

ANNUAL REPORT 2024





Table of Contents

2	CORPORATE INFORMATION	16	CORPORATE GOVERNANCE OVERVIEW STATEMENT
3	BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT'S PROFILE	33	STATEMENT ON DIRECTORS' RESPONSIBILITY
10	CHAIRMAN'S STATEMENT	34	SUSTAINABILITY STATEMENT
12	MANAGEMENT DISCUSSION AND ANALYSIS	41	STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
13	AUDIT COMMITTEE REPORT	44	ADDITIONAL COMPLIANCE INFORMATION

Financial Statements



47	DIRECTORS' REPORT	71	STATEMENTS OF CASH FLOWS
54	STATEMENT BY DIRECTORS	73	NOTES TO THE FINANCIAL STATEMENTS
55	STATUTORY DECLARATION	131	SHAREHOLDING STATISTICS
56	INDEPENDENT AUDITORS' REPORT	133	NOTICE OF TWENTY-SEVENTH ANNUAL GENERAL MEETING
63	STATEMENTS OF FINANCIAL POSITION	139	STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING
65	STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	140	ADMINISTRATIVE GUIDE FOR THE TWENTY-SEVENTH ANNUAL GENERAL MEETING
67	STATEMENTS OF CHANGES IN EQUITY		PROXY FORM - Enclosed

CORPORATE INFORMATION

Eg Kah Yee

Chairman / Managing Director

N Chanthiran A/L Nagappan

Independent Non-Executive Director

Chuan Tsui Ju

Independent Non-Executive Director

Prof. Low Teck Seng

Independent Non-Executive Director

Dato' Dr. Mohd Fikri Bin Abdullah

Independent Non-Executive Director

Eg Kaa Chee

Non-Independent Non-Executive Director

Abdul Razak Bin Dato' Haji Ipap

Non-Independent Non-Executive Director

BOARD OF DIRECTORS

+ COMPANY SECRETARIES +

Lau Yen Hoon

SSM PC No. 202008002143 (MAICSA 7061368)

Lee Shil Teng

SSM PC No. 202408000612 (MAICSA 7070507)

+ REGISTERED OFFICE +

Unit 30-01, Level 30, Tower A, Vertical Business Suite,
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur
Tel: 03-2783 9191
Fax: 03-2783 9111
Email: info@my.tricorglobal.com

+ BUSINESS ADDRESS +

6th Floor, Unit 4,
8, First Avenue, Bandar Utama,
47800 Petaling Jaya, Selangor Darul Ehsan
Tel: 03-7728 9880
Fax: 03-7728 1080

+ AUDITORS +

Messrs. UHY Malaysia (formerly known as UHY)
Suite 11.05, Level 11,
The Gardens South Tower,
Mid Valley City, Lingkaran Syed Putra,
59200 Kuala Lumpur
Tel: 03-2279 3088

+ SHARE REGISTRAR +

Tricor Investor & Issuing House Services Sdn. Bhd.
Registration No: 197101000970 (11324-H)
Unit 32-01, Level 32, Tower A, Vertical Business Suite,
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur
Tel: 03-2783 9299
Fax: 03-2783 9222
Email: is.enquiry@my.tricorglobal.com

+ CORPORATE SOLICITORS +

Rajah, Lau & Associates
B-13-13, Megan Avenue II,
12, Jalan Yap Kwan Seng,
50450 Kuala Lumpur
Tel: 03-2710 5585 Fax: 03-2710 5589

+ PRINCIPAL BANKERS +

Public Bank Berhad
United Overseas Bank (Malaysia) Bhd

+ STOCK EXCHANGE LISTING +

Bursa Malaysia Securities Berhad
(ACE Market)
Stock name: UCREST
Stock code: 0005

+ CORPORATE WEBSITE +

www.ucrest.net

BOARD OF DIRECTORS AND KEY SENIOR MANAGEMENT'S PROFILE



EG KAH YEE

Chairman / Managing Director

Mr Eg Kah Yee, a Malaysian, male, aged 64, is the founder, Chairman / Managing Director of UCrest Berhad ("UCrest" or "the Company"). He was appointed to the Board on 7 May 1998. He obtained his Bachelor of Computer Science from West Virginia University, USA in 1983. He started his career as System Analyst with Phoenix Data Systems Inc., a Silicon Valley company in Santa Clara, California USA, where he developed VLSI Layout Verification System. In 1985, he joined Daisy Systems Corporation; a Silicon Valley company listed on NASDAQ based in Mountain View, California which he was the R&D Project Manager responsible for the development of second generation Digital Logic Simulator (DLSII) where he designed and implemented the simulation engine and DBMS. In 1988, he was promoted to be the Director of North Asia Region responsible for business in China, Hong Kong, Taiwan and Korea.

In 1990, he left Daisy Systems Corporation and joined Synopsys Inc., a Silicon Valley based startup pioneer in logic synthesis and High Level Design for ASIC and VLSI design. He started as the Regional Manager for South Asia Pacific Operations where he was responsible for the starting and growing of the business in Taiwan, ASEAN countries, India, Australia and New Zealand. The Company was listed on NASDAQ in 1992. He was later promoted to be the General Manager for Asia Pacific Operation where he was responsible for global business operation excluding America, Europe and Japan.

In 1996, he left Synopsys Inc. and started to invest and groom companies. He started Canvas Technology Inc. in Taiwan, a company specialise in Real Time Operating System (RTOS) for embedded designs where the team has done numerous co-development of set-top-boxes, networking products, PDA and defense systems. He has also invested in Silicon Vision Inc., a Silicon Valley company specialise in optical products, in Fremont, California together with two Venture Capitalists from Taiwan and a few high net-worth individuals from USA. He is the Chairman of the Sustainability Committee of UCrest.

Currently, he also sits on the board of Key ASIC Berhad and various private limited companies. Save as disclosed, he does not hold any directorship in other public companies and listed issuers.

Apart from his brother, Eg Kaa Chee, who is also a Non-Independent Non-Executive Director of the Company, he does not have any family relationship with any of the Directors and/or major shareholders of the Company. He is a major shareholder of the Company.

Save as disclosed below, he has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with UCrest or its subsidiaries, other than that which has been disclosed to the Board of Directors (if any):-

- i. He shall be deemed interested in the recurrent related party transactions ("RRPTs") of a revenue or trading nature to be entered into with the related parties pursuant to the shareholders' mandate obtained at the Annual General Meeting by virtue of the nature of interest as disclosed in the Circular to Shareholders dated 30 September 2024⁽¹⁾.
- ii. He is deemed interested in the RRPTs with Key Energy Sdn. Bhd.⁽²⁾, Springpad Sdn. Bhd.⁽³⁾ and Mixed Rock Sdn. Bhd.⁽³⁾ in respect of the sub-renting out of some unutilized office space by the Company to the related parties. The total amount of the RRPTs was RM31,200 for the financial year ended 31 May 2024. The RRPTs have been reviewed by the Audit Committee and approved by the Board of Directors. The Audit Committee and Board of Directors were of the view that the RRPTs are:
 - (a) in the best interest of the Company;
 - (b) would be conducted on an arm's length basis;
 - (c) fair, reasonable and on normal commercial terms, and
 - (d) not detrimental to the interest of the minority shareholders of the Company.

He has not been convicted of any offences (other than traffic offences) within the past 5 years and has not been imposed any public sanctions or penalty by the relevant regulatory bodies during the financial year.

Note:

⁽¹⁾ Please refer to the Circular to Shareholders dated 30 September 2024 for the information on the RRPTs.

⁽²⁾ Nature of relationship: Eg Kah Yee, a Major Shareholder and Chairman/ Managing Director of UCrest, is also a Director and Major Shareholder of Key Energy Sdn. Bhd. Eg Kaa Chee, who is a Major Shareholder and Director of UCrest, is a person connected to Eg Kah Yee.

⁽³⁾ Nature of relationship: See Lee Ming, a Major Shareholder and Director of Springpad Sdn. Bhd and Mixed Rock Sdn. Bhd., is a person connected to Eg Kah Yee and Eg Kaa Chee.

Board of Directors and Key Senior Management's Profile (Cont'd)



EG KAA CHEE
Non-Independent
Non-Executive Director



Mr Eg Kaa Chee, a Malaysian, male, aged 60, was appointed as the Director of UCrest since 26 May 1997. He obtained his LLB from University of Malaya in 1989. He started his legal practice in 1990. He specialised in litigation and conveyancing. He is the senior partner of Rajah, Lau & Associates. Presently he is the Legal Advisor for several companies and non-governmental organisations. He is a member of the Option Committee and Sustainability Committee of UCrest.

Mr Eg Kaa Chee does not hold any directorship in other public companies and listed issuers.

Apart from his brother, Eg Kah Yee, who is also the Chairman/Managing Director of the Company, he does not have any family relationship with any of the Directors and/or major shareholders of the Company.

Save as disclosed below, he has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with UCrest or its subsidiaries, other than that which has been disclosed to the Board of Directors (if any):-

- i. He shall be deemed interested in the recurrent related party transactions (“RRPTs”) of a revenue or trading nature to be entered into with the related parties pursuant to the shareholders’ mandate obtained at the Annual General Meeting by virtue of the nature of interest as disclosed in the Circular to Shareholders dated 30 September 2024⁽¹⁾.
- ii. He is deemed interested in the RRPTs with Key Energy Sdn. Bhd.⁽²⁾, Springpad Sdn. Bhd.⁽³⁾ and Mixed Rock Sdn. Bhd.⁽³⁾ in respect of the sub-renting out of some unutilized office space by the Company to the related parties. The total amount of the RRPTs was RM31,200 for the financial year ended 31 May 2024. The RRPTs have been reviewed by the Audit Committee and approved by the Board of Directors. The Audit Committee and Board of Directors were of the view that the RRPTs are:
 - (a) in the best interest of the Company;
 - (b) would be conducted on an arm’s length basis;
 - (c) fair, reasonable and on normal commercial terms, and
 - (d) not detrimental to the interest of the minority shareholders of the Company.

He has not been convicted of any offences (other than traffic offences) within the past 5 years and has not been imposed any public sanctions or penalty by the relevant regulatory bodies during the financial year.

Note:

⁽¹⁾ Please refer to the Circular to Shareholders dated 30 September 2024 for the information on the RRPTs.

⁽²⁾ Nature of relationship: Eg Kah Yee, a Major Shareholder and Chairman/ Managing Director of UCrest, is also a Director and Major Shareholder of Key Energy Sdn. Bhd. Eg Kaa Chee, who is a Major Shareholder and Director of UCrest, is a person connected to Eg Kah Yee.

⁽³⁾ Nature of relationship: See Lee Ming, a Major Shareholder and Director of Springpad Sdn. Bhd. and Mixed Rock Sdn. Bhd., is a person connected to Eg Kah Yee and Eg Kaa Chee.

Board of Directors and Key Senior Management's Profile (Cont'd)



**ABDUL RAZAK BIN
DATO' HAJI IPAP**
Non-Independent
Non-Executive Director



En. Abdul Razak Bin Dato' Haji Ipap, a Malaysian, male, aged 64, was appointed as the Director of UCrest on 1 June 2001. He was re-designated to a Non-Independent Non-Executive Director of UCrest on 25 August 2010. On 8 September 2016, he was re-designated to an Independent Non-Executive Director of UCrest. On 26 August 2022, he was re-designated as a Non-Independent Non-Executive Director of UCrest. He graduated with Bachelor of Science in Agribusiness from Universiti Pertanian Malaysia (currently known as Universiti Putra Malaysia) in 1988. He started his career by joining Shell Chemical Sdn. Bhd. as Trainee Executive in year 1986, responsible for sales development for the Company. In 1988, he joined United Engineers (M) Bhd as Business Development Executive where he was responsible for developing new sales and managing the existing project portfolio. From 1993 to 1995, he was attached to Sime Logistics Sdn. Bhd. as Manager in Operations and Marketing. In 1995, he joined Celcom (M) Sdn. Bhd. as Senior Manager (Logistics) responsible for the smooth flowing of the entire company's logistic and was subsequently promoted as the Vice President Logistics. He left Celcom in Year 2000 to start off his own career in IT business. He is a member of the Audit Committee of UCrest.

En. Abdul Razak Bin Dato' Haji Ipap was appointed as the Independent Non-Executive Chairman of Sik Cheong Berhad on 26 December 2023. Save as disclosed, he does not hold any directorship in other public companies and listed issuers.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with UCrest or its subsidiaries other than that which has been disclosed to the Board of Directors (if any).

He has not been convicted of any offences (other than traffic offences) within the past 5 years and has not been imposed any public sanctions or penalty by the relevant regulatory bodies during the financial year.

Board of Directors and Key Senior Management's Profile (Cont'd)



N CHANTHIRAN A/L NAGAPPAN

Independent Non-Executive Director



Mr N Chanthiran A/L Nagappan, a Malaysian, male, aged 59, was appointed as an Independent Non-Executive Director of UCrest on 26 August 2022. He graduated with a Bachelor of Accounting (Honours) degree from University of Malaya in 1988. He is also a Chartered Accountant, Certified Public Accountant, Certified Risk Professional and Certified Financial Planner. He started his career as tax executive in Messrs Coopers & Lybrand in 1988. In 1994, he joined Arab-Malaysian Merchant Bank Berhad as Assistant Manager. In 1995, he worked as Corporate Finance Manager with Sadec Group. He started his audit practice in 2001. He served as an Independent Non-Executive Director of Key ASIC Berhad since 14 December 2007 for about 14 years until his resignation in August 2022. He has more than 20 years of corporate finance experience in the areas of listing, financial and corporate restructuring, mergers and acquisition. Currently, he is a partner of Chanthiran & Co. and CN & Associates. He is also a director of MR Tax Consultant (M) Sdn. Bhd. and Credience Malaysia Sdn. Bhd. He is the Chairman of the Audit Committee, Nomination Committee, and Option Committee and also a member of the Sustainability Committee of UCrest.

Mr N Chanthiran does not hold any directorship in other public companies and listed issuers.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with UCrest or its subsidiaries other than that which has been disclosed to the Board of Directors (if any).

He has not been convicted of any offences (other than traffic offences) within the past 5 years and has not been imposed any public sanctions or penalty by the relevant regulatory bodies during the financial year.



CHUAN TSUI JU

Independent Non-Executive Director



Ms Chuan Tsui Ju, a Malaysian, female, aged 63, was appointed as the Independent Non-Executive Director of UCrest on 22 November 2013. She completed the General Certificate of Education. She joined the construction company, Lim & Chia Sdn. Bhd. as an Account Executive right after finishing her accounting courses in 1980 and subsequently in 1985, she left the Company and continues her career in construction and development industry with Ample's group. In 1990, she was hired by Jujutsu Industries group initially as an Administrator and rose to the rank of Director responsible for the whole operation of the Group. She left Jujutsu Industry in 1996 to set up her own business in the tutorial sector and sold it off in 1999. Ms Chuan working as Director of Project Coordinator at A&P Solution Enterprise which specialises in advertising and promotion activities, she left the company in January 2024. She is a member of the Audit Committee and Nomination Committee of UCrest.

Ms Chuan Tsui Ju does not hold any directorship in other public companies and listed issuers.

She does not have any family relationship with any of the other Directors and/or major shareholders of the Company.

She has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with UCrest or its subsidiaries other than that which has been disclosed to the Board of Directors (if any).

She has not been convicted of any offences (other than traffic offences) within the past 5 years and has not been imposed any public sanctions or penalty by the relevant regulatory bodies during the financial year.

Board of Directors and Key Senior Management's Profile (Cont'd)



PROF. LOW TECK SENG Independent Non-Executive Director

Prof. Low Teck Seng, a Singaporean, male, aged 69, was appointed as the Independent Non-Executive Director of UCrest on 29 November 2017. Prof. Low Teck Seng vacated office pursuant to Rule 15.05(3)(C) of the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad and was re-appointed on 25 September 2020. He is the Chairman of the Remuneration Committee of UCrest.

Prof. Low graduated with First Class Honours in Electrical & Electronic Engineering in 1978 from Southampton University and subsequently received his PhD from the same university in 1982. He joined National University of Singapore (NUS) in 1983 as an academic staff of the Department of Electrical Engineering. His research interests were in computational electromagnetics and spinelectronics.

Prof. Low was the Chief Executive Officer of the National Research Foundation (NRF), Singapore from July 2012 till August 2022. Prior to his appointment at NRF, he was the Managing Director of the Agency for Science, Technology and Research. Prof. Low was instrumental in setting up the Magnetics Technology Centre (MTC) in National University of Singapore (NUS) in 1992. The MTC is the predecessor of the Data Storage Institute (DSI), a leading research institute focusing on data storage technologies. He was Dean of Engineering at the NUS from 1998 to 2000. Prof. Low was the founding principal of Republic Polytechnic.

Prof. Low is presently a tenured professor and Senior Vice President (Sustainability and Resilience) at the National University of Singapore. He is a Fellow of the Singapore Academy of Engineers; Fellow of the IEEE and International Fellow of the Royal Academy of Engineers, UK.

Prof. Low is also the Independent Non-Executive Director of Key ASIC Berhad. He was appointed as Director of Temasek Lifesciences Accelerator on 1 August 2024.

Save as disclosed, Prof. Low does not hold any directorship in other public companies and listed issuers.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with UCrest or its subsidiaries other than that which has been disclosed to the Board of Directors (if any).

He has not been convicted of any offences (other than traffic offences) within the past 5 years and has not been imposed any public sanctions or penalty by the relevant regulatory bodies during the financial year.

Board of Directors and Key Senior Management's Profile (Cont'd)



DATO' DR. MOHD FIKRI BIN ABDULLAH

Independent Non-Executive Director

Dato' Dr. Mohd Fikri Bin Abdullah, a Malaysian, male, aged 58, was appointed as the Independent Non-Executive Director of UCrest on 16 May 2018. He is a member of the Remuneration Committee of UCrest. Dato' Dr. Fikri is a principal consultant with the specialist team at Imperial Doctors in China.

He is an outstanding Cardiovascular & Thoracic surgeon who received training in the United Kingdom from October 1986 to July 2000, specializing in adult surgery. Currently, he practices privately at Gleneagles Hospital, Kuala Lumpur (a JCI-accredited facility). Committed to advancing medical knowledge, he is dedicated to teaching new technologies, surgical techniques, and conducting medical research. His initiatives include submitting a proposal to the Ministry of Health, Malaysia in August 2000 for a structured curriculum in cardiothoracic surgery training leading to a postgraduate degree in the field.

He pioneered several new techniques in cardiothoracic surgery at National University Hospital Malaysia between August 2000 and December 2003. These techniques include:

1. Beating Heart Coronary Bypass Surgery (Off-Pump CABG),
2. Endoscopic Vein Harvesting (EVH),
3. Video-Assisted Thoracoscopic (VATS) Lung Surgery, Sympathectomy and Thymectomy,
4. Blood Cardioplegia for myocardial protection,
5. Radial Artery conduit and Harmonic Scalpel harvesting technique,
6. Outpatient Treatment of Pneumothorax Using Pneumostat (Heimlich Valve) Device.

In 2002, he achieved a significant milestone by performing the world's first successful SVC Bypass surgery using Bovine Pericardium.

In 2003, he accomplished the world's first successful Off-Pump Coronary Bypass (OPCABG) in a High-Risk Dextrocardia patient. For these clinical achievements, he received The Outstanding Young Malaysian (TOYM) Award in 2006. In 2009, through a collaborative effort with the cardiac team at the National University Hospital of Malaysia (UKMMC), he introduced a novel technique for endoscopic vein harvesting using a German-made Vascular Micro Milling System (VMMS). Subsequently, in 2011, he led the introduction of thermo-reactive Nitinol sternal closure clips (Flexigrip) in Malaysia.

In February 2012, he introduced the pioneering use of Everpoint (tungsten-rhenium alloy) sutures by Johnson & Johnson for Coronary Bypass Surgery cases in Malaysia. The first 72 successful cases were presented at the Cardiac Review Symposium at the University of Singapore in November 2012.

Dato' Dr. Mohd Fikri does not hold any directorship in other public companies and listed issuers.

He does not have any family relationship with any of the other Directors and/or major shareholders of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with UCrest or its subsidiaries other than that which has been disclosed to the Board of Directors (if any).

He has not been convicted of any offences (other than traffic offences) within the past 5 years and has not been imposed any public sanctions or penalty by the relevant regulatory bodies during the financial year.

Board of Directors and Key Senior Management's Profile (Cont'd)



SATHEESH CHANDRAN Software Development Manager



Mr Satheesh Chandran, an Indian, male, aged 46 was appointed as Software Development Manager on 15 July 2020. He is a solution provider, with 20 years of industry experience in developing, managing, leading software projects from conception through implementation and also expert in software project design, architect, development and deployment in open source technologies. He obtained his Master of Computer Application from Annamalai University, India in the year of 2003. Also, he obtained his Project Management Professional (PMP) certificate, Certified Scrum Master (CSM) in year of 2020. His specialities include organizing and coordinating software development team members to meet complex, highly technical challenges while meeting the stringent deadlines and quality requirements.

Mr Satheesh does not hold any directorship in public companies and listed issuers.

He does not have any family relationship with any Director and/or major shareholder of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with UCrest or its subsidiaries other than that which has been disclosed to the Board of Directors (if any).

He has no conviction for offences (other than traffic offences) within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CHAIRMAN'S STATEMENT

“

DEAR SHAREHOLDERS,

I am pleased to present the Annual Report and the Audited Financial Statements of the Group and the Company for the financial year ended 31 May 2024 (“FYE 2024”).

”

FINANCIAL AND OPERATIONAL PERFORMANCE

The Group has posted a revenue of RM16.452 million and a net profit of RM4.591 million for FYE 2024 with 6 consecutive quarters profitable.

The Group has launched and released iMedic™ Optics, the Artificial Intelligence (“AI”) diagnostic product for processing image files from the fundus camera. The superior AI capabilities include automatic diagnosis of Diabetic Retinopathy (“DR”), Glaucoma, Age-related Macular Degeneration (“AMD”) and bleeding in a matter of seconds with accuracy in the range of 98-100% accuracy consistently. With this AI technology, vision diseases related to retina can be diagnosed at optical shops, optometry or general practitioner clinics without having to visit an ophthalmologist. It is estimated that 30% of the aging population is expected to have loss of vision due to one of these diseases at the later part the life. This enables vision health screening to be widely available and affordable, making preventive measures possible, greatly reducing the loss of vision of old age. iMedic™ Optics has started to generate revenue and it is expected to be one of the key contributors to the revenue of the Group.

The Group has set its strategy to embark on the biggest market of digital health i.e. the United States of America. It has inked a distribution agreement with one of the leading telemedicine software companies, Seecure Inc. for the North America, Central and South America markets. The agreement is expected to contribute significant revenue to the Group.

The strategy to complement physical hospitals and clinic chains with digital hospitals or clinics has gained tremendous traction. The Group has inked deals with General Practitioner (“GP”) clinic chains and dental clinic chains to develop digital clinics and has started to generate incremental revenues for the physical clinics and for the Group.

INDUSTRY OUTLOOK AND DEVELOPMENT

Every aspect of digital health is growing rapidly over the past year. Digital health is well accepted and recognized as the future of the next generation of healthcare system. Revenue of digital health is projected to reach USD171 billion in 2024 and projected to reach USD258 billion with Compound Annual Growth Rate (“CAGR”) (2024-2029) of approximately 8.49%. It is estimated that the Average Revenue Per User (“ARPU”) is USD85.56. The United States of America remains to be the largest market for digital health.

Recently, China has announced the opening of wholly owned foreign owned private hospitals to be set up in several cities, marking the beginning of the foreign access to the healthcare industry. To be competitive, private healthcare providers in China are likely to leverage digital health technologies to penetrate the market.

Chairman's Statement (Cont'd)

PROSPECTS

iMedic™ digital clinics have been deployed in several GP and dental clinic chains and generating revenue for the Group. Patients in these chains can now be proactively managed and compliance for medication and clinical visits has significantly increased. Better patient efficacy is expected generally, and we see revenue increased in these iMedic™ clinics. With better patient compliance, hospitalization is expected to be reduced substantially, hence reducing the overall healthcare costs.

