • Authorised Nominee • Exempt Authorised Nominee	a. Fill in the details on the hard copy of the Proxy Form by providing the following information: - Proxy(ies) & Corporate Representative. • Name • Number of MyKAD for Malaysian or passport for non-Malaysian. • Address and email address – ensure email address is valid b. Corporate Representative only – deposit the hard copy of the Proxy Form together with the following document to the address as stated on the Proxy Form: • A copy of Certificate of Appointment as corporate representative c. Individual shareholders must deposit the hard copy Proxy Form to address as stated on the Proxy Form or email to Share Registrar of the Company at admin@aldpro.com.my not less than forty-eight (48) hours before the time appointed for holding this AGM at which the person named in the appointment proposes to vote. d. Corporate Shareholders, authorised nominee and exempt authorised nominee must deposit the hard copy of the Proxy Form to the address as stated on the Proxy Form not less than forty-eight (48) hours before the time appointed for holding this AGM at which the person named in the appointment proposes to vote. e. Submitted Proxy Form will be verified. f. After verification, proxy(ies) and corporate representative will receive an email notification with temporary credentials, i.e. email address & password, to log in to Vote2U.

REVOCATION OF PROXY

	Description	Procedure
i)	Revoke a Proxy • Individual Shareholders • Corporate Shareholders • Authorised Nominee • Exempt Authorised Nominee	a. Email to the Share Registrar of the Company at admin@aldpro.com.my to revoke the appointment of your proxy(ies) not less than forty-eight (48) hours before the time appointed for holding this AGM at which the person named in the appointment proposes to vote. *Note*: Applicable to individual shareholders/corporate shareholders authorised nominee/exempt authorised nominee who have appointed proxy(ies)/corporate representative using Proxy Form.

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS (CONT'D)

ON GENERAL MEETING DAY

1. Log in to https://web.vote2u.my with your registered email address and password.

   For proxy(ies) and corporate representative, log in with the temporary credentials in the email which you have received from Vote2U.

2. Vote2U will be opened for log in **one (1) hour** before the commencement of the general meeting you are attending.

3. When you are logged in, select the general meeting event you are attending. On the main page, you are able to access the following:

	Description	Procedure
i)	Live Streaming	a. Select "**Watch Live**" button to view the live streaming.
ii)	Ask Question (real-time)	a. Select "**Ask Question**" button to pose a question. b. Type in your question and select "**Submit**". *Note:* *The Chairman of the general meeting/ Board of Directors will endeavour to respond to questions submitted by remote shareholders and proxies and corporate representatives during the meeting.*
iii)	Remote Voting	a. On the main page, scroll down and select "**Confirm Details & Start Voting**". b. To vote, select your voting choice from the options provided. A confirmation screen will appear to show your selected vote. Select "**Next**" to continue voting for all resolutions. c. After you have completed voting, a Voting Summary page appears to show all the resolutions with your voting choices. Select "**Confirm**" to submit your vote. *Note:* *Once you have confirmed and submitted your votes, you are not able to change your voting choices.*
iv)	View Voting Result	a. On the main page, scroll down and select "**View Voting Results**".
v)	End of RPV	a. Upon the announcement by the Chairman of the general meeting on the closure of the said meeting, the live streaming will end. b. You may log out from Vote2U.

ADMINISTRATIVE GUIDE FOR SHAREHOLDERS (CONT'D)

ADDITONAL INFORMATION

Voting Procedure

The voting at the AGM will be conducted by poll. Poll administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.

No e-Voucher, Gift, and Food Voucher

There will be no e-Voucher, gift, and food voucher for shareholders, proxies and corporate representatives who participate in the meeting.

Enquiry

a. For enquiries relating to the general meeting, please contact our Share Registrar during office hours (9.00 a.m. to 5.00 p.m.) on Mondays to Fridays (except public holidays) as follows:

Telephone No.	: 03-9770 2200
Email	: admin@aldpro.com.my

b. For enquiries relating to RPV facilities or issues encountered during registration, log in, connecting to the live streaming and online voting facilities, please contact Vote2U helpdesk during office hours (9.00 a.m. to 5.00 p.m.) on Mondays to Fridays (except public holidays) as follows:

Telephone No.	: 03-7664 8520 / 03-7664 8521
Email	: vote2u@agmostudio.com

ICT ZONE ASIA BERHAD
Registration No. 201901003459 (1312785-X)
(Incorporated in Malaysia)

No. of shares held	
CDS Account No	

PROXY FORM

I/We...I.C./Passport/Company Registration No...
of ....
contact number.. and email address ....
being a member/members of ICT ZONE ASIA BERHAD hereby appoint ....
.... I.C./Passport No. ....
of ....
contact number... and email address ....
and/ or failing him/her, ... I.C./Passport No. ....
of ....
contact number... email address...