Based on the core technologies of iMedic™, the Group has developed a version of the platform for the United States ("US") market, targeting specifically Remote Patient Monitoring ("RPM") and Chronic Care Management ("CCM"). With the AI and Internet of Medical Things ("IoMT") technologies, iMedic™ will be automated to on board the patients, managing the patients to ensure compliances to the RPM and CCM requirements and produce the necessary reports for billing purposes. With the existing patient pool of the US partner, the Group expects to record a significant increase of revenue from the US market.

iMedic™ Optics has been deployed successfully and well received. We expect the adoption rate is going to increase rapidly amongst the GP clinics and optical shops. Endocrinologists with many diabetic patients are adopting the product to improve the productivity and accuracy of the diagnosis.

iMedic™ has passed all the test to be qualified as one of the HealthierSG Smart Clinic Management System ("SmartCMS") platforms. IoMT and AI capabilities remain to be the core strengths of our platform. Additionally, the robust patient centric Customer Relationship Management ("CRM") system of the platform, second to none in the industry has been well adopted for preventive and chronic care management.

APPRECIATION

I wish to express my greatest appreciation to all the members of the Board of Directors, valuable and talented colleagues, our supportive business partners and associates, for their relentless effort and contribution to the Group. I would like to extend my appreciation to shareholders who have been supporting the Group in the capital market.

Thank You.

EG KAH YEE

Chairman / Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL DESCRIPTION OF THE GROUP'S BUSINESS

|||||

The Group's revenue recorded as RM16.452 million for financial year ended 31 May 2024 with every quarter recorded profit. The flagship product, iMedic™ contributed almost all the revenue and the remaining is attributed by customisation and maintenance services of the platform.

Domestic business has gained momentum though the revenue remains international by and large.

FINANCIAL YEAR ENDED 31 MAY 2024 ("FYE 2024")

|||||

Revenue

The Group registered total revenue of RM16.452 million in FYE 2024.

Costs and expenses

Total costs and expenses before finance costs for FYE 2024 which amounted to RM19.655 million comprised of the following items:

- (a) Purchases and other direct costs amounted to RM11.661 million for FYE 2024.
- (b) Selling and distribution costs amounted to RM0.014 million for FYE 2024.
- (c) Administration and other expenses amounted to RM7.980 million was mainly due to payroll costs, rental, depreciation, and amortisation of intangible assets.

Other income

Other income of the Group stood at RM7.809 million in FYE 2024, mainly due to fixed deposit interest income of RM0.476 million, net gain on impairment on trade receivables of RM7.064 million, rental income of RM0.031 million, sundries income of RM0.013 million and foreign exchange gains of RM0.225 million on the Group's USD denominated assets as a result of the strengthening of US Dollar against Malaysian Ringgit.

Finance costs

The Group's finance cost of RM0.014 million was due to lease liabilities incurred during the financial year.

Taxation

The income tax expense for the Group was nil.

Profit attributable to Owners of the Company

Profit attributable to Owners of the Company was RM4.591 million or 0.620 sen earning per basic share.

Liquidity and capital resources

Cash and cash equivalents of the Group amounted to RM19.137 million which comprises the fixed and short term deposits with licensed bank of RM13.331 million, cash and bank balances of RM5.806 million.

The Group's net cash used in operating activities was RM3.727 million, and capital expenditure in respect of property, plant and equipment was RM0.016 million for FYE 2024.

PROSPECTS

|||||

In FYE2025, the Group expects the revenue to be generated from the US market, ASEAN, Europe and China market. Recurring income from the subscription and appointment booking fees of iMedic™, retinal image AI diagnosis of iMedic™ Optics, Remote Patient Monitoring and Chronic Care Management service fees will be the biggest contributors to the revenue.

The Group will expand its marketing coverage rapidly through partnerships in various countries. The partnership may be in the form of equity or business joint ventures, franchising, or distributorships.

The Group will continue to invest in AI and Internet of Things ("IoT") technologies in automating the workloads of the doctors in diagnosis and therapeutic and further optimize the work flows of the clinics.

AUDIT COMMITTEE REPORT

The Audit Committee (“AC”) was established with the primary objective to provide assistance to the Board in fulfilling its fiduciary responsibilities relating to the corporate governance and practices for the Group, to improve the business efficiency and enhance the independent role of external and internal auditors.

1. COMPOSITION OF AUDIT COMMITTEE

The present members of the AC comprise of:-

Chairman

N Chanthiran A/L Nagappan – Independent Non-Executive Director

Members

Chuan Tsui Ju – Independent Non-Executive Director

Abdul Razak Bin Dato’ Haji Ipap – Non-Independent Non-Executive Director

2. SECRETARIES

The Secretaries to the AC are the Company Secretaries of the Company.

3. TERMS OF REFERENCE

The Terms of Reference is available on our corporate website at www.ucrest.net.

4. SUMMARY OF MEETING AND ACTIVITIES UNDERTAKEN

A total of four (4) meetings were held during the financial year ended 31 May 2024. The attendance records of the meetings are as follows:-

Name	Meetings attendance
N Chanthiran A/L Nagappan	4/4
Abdul Razak Bin Dato’ Haji Ipap	4/4
Chuan Tsui Ju	4/4

SUMMARY OF ACTIVITIES OF COMMITTEE

During the financial year ended 31 May 2024 (“FYE 2024”), the Committee has carried out the following activities:-

- (i) reviewed and recommended for the Board’s approval, the Statement on Risk Management and Internal Control, Corporate Governance Overview Statement and AC report for inclusion in the Annual Report 2023;
- (ii) reviewed the audited financial statements for the financial year ended 31 May 2023 of the Group and recommended the same to the Board for their consideration and approval;
- (iii) reviewed the quarterly unaudited financial results of the Group in July 2023, October 2023, January 2024 and April 2024 before recommending to the Board for approval. The financial results were presented by Management who attended to the queries raised by the Committee. The Committee was satisfied that the financial results had been prepared in accordance with Malaysian Financial Reporting Standards 134;

Audit Committee Report (Cont'd)

- (iv) reviewed the recurrent related party transactions entered into by the Group and ensured that the transactions under the shareholders' mandate were within the threshold as set and in accordance with the mandate obtained from the shareholder;
- (v) reviewed the new recurrent related party transactions on sub-renting out of some unutilized office space by the Company to the related parties and recommended the same to the Board for approval;
- (vi) reviewed the recurrent related party transactions within the Group (which are not under the shareholders' mandate) and satisfied that the transactions are in compliance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and recommended the same for the Board's notation;
- (vii) reviewed the Circular to shareholders in relation to the Proposed Renewal of the Existing Shareholders' Mandate for Recurrent Related Party Transactions of a revenue or trading nature;
- (viii) discussed and reviewed the fees of the External Auditors and made recommendations to the Board for approval;
- (ix) reviewed and discussed with the External Auditors the Audit Committee Meeting Report for the financial year ended 31 May 2023 and Audit Planning Memorandum for the financial year ended 31 May 2024 and recommended the same for the Board's notation;
- (x) the assessment on the External Auditors was conducted by completing evaluation form as guided by the Corporate Governance Guide on Evaluation of External Auditors Performance and independence checklist. The AC had, with the assistance from the Management, assessed the performance, suitability and independence of Messrs. UHY Malaysia (formerly known as UHY) ("UHY") and recommended that UHY be re-appointed as the External Auditors of the Company;
- (xi) reviewed and discussed with the Internal Auditors on the key risks of the Group covered in the Enterprise Risk Management Report prepared by the Internal Auditors including the management action plans based on the recommendation highlighted by the Internal Auditors before updating the Board;
- (xii) reviewed and discussed with the Internal Auditors, the Internal Audit Report on review of Sales and Marketing Management and Human Resource Management, including the management action plans based on the recommendation highlighted by the Internal Auditors before updating the Board;
- (xiii) assessed the performance of the Internal Auditors. The AC was satisfied with the performance, adequacy of the scope, functions, competency and resources of the Internal Auditors and that it has the necessary authority to carry out its work; and
- (xiv) verified the offer of 18,400,000 options under the Company's Employee Share Option Scheme ("ESOS") offered to the eligible Director and employees in May 2024 is in accordance with the ESOS By Laws.

5. INTERNAL AUDIT FUNCTION

Internal auditors report directly to the AC. The functions of the internal auditors are to ensure a regular review of the adequacy and integrity of its internal control system. The internal auditors will also be required to assist the Group in enhancing its existing risk management framework and adopting a risk-based approach.

The internal auditors are required to conduct regular and systematic reviews on all operating units and submit an independent report to the AC for review and approval to ensure adequate coverage. During the FYE 2024, the internal audit reviews covered the areas on Sales and Marketing Management and Human Resource Management as well as Enterprise Risk Management. The Group has incurred approximately RM16,000 in the FYE 2024 in maintaining the internal audit function.

Audit Committee Report (Cont'd)

6. OVERSIGHT OF EXTERNAL AUDIT

- (i) The External Auditors attended two (2) AC Meetings held in FYE 2024. This included one (1) private session without the presence of the Management;
- (ii) Reviewed the Audit Committee Meeting Report for the financial year ended 31 May 2023 in FYE 2024 from the External Auditors, entailing mainly the overall findings of the audit of the Group's financial statements;
- (iii) Reviewed the Audit Planning Memorandum for the FYE 2024 from the External Auditors, entailing mainly the overview of audit approach, scope of work, auditing developments, significant risks and areas of audit focus of the Group and of the Company;
- (iv) Received the communications from the External Auditors for the FYE 2024, covering updates of matters to highlight and significant outstanding information/documents from the audit field works;
- (v) Reviewed the suitability and independence of the External Auditors vide a personalised "Assessment on External Auditors" and upon reviewed and being satisfied with the results of the said assessment and recommended to the Board, the re-appointment of Messrs. UHY Malaysia (formerly known as UHY) as the External Auditors of the Company;
- (vi) Discussed and reviewed with the External Auditors, the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board, and the scope of work and audit plan for the FYE 2024, including any significant issues and concerns arising from the audit; and
- (vii) Reviewed the audit fees for FYE 2024 prior to the Board's approval.

7. OVERSIGHT OF INTERNAL AUDIT

- (i) The internal auditors attended three (3) AC Meetings held in FYE 2024;
- (ii) Reviewed the risk-based Internal Audit Plan for the Group for FYE 2024 and approved for adoption of the same by the Group throughout FYE 2024;
- (iii) Reviewed the Internal Audit Reports for FYE 2024 and assessed the internal auditors' findings and the management's responses and made the necessary recommendations to the Board for notation;
- (iv) Reviewed the progress updates on the follow-up review of the previous Internal Audit Reports;
- (v) Reviewed the adequacy and performance of the internal audit function and its comprehensive coverage of the Group's activities for FYE 2024; and
- (vi) Reviewed and assessed the adequacy of the scope, functions, competency and resources of the outsourced internal auditors for FYE 2024 and that they have the necessary authority to carry out their work.

8. REVIEW OF RELATED PARTY TRANSACTION AND CONFLICT OF INTEREST

Reviewed any related party transaction and conflict of interest situation that arose, persist or may arise within the Group including any transaction, procedure or course of conduct that raises questions on management integrity and the measures taken to resolve, eliminate, or mitigate such conflicts, if any, at each AC quarterly meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board recognises the importance of good corporate governance in discharging its responsibilities, protecting and enhancing shareholders' value through promoting and practicing high standards of corporate governance throughout the Group. The Board adopts and applies the principles and best practices as governed by the ACE Market Listing Requirements of Bursa Securities ("Bursa Securities") ("Listing Requirements") and the Malaysian Code on Corporate Governance ("Code").

The Corporate Governance Report ("CG Report") provides the details on how U Crest has applied each Practice as set out in the Code during the financial year ended 31 May 2024 ("FYE 2024"). The CG Report is available on our corporate website at www.ucrest.net. Where there are gaps in the Company's observation of any of the recommendations of the Code, these are disclosed in the CG Report with explanations.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

1.1 Board's Role and Responsibilities

The Board has the overall responsibility for the performance of the Group by maintaining full and effective control over strategic, financial, operational, compliance and governance issues. The Board is responsible in formulating and reviewing of strategic plans, key policies and monitoring the Group's business operations. The Board delegates the day-to-day management of the Company's business to the management team but reserves for its consideration of significant matters such as the following:-

- Approval of financial results;
- Declaration of dividends;
- Risk appetite setting;
- Credit policy;
- Business (Acquisitions/Disposal);
- Capital Expenditures;
- Corporate Proposal; and
- Budget.

The Board's role is to oversee the performance of the Management to determine whether the business is properly managed. The Board gets updates from Management at the quarterly Board Meetings when reviewing the unaudited quarterly results. During the meeting, the Board participates in the discussion on the performance of the Group.

The Board assumes the following responsibilities:-

- Reviewing, adopting and monitoring strategic plans for the Group to ensure that the Group's goals are clearly established;
- Overseeing the conduct of the Company's business;
- Identifying risks and assume active role in ensuring the implementation of appropriate systems to manage or mitigate these risks;
- Succession planning, including appointing, training, fixing the compensation of the key managements and to review the Succession Policy from time to time;
- Ensuring measures are in place to assess and oversee Management's performance for strengthening the Group's performance;
- Developing and implementing an investor relations programme or shareholder communications policy for the Group; and
- Reviewing the adequacy and integrity of the Group's internal control systems and management information systems, including system for compliance with applicable laws, regulations, rules, directives and guidelines.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.1 Board's Role and Responsibilities (Cont'd)

In furtherance of the above and to ensure orderly and effective discharge of its functions and responsibilities, the Board has established the following Board committees:

- Audit Committee ("AC")
- Nomination Committee ("NC")
- Remuneration Committee ("RC")
- Option Committee ("OC")
- Sustainability Committee ("SC")

The Board has defined the terms of reference for each Committee and the Chairman of these respective committees report and update the Board on significant matters and salient matters deliberated by the Committees. During the FYE 2023, the SC was newly formed on 19 January 2023 to oversee the implementation of the sustainability targets and strategy within the Group.

1.2 Chairman of the Board

The Chairman leads the strategic planning at the Board level. He ensures that all the Directors are briefed on issues arising at Board meetings and sufficient time is allowed for discussion.

The position of Chairman is currently headed by the Managing Director, Eg Kah Yee. During this period, the Managing Director undertakes the following roles and functions of the Chairmanship:

- (a) Providing support and guidance to Senior Management Offices to assist and facilitate management succession planning;
- (b) Grooming and mentoring Senior Management Offices to achieve consistently high levels of professionalism and excellent performance;
- (c) Providing leadership to the Board and is responsible for the developmental needs of the Board;
- (d) Ensuring that guidelines and procedures are in place to govern the Board's operation and conduct;
- (e) Ensuring the smooth functioning of the Board and the Governance structure and inculcating positive culture in the Board;
- (f) Ensuring that procedures and processes are in place to facilitate effective conduct of business by the Board; and
- (g) Chairing Board meetings and ensures the following:
 - i. All relevant issues are on the agenda of Board meetings;
 - ii. Board debates strategic and critical issues;
 - iii. Board receives the necessary management reports relating to the Company's business on a timely basis;
 - iv. All directors are able to participate openly in discussions at Board meetings;
 - v. Providing leadership to the Board and is responsible for the developmental needs of the Board;
 - vi. Chairing general meetings of the Company and provide clarification on issues that may be raised by shareholders; and
 - vii. Encouraging active participation and allowing dissenting views to be freely expressed.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.3 Separation of Position of Chairman and Managing Director

There is a division of responsibilities between the Chairman and the Managing Director (“MD”) to ensure that there is balance of power and authority ever since the first Executive Director (“ED”) of the Group has been appointed. The Chairman is responsible for the Board’s effectiveness and conduct, whilst the ED has overall responsibilities over the business and operation of the Group. The ED is responsible to formulate business and operations strategies and is empowered to structure the management team in discharging his duties to achieve the goals that has been assigned to him by the Board. The Board is still in favour of the abovementioned division of responsibilities despite the Chairman has assumed the role of ED.

Currently, the Chairman of the Board is headed by the Managing Director, Eg Kah Yee. Although a separation of position of Chairman and the Managing Director is recommended, it is the collective view of the Board, based on the current state of affair of and his shareholdings in the company, Eg Kah Yee’s expertise is highly needed and the Board is confident that the current practice is best in maintaining the sustainability and the creativity of the Group in moving forward for Eg Kah Yee to remain as the Chairman.

In addition to the abovementioned, the current composition of the Board comprises of a majority of Independent Non-Executive Directors. This provides a check and balance on the Company management with a view to safeguarding and protects the interest of all shareholders as a whole.

Currently, the Chairman of the Board is not a member of all the Board committees except the SC to ensure there is check and balance as well as objective review by the Board.

1.4 Qualified and Competent Company Secretaries

The Board has direct access to the advice and services of the Company Secretaries. The Company Secretaries are qualified to act in accordance with the requirements of the Companies Act, 2016.

The Board is updated by the Company Secretaries on new statutes and directives issued by the regulatory authorities. The Company Secretary has attended the Board and Committee meetings and ensured that all procedures are adhered.

Roles and responsibilities of the Company Secretaries can be found in the CG Report.

The Company Secretaries also attend regular conferences, trainings and seminar programmes to keep themselves abreast of the evolving capital market environment, regulatory changes and developments in corporate governance.

1.5 Access to Information and Advice

In reviewing and analysing the quarterly interim financial results, the Board was provided with various corroborative information and data. Procedures have been established for timely dissemination of Board and Board Committee papers to all Directors at least five (5) business days prior to the scheduled meetings via emails or physical copies to ensure sufficient time is given to the Directors to read the Board papers and seek clarification, if necessary, and enable them to deliberate issues raised during Board meetings more effectively. Additionally, management was also invited to brief and report in meetings of the Board and Board Committees.

The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes, including any dissenting views and matters where Directors abstained from voting or deliberation. The Company Secretaries will circulate the draft minutes of meetings for the Board and Board Committee’s review in a timely manner.

The Board collectively, and each Director individually, has the right to seek independent professional advice in furtherance of their duties, at the Company’s expense subject to the approval by the Board.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.6 Board Charter

A Board Charter had been established with the objectives to ensure that all Board Members are aware of their duties and responsibilities, the various legislations and regulations affecting their conduct, principles and practices of good corporate governance are applied accordingly.

The Board Charter is reviewed periodically and updated in accordance with the needs of the Company and any new regulation that may have an impact on the discharge of the Board's responsibilities. The Board Charter was last reviewed and updated on 31 May 2023 and would be reviewed and updated periodically.

The Board Charter is available on the Company's website at www.ucrest.net.

1.7 Code of Conduct and Ethics, Whistle Blower Policy and the Anti-Bribery & Corruption Policy

The Board strongly believes in applying good working ethics and code of conduct in all business dealings. The Board established the Code of Conduct and Ethics based on the following principles:-

- (a) Conflicts of interest;
- (b) Corporate opportunities;
- (c) Protection of confidential information;
- (d) Protection and proper use of company assets;
- (e) Compliance with laws, rules and regulations;
- (f) Trading on inside information;
- (g) Bribery and Corruption;
- (h) Money Laundering;
- (i) Preventing the abuse of power;
- (j) Compliance with the Code of Conduct and Ethics and reporting of any illegal or unethical behavior; and
- (k) Waivers and amendments.

The Code of Conduct and Ethics was reviewed and updated on 25 April 2018 and will be reviewed and updated periodically.

The Board recognises the importance of whistle-blowing and is committed to maintain the standards of ethical conduct within the Group. The Company is committed to operating in compliance with all applicable laws, rules and regulations, including those concerning accounting and auditing, and prohibits fraudulent practices by any of its board members, officers and/or employees. The Board had established a Whistle Blower policy which outlines procedures for employees to report actions that an employee reasonably believes violate a law, or regulation or that constitutes fraudulent accounting or other practices. This policy applies to any matter which is related to the Group's business. This policy has accordingly been inserted in the employee manual/handbook.

The Whistle Blower policy was reviewed and updated on 25 April 2018 and will be reviewed and updated periodically.

The Group adopts a zero-tolerance approach against all forms of bribery and corruption. The Board has formalised an Anti-Bribery & Corruption Policy to prevent, detect and address bribery and corruption via establishing a good corporate governance culture and ethical behavior amongst the Directors and employees of the Group. This policy is applicable to all Directors, employees, business partners of the Group.

The Anti-Bribery & Corruption policy adopted will be reviewed and updated periodically.

The Code of Conduct and Ethics, Whistle Blower policy and the Anti-Bribery & Corruption policy are available on the Company's website at www.ucrest.net.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1.8 Sustainability Governance

The Board believes that sustainable business practices are essential to the creation of long-term value, and that running the business in a responsible manner is intrinsically tied to achieving operational excellence.

In terms of structural oversight over sustainability including strategies, priorities and targets, it is reposed at the Board level with Management being responsible for operational execution with respect to Environmental, Social and Governance factors as part of the Group's corporate strategy.

As fiduciary to the Company's shareholders, the Board is focused on maintaining exemplary corporate governance practices, which include a commitment to ethics, integrity and corporate responsibility. The Board also ensures the Company's internal and external stakeholders are well informed on the sustainability strategies, priorities, targets as well as overall performance which the Sustainability Statement has provided a detailed articulation in this Annual Report.

The Board has formed Sustainability Committee on 19 January 2023 led by Mr Eg Kah Yee, the Managing Director of the Group together with 4 members, to manage the integration of sustainability considerations in the operation of the Company.

1.9 Time Commitments

The Board is primarily responsible for the strategic directions of the Group and is scheduled to meet at least four (4) times a year. However, additional meetings may be convened as and when deemed necessary as determined by the members of the Board.

During the financial year ended 31 May 2024, four (4) board meetings were held and the details of each Director's attendance are set out as follows:-

Directors	Meeting Attendance
Eg Kah Yee (Chairman)	4/4
Eg Kaa Chee	4/4
Abdul Razak Bin Dato' Haji Ipap	4/4
Chuan Tsui Ju	4/4
Prof. Low Teck Seng	3/4
Dato' Dr. Mohd Fikri Bin Abdullah	3/4
N Chanthiran A/L Nagappan	4/4

The Board is satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities. This is demonstrated by among others, the satisfactory attendance and time spent by the Directors at the Board and Board Committees meetings during the financial year.

Currently, all Directors of the Company held less than five (5) directorships in other listed companies.

The Chairman of the Board and the Company Secretaries shall be notified of any new directorship by any Board members. The notification shall include an indication of time that will be spent on the new appointment. The Company does not have policy nor impose any time commitment on its independent and non-executive director's position to commit their time to the Company but the Board members are supportive of the Chairman whenever a board meeting is called to deliberate important matters related to the Group.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2.0 Board Composition

The existing composition of the Board is as set out below:-

Directors	Designation
Eg Kah Yee	<i>Chairman/Managing Director</i>
Eg Kaa Chee	<i>Non-Independent Non-Executive Director</i>
Abdul Razak Bin Dato' Haji Ipap	<i>Non-Independent Non-Executive Director</i>
N Chanthiran A/L Nagappan	<i>Independent Non-Executive Director</i>
Chuan Tsui Ju	<i>Independent Non-Executive Director</i>
Prof. Low Teck Seng	<i>Independent Non-Executive Director</i>
Dato' Dr. Mohd Fikri Bin Abdullah	<i>Independent Non-Executive Director</i>

The profile of each Director is presented in the Profile of Directors section on pages 3 to 8 of this Annual Report.

The current Board has seven (7) members comprising the Managing Director (Chairman), two (2) Non-Independent Non-Executive Directors and four (4) Independent Non-Executive Directors. The composition of the Board comprises of a majority of Independent Non-Executive Directors. The Board members, with their diverse backgrounds, bring with them a wide range of competencies and experiences to provide stewardship to the Group.

The Board, through the NC review annually the structure, mix of skills, size and composition of the Board. The Board is satisfied that the current size and composition are effective for the proper functioning of the Board and the composition fairly reflects the investment of shareholders and balance in view of the Group's Business.

2.1 Independent Non-Executive Directors

The Independent Directors play a crucial supervisory function. Their presence is essential in providing unbiased views and impartiality to the Board's deliberation and decision-making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are fully discussed and examined, taking into account the interest of all stakeholders in the Group. In order to ensure the effectiveness of the Independent Directors, the Board undertakes an assessment of its Independent Directors on annual basis to ensure the Independent Director can continue to bring independent and objective judgement to Board deliberation.

All four (4) Independent Non-Executive Directors fulfil the criteria of independence as defined in the Listing Requirements.

The Company do not have a policy which limits the tenure of its independent directors to nine (9) years. However, the Board takes note that the Code recommends that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years unless shareholders' approval is obtained to retain such Director as an Independent Non-Executive Director. If the Board continues to retain the Independent Director after nine (9) years, the Board should provide justification and seek annual shareholders' approval through a two-tier voting process.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2.1 Independent Non-Executive Directors (Cont'd)

The NC will assess the independence of the Independent Director based on the assessment criteria developed by the NC and recommend to the Board for recommendation to the shareholders for approval. However, the tenure of an Independent Director is limited to not more than a cumulative period of twelve (12) years. After serving for twelve (12) years, an Independent Director may continue to serve on the Board as a Non-Independent Director.

The details of the Independent Non-Executive Director who has served for a cumulative term of more than nine (9) years can be found in the CG Report and the Notice of the forthcoming AGM.

2.2 Appointments to the Board

As documented in the Board Charter, the Board may exercise the power pursuant to the Constitution to appoint a person who is willing to act as a Director either to fill a casual vacancy or as an additional Director upon appropriate recommendation by the NC.

The appointment of new directorship would be through a formal and transparent selection process which includes a fit and proper assessment and would take into consideration the evaluation of the candidates' abilities in terms of their character, skills, qualifications, knowledge, experience, expertise, professionalism, integrity and time commitment to discharge their responsibilities. In the case of candidates for the position of Independent Non-Executive Directors, evaluation will be made on the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors.

2.3 Boardroom and Gender Diversity

The Board recognises the importance of gender diversity and is committed to the extent practicable, to address the recommendation of the Code relating to the establishment of a policy formalising its approach to boardroom and workplace diversity.

The Board has on 25 April 2018 adopted a Gender Diversity Policy. Diversity which encompasses various areas such as gender, age, ethnicity and cultural background and the Board firmly believes that a well diversified workplace could benefit the Company to achieve:-

- (a) a good morale between the workforce that leads to a healthy work culture where employees motivate each other to perform at a higher level;
- (b) with a gender-diverse workforce, the Company can expand its customer base and offer better services;
- (c) improved employment and career development opportunities for women;
- (d) a gender-balanced team brings with it greater industry knowledge and helps the company access more resources, as well as multiple channels of information; and
- (e) awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.

The appointment of Chuan Tsui Ju reflects that the Board recognises the value of a lady member of the Board and is a step taken by the Board towards achieving a more gender diversified Board.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2.4 Re-election of Directors

In accordance with the Company's Constitution, Directors appointed during the year are required to retire and seek for re-election at the following AGM immediately after their appointment. The Constitution also require one-third (1/3) of the Directors to retire by rotation and seek re-election at each AGM and that each Director shall submit himself for re-election every three (3) years.

The NC has considered the assessment of Abdul Razak Bin Dato' Haji Ipap and Dato' Dr. Mohd Fikri Bin Abdullah, the Directors standing for re-election at the forthcoming AGM and collectively agrees that they meet the criteria of character, experience, integrity, competence and time to effectively discharge their respective roles as Directors. The NC had also conducted the fit and proper assessment on the Directors who are subject to re-election at the forthcoming AGM and was satisfied with the outcome of the assessments.

The resolution for the re-election of each Director is voted separately at the AGM.

2.5 Professional Developments

The NC had assessed the training needs of each Director on an annual basis by determining areas that would strengthen their contribution to the Board. From the assessment, the NC is satisfied that the Directors have attended adequate trainings to enable them to discharge their duties.

All the Directors have attended the Mandatory Accreditation Programme ("MAP") prescribed by Bursa Securities for directors of public listed companies except for MAP part II in relation to sustainability and the related roles of a Director which shall be attended by all the existing Directors on or before 1 August 2025 based on the amendments to the Listing Requirements of Bursa Securities. The Directors will continue to undergo other relevant training sessions to further enhance their knowledge in the latest statutory and regulatory developments as well as to keep abreast with development in the business environment to enable them to discharge their responsibilities efficiently.

The Directors have attended the following trainings during the financial year 2024:-

Director	Trainings	Date
Eg Kah Yee	ESG Update and aligning ESG with your Business Strategies by Tricor Axcelasia Sdn. Bhd.	27 May 2024
Eg Kaa Chee	Legal Due Diligence on Foreign Committee, a Malaysia and Singapore Perspective by Bar Council Malaysia	21 September 2023
	e-Invoicing by YYC Tax Consultants Sdn. Bhd.	12 December 2023
	ESG Update and aligning ESG with your Business Strategies by Tricor Axcelasia Sdn. Bhd.	27 May 2024
Abdul Razak Bin Dato' Haji Ipap	ESG Update and aligning ESG with your Business Strategies by Tricor Axcelasia Sdn. Bhd.	27 May 2024

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2.5 Professional Developments (Cont'd)

The Directors have attended the following trainings during the financial year 2024:- (Cont'd)

Director	Trainings	Date
N Chanthiran A/L Nagappan	National Tax Conference 2023 by Chartered Tax Institute of Malaysia	1-2 August 2023
	Seminar Percukaian Kebangsaan 2023 by Lembaga Hasil Dalam Negeri	18 October 2023
	ISA 500 & 501 Audit Evidence and Specific Considerations for Selected Item by Malaysian Institute of Accountants	12 December 2023
	ISSA 5000 Proposed International Standard on Sustainability Assurance 5000 by Malaysian Institute of Accountants	18 December 2023
	MIA blended learning series. MPEs going concern, impairment and other issues by Malaysian Institute of Accountants	21 December 2023
	ESG Update and aligning ESG with your Business Strategies by Tricor Axcelasia Sdn. Bhd.	27 May 2024
Chuan Tsui Ju	ESG Update and aligning ESG with your Business Strategies by Tricor Axcelasia Sdn. Bhd.	27 May 2024
Prof. Low Teck Seng	Science of Cities by NUS Cities, College of Design and Engineering	31 August-1 September 2023
	Sustainability: the next challenge by NUS Business School	23-24 April 2024
	ESG Update and aligning ESG with your Business Strategies by Tricor Axcelasia Sdn. Bhd.	27 May 2024
Dato' Dr. Mohd Fikri Bin Abdullah	Basic Life Support (BLS) Training for Consultant by Gleneagles Kuala Lumpur	26 February 2024
	Disposable Vacuum Therapy by Smith & Nephews	29 February 2024
	NHAM Congress 2024 by National Heart Association of Malaysia	3 May 2024

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2.6 Nomination Committee

The NC was established on 22 February 2013 and has been tasked with the responsibilities to recommend new appointment to the Board. The NC shall be appointed by the Board of Directors and shall comprise exclusively of non-executive directors, a majority of whom are independent directors. The NC has two (2) members, all of whom are Independent Directors:

Chairman

N Chanthiran A/L Nagappan – Independent Non-Executive Director

Member

Chuan Tsui Ju – Independent Non-Executive Director

Terms of Reference

The Terms of Reference of the NC is available at the Company's website at www.ucrest.net.

Summary of Activities undertaken by the Nomination Committee

During the FYE 2024, the following activities were undertaken by NC:-

- Reviewed the result of the performance evaluation of Directors;
- Assessed the effectiveness and required mix of skills and experience and other qualities, including core competencies of the Board as a whole, the committees of the Board and the contribution of each existing Director and thereafter, recommended the findings to the Board;
- Assessed the term of office and performance of the Audit Committee and each individual member;
- Assessed the performance of the Nomination Committee and the Remuneration Committee;
- Assessed the independence of the Independent Directors based on criteria set out in the Listing Requirements;
- Reviewed and recommended the re-election of Eg Kaa Chee and Prof. Low Teck Seng as Directors at the Twenty-Sixth AGM;
- Reviewed and recommended the retention of Chuan Tsui Ju as Independent Non-Executive Director at the Twenty-Sixth AGM; and
- Reviewed the training needs of the Directors.

On 30 July 2024, the NC assessed the effectiveness of the Board as a whole, Board Committees and contributions of each individual Director as well as their character, experience, competence, integrity and time commitment, independence of Independent Directors. The NC reviews annually the required mix of skills and experience including core competencies which Non-Executive Directors should bring to the Board and other qualities for the Board to function effectively and efficiently.

The summary of the assessment and its findings was tabled to the NC on 30 July 2024. Based on the summary as presented, the NC tabled its recommendations to the Board at the Board of Directors' Meeting held on 30 July 2024.

The NC had on 30 July 2024 conducted assessment (including fit and proper assessment) on the Directors, Abdul Razak Bin Dato' Haji Ipap and Prof. Low Teck Seng, who are subject to retirement by rotation at the forthcoming AGM. The NC was satisfied with the assessment of the abovementioned Directors and recommended the re-election of the said Directors for the Board's further recommendation to the shareholders for approval.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2.6 Nomination Committee (Cont'd)

The NC had also on 30 July 2024 assessed the independence of the Independent Directors and is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interest of the Company. Based on the recommendations from the NC, the Board had also assessed and would be proposing to the shareholders for approval, the continuation in office of Chuan Tsui Ju, who has served for more than nine (9) years, as an Independent Non-Executive Director of the Company at the forthcoming AGM. A two-tier voting process would be adopted when seeking the shareholders' approval to retain Chuan Tsui Ju as an Independent Non-Executive Director of the Company.

The Board's proposal for continuation in office of Chuan Tsui Ju as Independent Non-Executive Director was based on the following:-

- (i) She fulfilled the criteria under the definition of Independent Director as stated in the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. Thus, she would be able to function as a check and balance and bring an element of objectivity to the Board;
- (ii) She has devoted sufficient time and attention to her professional obligations for informed and balanced decision making; and
- (iii) She has exercised her due care during her tenure as an Independent Non-Executive Director of the Company and carried out her duties in the best interest of the Company and shareholders.

Other than Directors' fees, options granted and allowances paid which had been the norm and been duly disclosed in the annual reports, no other incentives or benefits of whatsoever nature had been paid to the Independent Directors that would cause biases in their objective and independent judgement in board deliberation.

2.7 Directors' Fit and Proper Policy

The Company has established a Directors' Fit and Proper policy which serves as a guide to the NC and the Board in their review and assessment of candidates that are to be appointed onto the Board and its subsidiaries as well as Directors who are seeking for re-election.

The Board should consider the factors which includes but not limited to the following in assessing if a candidate meets the criteria under the policy:-

- (a) Character and integrity
 - (i) Probity
 - (ii) Personal integrity
 - (iii) Financial integrity
 - (iv) Reputation
- (b) Experience and competence
 - (i) Qualifications, training and skills
 - (ii) Relevant experience and expertise
 - (iii) Relevant past performance or track record
- (c) Time and commitment
 - (i) Ability to discharge role having regard to other commitments
 - (ii) Participation and contribution in the board or track record

The Directors' Fit and Proper policy was adopted by the Board on 27 April 2022. The Policy would be reviewed and updated periodically.

The Directors' Fit and Proper policy is available at the Company's website at www.ucrest.net.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2.8 Remuneration Policy

The Company has established a remuneration policy for the Directors and Senior Management to support and drive business strategy and long-term objectives of the Company and its subsidiaries.

Among others, the following are some of the criteria adopted by the Company and its subsidiaries in considering the remuneration of the Senior Management:-

- The overall performance of the Company and its subsidiaries;
- General economic situation;
- Prevailing market practice;
- Salary position against market;
- Skills and experience; and
- Individual performance.

In this regard, the RC is responsible to implement the policies and procedures on the remuneration for the Managing Director (“MD”) whilst the Board is responsible for approving the policies and procedures which govern the remuneration of the employees including MD and Senior Management of the Company to ensure the same remain competitive, appropriate and in alignment with the prevalent market practices and the Company attracts, retains and motivates the Directors and Senior Management who are with strong credentials, high caliber and astute insights to run the business successfully.

The remuneration package is reflective of the individual Director’s and Senior Management’s experience and level of responsibilities and it is structured to link to corporate and individual performance. The RC is responsible for determining the level and make up of MD’s remuneration and approved by the Board, with the presence of a majority of non-executive directors. The MD however, does not participate in any way when determining their respective remuneration package. The RC is guided by market norms and industry practices when making recommendations for the compensation and benefits of Directors and Key Senior Management.

All Directors are paid fixed monthly directors’ fee except for the MD. The MD received annual remuneration package including but not limited to telecommunication facilities and other reimbursable/claimable benefits in-kind as may be determined from time to time, for the purposes of carrying out his duty as MD. The determination of the monthly annual directors’ fee for Directors is a matter for the Board as a whole, depending on any additional responsibilities taken. The monthly directors’ fee payable to Directors is presented to the shareholders at the Annual General Meeting for their approval.

The Remuneration Policy of Directors and Senior Management was adopted by the Board on 25 April 2018. The Policy would be reviewed and updated periodically.

The Remuneration Policy is available at the Company’s website at www.ucrest.net.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2.8 Remuneration Policy (Cont'd)

Details of remuneration of Directors of the Company for the financial year ended 31 May 2024 are as follows:-

Name of Directors	Directors' Fees (RM)	Directors' Remuneration				Grand Total (RM)
		Salary (RM)	Bonus (RM)	Benefits in Kind (RM)	Other emoluments (RM)	
Group						
Executive Director						
Eg Kah Yee	-	120,000	-	-	-	120,000
Non-Executive Directors						
Eg Kaa Chee	36,000	-	-	-	-	36,000
N Chanthiran A/L Nagappan	48,000	-	-	130,600	-	178,600
Abdul Razak Bin Dato' Haji Ipap	36,000	-	-	-	-	36,000
Chuan Tsui Ju	36,000	-	-	-	-	36,000
Prof. Low Teck Seng	36,000	-	-	-	-	36,000
Dato' Dr. Mohd Fikri Bin Abdullah	36,000	-	-	-	-	36,000
Total	228,000	120,000	-	130,600	-	478,600

Company						
Executive Director						
Eg Kah Yee	-	-	-	-	-	-
Non-Executive Directors						
Eg Kaa Chee	36,000	-	-	-	-	36,000
N Chanthiran A/L Nagappan	48,000	-	-	130,600	-	178,600
Abdul Razak Bin Dato' Haji Ipap	36,000	-	-	-	-	36,000
Chuan Tsui Ju	36,000	-	-	-	-	36,000
Prof. Low Teck Seng	36,000	-	-	-	-	36,000
Dato' Dr. Mohd Fikri Bin Abdullah	36,000	-	-	-	-	36,000
Total	228,000	-	-	130,600	-	358,600

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

2.8 Remuneration Policy (Cont'd)

The Company respects the confidentiality of the remuneration of the Senior Management in view of the competitive nature of human resource market. Thus, the Company does not have the intention to adopt the recommendation to disclose the details of each member of senior management in bands of RM50,000 on a named basis.

However, the Company would endeavour to ensure that the remuneration package of the employees is in line with the industry practices and the annual increments and bonuses pay-out are based on individual performances.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

1.1 Audit Committee

The Audit Committee (“AC”) was established with the primary objective to provide assistance to the Board in fulfilling its fiduciary responsibilities relating to the corporate governance and practices for the Group, to improve the business efficiency and enhance the independent role of external and internal auditors.

The AC comprises two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, as follows:-

Chairman

N Chanthiran A/L Nagappan – Independent Non-Executive Director

Members

Chuan Tsui Ju – Independent Non-Executive Director

Abdul Razak Bin Dato’ Haji Ipap – Non-Independent Non-Executive Director

The Chairman of the AC is not the Chairman of the Board.

1.2 External Auditors

The Board has established a transparent relationship with the External Auditors through the AC, which has been accorded the authority to communicate directly with the external auditors. The auditors in turn are able to highlight matters which require the attention of the Board to the AC in terms of compliance with the accounting standards and other related regulatory requirements.

The AC undertakes annual assessment of the suitability and independence of the External Auditors. The factors considered by the AC in its assessment include, adequacy of professionalism and experience of the staff, the resources of the External Auditors, the fees and the independence of and the level of non-audit services rendered to the Group.

The AC is satisfied with the external auditors’ confirmation of independence and their conduct of the audit. These confirmations were made pursuant to the By-Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

1.2 External Auditors (Cont'd)

The AC had on 30 July 2024 conducted an assessment on the suitability and independence of the External Auditors. Based on the assessment, the AC was satisfied with Messrs. UHY Malaysia's (formerly known as UHY) ("UHY") competency, experience and independence. The Board, based on the AC's recommendation, would be tabling the re-appointment of UHY as the External Auditors of the Company at the Twenty-Seventh AGM.

The amounts of audit and non-audit fees paid to the External Auditors or a firm affiliated to the External Auditors by the Company and the Group for the financial year ended 31 May 2024 are as follows:-

	Group (RM)	Company (RM)
Audit	152,813	110,000
Non-Audit	5,000	5,000

1.3 Internal Audit Function

The internal audit function is independent of the operations of the Group and is outsourced to a competent consulting firm to provide its services to meet with the Group's required service level.

The internal auditor reports directly to the AC. The functions of the internal auditor are to ensure a regular review of the adequacy and integrity of its internal control system. The internal auditor will also be required to assist the Group in enhancing its existing risk management framework and adopting a risk-based approach based on COSO assessment model.

The assessment of the internal audit is reported periodically to the AC. The recommendations arising from the internal audit and its implementations would be monitored.

The internal audit function is outsourced to an independent professional firm, Vaersa Advisory Sdn. Bhd. The internal audit team is headed by Mr Quincy Gan who possesses the relevant qualification and experience and is assisted by eight members. The internal audit personnel are free from any relationships or conflicts of interest with the Company which could impair their objectivity and independence during the internal audit review. The AC had assessed the performance of the internal auditor on 30 July 2024 and was satisfied with the adequacy of the scope, competency and resources of the internal auditor and that it has the necessary authority to carry out its work.

The expenses incurred for the internal audit function for FYE 2024 is RM16,000.

1.4 Risk Management and Internal Control Framework

The Group has put in place an Enterprise Risk Management framework ("ERM") which comprises the following elements:

- Communicate and disseminate across the organisation the vision, role and direction of the Group;
- Provide guiding principles and approach towards risk management;
- Process of identification, assessment, evaluation and management of the various principal risks which affect the Group's business;
- Creation of a risk-awareness culture and risk ownership for more effective management of risks;
- Regular review, tracking and reporting on keys risks identified and corresponding mitigation procedures; and
- Regular review of the effectiveness of the system of internal control.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

1.4 Risk Management and Internal Control Framework (Cont'd)

The framework is applied to determine, evaluate and manage principal risks of the Group. This is complemented by the system of internal control that is integrated into the Group's operations and processes.

During FYE 2024, the AC reviewed and updated the risk management function constantly to safeguard shareholders' investments and the Group's assets.

The Group's internal audit function which includes the risk management function has been outsourced to external consultant which report directly to the AC.

The internal audit function currently reviews and appraises the risk management and internal control processes of the Group. The Statement on Risk Management and Internal Control set out on page 41 of this Annual Report provides an overview of the Group's approach to ensure the effectiveness of the risk management and internal processes within the Group.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

1.1 Communication

The Company is committed to provide clear, accurate and timely disclosure of all material information to its stakeholders and the general public. The Company will ensure compliance with the disclosure requirements as set out in the Listing Requirements at all times.

The Company communicates with its shareholders through the timely release of financial results on a quarterly basis, annual report, press releases and announcements to Bursa Securities. Financial results and press releases are also placed on the corporate website to keep shareholders and investors informed of the Company's performance.

1.2 Leverage on Information Technology for Effective Dissemination of Information

The Company maintains various methods of dissemination of information and has established a website at www.ucrest.net from which shareholders and the general public may access among others, the latest information on the activities of the Group; product information; announcements made to Bursa Securities; Annual Report; Board Charter and other policies of the Group.

1.3 Encourage Shareholder Participation at General Meetings

As stated earlier, the Board recognises the importance of communications with its shareholders and will take additional measures to encourage shareholders' participation at general meetings as recommended by the Code.

This includes the Chairman highlighting to shareholders and proxy holders, their right to speak up at general meetings and the conduct of poll voting for all resolutions tabled at general meetings.

The Twenty-Sixth AGM ("26th AGM") of the Company was held virtually through live streaming from the broadcast venue at 6th Floor, Unit 4, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan using the Remote Participation and voting facilities without the need to be physically present at the meeting venue.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

1.3 Encourage Shareholder Participation at General Meetings (Cont'd)

Notice of the 26th AGM together with the Company's Annual Report and the Circular to Shareholders were made available to the shareholders on 29 September 2023, being more than 28 days in advance of the scheduled AGM which was held on 15 November 2023. This is to enable the shareholders have sufficient time to read and understand the Company's financial and non-financial performance before the meeting.

Pursuant to the Listing Requirements, any resolution set out in the notice of any general meeting, or in any notice of resolutions which may properly be moved and is intended to be moved at any general meeting, must be voted by poll. Voting for all resolutions as set out in the Notice of 26th AGM held on 15 November 2023 were voted by poll and validated by an Independent Scrutineer.

1.4 Effective Communication and Proactive Engagement

The AGM also provides an effective means of communication with the shareholders where they are encouraged to participate in the open question and answer session during the AGM. The Chairman also provides sufficient time for the open question and answer session during the AGM. The Board responded to the questions submitted by Minority Shareholders Watch Group and the live questions posted from the shareholders at the 26th AGM. The minutes of the 26th AGM was uploaded to the Company's website within 30 business days from the date of the meeting.

Shareholders or potential investors can also send their enquiry to the Company via the Company's website at www.ucrest.net/contact-us/ or may contact the Company via the following:-

Tel No : +603-7728 9880
Fax No : +603-7728 1080
Email : info@ucrest.net

This CG Overview Statement was approved by the Board of the Company on 24 September 2024.

STATEMENT ON DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

It is the Board's responsibility to ensure that the financial statements are prepared in accordance with the Companies Act, 2016 and the applicable approved accounting standards set by Malaysian Accounting Standard Board so as to present a balanced and fair assessment of the Group's financial position and prospects. The Directors are also responsible for keeping proper accounting records, safeguarding the assets of the Company and taking reasonable steps to prevent and enable detection of fraud and other irregularities.

In preparing the financial statements, the Directors have taken the necessary steps and actions as follows:-

- (a) Selecting suitable accounting policies and then applying them consistently. This is done through discussion with the current reporting auditor if there is any changes in the accounting standard that may affect the way of the financial statement is presented;
- (b) Stating whether applicable accounting standards have been followed;
- (c) Making judgements and estimates that are reasonable and prudent. The Board makes judgements and estimates by carefully considering all aspects of the variables concerned and especially in the case of sustainability on the book value of the intangible assets; and
- (d) Preparing the financial statements on a going concern basis, having made reasonable enquiries and assessment on the resources of the Company on its ability to continue further business in foreseeable future.

SUSTAINABILITY STATEMENT

Overview and scope of sustainability at U Crest Berhad

Sustainability is one of the strategic pillars for U Crest Berhad. Our sustainability performance is considered fundamental to our business success and sustainability is in fact embedded in our day to day operations. Central to our approach is a strong emphasis on Health and Safety. It is a core value for our culture and provides the framework for the way employees are expected to behave. We are committed to enthral and engage with communities within which we operate through regular dialogues, socioeconomic footprint studies and community activities. It is an opportunity for us to gain feedback on our operations and how we impact them. In order to focus our efforts and strengthen our benchmarks for economic, environmental and social sustainability (“EES”).

The Sustainability Committee was established on 19 January 2023 and has been tasked with determining the organisation’s sustainability strategy and provides an oversight of our corporate sustainability policies and performance. Senior Management oversees the implementation of the organisation’s sustainability approach and ensures that key targets are being met. The respective division’s management heads are responsible for identifying, evaluating, monitoring and managing economic, environmental and social risks and opportunities directly.

Vision

The Company is committed to integrate Environmental, Social, and Governance (ESG) considerations into our business practices, operations, and investments. Our goal is to create long-term value for our stakeholders while promoting a more sustainable future.