*or the CHAIRMAN OF THE MEETING as *my/our Proxy(ies) to vote for *me/us and act on *my/our behalf at the Fifth ("**5th**") Annual General Meeting ("**AGM**") of the Company to be conducted on a fully virtual basis through live streaming via Remote Participation and Voting Facilities using Vote2U at *https://web.vote2u.my* (Domain Registration No. with MYNIC – D6A471702) provided by Agmo Digital Solutions Sdn Bhd in Malaysia on Monday, 21 June 2024 at 12.00 noon or immediately after the conclusion or adjournment of the Company's Extraordinary General Meeting for Irredeemable Convertible Preference Shares holders, whichever is later or at any adjournment thereof in the manner as indicated below

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors' fees and other benefits payable up to RM250,000.00 to be divided amongst the Directors in such manner as the Directors may determine from the conclusion of the Fifth ("5th") AGM until the conclusion of the Sixth AGM of the Company.		
2.	To re-elect Lim Kok Kwang as Director		
3.	To re-elect Karen Yap Pik Li as Director		
4.	To re-elect Sim Shu Mei as Director		
5.	To re-elect Chong Pei Nee as Director		
6.	To re-appoint Messrs. PKF PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		
7.	Authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		

** Strike out whichever not applicable.*

[Please indicate with (X) in the space provided how you wish your vote to be casted. If no specific direction as to voting is given, the Proxy will vote or abstain at his(her) discretion.]

Dated this...................day of...............................2024

Name of Proxy	Proportion of Shares Held
1.	
2.	
Total Number of Shares Held	

(Signature(s)/Common Seal of Shareholder)

Notes :

1. *Please refer to the Administrative Guide for the procedures to register and participate in the virtual meeting. Shareholders will not be allowed to attend the 5th AGM in person at the Broadcast Venue on the day of the meeting.*

2. *A member of the Company entitled to attend and vote at this meeting may appoint proxy(ies) (or in case of a corporation, a duly authorised representative) to attend and vote on his stead. A proxy may but need not be a member of the Company.*

3. *The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, the proxy form shall be executed either under its common seal or under the hand of an officer or attorney duly authorised.*

4. *Where a member appoints 1 or more proxies, he shall specify the proportion of his shareholdings to be represented by each proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll. 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.*

5. *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.*

6. *The appointment of a proxy may be made in a hard copy form or by electronic form in the following manner and must be received by the Share Registrar of the Company not less than forty-eight (48) hours before the time appointed for holding this AGM at which the person named in the appointment proposes to vote:*

   (i) **In hard copy form**
   In the case of an appointment made in hard copy form, this proxy form must be deposited with the Share Registrar of Company at Aldpro Corporate Services Sdn Bhd at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

   (ii) **By electronic means**
   The proxy form can be electronically submitted to the Share Registrar of the Company at admin@aldpro.com.my.

7. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Share Registrar of the Company at Aldpro Corporate Services Sdn Bhd at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time appointed for holding this AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*

8. *For a corporate member who has appointed an authorised representative, must deposit the* **ORIGINAL** *certificate of appointment of authorised representative with the Share Registrar of the Company at Aldpro Corporate Services Sdn Bhd at B-21-1, Level 21, Tower B, Northpoint Mid Valley City, No. 1, Medan Syed Putra Utara, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia not less than forty-eight (48) hours before the time appointed for holdings this AGM. The certificate of appointment of authorised representative should be executed in the following manner.*

   (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
   (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
      (a) at least two (2) authorised officers, of whom one shall be a director; or
      (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

9. *Only the member whose names appear on the Record of Depositors as at* ***10 June 2024*** *shall be entitled to attend and vote at this meeting or appoint proxy(ies) to attend and vote on their behalf.*

10. *The Personal Data Protection Act 2010, which regulates the processing of personal data in commercial transactions, applies to the Company. By providing to us or our agents your personal data which may include your name, contact details and mailing address, you hereby consent, agree and authorise the processing and/ or disclosure of any personal data of or relating to you for the purposes of issuing the notice of this meeting and convening the meeting, including but not limited to preparation and compilation of documents and other matters, whether or not supplied by you. You further confirm to have obtained the consent, agreement and/or authorisation of all persons whose personal data you have disclosed and/or processed, in connection with the foregoing.*

2nd Fold Here

AFFIX
STAMP

The Share Registrar of
ICT ZONE ASIA BERHAD
Registration No. 201901003459 (1312785-X)
c/o Aldpro Corporate Services Sdn Bhd
B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur, Wilayah Persekutuan Malaysia

1st Fold Here

Fold this flap for sealing

www.ictzone.asia

Techfin | Beyond Tech & Finance