To be recognised as a responsible industry leader, we strive to achieve our vision through:

1. Working with like-minded investors, partners and clients who share our core values and objectives
2. Ensuring our own business and owned developments are resilient to climate change and in-line with our pathway towards Net Zero
3. Empowering our experienced design and delivery supply chain to act responsibly and ethically to create long-term value of our projects
4. Identifying research opportunities and developing innovative solutions
5. Implementing a feedback loop of regular ESG monitoring and reporting to enable continual improvement

Sustainability Statement (Cont'd)

Core Objective

Environment	Social	Governance
<p>The Company is committed to reducing our environmental impact and promoting sustainable practices within our healthcare organization.</p> <p>Our environmental objectives include:</p> <ul style="list-style-type: none"> • Minimizing waste generation and promoting recycling and waste reduction practices. • Reducing our energy consumption and promoting the use of renewable energy sources. • Encouraging sustainable transportation practices for employees, patients, partners and suppliers. • Ensuring responsible procurement practices that prioritize environmentally friendly products and services. • Managing and reducing the use of hazardous materials and waste. • Regularly monitoring and reporting on our environmental performance. 	<p>The Company recognize the importance of our social responsibility to our patients, employees, and the communities we serve.</p> <p>Our social objectives include:</p> <ul style="list-style-type: none"> • Developing high-quality healthcare services that prioritize patient safety and satisfaction. • Providing a safe and healthy work environment for all employees, promoting equal opportunities and fair treatment. • Supporting local communities by promoting volunteerism and providing training and exposures to university students and internship programs and activities, and by partnering with local suppliers and service providers. • Maintaining high ethical standards in all aspects of our business, upholding the principles of transparency, integrity, and accountability. • Encouraging social responsibility among our suppliers and business partners. 	<p>The Company is committed to maintaining strong governance practices that prioritize ethical behaviour, transparency, and accountability.</p> <p>Our governance objectives include:</p> <ul style="list-style-type: none"> • Ensuring compliance with applicable laws and regulations. • Maintaining open and transparent communication with our stakeholders, including patients, employees, shareholders, and regulators. • Maintaining a diverse and independent board of directors that prioritizes ESG considerations in decision-making. • Regularly assessing and monitoring our ESG risks and opportunities. • Reporting on our ESG performance and progress towards our ESG objectives.

Board's Roles in Sustainability

The Board recognises the importance of building a sustainable business, therefore takes into consideration of the environmental, social and governance impact while developing corporate strategies.

The Board regularly reviews the strategic direction of the Company and the progress of the Company's operations, taking into account changes in the business and political environment and risk factors such as level of competition.

The Board promotes good corporate governance in the application of sustainability practices throughout the Company, the benefits of which are believed to translate into better corporate performance. Accordingly, the Company takes cognisance of the global environmental, social, governance and sustainability agenda.

Sustainability Statement (Cont'd)

Board's Roles in Sustainability (Cont'd)

The Company recognises the value of a diversified and skilled workforce and is committed to creating and maintaining an inclusive and collaborative workplace culture that will provide sustainability for the Company into the future. The Company is committed to leveraging the diverse backgrounds in terms of gender, ethnicity and age, experiences and perspectives of our workforce, to provide good customer service to an equally diverse customer base. The Company's commitment in recognising the importance of diversity extends to all areas of our business including recruitment, skills, enhancement, appointment to roles, retention of employees, succession planning and training and development.

Stakeholders Review & Engagement

Stakeholder Group	Engagement Methodology	Frequency of engagement
Customers	Customer feedback management Complaint management Market research & innovation	Regular Regular Regular
Vendors	Independent evaluation Vendor relationship management	Annually Regular
Governance & Regulators	Formal meetings/visits Licensing, audits & inspections Awareness on anti-bribery and corruption Director training program	Ad-hoc Ad-hoc Annually Annually
Employees	Employee performance appraisal Dialogue and engagement Health and safety awareness Employee engagement programmes	Annually Weekly Regular Regular

Material Sustainability & Relevant Action Plan

The following are the Company's identified material sustainability matters, identified via management reviews and assessments of the context and strategy with considerations to relevant stakeholders' requirements and expectations. These are critical internal and external risk and opportunities that are pertinent to our long-term growth and continual improvement.

Material sustainability issues	
Economics	Research & Development and commitment to innovation on related medical equipment's, mobile medical technology and technical know-how.
	Customer satisfaction and complaint management process for adherence and enhancement of products and service deliverables
	Sustainable value chain management with vendors, subcontractors, transporters, assessment, evaluation and improvements
Social responsibilities	Workforce diversity and human rights factor inculcation within human resources development and capital management
	Occupational Safety & Health Management policies and practices enforcement
Environmental stewardships	Product and Services Responsibility
	Compliance to local statutory and regulatory requirements

Sustainability Statement (Cont'd)

Material Sustainability & Relevant Action Plan (Cont'd)

We periodically update the full list of sustainability matters and revise our prioritisation annually based on our corporate strategy and external developments.

The Group is realising key benefits from integrating sustainability in business by including:

- Enhancement of process risk management via risk-based thinking group wide.
- To strengthen our international market presence without compromising aspects of quality and sustainability, and to be responsive to the challenges and changing expectations of stakeholders within the healthcare industry.
- Promoting innovation and attracting new customers with improvement initiatives and marketing strategy.
- Maintaining a licence to operate for best practices, fulfilling stakeholders needs and compliance to obligations.
- Securing capital with periodic business context and stakeholders review of requirements an expectation on environment, social and governance matters.
- To provide a safe working environment that is conducive for the personal and professional growth of our employees and corporate culture that is built on good communication practices, transparency and integrity.
- To strengthen our commitment to manage our impact on the environment by prioritizing strict adherence to environmental regulations.

The Company has undertaken the following initiatives as an integral part of its business operations and practices by contributing to the welfare of its employees, stakeholders, the general public and the environment it operates in:-

1. CORPORATE SOCIAL RESPONSIBILITIES (“CSR”)

The Group remains committed to support the community as a responsible corporate citizen during the financial year under review. The Group’s CSR initiatives are focused on enhancement of the workplace and environment conservation.

We acknowledge the importance of both financial and non-financial strategies in our continuous efforts to maintain long term and sustainable performance for the Group. While we focus on managing our business deliverables through improving financial profitability and shareholders’ value, we are also mindful of our goals to provide a sustainable workplace for our human assets’ career developments as they are critical components to our growth and to promote a sustainable environmentally responsible organisation.

2. WORKPLACE

Our people are our valuable assets. The Group provides its employees a quality work environment which complies with the health and safety standard as we understand a good environment would raise the efficiency and productivity of employees besides improving the quality of life of our employees.

We practice open door policy where employees have easy accessibility to their superiors. Two-way communications are encouraged to ensure share of ideas and/or work grievances to improve work processes and working environment. Periodical downward communication sessions from key management team with subordinates are also carried out as a way to impart the Company’s fundamentals and directions while addressing issues of concern.

In the light of the prolonged Covid-19 pandemic, the Group has ensured enhanced proper preventive measures and stringent hygiene standards are in place to safeguard our employees to mitigate any related risks and ensure minimal operations disruptions.

Sustainability Statement (Cont'd)

3. VENDOR

Sustainability in the supply chain from upstream to downstream is essential to maintain smooth business operations. Therefore, selection process of suppliers with the capacity to conduct business ethically, with professionalism and preparedness to adapt to changes that impact sustainability under the risk management plan is of paramount importance. We also value co-generation of opportunity with our suppliers, under an efficient assessment program. All these arrangements are in place to manage risk by making our resources secured from few suppliers, critical suppliers and suppliers who fail to comply with rules and regulations, or stakeholders' expectations. These risks can ultimately harm our reputation and disrupt our business.

The selection of suppliers is on the basis of commitment to comply to UCrest's business processes for sustainable business. Conduct assessment and certification of suppliers annually and continuously in order to mitigate risk in the supply chain.

4. ENVIRONMENT

The Group remains committed towards environmental conservation; continuing on recycle program as part of our efforts to reduce our environmental and carbon footprints and our commitment as an environmentally responsible organisation.

In line with commitment to reduce carbon footprints, employees are encouraged to fully maximise the benefits of electronic environment (eg. email, instant messaging and etc.) for communication, transitioning from hard copy to digital documentation stored in cloud-based systems and only print hard copy when necessary. Employees are also encouraged to print on both sides of paper to minimise paper usage. Energy efficient bulbs are used throughout and all computer peripherals and lighting are switched off when not in use.

5. HEALTH AND SAFETY

At UCrest, we believe in creating a strong safety culture. The Group reports on employee incidents and identifies trends and key risk areas, such as employee injuries, needle-stick injuries, employee falls, employee mobility incidents, occupational health-related incidents, infection-related incidents and exposure to bodily fluids. Fire drills and safety training to enhance employees' preparedness during emergencies are also conducted throughout the year. Our safety mechanism also entails the submission of health and safety recommendations about workplace conditions, the continual improvement of occupational health and safety standards by applying the lessons gained through experience and ongoing instruction and advice for staff and management.

6. EMPLOYEES' WELFARE

External trainings are provided to employees to enhance their skills and abilities which would offer excellent opportunities for career enhancement.

The Group promotes equal opportunities for employment advancement, aiming to cultivate long-lasting relationships between employers and employees. To nurture this relationship, several human resources initiatives have been introduced including:-

- Medical benefits, group hospitalisation and insurance coverage; and
- Employee's Share Option Scheme ("ESOS") was implemented to instil a sense of ownership amongst the staff.

Sustainability Statement (Cont'd)

7. TRAININGS

External trainings are provided to employees to enhance their skills and abilities which would offer excellent opportunities for career enhancement.

8. GROUP'S DIVERSITY

Diversity report on the breakdown of directors:-

Age group	Gender						Ethnicity							
	Male	%	Female	%	Total	%	Malays	%	Chinese	%	Indian	%	Total	%
51-60	3	50	-	-	3	43	1	50	1	40	1	100	3	43
61-70	3	50	1	100	4	57	1	50	3	60	-	-	4	57
	6	100	1	100	7	100	2	100	4	100	1	100	7	100

Diversity report on the breakdown of employees:-

Age group	Gender						Ethnicity							
	Male	%	Female	%	Total	%	Malays	%	Chinese	%	Indian	%	Total	%
21-30	4	57	1	20	5	42	2	50	3	60	-	-	5	42
31-40	1	14	2	40	3	25	-	-	1	20	2	67	3	25
41-50	2	29	2	40	4	33	2	50	1	20	1	33	4	33
	7	100	5	100	12	100	4	100	5	100	3	100	12	100

Key Sustainability Targets and Progress

Category	Measurement Type	Target	FYE 2024 Progress
Anti-Corruption <ul style="list-style-type: none"> Anti-bribery and Corruption 	Scoring on questionnaire on Employees' awareness on anti-bribery and corruption	60%	Average scoring of 92.19% obtained
	Zero cases of bribery and corruption	0 cases	Zero cases of bribery and corruption
Diversity <ul style="list-style-type: none"> Workforce gender diversity 	Percentage of female employee in the workforce	30%	There is currently 40.69% of female in the Company
	Percentage of female director	30%	Currently, 14% female representation on the Board
Energy Management <ul style="list-style-type: none"> Power consumption in premises 	Power consumption per headcount per year	Below 650kWh per headcount per year	573kWh per headcount for this year

Sustainability Statement (Cont'd)

Key Sustainability Targets and Progress (Cont'd)

Category	Measurement Type	Target	FYE 2024 Progress
<u>Health and Safety</u> <ul style="list-style-type: none"> Workplace injury 	Number of injury case reported during working hours per year	Less than 5 cases per year	No case injury reported during the year
<ul style="list-style-type: none"> Employee wellness 	Percentage of employees' subscription to iMedic and submit their health dataset as and when necessary or at least 1 time a year	100%	100% of total employees completed the submission of their health dataset
<u>Labour Practice and Standard</u> <ul style="list-style-type: none"> Directors' training program 	Scoring on Training Feedback Form on Effectiveness of the training subject	60%	Average scoring of 85.71% obtained
<u>Data Privacy and Security</u> <ul style="list-style-type: none"> Data Privacy 	Number of complaints concerning breaches of customer privacy and losses of customer data	Less than 3 complaints per year	No customer complaints for the year
<u>Community / Society</u>	–	–	Plan to start on FYE2026
<u>Water</u>	–	–	Not related to the company as there is no water supply inside the office
<u>Supply Chain Management</u>	–	–	Not related to the company as most of the suppliers provide information technology related products and services

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

1. Introduction

The Board is pleased to present its Statement on Risk Management and Internal Control which outlines the nature and scope of the risk management and internal control of the Group for the financial year ended 31 May 2024. This Statement on Risk Management and Internal Control is issued in line with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad on the status of the Group's compliance with the principles and best practices relating to risk management and internal control as stipulated in the Malaysian Code of Corporate Governance ("Code").

The Board is committed to maintaining a sound system of internal control of the Company and is pleased to provide the following statement, which outlines the nature and scope of internal control of the Company during the year.

2. Board Responsibilities

The Board of Directors recognises the importance of sound internal controls and risk management in safeguarding the assets of the Group. However, such systems are designed to manage rather than eliminate the business risk totally. It should be noted that any system could provide only reasonable and not absolute assurance against material misstatement or fraud.

The Group has in place an on-going process to identify, evaluate, monitor and manage any significant risks through the internal controls set out in order to attain a reasonable assurance that business objectives have been met. These controls are regularly reviewed by the Board and are subject to continuous improvement.

3. Risk Management Framework

The Board has established and developed an Enterprise Risk Management ("ERM") framework to achieve the following objectives:

- communicate and disseminate across the organisation the vision, role and direction of the Group;
- identify, assess, evaluate and manage the various principal risks which affect the Group's business;
- create a risk-awareness culture and risk ownership for more effective management of risks; and
- formulate a systematic process of review, tracking and reporting on keys risks identified and corresponding mitigation procedures.

A risk analysis of the Group is conducted on a regular basis including constantly reviewing the process in identifying, evaluating and putting up necessary action to assess and monitor the impacts of the risk on the operation and business. The process requires management to comprehensively identify and assess all types of risks in terms of likelihood and magnitude of impact as well as to address the adequacy and application of mechanisms in place to manage, mitigate, avoid or eliminate these risks. Significant risks identified are subsequently brought to the attention of the Board at the scheduled board meetings. This serves as the on-going process of identifying; assessing and managing risks faced by the Group and has been in place for the year under review and up to the date of approval of this statement for inclusion in the Annual Report.

The Group's risk management continues to be driven by the Managing Director and assisted by management. The Managing Director and management are responsible for identifying, evaluating and monitoring of risks and taking appropriate and timely actions to manage risk. These processes are embedded and carried out as part of the Group's operating and business management processes. External and relevant professionals would be drawn on to assist and provide advices to the management team when necessary. In order to ensure the objectivity of the review of the risk management and systems of internal control in the Group, the Audit Committee is instituted by the Board to undertake this role.

Statement on Risk Management and Internal Control (Cont'd)

3. Risk Management Framework (Cont'd)

In conducting its review, the process is regularly reviewed by the Board via the Audit Committee (“AC”) at the quarterly Board meeting with the assistance of the outsourced independent consulting firm Vaersa Advisory Sdn. Bhd. to further review and improves the existing internal control processes within the Group. The Group will continue to focus on the key risks and corresponding controls to ensure that they are able to respond effectively to the business changes and competitive environment.

Management further supplements the Audit Committee review on control and risk assessment when presenting the quarterly financial performance and results to the Audit Committee and the Board including pertinent explanations on the performance of the Group. With management consultation, the Audit Committee reviews and analyses the interim financial results in corroboration with management representations on operations and the performance of its subsidiaries as well as deliberates the annual report and audited financial statements before recommending these documents to the Board for approval.

4. Internal Control Framework

The other key elements of the Group’s internal control systems are described below:

- Monthly monitoring of operational results against the budget for the Board’s review and discussion;
- Regular and comprehensive information provided to the Board, covering financial performance and key business indicators;
- Regular updates of internal policies and procedures, to reflect changing risks or resolve operational efficiencies; and
- Regular management meeting with all key personnel of respective department to address weaknesses and improve efficiency.

The Board is of the view that there is no significant breakdown or weaknesses in the system of internal control of the Group that may have material impact against the operations of the Group for the financial year ended 31 May 2024.

5. Management Responsibilities and Assurance

In accordance to the Bursa Securities’ Guidelines, management is responsible to the Board for identifying risks relevant to the business of the Group’s objectives and strategies; implementing and maintaining sound systems of risk management and internal control; and monitoring and reporting to the Board of significant control deficiencies and changes in risks that could significantly affect the Group achievement of its objective and performance.

In producing this Statement, the Board has received assurance from the Managing Director that, to the best of his knowledge that the Group’s risk management and internal control systems are operating adequately and effectively, in all material aspects.

Statement on Risk Management and Internal Control (Cont'd)

6. Board Assurance and Limitation

The Board confirms that the process for identifying, evaluating and managing significant risks in the Group is on-going. For the financial year under review, there was no material loss resulted from significant control weaknesses. The Board is satisfied that the existing level of systems of internal control and risk management are effective to enable the Group to achieve its business objectives.

The Board wishes to reiterate that risk management and systems of internal control would be continuously improved in line with the evolving business development, it should be noted that all risk management systems and systems of internal control could only manage rather than eliminate risks of failure to achieve business objectives. Therefore, these systems of internal control and risk management in the Group could only provide reasonable but not absolute assurance against material misstatements, frauds and losses.

7. Review of the Statement by the External Auditors

As required by Rule 15.23 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the external auditors have reviewed the Statement on Risk Management and Internal Control for inclusion in the annual report for the financial year ended 31 May 2024. Their limited assurance review was performed in accordance with the Audit and Assurance Practice Guide (“AAPG”) 3 included in the Annual Report, issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

8. Conclusion

The Board recognises the necessity to monitor closely the adequacy and effectiveness of the Group’s system of internal controls and risk management, taking into consideration the fast-changing business environment. Although the Board is of the view that the present risk management and internal control is adequately in place to safeguard the Company’s assets and sufficient to detect any fraud or irregularities, the Board is on a constant watch for any improvement that may strengthen its current system from time to time.

This Statement is issued in accordance with a resolution of the Directors dated 24 September 2024.

ADDITIONAL COMPLIANCE INFORMATION

1. MATERIAL CONTRACTS

Neither the Company nor its subsidiary have entered into any contract which are or may be material (not being contracts entered into in the ordinary course of business) involving Directors' and Major Shareholders' interests since the end of the previous financial year.

2. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF A REVENUE OR TRADING NATURE

The breakdown of aggregate value of RRPT transacted during the financial year ended 31 May 2024 ("FYE 2024") are as follows:-

Transacting Party within U Crest Group	Related Party	Nature of Recurrent Transactions	Interested Related Parties	Actual Value Transacted during the financial year (RM)
UCrest Group (provider of products and services)	United Crest Healthcare Pte Ltd (recipient of products and services)	IP Licensing, sales of Software License and Hardware including installation, troubleshooting and outsourcing.	<i>Interested Director and Major Shareholder</i> Eg Kaa Chee Eg Kah Yee <i>Person Connected</i> See Lee Ming Jonathan Chuan Jack Eg	14,477,779

3. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

Private Placement pursuant to the Authority for the Directors to Issue Shares pursuant to Section 75 and 76 of the Companies Act, 2016

The Company had at the 25th AGM held on 25 November 2022 obtained the shareholders' approval for a general mandate to issue new shares in the Company, representing not more than ten percent (10%) of the total number of issued shares of the Company. Subsequently, the Company had at the 26th AGM held on 15 November 2023 obtained the shareholders' approval for a general mandate to issue up to ten percent (10%) of its total number of issued shares.

Bursa Malaysia Securities Berhad ("Bursa Securities") had on 25 May 2023, approved the listing and quotation of up to 70,481,900 new ordinary shares to be issued under the Private Placement pursuant to the general mandate until 24 November 2023. Subsequently, U Crest had obtained the approval of Bursa Securities vide its letters dated 20 November 2023 and 27 May 2024, for an extension of time of 6 months from 25 November 2023 up to 24 May 2024 and for further extension of time of 6 months from 25 May 2024 up to 24 November 2024 respectively to complete the implementation of the Private Placement.

Additional Compliance Information (Cont'd)

3. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL (CONT'D)

As at the date of this report, 50,000,000 new ordinary shares were issued under the Private Placement pursuant to the above general mandate. The details of the utilisation of proceeds from the Private Placement were as follows:-

Description	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance to be utilised (RM'000)
Working Capital	6,213	4,570	1,643
Payment of salaries	130	105	25

4. EMPLOYEE'S SHARE OPTION SCHEME ("ESOS")

The Company had at the Extraordinary General Meeting held on 22 January 2018 obtained shareholders' approval for the establishment and administration of an Employee's Share Option Scheme ("ESOS") with authority to allot and issue such number of new ordinary shares of up to 15% of the total number of issued shares of the Company (excluding treasury shares, if any) at any one time during the duration of the ESOS to the Eligible Persons from time to time pursuant the ESOS By-Laws. The ESOS is for a duration of five (5) years commencing from the date of implementation on 26 April 2018, and extended for a further duration of five (5) years until 25 April 2028 in accordance with the terms of the ESOS By-Laws.

Total number of options granted to the eligible Directors and employees of the Group and the outstanding options as at 31 May 2024 are set out in the table below:-

Description	Directors	Senior Management/ Director of Subsidiary	Other eligible employees	Total
Outstanding options unexercised as at 1 June 2023	2,000,000	-	-	2,000,000
Options granted during the FYE 2024	2,000,000	300,000	16,100,000	18,400,000
Options lapsed during the FYE 2024	-	-	-	-
Options exercised during the FYE 2024	-	-	-	-
Outstanding options unexercised as at 31 May 2024	4,000,000	300,000	16,100,000	20,400,000

Additional Compliance Information (Cont'd)

4. EMPLOYEE'S SHARE OPTION SCHEME ("ESOS") (CONT'D)

In accordance with the Company's ESOS By-Laws, not more than 50% of the total number of UCrest Shares comprised under the ESOS Scheme to be issued pursuant to the ESOS shall be allocated (in aggregate) to the Directors and senior management of the Group. Since the commencement of the ESOS up to the FYE 2024, the Company has granted 24.14% of the options to the Directors and Senior Management. As at FYE 2024, the details of allocations of options to the Directors are as follows:-

Name of Directors	Number of options unexercised as at 1 June 2023	During FYE 2024			Number of options unexercised as at 31 May 2024
		Number of options granted	Number of options lapsed	Number of options exercised	
<i>Chairman / Managing Director</i>					
Eg Kah Yee	-	-	-	-	-
<i>Independent Non-Executive Director</i>					
Chuan Tsui Ju	-	-	-	-	-
Dato' Dr. Mohd Fikri Bin Abdullah	-	-	-	-	-
Prof. Low Teck Seng	2,000,000	-	-	-	2,000,000
N Chanthiran A/L Nagappan	-	2,000,000	-	-	2,000,000
<i>Non-Independent Non-Executive Director</i>					
Eg Kaa Chee	-	-	-	-	-
Abdul Razak Bin Dato' Haji Ipap	-	-	-	-	-
Total	2,000,000	2,000,000	-	-	4,000,000

During the FYE 2024, the Company did not allot any new ordinary shares pursuant to the ESOS.

Subsequent to the FYE 2024, the Company allotted 1,950,000 new ordinary shares pursuant to the ESOS and subsequent thereto, there were no new options granted and no new ordinary shares allotted arising from exercise of options, under the ESOS as at the date of this report.

As at the date of this report, the unexercised options under the Company's ESOS are 18,450,000 options.

DIRECTORS' REPORT

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

Principal Activities

The principal activities of the Company are that of investment holding and design, development and marketing of information technology related products and services. The principal activities of its subsidiary companies are disclosed in Note 7 to the financial statements.

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

Financial Results

	Group RM	Company RM
Profit/(Loss) for the financial year	4,591,491	(6,633,595)
Attributable to:		
Owners of the Company	4,591,491	(6,633,595)

Reserves and Provisions

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

Dividends

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year. The Directors do not recommend any dividend in respect of the current financial year.

Issue of Shares and Debentures

During the financial year, the Company increased its issued and paid up share capital from 691,877,450 units to 741,877,450 units by way of issuance of new ordinary shares pursuant to the private placement at an issue price of RM0.0935 each for working capital purposes.

The new ordinary shares issued rank pari passu with the then existing ordinary shares of the Company.

There was no issuance of debentures during the financial year.

Directors' Report (Cont'd)

Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the issue of options pursuant to Employee Share Option Scheme ("ESOS").

Employee Share Option Scheme ("ESOS")

The Company has established an ESOS of not more than 15% of the issued share capital of the Company at the point of time throughout the duration of the scheme to eligible Directors and employees of the Group, which was approved by shareholders as an Extraordinary General Meeting held on 22 January 2018.

The ESOS became effective for a period of five (5) years from 26 April 2018 to 25 April 2023. Pursuant to the Board's approval on 29 March 2023, the tenure of the ESOS had been extended for a further period of five years and will expire on 25 April 2028.

The salient features and terms of the ESOS, details of share options exercised or lapsed during the financial year and outstanding at the end of the financial year are disclosed in Note 13 to the financial statements.

The movements of options offered to take up unissued ordinary shares during the financial year are as follows:

	Exercise price (RM)	Number of options over ordinary shares				
		At 01.06.2023	Granted	Exercised	Lapsed/ Surrendered	At 31.05.2024
Grant date						
09.05.2024	0.0988	-	18,400,000	-	-	18,400,000
29.04.2020	0.0868	2,000,000	-	-	-	2,000,000

Directors

The Directors of the Company in office during the financial year until the date of this report are:

Eg Kah Yee*
 Eg Kaa Chee*
 Abdul Razak Bin Dato' Haji Ipap
 Chuan Tsui Ju
 Dato' Dr. Mohd Fikri Bin Abdullah
 Prof. Low Teck Seng
 N Chanthiran A/L Nagappan

* Director of the Company and its subsidiary companies

The information required to be disclosed pursuant to Section 253 of the Companies Act, 2016 in Malaysia is deemed incorporated herein by such reference to the financial statements of the respective subsidiary companies and made a part hereof.

Directors' Report (Cont'd)

Directors' Interests

The interests and deemed interests in the shares, warrants, options over shares and debentures of the Company or its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial year end (including their spouses or children) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			At 31.05.2024
	At 01.06.2023	Bought	Disposal	
Shareholdings in the name of directors				
Direct interests:				
Eg Kah Yee	89,271,427	-	-	89,271,427
Eg Kaa Chee	2,000,002	-	-	2,000,002
Chuan Tsui Ju	1,500,750	-	-	1,500,750
Dato' Dr. Mohd Fikri Bin Abdullah	2,000,000	-	-	2,000,000
Indirect interests:				
Eg Kah Yee [^]	2,000,002	-	-	2,000,002
Eg Kaa Chee*	89,271,427	-	-	89,271,427
Number of share options				
	At 01.06.2023	Granted	Exercised	At 31.05.2024
Share options in the name of directors				
Prof. Low Teck Seng	2,000,000	-	-	2,000,000
N Chanthiran A/L Nagappan	-	2,000,000	-	2,000,000

[^]Deemed interest by virtue of his brother, Mr. Eg Kaa Chee's shareholding.

* Deemed interest by virtue of his brother, Mr. Eg Kah Yee's shareholding.

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

Directors' Report (Cont'd)

Directors' Benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, other than certain Directors who have significant financial interests in the companies which traded with certain companies in the Group in the ordinary course of business in which a Director is a member as disclosed in Note 27 to the financial statements.

The details of the Directors' remuneration for the financial year ended 31 May 2024 are set out below:

	Group RM	Company RM
Executive Director		
Salaries and other emoluments	120,000	-
Non-executive Director		
Fees	228,000	228,000
ESOS expenses	130,600	130,600
	<u>478,600</u>	<u>358,600</u>

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than those arising from ESOS.

Indemnity and Insurance Costs

There was no indemnity given to or insurance effected for any Directors, officers and auditors of the Company in accordance with Section 289 of the Companies Act, 2016.

Other Statutory Information

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that no bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.

Directors' Report
(Cont'd)**Other Statutory Information (Cont'd)**

- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or
 - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the Directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations when they fall due;
 - (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Directors' Report (Cont'd)

Subsidiary Companies

The details of the subsidiary companies are disclosed in Note 7 of the financial statements.

Significant Events

The significant events are disclosed in Note 31 to the financial statements.

Subsequent Events

The subsequent events are disclosed in Note 32 to the financial statements.

Directors' Report
(Cont'd)**Auditors**

The auditors, Messrs. UHY Malaysia (formerly known as UHY) have expressed their willingness to continue in office.

The auditors' remuneration of the Group and of the Company for the financial year ended 31 May 2024 are as follows:

	Group RM	Company RM
Auditors' remuneration:		
- Statutory audit	152,813	110,000
- Non-statutory audit	5,000	5,000
	<u>157,813</u>	<u>115,000</u>

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 24 September 2024.

EG KAH YEE

EG KAA CHEE

KUALA LUMPUR

STATEMENT BY DIRECTORS

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

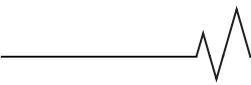
We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 May 2024 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 24 September 2024.

EG KAH YEE

EG KAA CHEE

KUALA LUMPUR



STATUTORY DECLARATION

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

I, EG KAH YEE, being the director primarily responsible for the financial management of UCrest Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements is correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed at Kuala Lumpur in the Federal)
Territory on 24 September 2024

EG KAH YEE

Before me,

No. W790
ZAINUL ABIDIN BIN AHMAD

COMMISSIONER FOR OATHS

INDEPENDENT
AUDITORS' REPORT
TO THE MEMBERS OF UCREST BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UCREST BERHAD, which comprise the statements of financial position as at 31 May 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 63 to 130.

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 May 2024, and of their financial performance and of their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Independent Auditors' Report (Cont'd)

Key Audit Matters

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

Key Audit Matters	How we addressed the key audit matters
<p>1. Assessment on impairment of intangible assets</p> <p>As at 31 May 2024, the Group's and the Company's carrying amount of intangible assets are both RM2,338,539, which represented 4% and 8% of the Group's and of the Company's total assets.</p> <p>The Group and the Company are required to assess at each reporting date whether there is any indication that the intangible assets may be impaired. If such indication exists, the Group and the Company shall estimate the recoverable amount of the intangible assets, which is the higher of fair value less cost to sell or value-in-use ("VIU").</p> <p>The determination of the recoverable amount of the intangible assets, which is established based on value-in-use, required significant judgements and estimates as describe in Note 2(c) and Note 6 to the financial statements respectively.</p> <p>Accordingly, assessment of impairment on intangible assets has been identified as key audit matters.</p>	<p>We obtained an understanding of the relevant controls put in place by the Group and the Company in respect of management's assessment on the impairment indicator and determination of recoverable amount of intangible assets and performed procedure to evaluate design and implementation of such controls.</p> <p>We assessed the appropriateness and reasonableness of the VIU calculation by:</p> <p>(a) verifying the input data used by management to ensure the accuracy of the underlying assets; and</p> <p>(b) challenged the key assumptions employed in the VIU calculation.</p> <p>We tested management's sensitivity analysis in relation to the key inputs to the impairment test model, as well as performing our own sensitivity analysis which include changes to key assumption.</p>

Independent Auditors' Report (Cont'd)

Key Audit Matters (Cont'd)

Key Audit Matters	How we addressed the key audit matters
<p>2. Impairment of trade receivables</p> <p>As at 31 May 2024, the Group's trade receivables was amounted to RM30,834,791, which represented 58% of the Group's total assets.</p> <p>The assessment for impairment for trade receivables involves significant management judgement, taking into consideration the age of the trade debts, historical payment pattern, existence of disputes and other available information concerning the recoverability of the receivables. Accordingly, impairment of trade receivables has been identified as a key audit matter.</p>	<p>We evaluated the Group's policy on its credit risk's management through discussion with management.</p> <p>We assessed the reasonableness of the methods and assumptions used by management in estimating the recoverable amount and impairment loss.</p> <p>We assessed the reasonableness of the Group's expected credit loss model by reviewing the probability of default using historical data and forward-looking information adjustment applied by the Group.</p> <p>We evaluated subsequent year end receipts and recoverability of outstanding trade receivables.</p>

Independent Auditors' Report (Cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the Directors' report and, in doing so, consider whether the Director's report 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 Directors' report, 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 the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

Independent Auditors' Report (Cont'd)

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 skepticism 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 (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Independent Auditors' Report (Cont'd)

Other Matter

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

UHY Malaysia
Firm Number: AF 1411
Chartered Accountants

OOI CHI YEE
Approved Number: 03684/08/2026 (J)
Chartered Accountant

KUALA LUMPUR

24 September 2024

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MAY 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	4	37,773	38,489	37,253	37,969
Right-of-use assets	5	163,894	321,233	163,894	321,233
Intangible assets	6	2,338,539	4,966,678	2,338,539	4,966,678
Investment in subsidiary companies	7	-	-	7	7
Trade receivables	8	19,738,654	15,857,314	-	-
		<u>22,278,860</u>	<u>21,183,714</u>	<u>2,539,693</u>	<u>5,325,887</u>
Current Assets					
Trade receivables	8	11,096,137	6,533,216	343,156	364,573
Other receivables	9	101,685	1,216,591	101,385	115,750
Amount due from subsidiary companies	10	-	-	14,548,152	14,417,850
Tax recoverable		335,491	718,748	144,000	144,000
Fixed deposit with licensed bank	11	13,330,875	12,157,719	11,388,980	11,094,544
Cash and bank balances	11	5,806,335	5,474,977	732,818	362,433
		<u>30,670,523</u>	<u>26,101,251</u>	<u>27,258,491</u>	<u>26,499,150</u>
Total Assets		<u>52,949,383</u>	<u>47,284,965</u>	<u>29,798,184</u>	<u>31,825,037</u>

Statements of Financial Position (Cont'd)

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
EQUITY AND LIABILITIES					
Equity					
Share capital	12	56,754,396	52,079,396	56,754,396	52,079,396
Reserves	13	(14,313,696)	(19,614,422)	(36,613,390)	(30,314,082)
Total Equity		<u>42,440,700</u>	<u>32,464,974</u>	<u>20,141,006</u>	<u>21,765,314</u>
LIABILITIES					
Non-Current Liabilities					
Deferred tax liabilities	14	-	-	-	-
Lease liabilities	16	14,356	181,087	14,356	181,087
		<u>14,356</u>	<u>181,087</u>	<u>14,356</u>	<u>181,087</u>
Current Liabilities					
Trade payables	15	10,041,597	12,910,100	1,429,882	1,720,415
Other payables	17	285,999	1,576,727	225,638	185,573
Amount due to subsidiary companies	10	-	-	7,820,571	7,820,571
Lease liabilities	16	166,731	152,077	166,731	152,077
		<u>10,494,327</u>	<u>14,638,904</u>	<u>9,642,822</u>	<u>9,878,636</u>
Total Liabilities		<u>10,508,683</u>	<u>14,819,991</u>	<u>9,657,178</u>	<u>10,059,723</u>
Total Equity and Liabilities		<u>52,949,383</u>	<u>47,284,965</u>	<u>29,798,184</u>	<u>31,825,037</u>

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	18	16,452,202	13,557,373	635,351	684,480
Cost of sales	19	(11,660,797)	(8,731,083)	(242,453)	(684,480)
Gross profit		<u>4,791,405</u>	<u>4,826,290</u>	<u>392,898</u>	<u>-</u>
Other income	20	745,144	550,143	614,382	525,803
Net gain on impairment on financial instruments		7,063,664	2,625,877	-	-
Distribution expenses		(13,751)	(14,132)	(13,751)	(14,132)
Administrative expenses		(7,980,522)	(7,788,353)	(7,612,675)	(7,307,920)
Finance costs	21	(14,449)	(98,924)	(14,449)	(98,924)
Profit/(Loss) before tax	22	<u>4,591,491</u>	<u>100,901</u>	<u>(6,633,595)</u>	<u>(6,895,173)</u>
Tax expense	24	-	-	-	-
Profit/(Loss) for the financial year		<u>4,591,491</u>	<u>100,901</u>	<u>(6,633,595)</u>	<u>(6,895,173)</u>
Other comprehensive income/(loss)					
Exchange translation differences for foreign operations		374,948	796,489	-	-
Total comprehensive income/(loss) for the financial year		<u>4,966,439</u>	<u>897,390</u>	<u>(6,633,595)</u>	<u>(6,895,173)</u>

Statements of Profit or Loss and Other Comprehensive Income (Cont'd)

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Profit/(Loss) attributable to:					
Owners of the Company		<u>4,591,491</u>	<u>100,901</u>	<u>(6,633,595)</u>	<u>(6,895,173)</u>
Total comprehensive income/(loss) attributable to:					
Owners of the Company		<u>4,966,439</u>	<u>897,390</u>	<u>(6,633,595)</u>	<u>(6,895,173)</u>
Basic earnings per share (sen)	25	<u>0.620</u>	<u>0.016</u>		
Diluted earnings per share (sen)	25	<u>0.619</u>	<u>0.016</u>		

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

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

	Attributable to Owners of the Company						Total Equity RM
	Non-distributable			Distributable			
	Share Capital RM	Employee Share Option Scheme ("ESOS") Reserves RM	Foreign Currency Translation Reserve RM	Accumulated Losses RM	Share Premium RM	Retained Earnings RM	
Group 2024							
At 1 June 2023	52,079,396	127,200	1,674,977	(21,416,599)	-	-	32,464,974
Profit for the financial year	-	-	-	4,591,491	-	-	4,591,491
Other comprehensive income	-	-	374,948	-	-	-	374,948
Total comprehensive income for the financial year	-	-	374,948	4,591,491	-	-	4,966,439
Transactions with owners:							
Issuance of ordinary shares:							
- private placement	4,675,000	-	-	-	-	-	4,675,000
Share option granted under ESOS	-	334,287	-	-	-	-	334,287
At 31 May 2024	56,754,396	461,487	2,049,925	(16,825,108)	-	-	42,440,700

Note

12

13

Statements of Changes in Equity (Cont'd)

	Attributable to Owners of the Company						Total Equity RM
	Non-distributable			Distributable			
	Share Capital RM	Employee Share Option Scheme ("ESOS") Reserves RM	Foreign Currency Translation Reserve RM	Accumulated Losses RM			
Group 2023							
At 1 June 2022	45,912,396	6,595,470	878,488	(27,985,770)		25,400,584	
Profit for the financial year	-	-	-	100,901		100,901	
Other comprehensive income	-	-	796,489	-		796,489	
Total comprehensive income for the financial year	-	-	796,489	100,901		897,390	
Transactions with owners:							
Issuance of ordinary shares: - pursuant to exercise of ESOS	6,167,000	(1,771,000)	-	-		4,396,000	
Share option granted under ESOS	-	1,771,000	-	-		1,771,000	
Lapsed/Surrendered share options	-	(6,468,270)	-	6,468,270		-	
At 31 May 2023	52,079,396	127,200	1,674,977	(21,416,599)		32,464,974	

Note

12,13

13

13

Statements of Changes in Equity (Cont'd)

	Attributable to owners of the Company				Total Equity RM
	Non-distributable	Employee Share Option Scheme ("ESOS") Reserves RM	Distributable	Accumulated Losses RM	
Share Capital RM					RM
Company 2024					
At 1 June 2023	52,079,396	127,200	(30,441,282)		21,765,314
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	(6,633,595)		(6,633,595)
Transactions with owners:					
Issuance of ordinary shares:					
- private placement	4,675,000	-	-		4,675,000
Share option granted under ESOS	-	334,287	-		334,287
At 31 May 2024	56,754,396	461,487	(37,074,877)		20,141,006

Note

12
13

Statements of Changes in Equity (Cont'd)

	Attributable to owners of the Company				Total Equity RM
	Share Capital RM	Non-distributable Employee Share Option Scheme ("ESOS") Reserves RM	Accumulated Losses RM	Distributable	
Company 2023					
At 1 June 2022	45,912,396	6,595,470	(30,014,379)		22,493,487
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	(6,895,173)		(6,895,173)
Transactions with owners:					
Issuance of ordinary shares: - pursuant to exercise of ESOS	6,167,000	(1,771,000)	-		4,396,000
Share option granted under ESOS	-	1,771,000	-		1,771,000
Lapsed/Surrendered share options	-	(6,468,270)	6,468,270		-
At 31 May 2023	52,079,396	127,200	(30,441,282)		21,765,314

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MAY 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash Flows Used in Operating Activities				
Profit/(Loss) before tax	4,591,491	100,901	(6,633,595)	(6,895,173)
Adjustments for:				
Amortisation of:				
- Intangible assets	2,628,139	2,628,139	2,628,139	2,628,139
- Right-of-use assets	157,339	157,429	157,339	157,429
Depreciation of property, plant and equipment	16,510	22,208	16,510	22,208
Finance cost on:				
- Lease liabilities	14,449	20,384	14,449	20,384
- Accretion of discount on trade payables	-	78,540	-	78,540
Interest income	(475,865)	(162,568)	(398,961)	(138,228)
Impairment losses recognised on trade receivables	1,375	765,232	-	-
Reversal of impairment loss on trade receivables	(7,065,039)	(3,391,109)	-	-
Unrealised gain on foreign exchange	(198,438)	(353,312)	(177,115)	(353,312)
Unrealised loss on foreign exchange	160,153	164,757	-	46,346
ESOS expenses	334,287	1,771,000	334,287	1,771,000
Operating profit/(loss) before working capital changes	164,401	1,801,601	(4,058,947)	(2,662,667)
Changes in working capital:				
Trade receivables	(1,696,841)	(9,563,403)	21,417	(52,820)
Other receivables	1,114,906	(1,115,645)	14,365	(15,104)
Trade payables	(2,861,705)	3,221,487	(242,672)	137,287
Other payables	(1,307,188)	1,336,917	23,605	(494)
Cash used in operating activities	(4,586,427)	(4,319,043)	(4,242,232)	(2,593,798)
Income tax paid	(92,338)	(108,518)	-	-
Income tax refunded	475,595	-	-	-
Interest received	475,865	162,568	398,961	138,228
Net cash used in operating activities	(3,727,305)	(4,264,993)	(3,843,271)	(2,455,570)

Statements of Cash Flows (Cont'd)

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash Flows Used in Investing Activities				
Purchase of property, plant and equipment	(15,794)	(7,028)	(15,794)	(7,028)
Advances to subsidiary companies	-	-	(130,302)	(129,452)
Net cash used in investing activities	<u>(15,794)</u>	<u>(7,028)</u>	<u>(146,096)</u>	<u>(136,480)</u>
Cash Flows From Financing Activities				
Proceeds from issuance of ordinary shares:				
- Private placement	4,675,000	-	4,675,000	-
- Pursuant to exercise of ESOS	-	4,396,000	-	4,396,000
Advance from a director	16,460	207	16,460	207
Repayment to subsidiary companies	-	-	-	(250,001)
Interest paid	(14,449)	(20,384)	(14,449)	(20,384)
Repayment of lease liabilities	<u>(152,077)</u>	<u>(146,138)</u>	<u>(152,077)</u>	<u>(146,138)</u>
Net cash from financing activities	<u>4,524,934</u>	<u>4,229,685</u>	<u>4,524,934</u>	<u>3,979,684</u>
Net increase/(decrease) in cash and cash equivalents	781,835	(42,336)	535,567	1,387,634
Cash and cash equivalents as at beginning of the financial year	17,632,696	15,486,949	11,456,977	9,716,031
Effect of exchange rate changes on cash and cash equivalents	<u>722,679</u>	<u>2,188,083</u>	<u>129,254</u>	<u>353,312</u>
Cash and cash equivalents as at the end of the financial year	<u>19,137,210</u>	<u>17,632,696</u>	<u>12,121,798</u>	<u>11,456,977</u>
Cash and cash equivalents comprise of:				
Cash and bank balances	5,806,335	5,474,977	732,818	362,433
Fixed deposits with licensed bank	<u>13,330,875</u>	<u>12,157,719</u>	<u>11,388,980</u>	<u>11,094,544</u>
	<u>19,137,210</u>	<u>17,632,696</u>	<u>12,121,798</u>	<u>11,456,977</u>

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

NOTES TO THE FINANCIAL STATEMENTS

31 MAY 2024

1. Corporate Information

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

The principal place of business of the Company was located at Lot 6.04, Level 6, KPMG Tower, 8, First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan.

The registered office of the Company is located at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No.8, Jalan Kerinchi, 59200 Kuala Lumpur.

The principal activities of the Company are that of an investment holding and design, development and marketing of information technology related products and services. The principal activities of the subsidiary companies are disclosed in Note 7.

There have been no significant changes in the nature of these activities of the Company and its subsidiary companies during the financial year.

2. Basis of Preparation

(a) Statement of compliance

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

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policy information below.

Notes to the Financial Statements (Cont'd)

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Adoption of amended standards

During the financial year, the Group and the Company have adopted the following amendments to standards issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial year:

MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 – Comparative Information
Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules

The adoption of the amendments to standards did not have any significant impact on the financial statements of the Group and of the Company, except for:

Amendments to MFRS 101 and MFRS Practice Statement 2 Disclosure of Accounting Policies

The Group and the Company have adopted the amendments to MFRS 101 *Presentation of Financial Statements* and MFRS Practice Statement 2 *Materiality Practice Statement* for the first time in the current financial year. The amendments change the requirements in MFRS 101 *Presentation of Financial Statements* with regard to disclosure of accounting policies. The amendments replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

Amendments to MFRS 101 *Presentation of Financial Statements* are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

Notes to the Financial Statements (Cont'd)

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Adoption of amended standards (Cont'd)

Amendments to MFRS 101 and MFRS Practice Statement 2 Disclosure of Accounting Policies (Cont'd)

The amendments have no effect on the measurement, recognition or presentation of any items in the Group's and the Company's financial statements but affect the disclosure of accounting policies.

Standards issued but not yet effective

The Group and the Company have not applied the following new standard and amendments to standards that have been issued by the MASB but are not yet effective for the Group and for the Company:

		Effective dates for financial periods beginning on or after
Amendments to MFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101	Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRSs	Amendments that are part of Annual Improvements - Volume 11	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

Notes to the Financial Statements (Cont'd)

2. Basis of Preparation (Cont'd)

(a) Statement of compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

The Group and the Company intend to adopt the above new standards and amendments to standards, if applicable, when they become effective.

The initial application of the above-mentioned new standards and amendments to standards are not expected to have any significant impacts on the financial statements of the Group and of the Company.

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Group's and the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements

There are no significant areas of critical judgements in applying the Company's accounting policies that have significant effect on the amounts recognised in the financial statements.

Notes to the Financial Statements (Cont'd)

2. Basis of Preparation (Cont'd)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Impairment of intangible assets

The Group and the Company assess whether there is any indication that intangible assets are impaired at the end of each reporting period. Impairment is measured by comparing the carrying amount of the intangible asset with its recoverable amount. The recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use. Estimating the value-in-use involves estimating the future cash inflows and outflows that will be derived from the cash flow projections and discounting them at appropriate discount rate. Changes to any of these assumptions would affect the amount of impairment. The key assumptions used to determine the recoverable amounts is disclosed in Note 6.

Impairment of receivables

The Group and the Company review the recoverability of its receivables, including trade and other receivables and amounts due from subsidiary at each reporting date to assess whether an impairment loss should be recognised. The assessment for impairment for trade receivables involves significant management judgement, taking into consideration the age of the trade debts, historical payment pattern, existence of disputes and other available information concerning the recoverability of the receivables.

The carrying amounts at the reporting date for trade receivables, other receivables and amount due from subsidiary companies are disclosed in Notes 8, 9 and 10 respectively.

Employee share options scheme

The Group and the Company measure the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the best available estimate of the number of equity instruments expected to exercise and the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including expected life of the share option, volatility and dividend yield and making assumptions about them. Details of assumptions made in respect of the ESOS are disclosed in Note 13.

Notes to the Financial Statements (Cont'd)

2. Basis of Preparation (Cont'd)

- (c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group recognises liabilities for tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these tax matters is different from the amounts that were initially recognised, such differences will impact the income tax and/or deferred tax provisions in the period in which such determination is made. As at 31 May 2024, the Group has tax recoverable of RM335,491 (2023: RM718,748) and the Company has tax recoverable of RM144,000 (2023: RM144,000).

3. Material Accounting Policy Information

The Group and the Company apply the material accounting policy information set out below, consistently throughout all periods presented in the financial statements unless otherwise stated.

- (a) Basis of consolidation

- (i) Subsidiary companies

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meet the definition of a business and control is transferred to the Group.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Unrealised losses are eliminated only if there is no indication of impairment. Where necessary, accounting policies of subsidiary companies have been changed to ensure consistency with the policies adopted by the Group.

In the Company's separate financial statements, investments in subsidiary companies are stated at cost less accumulated impairment losses. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. Refer accounting policy Note 3(h)(i) on impairment of non-financial assets.

Notes to the Financial Statements (Cont'd)

3. Material Accounting Policy Information (Cont'd)

(b) Foreign currency translation

(i) Foreign currency transactions and balances

Transactions in foreign currency are recorded in the functional currency of the respective Group entities using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end reporting date are included in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. These are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in profit or loss. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation are recognised in profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the reporting period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. Exchange differences arising from such non-monetary items are also recognised in other comprehensive income.

(ii) Foreign operations

The assets and liabilities of foreign operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at the rate of exchange prevailing at the reporting date, except for goodwill and fair value adjustments arising from business combinations before 1 January 2012 (the date of transition to MFRS) which are treated as assets and liabilities of the Company. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to RM at exchange rates at the dates of the transactions.

Notes to the Financial Statements (Cont'd)

3. Material Accounting Policy Information (Cont'd)

(b) Foreign currency translation (Cont'd)

(ii) Foreign operations (Cont'd)

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve (“FCTR”) in equity. However, if the operation is a non-wholly owned subsidiary company, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed such that control is lost, the cumulative amount in the FCTR related that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary company that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

(c) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

(ii) Depreciation

Depreciation of property, plant and equipment is recognised in the profit or loss on straight line basis to write off the cost of each asset to its residual value over its estimated useful life.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Furniture and fittings	20%
Computer equipment and software	20%
Office equipment	20%
Renovation	20%
Electrical equipment	20%

Notes to the Financial Statements (Cont'd)

3. Material Accounting Policy Information (Cont'd)

(d) Leases

As Lessee

The Group and the Company recognise ROU asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or site on which it is located, less any lease incentives received.

The ROU asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment loss and, if applicable, adjusted for any remeasurement of lease liabilities. The policy of recognition and measurement of impairment losses is in accordance with Note 3(h)(i) on impairment of non-financial assets.

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Building	3 years
----------	---------

The ROU asset is subject to impairment.

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the respective Group entities' incremental borrowing rates.

The Group and the Company remeasure the lease liability (and make a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term is has changed, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate asset, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased new.

Notes to the Financial Statements (Cont'd)

3. Material Accounting Policy Information (Cont'd)

(e) Intangible assets

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

Amortisation of intangible assets is calculated so as to write off the cost or valuation of the assets to their residual values on a straight line basis over the expected useful lives of the assets, summarised as follows:

Software	8 to 15 years
Development costs	20 years
Intellectual property rights	20 years

(f) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss (“FVTPL”), directly attributable transaction costs.

(i) Financial assets at amortised cost

The Group and the Company determine the classification of financial assets at initial recognition and the categories include trade and other receivables, fixed deposit with licensed bank, amount due from subsidiary companies and cash and bank balances.

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Notes to the Financial Statements (Cont'd)

3. Material Accounting Policy Information (Cont'd)

(f) Financial assets (Cont'd)

(ii) Financial assets at fair value through profit or loss (“FVTPL”)

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income (“FVTOCI”), as described above are measured at FVTPL. This includes derivative financial assets (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument). On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at AC or at FVTOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as FVTPL are subsequently measured at their fair with gains or losses recognised in the profit or loss.

All financial assets, except for those measured at FVTPL and equity investments measured at FVTOCI, are subject to impairment assessment as disclosed in Note 3(h)(ii) on impairment of financial assets.

Regular way purchase or sale of financial assets

Regular way purchase or sale are purchase or sale of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchase or sale of financial assets are recognised or derecognised on the trade date i.e., the date that the Group and the Company commit to purchase or sell the asset.

Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to receive cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial assets and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

Notes to the Financial Statements (Cont'd)

3. Material Accounting Policy Information (Cont'd)

(g) Financial liabilities

Financial liabilities are recognised when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company classify their financial liabilities at initial recognition at amortised cost

After initial recognition, financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains or losses are recognised in the profit or loss when the liabilities are derecognised and through the amortisation process.

The Group's and Company's financial liabilities designated at amortised cost comprise trade and other payables, amount due to subsidiary companies and lease liabilities.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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, and the difference in the respective carrying amounts is recognised in profit or loss.

(h) Impairment of assets

(i) Non-financial assets

The carrying amounts of non-financial assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs of disposal. In assessing value-in-use, the estimated future cash flows 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 or cash-generating unit.

Notes to the Financial Statements (Cont'd)

3. Material Accounting Policy Information (Cont'd)

(h) Impairment of assets (Cont'd)

(i) Non-financial assets (Cont'd)

An impairment loss is recognised if the carrying amount of an asset or cash-generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss.

(ii) Financial assets

The Group recognises an allowance for expected credit loss (“ECL”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Notes to the Financial Statements (Cont'd)

3. Material Accounting Policy Information (Cont'd)

(h) Impairment of assets (Cont'd)

(ii) Financial assets (Cont'd)

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(i) Employee benefits

(i) Share-based payments

The Group operates an equity-settled, share-based compensation plan for the employees of the Group. Employee services received in exchange for the grant of the share options is recognised as an expense in the profit or loss over the vesting periods of the grant with a corresponding increase in equity.

For options granted to the employees of the subsidiary companies, the fair value of the options granted is recognised as cost of investment in the subsidiary companies over the vesting period with a corresponding adjustment to equity in the Company's financial statements.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to be vested. At the end of each reporting date, the Group revises its estimates of the number of share options that are expected to be vested. It recognises the impact of the revision of original terms, if any, in the profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. When options are not exercised and lapsed, the share option reserve is transferred to retained earnings.

Notes to the Financial Statements (Cont'd)

3. Material Accounting Policy Information (Cont'd)

(j) Revenue and other income recognition

(i) Revenue from contracts with customers

Revenue is recognised when the Group and the Company satisfied a performance obligation (“PO”) by transferring a promised goods or services to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised in the amount allocated to the satisfied PO.

The Group and the Company recognise revenue from the following major source:

Rendering of services

Revenue from services is recognised in the reporting period in which the services are rendered, which simultaneously received and consumes the benefits provided by the Group and the Company, and the Group and the Company have a present right to payment for the services.

(ii) Interest income

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

(k) Statements of cash flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows. Cash and cash equivalents comprise cash and bank balances and deposits with licensed banks that are readily convertible into cash with insignificant risk of changes in value against which bank overdrafts, if any, are deducted.

Notes to the Financial Statements (Cont'd)

4. Property, Plant and Equipment

Group	Furniture and fittings RM	Computer equipment and software RM	Office equipment RM	Renovation RM	Electrical equipment RM	Total RM
Cost						
At 1 June 2023	106,387	3,087,311	211,100	781,214	736,145	4,922,157
Additions	-	15,794	-	-	-	15,794
At 31 May 2024	106,387	3,103,105	211,100	781,214	736,145	4,937,951
Accumulated depreciation						
At 1 June 2023	106,372	3,048,919	211,053	781,187	736,137	4,883,668
Charge for the financial year	-	16,510	-	-	-	16,510
At 31 May 2024	106,372	3,065,429	211,053	781,187	736,137	4,900,178
Carrying Amount						
At 31 May 2024	15	37,676	47	27	8	37,773

Notes to the Financial Statements
(Cont'd)

4. Property, Plant and Equipment (Cont'd)

Group	Furniture and fittings RM	Computer equipment and software RM	Office equipment RM	Renovation RM	Electrical equipment RM	Total RM
Cost						
At 1 June 2022	106,387	3,080,283	211,100	781,214	736,145	4,915,129
Additions	-	7,028	-	-	-	7,028
At 31 May 2023	106,387	3,087,311	211,100	781,214	736,145	4,922,157
Accumulated depreciation						
At 1 June 2022	106,372	3,026,711	211,053	781,187	736,137	4,861,460
Charge for the financial year	-	22,208	-	-	-	22,208
At 31 May 2023	106,372	3,048,919	211,053	781,187	736,137	4,883,668
Carrying Amount						
At 31 May 2023	15	38,392	47	27	8	38,489

Notes to the Financial Statements (Cont'd)

4. Property, Plant and Equipment (Cont'd)

Company	Furniture and fittings RM	Computer equipment and software RM	Office equipment RM	Renovation RM	Electrical equipment RM	Total RM
Cost						
At 1 June 2023	103,487	2,304,410	189,014	708,925	736,145	4,041,981
Additions	-	15,794	-	-	-	15,794
At 31 May 2024	103,487	2,320,204	189,014	708,925	736,145	4,057,775
Accumulated depreciation						
At 1 June 2023	103,478	2,266,508	188,982	708,907	736,137	4,004,012
Charge for the financial year	-	16,510	-	-	-	16,510
At 31 May 2024	103,478	2,283,018	188,982	708,907	736,137	4,020,522
Carrying Amount						
At 31 May 2024	9	37,186	32	18	8	37,253

Notes to the Financial Statements
(Cont'd)

4. Property, Plant and Equipment (Cont'd)

Company	Furniture and fittings and RM	Computer equipment and software RM	Office equipment RM	Renovation RM	Electrical equipment RM	Total RM
Cost						
At 1 June 2022	103,487	2,297,382	189,014	708,925	736,145	4,034,953
Additions	-	7,028	-	-	-	7,028
At 31 May 2023	103,487	2,304,410	189,014	708,925	736,145	4,041,981
Accumulated depreciation						
At 1 June 2022	103,478	2,244,300	188,982	708,907	736,137	3,981,804
Charge for the financial year	-	22,208	-	-	-	22,208
At 31 May 2023	103,478	2,266,508	188,982	708,907	736,137	4,004,012
Carrying Amount						
At 31 May 2023	9	37,902	32	18	8	37,969

Notes to the Financial Statements (Cont'd)

5. Right-of-Use Assets

	Building RM
Group and Company	
2024	
Cost	
At 1 June 2023/31 May 2024	<u>465,460</u>
Accumulated amortisation	
At 1 June 2023	144,227
Charge for the financial year	<u>157,339</u>
At 31 May 2024	<u>301,566</u>
Carrying amount	
At 31 May 2024	<u>163,894</u>
2023	
Cost	
At 1 June 2022	475,271
Addition	465,460
Expiration of lease contract	<u>(475,271)</u>
At 31 May 2023	<u>465,460</u>
Accumulated amortisation	
At 1 June 2022	462,069
Charge for the financial year	157,429
Expiration of lease contract	<u>(475,271)</u>
At 31 May 2023	<u>144,227</u>
Carrying amount	
At 31 May 2023	<u>321,233</u>

Notes to the Financial Statements
(Cont'd)

6. Intangible Assets

	Software RM	Development costs RM	Intellectual property rights RM	Total RM
Group				
2024				
Cost				
At 1 June 2023/31 May 2024	28,406,063	4,864,405	15,000,000	48,270,468
Accumulated amortisation				
At 1 June 2023/31 May 2024	16,003,904	4,670,526	5,612,273	26,286,703
Charge for the financial year	2,076,090	-	552,049	2,628,139
At 31 May 2024	18,079,994	4,670,526	6,164,322	28,914,842
Accumulated impairment loss				
At 1 June 2023/31 May 2024	9,779,334	193,879	7,043,874	17,017,087
Carrying amount				
At 31 May 2024	546,735	-	1,791,804	2,338,539
2023				
Cost				
At 1 June 2022/31 May 2023	28,406,063	4,864,405	15,000,000	48,270,468
Accumulated amortisation				
At 1 June 2022	13,927,814	4,670,526	5,060,224	23,658,564
Charge for the financial year	2,076,090	-	552,049	2,628,139
At 31 May 2023	16,003,904	4,670,526	5,612,273	26,286,703
Accumulated impairment loss				
At June 2022/31 May 2023	9,779,334	193,879	7,043,874	17,017,087
Carrying amount				
At 31 May 2023	2,622,825	-	2,343,853	4,966,678

Notes to the Financial Statements (Cont'd)

6. Intangible Assets (Cont'd)

	Software RM	Development costs RM	Intellectual property rights RM	Total RM
Company				
2024				
Cost				
At 1 June 2023/31 May 2024	17,363,746	3,867,003	15,000,000	36,230,749
Accumulated amortisation				
At 1 June 2023	11,837,400	3,673,124	5,612,273	21,122,797
Charge for the financial year	2,076,090	-	552,049	2,628,139
At 31 May 2024	13,913,490	3,673,124	6,164,322	23,750,936
Accumulated impairment loss				
At 1 June 2023/31 May 2024	2,903,521	193,879	7,043,874	10,141,274
Carrying amount				
At 31 May 2024	546,735	-	1,791,804	2,338,539
2023				
Cost				
At 1 June 2022/31 May 2023	17,363,746	3,867,003	15,000,000	36,230,749
Accumulated amortisation				
At 1 June 2022	9,761,310	3,673,124	5,060,224	18,494,658
Charge for the financial year	2,076,090	-	552,049	2,628,139
At 31 May 2023	11,837,400	3,673,124	5,612,273	21,122,797
Accumulated impairment loss				
At 1 June 2022/31 May 2023	2,903,521	193,879	7,043,874	10,141,274
Carrying amount				
At 31 May 2023	2,622,825	-	2,343,853	4,966,678

Notes to the Financial Statements (Cont'd)

6. Intangible Assets (Cont'd)

Assessment of impairment on intangible assets

The recoverable amounts of the cash generating unit (“CGU”) have been determined based on value-in-use (“VIU”) taking into account cash flow projections for the next 5 years.

The key assumptions used for value-in-use calculations are based on future projection of the Group as follows:

	2024	2023
	%	%
Gross profit margin	29	37
Revenue growth rate	5	3
Pre-tax discount rate	14	11

- (i) Gross profit margin - The gross profit margin is based on the past trend.
- (ii) Revenue growth rate - The revenue growth rate is based on the past trend.
- (iii) Pre-tax discount rate - The rate that reflect specific risks relating to the relevant CGU.

There is no reasonably possible change in any of the key assumptions used that would cause the carrying amount of the intangible assets to materially exceed the recoverable amount.

At the end of the reporting period, the Group and the Company assessed the recoverable amount of intangible assets, and determined that no further impairment of intangible assets is required. Management expects future cash flows will be generated from this CGU.

Notes to the Financial Statements (Cont'd)

7. Investment in Subsidiary Companies

	Company	
	2024 RM	2023 RM
In Malaysia		
Unquoted shares, at cost	100,006	100,006
Less: Accumulated impairment losses	(99,999)	(99,999)
	7	7

The shares of all subsidiary companies are held directly by the Company.

Details of the subsidiary companies are as follows:

Name of company	Place of business/ Country of incorporation	Effective interest		Principal activities
		2024 %	2023 %	
UCrest Healthcare Sdn. Bhd. (f.k.a. Palette System Sdn. Bhd.)	Malaysia	100	100	Development and marketing of information technology related products and services
UCrest Technology Sdn. Bhd.	Malaysia	100	100	Dormant
UCrest Technology Ltd.	British Virgin Islands	100	100	Mobile healthcare services provider

Notes to the Financial Statements
(Cont'd)

8. Trade Receivables

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Non-current				
Trade receivable:				
Company in which certain Directors of the company have substantial financial interest	20,901,434	17,114,806	-	-
Less: Accumulated impairment losses	<u>(1,162,780)</u>	<u>(1,257,492)</u>	<u>-</u>	<u>-</u>
	<u>19,738,654</u>	<u>15,857,314</u>	<u>-</u>	<u>-</u>
Current				
Trade receivables:				
Third parties	14,505,913	21,370,550	583,137	604,554
Company in which certain Directors of the company have substantial financial interest	11,061,450	6,286,600	-	-
	<u>25,567,363</u>	<u>27,657,150</u>	<u>583,137</u>	<u>604,554</u>
Less: Accumulated impairment losses	<u>(14,471,226)</u>	<u>(21,123,934)</u>	<u>(239,981)</u>	<u>(239,981)</u>
	<u>11,096,137</u>	<u>6,533,216</u>	<u>343,156</u>	<u>364,573</u>
	<u>30,834,791</u>	<u>22,390,530</u>	<u>343,156</u>	<u>364,573</u>

The Group's and the Company's normal trade credit terms range from 30 to 90 days (2023: 30 to 60 days). Other credit terms are determined on a case-to-case basis. Trade receivables are not secured by any collateral or credit enhancements.

Movements in the allowance for impairment losses are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
At the beginning of financial year	22,381,426	23,967,967	239,981	239,981
Impairment losses recognised	1,375	765,232	-	-
Impairment losses reversed	(7,065,039)	(3,391,109)	-	-
Exchange differences	316,244	1,039,336	-	-
At the end of financial year	<u>15,634,006</u>	<u>22,381,426</u>	<u>239,981</u>	<u>239,981</u>

Notes to the Financial Statements (Cont'd)

8. Trade Receivables (Cont'd)

The aged analysis of the trade receivables as at the end of the reporting period:

Group	Gross amount RM	Loss allowance RM	Net amount RM
2024			
Not past due	6,490,132	(156,061)	6,334,071
Past due:			
Less than 30 days	1,218,169	(36,903)	1,181,266
31 to 60 days	2,168,313	(72,813)	2,095,500
61 to 90 days	1,217,499	(42,692)	1,174,807
91 to 120 days	2,160,513	(83,121)	2,077,392
More than 120 days	19,099,065	(1,127,310)	17,971,755
	<u>25,863,559</u>	<u>(1,362,839)</u>	<u>24,500,720</u>
	32,353,691	(1,518,900)	30,834,791
Credit impaired:			
Individually impaired	14,115,106	(14,115,106)	-
	<u>46,468,797</u>	<u>(15,634,006)</u>	<u>30,834,791</u>
2023			
Not past due	1,717,875	(108,993)	1,608,882
Past due:			
Less than 30 days	1,802,775	(121,450)	1,681,325
31 to 60 days	1,779,663	(119,893)	1,659,770
61 to 90 days	1,895,225	(127,678)	1,767,547
91 to 120 days	1,640,988	(110,551)	1,530,437
More than 120 days	15,031,025	(888,456)	14,142,569
	<u>22,149,676</u>	<u>(1,368,028)</u>	<u>20,781,648</u>
	23,867,551	(1,477,021)	22,390,530
Credit impaired:			
Individually impaired	20,904,405	(20,904,405)	-
	<u>44,771,956</u>	<u>(22,381,426)</u>	<u>22,390,530</u>

Notes to the Financial Statements (Cont'd)

8. Trade Receivables (Cont'd)

The aged analysis of the trade receivables as at the end of the reporting period: (Cont'd)

	Gross amount RM	Loss allowance RM	Net amount RM
Company			
2024			
Not past due	8,593	-	8,593
Past due:			
Less than 30 days	8,470	-	8,470
31 to 60 days	7,800	-	7,800
61 to 90 days	7,800	-	7,800
More than 120 days	358,144	(47,651)	310,493
	<u>382,214</u>	<u>(47,651)</u>	<u>334,563</u>
	390,807	(47,651)	343,156
Credit impaired:			
Past due more than 120 days	192,330	(192,330)	-
	<u>583,137</u>	<u>(239,981)</u>	<u>343,156</u>
2023			
Not past due	-	-	-
Past due:			
More than 120 days	412,224	(47,651)	364,573
Credit impaired:			
Past due more than 120 days	192,330	(192,330)	-
	<u>604,554</u>	<u>(239,981)</u>	<u>364,573</u>

Trade receivables that are neither past due nor impaired are creditworthy receivables with good payment records with the Group and with the Company.

As at 31 May 2024, trade receivables of the Group and of the Company amounting to RM24,500,720 and RM334,563 (2023: RM20,781,648 and RM364,573) were past due but not impaired. These relate to a number of independent customers for whom there is no history of default.

The trade receivables of the Group and of the Company that are individually assessed to be impaired amounting to RM14,115,105 and RM192,330 (2023: RM20,904,405 and RM192,330) respectively, relate to customers that are in financial difficulties, have defaulted on payments and/or have disputed on the billings. These balances are expected to be recovered through the debt recovery process.

Notes to the Financial Statements (Cont'd)

9. Other Receivables

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other receivables	21,837	37,795	21,837	37,795
Deposits	68,265	1,168,806	67,965	67,965
Prepayments	11,583	9,990	11,583	9,990
	<u>101,685</u>	<u>1,216,591</u>	<u>101,385</u>	<u>115,750</u>

10. Amount due from/(to) subsidiary companies

	Note	Company	
		2024 RM	2023 RM
Amount due from subsidiary companies	(a)	<u>14,548,152</u>	<u>14,417,850</u>
Amount due to a subsidiary company	(b)	<u>(7,820,571)</u>	<u>(7,820,571)</u>

- (a) The net aggregate amount due from subsidiary companies during the financial year are as follows:

	Company	
	2024 RM	2023 RM
Amount due from subsidiary companies	17,301,730	17,171,428
Less: Amount due to a subsidiary company	<u>(2,753,578)</u>	<u>(2,753,578)</u>
	<u>14,548,152</u>	<u>14,417,850</u>

- (b) The net aggregate amount due to a subsidiary company during the financial year are as follows:

	Company	
	2024 RM	2023 RM
Amount due from a subsidiary company	14,835,326	14,835,326
Less: Allowance of impairment loss	<u>(13,376,570)</u>	<u>(13,376,570)</u>
	1,458,756	1,458,756
Amount due to a subsidiary company	<u>(9,279,327)</u>	<u>(9,279,327)</u>
	<u>(7,820,571)</u>	<u>(7,820,571)</u>

The amount due from/(to) subsidiary companies are non-interest bearing, unsecured and repayable on demand.

Notes to the Financial Statements (Cont'd)

11. Cash and Cash Equivalents

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances	5,806,335	5,474,977	732,818	362,433
Fixed deposit with licensed bank	13,330,875	12,157,719	11,388,980	11,094,544
	<u>19,137,210</u>	<u>17,632,696</u>	<u>12,121,798</u>	<u>11,456,977</u>

Deposits of the Group and of the Company have a maturity period of 1 month (2023: 1 month) and the effective interest rates range from 2.05% - 5.05% (2023: 1.30% - 1.45%) respectively.

12. Share Capital

	Group and Company			
	2024 Units	2023 Units	2024 RM	2023 RM
Ordinary shares issued and fully paid:				
At the beginning of financial year	691,877,450	621,877,450	52,079,396	45,912,396
Issue of shares pursuant to private placement	50,000,000	-	4,675,000	-
Issue of shares pursuant to exercise of ESOS	-	70,000,000	-	6,167,000
At the end of financial year	<u>741,877,450</u>	<u>691,877,450</u>	<u>56,754,396</u>	<u>52,079,396</u>

During the financial year, the Company increased its issued and paid up share capital from 691,877,450 units to 741,877,450 units by way of issuance of new ordinary shares pursuant to the private placement at an issue price of RM0.0935 each for working capital purposes.

In previous financial year, the Company increased its issued and paid up share capital from 621,877,450 units to 691,877,450 units by way of issuance of new ordinary shares pursuant to the exercise of options under Employee Share Option Scheme (“ESOS”) at an exercise price of RM0.0628 each.

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

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company’s residual assets.

Notes to the Financial Statements (Cont'd)

13. Reserves

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Distributable:					
Accumulated losses		(16,825,108)	(21,416,599)	(37,074,877)	(30,441,282)
Non-distributable:					
Foreign currency translation reserve	(a)	2,049,925	1,674,977	-	-
ESOS reserves	(b)	461,487	127,200	461,487	127,200
		<u>2,511,412</u>	<u>1,802,177</u>	<u>461,487</u>	<u>127,200</u>
		<u>(14,313,696)</u>	<u>(19,614,422)</u>	<u>(36,613,390)</u>	<u>(30,314,082)</u>

(a) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency as well as the foreign currency differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation or another currency.

(b) ESOS reserves

The share options reserve represents the equity-settled share options granted to employees. This reserve is made up of the cumulative value of services received from employees recorded on the grant date of share options. Share options reserve in relation to the unexercised option at the expiry of the share option scheme will be transferred to retained earnings.

Notes to the Financial Statements (Cont'd)

13. Reserves (Cont'd)

(b) ESOS reserves (Cont'd)

At an Extraordinary General Meeting held on 22 January 2018, the Company's shareholders approved the establishment on an ESOS. The ESOS was implemented on 26 April 2018 for a period of five (5) years and will expire on 25 April 2023. Pursuant to the Board's approval on 29 March 2023, the tenure of the ESOS had been extended for a further period of five years and will expire on 25 April 2028.

The salient feature of the ESOS are as follows:

- (i) The total number of new shares which may be made available under the scheme shall not exceed 15% of the total issued and paid-up share capital of the Company at any point of time during the existence of the ESOS;
- (ii) Eligible persons are confirmed employees including executive directors of the Group and have been in employment for the Group for a period of at least 12 months of continuous service on or prior to the date of allocation. However, where the employee/executive director is serving under an employment contract, the contract should be for duration of at least 2 years;
- (iii) Not more than 10% of the proposed allocation of the ESOS Options under the Proposed ESOS to be allocated to any eligible person, who, either singly or collectively through persons connected with the eligible person, holds 20% or more of the total number of issued shares of the Company, excluding treasury shares, if any;
- (iv) Not more than 50% of the proposed allocation of the ESOS Options under the Proposed ESOS shall be allocated, in aggregate, to the Directors and senior management of the Group;
- (v) The option price may be at discount of not more than 10% from 5 days weighted market price of the underlying shares preceeding the date of offer or at par value of the ordinary shares of the Company, whichever is higher;
- (vi) The ESOS shall be in force for a period of 5 years and extendable for another 5 years from the effective date; and
- (vii) The option granted may be exercised in full immediately or in parts within the duration of the scheme.

Notes to the Financial Statements (Cont'd)

13. Reserves (Cont'd)

(b) ESOS reserve (Cont'd)

Movement of ESOS during the financial year

The following table illustrates the share options granted and exercised during the financial year:

Grant dates	Exercise price RM	Number of options over ordinary shares				At end of year
		At beginning of year	Granted	Exercised	Lapsed/ Surrendered	
2024						
29.04.2020	0.0868	6,400,000	-	-	(4,400,000)	2,000,000
09.05.2024	0.0988	-	18,400,000	-	-	18,400,000
		<u>6,400,000</u>	<u>18,400,000</u>	<u>-</u>	<u>(4,400,000)</u>	<u>20,400,000</u>
2023						
29.04.2020	0.0868	6,400,000	-	-	(4,400,000)	2,000,000
07.10.2020	0.1184	47,032,000	-	-	(47,032,000)	-
01.12.2020	0.1374	1,500,000	-	-	(1,500,000)	-
19.03.2021	0.1806	9,000,000	-	-	(9,000,000)	-
06.04.2021	0.2164	5,800,000	-	-	(5,800,000)	-
21.09.2022	0.0628	-	70,000,000	(70,000,000)	-	-
		<u>69,732,000</u>	<u>70,000,000</u>	<u>(70,000,000)</u>	<u>(67,732,000)</u>	<u>2,000,000</u>

The fair value of share options granted during the financial year was estimated by an independent professional valuer using the Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted. The risk-free rate is based on Malaysian Government Securities ("MGSs").

Notes to the Financial Statements (Cont'd)

13. Reserves (Cont'd)

(b) ESOS reserve (Cont'd)

The fair value of share options measured at grant date and the assumptions are follows:

Group	29.4.2020	7.10.2020	1.12.2020	19.3.2021	6.4.2021	21.9.2022	09.05.2024
Fair value of share options and assumptions							
Weighted average fair value at grant date (RM)	0.06	0.09	0.10	0.12	0.14	0.03	0.07
Weighted average share price (RM)	0.10	0.13	0.15	0.20	0.24	0.07	0.11
Expected volatility (%)	105.74	13.32	111.39	108.74	109.07	107.72	74.03
Option life (years)	3	3	3	3	3	1	4
Expected dividends (%)	-	-	-	-	-	-	-
Risk-free interest rate (%)	2.60	2.60	2.60	2.60	2.60	2.50	9.75

The expected life of the share options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumptions that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

Total expenses recognised in profit or loss for share options granted to Directors and employees is in Note 22 to the financial statements.

Notes to the Financial Statements (Cont'd)

14. Deferred Tax Liabilities

The net deferred tax assets and liabilities shown on the statements of financial position after appropriate offsetting are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Deferred tax assets	(2,155,050)	(981,257)	(761,173)	(981,257)
Deferred tax liabilities	<u>2,155,050</u>	<u>981,257</u>	<u>761,173</u>	<u>981,257</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

	Temporary differences arising from property, plant and equipment and intangible asset RM	Unabsorbed capital allowances RM	Impairment losses on trade receivables RM	Total RM
Group				
Deferred tax assets				
At 1 June 2023	-	(923,662)	(57,595)	(981,257)
Recognised in profit or loss	-	94,844	(330)	94,514
Under provision in prior years	-	(474,314)	(793,993)	(1,268,307)
At 31 May 2024	<u>-</u>	<u>(1,303,132)</u>	<u>(851,918)</u>	<u>(2,155,050)</u>
At 1 June 2022	-	(1,491,388)	981,257	(2,342,976)
Recognised in profit or loss	-	231,870	(94,514)	231,870
Over provision in prior years	-	335,856	1,268,307	1,129,849
At 31 May 2023	<u>-</u>	<u>(923,662)</u>	<u>2,155,050</u>	<u>(981,257)</u>
Deferred tax liabilities				
At 1 June 2023	981,257	-	-	981,257
Recognised in profit or loss	(94,514)	-	-	(94,514)
Under provision in prior years	1,268,307	-	-	1,268,307
At 31 May 2024	<u>2,155,050</u>	<u>-</u>	<u>-</u>	<u>2,155,050</u>
At 1 June 2022	2,342,976	-	-	2,342,976
Recognised in profit or loss	(231,870)	-	-	(231,870)
Over provision in prior years	(1,129,849)	-	-	(1,129,849)
At 31 May 2023	<u>981,257</u>	<u>-</u>	<u>-</u>	<u>981,257</u>

Notes to the Financial Statements (Cont'd)

14. Deferred Tax Liabilities (Cont'd)

The components and movements of deferred tax assets and liabilities are as follows: (Cont'd)

	Temporary differences arising from property, plant and equipment and intangible asset RM	Unabsorbed capital allowances RM	Impairment losses on trade receivables RM	Total RM
Company				
Deferred tax assets				
At 1 June 2023	-	(923,662)	(57,595)	(981,257)
Recognised in profit or loss	-	214,247	-	214,247
Over recognition in prior years	-	5,837	-	5,837
At 31 May 2024	-	(703,578)	(57,595)	761,173
At 1 June 2022	-	(1,147,386)	(57,595)	(1,204,981)
Recognised in profit or loss	-	231,870	-	231,870
Under recognition in prior years	-	(8,146)	-	(8,146)
At 31 May 2023	-	(923,662)	(57,595)	(981,257)
Deferred tax liabilities				
At 1 June 2023	981,257	-	-	981,257
Recognised in profit or loss	(214,247)	-	-	(214,247)
Over provision in prior years	(5,837)	-	-	(5,837)
At 31 May 2024	761,173	-	-	761,173
At 1 June 2022	1,204,981	-	-	1,204,981
Recognised in profit or loss	(231,870)	-	-	(231,870)
Under provision recognised in prior years	8,146	-	-	8,146
At 31 May 2023	981,257	-	-	981,257

Notes to the Financial Statements (Cont'd)

14. Deferred Tax Liabilities (Cont'd)

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Unabsorbed capital allowances	4,806,124	3,541,416	4,666,586	3,333,583
Unabsorbed tax losses	19,229,746	18,172,640	19,020,538	17,262,000
	<u>24,035,870</u>	<u>21,714,056</u>	<u>23,687,124</u>	<u>20,595,583</u>
Unrecognised deferred tax assets at 24% (2023: 24%)	<u>5,768,609</u>	<u>5,211,374</u>	<u>5,684,910</u>	<u>4,942,940</u>

Deferred tax assets have not been recognised in respect of these items as it is not probable that future taxable profits will be available against which the Group and the Company can utilise the benefits therefrom.

The unutilised capital allowances of the Group and of the Company are available indefinitely for offsetting against future taxable profits of the Group and of the Company, subjects to no substantial changes in shareholdings of the Group entities under the Income Tax Act 1967 and guidelines issued by the tax authority.

Pursuant to Section 8 of the Finance Act 2021 (Act 833), the amendments to Section 44(5F) of Income Tax Act 1967, the time limit of the carried forward unutilised tax losses has been extended to maximum of 10 consecutive years of assessment. This amendment is deemed to have effect from the year of assessment 2019 and subsequent years of assessment.

Any unutilised business losses brought forward from year of assessment 2018 can be carried forward for another 10 consecutive years of assessment (i.e. from year of assessments 2019 to 2029) under the current tax legislation. The unutilised capital allowances and other temporary differences do not expire under current tax legislation.

The unused tax losses for which no deferred tax assets have been recognised are available for offset against future taxable profits of the Group and of the Company up to the following financial years:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Years of assessment				
- 2031	12,083,706	12,083,706	12,083,706	12,083,706
- 2032	1,546,696	1,685,398	1,546,696	1,598,661
- 2033	4,094,036	4,403,536	3,954,497	3,579,633
- 2034	1,505,308	-	1,435,639	-
	<u>19,229,746</u>	<u>18,172,640</u>	<u>19,020,538</u>	<u>17,262,000</u>

Notes to the Financial Statements
(Cont'd)

15. **Trade Payables**

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Current	<u>10,041,597</u>	<u>12,910,100</u>	<u>1,429,882</u>	<u>1,720,415</u>

The normal trade credit terms for current trade payables granted to the Group and the Company range from to 30 to 90 days (2023: 30 to 90 days).

16. **Lease liabilities**

	Group and Company	
	2024	2023
	RM	RM
Cost		
At beginning of the financial year	333,164	13,842
Addition	-	465,460
Interest expenses	14,449	20,384
Interest payment	(14,449)	(20,384)
Repayment	(152,077)	(146,138)
At end of the financial year	<u>181,087</u>	<u>333,164</u>
Minimum lease liabilities repayments		
Within 1 year	172,511	166,525
Later than 1 year but not later than 2 years	14,421	186,933
	<u>186,932</u>	<u>353,458</u>
Less: Future finance charges	(5,845)	(20,294)
	<u>181,087</u>	<u>333,164</u>
Present value of minimum lease liabilities repayments		
Within 1 year	166,731	152,077
Later than 1 year but not later than 2 years	14,356	181,087
	<u>181,087</u>	<u>333,164</u>
Analysed by:		
Current portion	166,731	152,077
Non-current portion	14,356	181,087
	<u>181,087</u>	<u>333,164</u>

Notes to the Financial Statements (Cont'd)

16. Lease liabilities (Cont'd)

Rates of interest charged per annum:

	Group and Company	
	2024	2023
	%	%
Lease liabilities owing to non-financial institutions	<u>2.27</u>	<u>2.27</u>

(a) The Group has certain leases of equipment with lease term of 12 months or less, and low value leases of office equipment of RM20,000 and below. The Group applies the “short-term lease” and “lease of low-value assets” exemptions for these leases.

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

	Group and Company	
	2024	2023
	RM	RM
Amortisation of right-of-use assets	157,339	157,429
Interest on lease liabilities	14,449	20,384
Expenses relating to short-term leases	<u>4,200</u>	<u>4,200</u>
	<u>175,988</u>	<u>182,013</u>

(c) At the end of the financial year, the Group and the Company had total cash outflow for leases of RM175,988 (2023: RM182,013).

17. Other Payables

	Note	Group		Company	
		2024	2023	2024	2023
		RM	RM	RM	RM
Other payables		28,499	25,411	11,995	11,292
Deposits received		-	1,339,072	-	-
Accruals		217,832	189,036	173,975	151,073
Amount due to directors	(a)	<u>39,668</u>	<u>23,208</u>	<u>39,668</u>	<u>23,208</u>
		<u>285,999</u>	<u>1,576,727</u>	<u>225,638</u>	<u>185,573</u>

(a) Amount due to directors of the Group and of the Company are non-interest bearing, unsecured and repayable on demand.

Notes to the Financial Statements (Cont'd)

18. Revenue

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
At point in time Revenue from contracts with customers				
Services	15,113,130	13,557,373	635,351	684,480
Equipment	1,339,072	-	-	-
	<u>16,452,202</u>	<u>13,557,373</u>	<u>635,351</u>	<u>684,480</u>

19. Cost of sales

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Purchases	<u>11,660,797</u>	<u>8,731,083</u>	<u>242,453</u>	<u>684,480</u>

20. Other Income

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest income	475,865	162,568	398,961	138,228
Gain on foreign exchange:				
- Realised	26,097	28,535	2,840	28,535
- Unrealised	198,438	353,312	177,115	353,312
Other income	13,544	5,728	4,266	5,728
Rental income	31,200	-	31,200	-
	<u>745,144</u>	<u>550,143</u>	<u>614,382</u>	<u>525,803</u>

21. Finance Costs

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest expenses on:				
- Accretion of discount on trade payables	-	78,540	-	78,540
- Lease liabilities	14,449	20,384	14,449	20,384
	<u>14,449</u>	<u>98,924</u>	<u>14,449</u>	<u>98,924</u>

Notes to the Financial Statements (Cont'd)

22. Profit/(Loss) Before Tax

Profit/(Loss) before taxation is determined after charging/(crediting):

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Auditors' remuneration:				
- statutory audit	152,813	144,871	110,000	108,000
- non-audit services	5,000	5,000	5,000	5,000
Amortisation of:				
- Intangible assets	2,628,139	2,628,139	2,628,139	2,628,139
- Right-of-use assets	157,339	157,429	157,339	157,429
Depreciation of property, plant and equipment	16,510	22,208	16,510	22,208
Directors' remuneration (Note 27)	348,000	395,904	228,000	275,904
ESOS expenses:				
- Employees (Note 23)	203,687	1,720,400	203,687	1,720,400
- Directors (Note 27(c))	130,600	50,600	130,600	50,600
Reversal of impairment losses on trade receivables	(7,065,039)	(3,391,109)	-	-
Impairment losses recognised on trade receivables	1,375	765,232	-	-
Expenses relating to short- term leases:				
- Office equipment	4,200	4,200	4,200	4,200
Loss on foreign exchange:				
- Realised	122,635	89,670	122,635	59,928
- Unrealised	160,153	164,757	-	46,346

23. Staff Costs

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Salaries, wages and other emoluments	913,873	749,537	913,873	735,016
Defined contribution plans	94,074	75,364	94,074	73,759
ESOS expense	203,687	1,720,400	203,687	1,720,400
	<u>1,211,634</u>	<u>2,545,301</u>	<u>1,211,634</u>	<u>2,529,175</u>

The staff costs excluded amount of remuneration received and receivable by the Executive Directors and Non-Executive Directors of the Group and of the Company during the financial year.

Notes to the Financial Statements (Cont'd)

24. Tax expense

No provision for taxation was made as the Group and the Company do not have any taxable income.

Malaysian income tax is calculated at the statutory tax rate of 24% (2023: 24%) of the estimated assessable profits for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

A reconciliation of income tax expense/(credit) applicable to profit/(loss) before tax at the statutory tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit/(Loss) before tax	4,591,491	100,901	(6,633,595)	(6,895,173)
At Malaysian statutory tax rate of 24% (2023: 24%)	1,101,958	24,216	(1,592,063)	(1,654,842)
Tax exempt from foreign income	(2,516,159)	(1,722,506)	-	-
Non-deductible expenses	904,591	502,710	892,601	473,872
Income not subject to tax	(47,625)	-	(42,508)	-
Deferred tax assets not recognised	557,235	1,195,580	741,970	1,180,970
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

25. Earnings per share

(a) Basic earnings per shares

The basic earnings per share are calculated based on the consolidated profit for the financial year attributable to owners of the parent and the weighted average number of ordinary shares in issue during the financial year as follows:

	Group	
	2024 RM	2023 RM
Profit attributable to owners of the company	4,591,491	100,901
Weighted average number of ordinary shares for basic earnings per share (units)	740,918,546	641,405,532
Basic earnings per share (sen)	0.620	0.016

Notes to the Financial Statements (Cont'd)

25. Earnings per share (Cont'd)

(b) Diluted earnings per share

Diluted loss per share are based on the loss for the financial year attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Group	
	2024	2023
Loss attributable to owners of the Company (RM)	<u>4,591,591</u>	<u>100,901</u>
Weighted average number of ordinary shares for basic earnings per share (units)	740,918,546	641,405,532
Effect of dilution from ESOS	<u>328,697</u>	<u>242,025</u>
Weighted average number of ordinary shares for basic earnings per share (units)	<u>741,247,243</u>	<u>641,647,557</u>
Diluted loss per share (sen)	<u>0.619</u>	<u>0.016</u>

26. Reconciliation of liabilities arising from financing activities

	At beginning of year RM	Financing cash flows RM	New lease liabilities (Note 16) RM	At end of year RM
Group				
2024				
Lease liabilities	333,164	(152,077)	-	181,087
Amount due to directors	<u>23,208</u>	<u>16,460</u>	<u>-</u>	<u>39,668</u>
2023				
Lease liabilities	13,842	(146,138)	465,460	333,164
Amount due to directors	<u>23,001</u>	<u>207</u>	<u>-</u>	<u>23,208</u>
Company				
2024				
Lease liabilities	333,164	(152,077)	-	181,087
Amount due to directors	23,208	16,460	-	39,668
Amount due to subsidiary companies	<u>7,820,571</u>	<u>-</u>	<u>-</u>	<u>7,820,571</u>
2023				
Lease liabilities	13,842	(146,138)	465,460	333,164
Amount due to directors	23,001	207	-	23,208
Amount due to subsidiary companies	<u>8,070,572</u>	<u>(250,001)</u>	<u>-</u>	<u>7,820,571</u>

Notes to the Financial Statements (Cont'd)

27. Significant Related Party Disclosures

(a) Identifying related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed in Notes 10 and 17, the significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Transaction a company in which certain directors has substantial interest:				
- Services rendered	<u>14,477,779</u>	<u>12,772,893</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements (Cont'd)

27. Significant Related Party Disclosures (Cont'd)

(c) Compensation of key management personnel

Remuneration of Directors are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Executive Director				
Salaries and other emoluments	120,000	120,000	-	-
ESOS expenses	-	50,600	-	50,600
Non-executive Directors				
Fees	228,000	225,304	228,000	225,304
ESOS expenses	130,600	-	130,600	-
	<u>478,600</u>	<u>395,904</u>	<u>358,600</u>	<u>275,904</u>

Compensation of key management personnel comprised all the directors of the Group and of the Company.

28. Segment Information

The Group prepared the following segment information in accordance with MFRS 8 Operating Segments based on the internal reports of the Group's strategic business units which are regularly reviewed by the Group's Chief Executive Officer ("CEO") for the purpose of making decisions about resource allocation and performance assessment.

Operating segment

The principal activities of the Group are carrying on design, development and marketing of information technology related products and services which are substantially within a single operating segment. As such, segmental reporting by business segment is deemed not necessary. Accordingly, the information regarding its financial position and results is represented by the financial statements as a whole.

Notes to the Financial Statements (Cont'd)

28. Segment Information (Cont'd)

Segment results

Segment performance is used to measure performance as Group's Chief Executive Officer believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Performance is evaluated based on operating profit or loss which is measured differently from operating profit or loss in the consolidated financial statements.

Segment assets and liabilities

The total of segment assets and liabilities are measured based on all assets and liabilities of a segment, as included in the internal reports that are reviewed by the Group's Managing Director.

(a) Geographical segments

Revenue and non-current assets information based on the geographical location are as follows:

	Revenue		Non-current assets	
	2024	2023	2024	2023
	RM	RM	RM	RM
Group				
Malaysia	130,555	100,000	2,540,206	5,326,400
Singapore	16,321,647	13,457,373	19,738,654	-
	<u>16,452,202</u>	<u>13,557,373</u>	<u>22,278,860</u>	<u>5,326,400</u>

Non-current assets for this purpose consist of property, plant and equipment, right of use assets and intangible assets.

(b) Major customers

Revenue from one major customers (2023: one customer) amounting to RM14,477,779 (2023: RM12,772,893) equal or more than 10% of the Group's revenue are as follows:

	2024	2023
	RM	RM
Customer B	<u>14,477,779</u>	<u>12,772,893</u>

Notes to the Financial Statements (Cont'd)

29. Financial Instruments

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expense including fair value gains and losses are recognised.

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

Group	At amortised cost	
	2024	2023
	RM	RM
Financial assets		
Trade receivables	30,834,791	22,390,530
Other receivables (excluded prepayments)	90,102	1,206,601
Fixed deposit with licensed bank	13,330,875	12,157,719
Cash and bank balances	5,806,335	5,474,977
	<u>50,062,103</u>	<u>41,234,322</u>
Financial liabilities		
Trade payables	10,041,597	12,910,100
Other payables	285,999	1,576,727
Lease liabilities	181,087	333,164
	<u>10,508,683</u>	<u>14,819,991</u>

Notes to the Financial Statements (Cont'd)

29. Financial Instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

	At amortised cost	
	2024	2023
	RM	RM
Company		
Financial assets		
Trade receivables	343,156	364,573
Other receivables (excluded prepayments)	89,802	105,760
Amount due from subsidiary companies	14,548,152	14,417,850
Fixed deposit with licensed bank	11,388,980	11,094,544
Cash and bank balances	732,818	362,433
	<u>27,102,908</u>	<u>26,349,655</u>
Financial liabilities		
Trade payables	1,429,882	1,720,415
Other payables	225,638	185,573
Amount due to subsidiary companies	7,820,571	7,820,571
Lease liabilities	181,087	333,164
	<u>9,657,178</u>	<u>10,059,723</u>

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and the Company's operations whilst managing its credit, liquidity, foreign currency and interest rate risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from its receivables from customers and deposits with banks and financial institutions. The Group's and the Company's exposure to credit risk arises principally from trade and other receivables and advances to subsidiary companies.

Notes to the Financial Statements (Cont'd)

29. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

The Company provides unsecured advances to subsidiary companies. The Company monitors on an ongoing basis the results of the subsidiary companies and repayments made by the subsidiary companies.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represents the Group's and the Company's maximum exposure to credit risk.

The Group's major concentration of credit risk relates to the amounts owing by two customers (2023: two customers) amounted to RM10,752,981 (2023: RM21,924,584 which constituted approximately 97% (2023: 98%) of its trade receivables as at the end of the reporting period.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group finances its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

Notes to the Financial Statements
(Cont'd)

29. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay:

	On demand or within 1 year RM	1 to 2 years RM	Total contractual cash flows RM	Total carrying amount RM
Group				
2024				
Non-derivative financial liabilities				
Trade payables	10,041,597	-	10,041,597	10,041,597
Other payables	285,999	-	285,999	285,999
Lease liabilities	172,511	14,421	186,932	181,087
	<u>10,500,107</u>	<u>14,421</u>	<u>10,514,528</u>	<u>10,508,683</u>
2023				
Non-derivative financial liabilities				
Trade payables	12,910,100	-	12,910,100	12,910,100
Other payables	1,576,727	-	1,576,727	1,576,727
Lease liabilities	166,525	186,933	353,458	333,164
	<u>14,653,352</u>	<u>186,933</u>	<u>14,840,285</u>	<u>14,819,991</u>

Notes to the Financial Statements (Cont'd)

29. Financial Instruments (Cont'd)

- (b) Financial risk management objectives and policies (Cont'd)
- (ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay: (Cont'd)

	On demand or within 1 year RM	1 to 2 years RM	Total contractual cash flows RM	Total carrying amount RM
Company				
2024				
Non-derivative financial liabilities				
Trade payables	1,429,882	-	1,429,882	1,429,882
Other payables	225,638	-	225,638	225,638
Amount due to subsidiary companies	7,820,571	-	7,820,571	7,820,571
Lease liabilities	172,511	14,421	186,932	181,087
	<u>9,648,602</u>	<u>14,421</u>	<u>9,663,023</u>	<u>9,657,178</u>
2023				
Non-derivative financial liabilities				
Trade payables	1,720,415	-	1,720,415	1,720,415
Other payables	185,573	-	185,573	185,573
Amount due to subsidiary companies	7,820,571	-	7,820,571	7,820,571
Lease liabilities	166,525	186,933	353,458	333,164
	<u>9,893,084</u>	<u>186,933</u>	<u>10,080,017</u>	<u>10,059,723</u>

Notes to the Financial Statements (Cont'd)

29. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

The Group and the Company are exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk is primarily United States Dollar (“USD”), Euros (“EURO”) and Singapore Dollar (“SGD”).

The Group and the Company have not entered into any derivative instruments for hedging or trading purposes. Where possible, the Group and the Company will apply natural hedging by selling and purchasing in the same currency. However, the exposure to foreign currency risk is monitored from time to time by management.

The carrying amount of the Group’s and the Company’s foreign currency denominated financial assets and financial liabilities of the reporting period are as follows:

	USD RM	EURO RM	SGD RM	Total RM
Group				
2024				
Cash and bank balances	1,233,730	144,458	9,986,538	11,364,726
Trade receivables	31,017,110	-	-	31,017,110
Trade payables	(3,529,533)	-	(296)	(3,529,829)
	<u>28,721,307</u>	<u>144,458</u>	<u>9,986,242</u>	<u>38,852,007</u>
2023				
Cash and bank balances	1,965,919	137,479	9,794,480	11,897,878
Trade receivables	25,221,482	-	-	25,221,482
Trade payables	(3,143,271)	-	-	(3,143,271)
	<u>24,044,130</u>	<u>137,479</u>	<u>9,794,480</u>	<u>33,976,089</u>

Notes to the Financial Statements (Cont'd)

29. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

The carrying amount of the Group's and the Company's foreign currency denominated financial assets and financial liabilities of the reporting period are as follows: (Cont'd)

	USD RM	EURO RM	SGD RM	Total RM
Company				
2024				
Cash and bank balances	80,128	135,759	5,001,538	5,217,425
Trade receivables	525,474	-	-	525,474
Trade payables	(1,242,166)	-	(296)	(1,242,462)
	<u>(636,564)</u>	<u>135,759</u>	<u>5,001,242</u>	<u>4,500,437</u>
2023				
Cash and bank balances	891,145	128,907	4,723,394	5,743,446
Trade receivables	318,602	-	-	318,602
Trade payables	(896,967)	-	-	(896,967)
	<u>312,780</u>	<u>128,907</u>	<u>4,723,394</u>	<u>5,165,081</u>

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Group's and the Company's profit/(loss) before tax to a reasonably possible change in the USD, EURO and SGD exchange rates against RM, with all other variables held constant.

Group	Change in currency rate	2024 Effect on profit/(loss) before tax RM	2023 Effect on profit/(loss) before tax RM
USD	Strengthen 10% (2023: 10%)	2,872,131	2,404,413
	Weakened 10% (2023: 10%)	(2,872,131)	(2,404,413)
EURO	Strengthen 10% (2023: 10%)	14,446	13,748
	Weakened 10% (2023: 10%)	(14,446)	(13,748)
SGD	Strengthen 10% (2023: 10%)	998,624	979,448
	Weakened 10% (2023: 10%)	<u>(998,624)</u>	<u>(979,448)</u>

Notes to the Financial Statements (Cont'd)

29. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

Foreign currency sensitivity analysis (Cont'd)

The following table demonstrates the sensitivity of the Group's and the Company's profit/(loss) before tax to a reasonably possible change in the USD, EURO and SGD exchange rates against RM, with all other variables held constant. (Cont'd)

Company	Change in currency rate		2024 Effect on profit/(loss) before tax RM	2023 Effect on profit/(loss) before tax RM
USD	Strengthen 10%	(2023: 10%)	(63,656)	31,278
	Weakened 10%	(2023: 10%)	63,656	(31,278)
EURO	Strengthen 10%	(2023: 10%)	13,576	12,891
	Weakened 10%	(2023: 10%)	(13,576)	(12,891)
SGD	Strengthen 10%	(2023: 10%)	500,124	472,339
	Weakened 10%	(2023: 10%)	<u>(500,124)</u>	<u>(472,339)</u>

(ii) Interest rate risk

The Company's fixed rate deposits placed with licensed financial institutions are exposed to a risk of change in their fair value due to changes in interest rates.

The Group manages the interest rate risk of its deposits with licensed financial institutions by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short and long-term deposits.

The Group's and the Company's fixed rate deposit with licensed financial institution and lease liabilities are exposed to a risk of change in their fair value due to changes in interest rates.

Notes to the Financial Statements (Cont'd)

29. Financial Instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

(ii) Interest rate risk (Cont'd)

The Group manages its interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

The interest rate profile of the Group's and of the Company's significant interest-bearing financial instruments, based on carrying amount at the end of the reporting period was:

	2024	2023
	RM	RM
Fixed rate instruments		
Group		
Financial asset	13,330,875	12,157,719
Financial liability	<u>(181,087)</u>	<u>(333,164)</u>
	<u>13,149,788</u>	<u>11,824,555</u>
Company		
Financial asset	11,388,980	11,094,544
Financial liability	<u>(181,087)</u>	<u>(333,164)</u>
	<u>11,207,893</u>	<u>10,761,380</u>

The Group and the Company do not account for any fixed rate financial assets and liability at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(c) Fair value of financial instruments

The carrying amounts of short-term receivables and payables, cash and cash equivalents and short-term borrowings approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

Notes to the Financial Statements
(Cont'd)

29. Financial Instruments (Cont'd)

(c) Fair value of financial instruments (Cont'd)

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

Group	Fair value of financial instruments not carried at fair value					Total fair value RM	Carrying amount RM
	Level 1 RM	Total RM	Level 2 RM	Total RM	Level 3 RM		
Financial liabilities							
2024							
Lease liabilities	-	-	-	-	166,731	166,731	166,731
2023							
Lease liabilities	-	-	-	-	181,087	181,087	181,087
Company							
Financial liabilities							
2024							
Lease liabilities	-	-	-	-	166,731	166,731	166,731
2023							
Lease liabilities	-	-	-	-	181,087	181,087	181,087

Notes to the Financial Statements (Cont'd)

29. Financial Instruments (Cont'd)

(c) Fair value of financial instruments (Cont'd)

(i) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Non-derivative financial instruments

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

(iii) Level 3 fair value

Level 3 fair values for the financial assets and liabilities are estimated using unobservable inputs.

30. Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Notes to the Financial Statements (Cont'd)

30. Capital Management (Cont'd)

The Group monitors capital using a gearing ratio. The Group's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at the end of the reporting period are as follows:

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Trade payables	15	10,041,597	12,910,100	1,429,882	1,720,415
Other payables	17	285,999	1,576,727	225,638	185,573
Lease liabilities	16	181,087	333,164	181,087	333,164
		<u>10,508,683</u>	<u>14,819,991</u>	<u>1,836,607</u>	<u>2,239,152</u>
Less: Cash and bank balances and fixed deposits	11	<u>(19,137,210)</u>	<u>(17,632,696)</u>	<u>(12,121,798)</u>	<u>(11,456,977)</u>
		<u>(8,628,527)</u>	<u>(2,812,705)</u>	<u>(10,285,191)</u>	<u>(9,217,825)</u>
Total equity		<u>42,440,700</u>	<u>32,464,974</u>	<u>20,141,006</u>	<u>21,765,314</u>
Gearing ratio (times)		<u>#</u>	<u>#</u>	<u>#</u>	<u>#</u>

Gearing ratio is not applicable as the Group and the Company have sufficient cash and cash equivalent to settle the outstanding debt.

There were no changes in the Group's approach to capital management during the financial year.

31. Significant Events

- (a) On 14 March 2024, the Company entered a Business Partnership Agreement ("BPA") with Mediprima Healthcare (M) Sdn. Bhd. to digitalise the clinics with digital health, integrate Artificial Intelligence ("AI") and Internet of Medical Things ("IoMT") into the medical services.

The above agreement has yet to be commenced. Thus, there is no effect to the financial statements during the financial year.

- (b) On 21 March 2024, the Company entered a BPA with StayOnline Ltd ("StayOnline") to digitalise the health industry with Artificial Intelligence ("AI") and Internet of Medical Things ("IoMT") into StayOnline digital payment platform offering intelligent medical services to the population in Rwanda, Kenya, Uganda, and Zambia.

The above agreement has yet to be commenced. Thus, there is no effect to the financial statements during the financial year.

Notes to the Financial Statements (Cont'd)

31. Significant Events (Cont'd)

- (c) On 3 April 2024, the Company entered a BPA with MDC Asia Link Berhad (“MDC”) to digitalise with integrate Artificial Intelligence (“AI”) and Internet of Medical Things (“IoMT”) with iMedic™ Platform.

This contract has been commenced and effect has been reflected in the financial statements during the financial year.

32. Subsequent Events

- (a) On 18 June 2024, the Company has launched iMedic Optics™, the eye health screening and diagnosis platform using Artificial Intelligence (“AI”) technology to process retinal images from the fundus camera. The product is launched concurrently in Asia and the US market.
- (b) On 3 July 2024, the Company had entered into a Distribution Agreement with Seecure Holding Corporation (“Seecure”) to engage Seecure to market and support the iMedic™ platform services including iMedic Optics™, the ophthalmology Artificial Intelligence product in the territory of North, Central and South America continents.
- (c) On 23 July 2024, the Company increased its issued and paid up share capital through the issuance of 1,950,000 new ordinary shares pursuant to the Employee Share Option Scheme at price of RM0.0988 per ordinary shares.
- (d) On 24 September 2024, the Company has collaborated with Universiti Kuala Lumpur (“UniKL”) to promote digital healthcare throughout the campus by launching the iMedic™ Digital Clinic in UniKL campus in Malaysia. This is the first iMedic™ Digital Clinic in university campus in the Asia.

33. Date of Authorisation for Issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 September 2024.

SHAREHOLDING STATISTICS

Shareholding Statistics as at 02 September 2024

Paid up Capital	:	RM51,127,918.11 comprising of 743,827,450 Ordinary Shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	1 vote per ordinary share

ANALYSIS OF SHAREHOLDINGS

As at 02 September 2024

Size of Holdings	No. of Share Holders	% of Share Holders	No. of Shares Held	% of Shares Held
1 - 99	91	0.885	3,737	0.000
100 - 1,000	1,077	10.484	554,400	0.074
1,001 - 10,000	3,716	36.176	23,357,313	3.140
10,001 - 100,000	4,449	43.311	172,574,119	23.200
100,001 – 37,093,871 (*)	938	9.131	458,066,454	61.582
37,093,872 and above (**)	1	0.009	89,271,427	12.001
Total:	10,272	100.00	743,827,450	100.00

Remark: * - LESS THAN 5% OF ISSUED SHARES
 ** - 5% AND ABOVE OF ISSUED SHARES

SUBSTANTIAL SHAREHOLDERS

As at 02 September 2024 (As per the Register of Substantial Shareholders)

No.	Directors	Direct Shareholdings		Indirect Shareholdings	
		No. of Shares Held	%	No. of Shares Held	%
1.	EG KAH YEE	89,271,427	12.001	2,000,002 ^(a)	0.268
2.	EG KAA CHEE	2,000,002	0.268	89,271,427 ^(b)	12.001

DIRECTORS' SHAREHOLDINGS

As at 02 September 2024 (As per the Register of Directors' Shareholding)

No.	Directors	Direct Shareholdings		Indirect Shareholdings		No. of Share Options under the Employee's Share Option Scheme
		No. of Shares Held	%	No. of Shares Held	%	
1.	ABDUL RAZAK BIN DATO' HAJI IPAP	-	-	-	-	-
2.	CHUAN TSUI JU	1,500,750	0.202	-	-	-
3.	DATO' DR MOHD FIKRI BIN ABDULLAH	2,000,000	0.268	-	-	-
4.	EG KAH YEE	89,271,427	12.001	2,000,002 ^(a)	0.268	-
5.	EG KAA CHEE	2,000,002	0.268	89,271,427 ^(b)	12.001	-
6.	PROF. LOW TECK SENG	-	-	-	-	2,000,000
7.	N CHANTHIRAN A/L NAGAPPAN	-	-	-	-	2,000,000

Note:-

- (a) Deemed interested through his brother Eg Kaa Chee
 (b) Deemed interested through his brother Eg Kah Yee

Shareholding Statistics (Cont'd)

THIRTY LARGEST SHAREHOLDERS

As at 02 September 2024

No.	Shareholders	No. of Shares	%
1	EG KAH YEE	89,271,427	12.001
2	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SEE LEE MING	33,519,150	4.506
3	LEONG MEI CHOON	24,600,000	3.307
4	UNITED CREST EQUITY LIMITED	20,597,600	2.769
5	LIM LAE YONG	13,487,600	1.813
6	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIEW WAI HAN (MF00445)	12,823,800	1.724
7	AFFIN HWANG NOMINEES (ASING) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES (HONG KONG) LTD (CLIENTS' ACCOUNT)	11,800,000	1.586
8	KENANGA NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NG GEOK LUI	9,269,000	1.246
9	NG GEOK LUI	5,673,975	0.762
10	HONG MUN KUN	5,246,000	0.705
11	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR BOCI SECURITIES LTD (CLIENTS A/C)	4,200,000	0.564
12	GOH GAIK SUAN	4,000,000	0.537
13	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOO SAW ENG (E-SPT/MIN)	4,000,000	0.537
14	LEE KIM SOON	3,240,000	0.435
15	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR LOO SAW ENG	3,100,000	0.416
16	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR LIM LAE YONG	3,025,000	0.406
17	NG HONG KIAN	3,000,000	0.403
18	TEO HUR TEAN	2,650,000	0.356
19	TEH BOON KING	2,423,400	0.325
20	LEOW WEE CHENG	2,372,400	0.318
21	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR THONG MEI CHIN (MY1346)	2,115,000	0.284
22	LIEW THAU SEN	2,023,600	0.272
23	EG KAA CHEE	2,000,002	0.268
24	ANTHONY LEE CHENG TEIK	2,000,000	0.268
25	DATO' DR. MOHD FIKRI BIN ABDULLAH	2,000,000	0.268
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD NEOH ANG HING	1,900,000	0.255
27	NGUYEN THI PHUONG	1,900,000	0.255
28	SUA YONG CHIN	1,862,400	0.250
29	SUA TIEN FONG	1,847,500	0.248
30	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW CHOO KIANG	1,750,000	0.235

NOTICE OF TWENTY-SEVENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Seventh Annual General Meeting of the Company will be conducted entirely through live streaming from the broadcast venue at UCrest's Headoffice at 6th Floor, Unit 4, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Monday, 18 November 2024 at 12.00 p.m. to transact the following businesses: -

AGENDA

ORDINARY BUSINESS

- | | |
|--|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 May 2024 together with the Reports of the Directors and Auditors thereon. | (Please refer to Explanatory Note 1) |
| 2. To approve the payment of Directors' Fees of RM228,000 for the period from 19 November 2024 until the date of the next Annual General Meeting of the Company. | (Resolution 1)
(Please refer to Explanatory Note 2) |
| 3. To re-elect Abdul Razak Bin Dato' Haji Ipap who retires pursuant to Clause 76(3) of the Company's Constitution. | (Resolution 2)
(Please refer to Explanatory Note 3) |
| 4. To re-elect Dato' Dr. Mohd Fikri Bin Abdullah who retires pursuant to Clause 76(3) of the Company's Constitution. | (Resolution 3)
(Please refer to Explanatory Note 3) |
| 5. To re-appoint Messrs. UHY Malaysia (formerly known as UHY) as Auditors of the Company and to authorise the Directors to fix their remuneration. | (Resolution 4) |

SPECIAL BUSINESS

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

- | | |
|---|---|
| 6. ORDINARY RESOLUTION I
AUTHORITY TO ISSUE AND ALLOT SHARES OF THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 | (Resolution 5)
(Please refer to Explanatory Note 4) |
|---|---|

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("Proposed General Mandate").

Notice of Twenty-Seventh Annual General Meeting (Cont'd)

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- a. the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- b. the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
- c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is earlier.

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the ACE Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

7. **ORDINARY RESOLUTION II
CONTINUATION IN OFFICE AS INDEPENDENT NON-EXECUTIVE
DIRECTOR**

(Resolution 6)
(Please refer to
Explanatory Note 5)

“**THAT** approval be and is hereby given to Chuan Tsui Ju, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine (9) years, to continue to act as an Independent Non-Executive Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company or 21 November 2025 whichever is earlier.”

8. **ORDINARY RESOLUTION III
PROPOSED RENEWAL OF THE EXISTING SHAREHOLDERS' MANDATE
FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR
TRADING NATURE**

(Resolution 7)
(Please refer to
Explanatory Note 6)

“**THAT** pursuant to Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“ACE Listing Requirements”), the Company and its subsidiaries (“the Group”) be and are hereby authorised to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with the related parties as set out in Section 1.4 of the Circular to Shareholders dated 30 September 2024 (“Related Parties”) provided that such transactions and/or arrangements are:-

- (a) necessary for the day-to-day operations;
- (b) are undertaken in the ordinary course of business at arm’s length basis and are on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (c) are not detrimental to the minority shareholders of the Company,

Notice of Twenty-Seventh Annual General Meeting (Cont'd)

(collectively known as “Shareholders’ Mandate”);

THAT such approval, shall continue to be in force until:-

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company, at which time it will lapse, unless by a resolution passed at such AGM, the authority is renewed; or
- (b) the expiration of the period within the next AGM of the Company after that date is required to be held pursuant to Section 340 of the Companies Act 2016 (“the Act”) (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever is earlier;

THAT the estimated aggregate value of the transactions conducted pursuant to the Shareholders’ Mandate during a financial year will be disclosed, in accordance with the ACE Listing Requirements, in the Annual Report of the Company for the said financial year;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Shareholders’ Mandate.”

9. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By Order of the Board

LAU YEN HOON
SSM PC NO. 202008002143 (MAICSA 7061368)

LEE SHIL TENG
SSM PC NO. 202408000612 (MAICSA 7070507)
Company Secretaries

Kuala Lumpur

Dated: 30 September 2024

Notice of Twenty-Seventh Annual General Meeting (Cont'd)

NOTES: -

(i) IMPORTANT NOTICE FOR VIRTUAL MEETING

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which requires the Chairperson of the General Meeting to be present at the main venue of the meeting.

Shareholders **WILL NOT BE ALLOWED** to attend this General Meeting in person at the Broadcast Venue on the day of the General Meeting. Therefore, shareholders are strongly advised to participate and vote remotely at the General Meeting through live streaming and online remote voting using the Remote Participation and Voting facilities provided by the Company.

Please read these Notes carefully and follow the procedures in the Administrative Guide for the General Meeting in order to participate remotely.

(ii) NOTES ON APPOINTMENT OF PROXY

1. For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 12 November 2024. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
5. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee 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. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form and submit to the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. All Proxy Form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting 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.
10. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging the Proxy Form is Saturday, 16 November 2024 at 12.00 p.m.

Notice of Twenty-Seventh Annual General Meeting (Cont'd)

EXPLANATORY NOTE ON ORDINARY / SPECIAL BUSINESS

1. Item 1 of Agenda

This item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

2. Directors' Fees

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the directors and any benefits payable to the directors shall be approved at a general meeting. The details of the Directors' remuneration are set out in the Corporate Governance Overview Statement of the Annual Report 2024.

The Directors' fees proposed under Resolution 1 is to facilitate the payment of Directors' fees for the period from 21 November 2024 until the date of the next Annual General Meeting of the Company, calculated based on the current board size. In the event the Directors' fees proposed are insufficient (due to enlarged Board size), approval will be sought at the next Annual General Meeting for additional fees to meet the shortfall.

3. Re-election of Directors

Abdul Razak Bin Dato' Haji Ipap and Dato' Dr. Mohd Fikri Bin Abdullah are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the Twenty-Seventh Annual General Meeting.

The Board has through the Nomination Committee ("NC"), considered the assessment of Abdul Razak Bin Dato' Haji Ipap and Dato' Dr. Mohd Fikri Bin Abdullah and agreed that they met the criteria as prescribed by Rule 2.20A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time to effectively discharge their roles as Directors. The abovementioned Directors have also met the relevant requirements under the fit and proper assessment and the NC is satisfied with the outcome of the fit and proper assessments. The NC and the Board had also undertaken an annual assessment on the independence of Dato' Dr. Mohd Fikri Bin Abdullah, who is an Independent Non-Executive Director of the Company.

Please refer to the Statement Accompanying Notice of Annual General Meeting for more information.

4. ORDINARY RESOLUTION I

Resolution pursuant to Sections 75 and 76 of the Companies Act 2016

The Ordinary Resolution proposed under Resolution 5 is the renewal of the mandate obtained from the members at the last Annual General Meeting ("the previous mandate").

The Ordinary Resolution proposed under Resolution 5, if passed, would empower the Directors to issue and allot up to a maximum of 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier.

This Proposed General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time.

The purpose of the Proposed General Mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for any possible fund raising activities including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or issuance of shares as settlement of purchase consideration, or other circumstances arise which involve grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such other application as the Directors may deem fit in the best interest of the Company.

As at the date of this Notice, the Company had issued 50,000,000 new Ordinary Shares pursuant to the mandate granted to the Directors at the Twenty-Sixth Annual General Meeting.

Notice of Twenty-Seventh Annual General Meeting (Cont'd)

EXPLANATORY NOTE ON ORDINARY / SPECIAL BUSINESS (CONT'D)

5. ORDINARY RESOLUTION II
Continuation in Office as Independent Non-Executive Director

Pursuant to the Malaysian Code on Corporate Governance, it is recommended that annual approval of the shareholders be sought in the event the Company intends to retain an Independent Director who has served in that capacity for more than nine (9) years.

Chuan Tsui Ju was appointed to the Board on 22 November 2013 and therefore, served the Company as Independent Non-Executive Director for more than nine (9) years. The Board has via the Nomination Committee assessed the independence of Chuan Tsui Ju and recommended that she continues to act as an Independent Non-Executive Director of the Company. Details of the Board's justifications and recommendations for the retention of Chuan Tsui Ju are set out in the Corporate Governance Overview Statement of the Annual Report 2024.

The Ordinary Resolution proposed under Resolution 6, if passed, will enable Chuan Tsui Ju to continue to act as an Independent Non-Executive Director of the Company.

Pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance, the Company will adopt the two-tier voting process in seeking annual shareholders' approval for this resolution.

6. ORDINARY RESOLUTION III
Proposed Renewal of the Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The Ordinary Resolution proposed under Resolution 7, if passed, will allow the Group to enter into recurrent related party transactions made on an arm's length basis and on normal commercial terms and which are not detrimental to the interests of the minority shareholders.

Please refer to the Circular to Shareholders dated 30 September 2024 for information on the recurrent related party transactions.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

PURSUANT TO RULE 8.29 OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

ELECTION/APPOINTMENT AS DIRECTORS

There are no individuals standing for election/appointment as Directors at the Twenty-Seventh Annual General Meeting (“AGM”).

The Directors who are standing for re-election at the Twenty-Seventh AGM are Abdul Razak Bin Dato’ Haji Ipap and Dato’ Dr. Mohd Fikri Bin Abdullah (“Retiring Directors”) whose profiles are set out on pages 5 and 8 respectively of the Annual Report 2024.

The Board has through the Nomination Committee (“NC”), considered the assessment of the Retiring Directors and agreed that they met the criteria as prescribed by Rule 2.20A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad on character, experience, integrity, competence and time to effectively discharge their roles as Directors. The Retiring Directors have also met the relevant requirements under the fit and proper assessment and the NC is satisfied with the outcome of the fit and proper assessments. The NC and the Board had also undertaken an annual assessment on the independence of Dato’ Dr. Mohd Fikri Bin Abdullah, who is an Independent Non-Executive Director of the Company.

Both the Retiring Directors confirmed that they do not have any conflict of interest, potential or perceived conflicts of interest, including interest in any business that is in competition with the Company or its subsidiaries.

Having considered the above, the Board supports and recommended the re-election of Abdul Razak Bin Dato’ Haji Ipap and Dato’ Dr. Mohd Fikri Bin Abdullah as Directors of the Company based on the following:-

1. Abdul Razak Bin Dato’ Haji Ipap

Abdul Razak Bin Dato’ Haji Ipap was appointed as the Director of UCrest Berhad on 1 June 2001. He was re-designated to a Non-Independent Non-Executive Director of UCrest on 25 August 2010. On 8 September 2016, he was redesignated to an Independent Non-Executive Director of UCrest. On 26 August 2022, he was re-designated as a Non-Independent Non-Executive Director of UCrest. The Board, via the NC had assessed Abdul Razak Bin Dato’ Haji Ipap, who is due to retire at the forthcoming Twenty-Seventh AGM, and was satisfied that he will continue to bring significant value and inputs to the Group with his background, skills and experience in various industries. He has also exercised due care and fulfill his responsibilities proficiently during his tenure as Non-Independent Non-Executive Director as well as a member of the Audit Committee.

2. Dato’ Dr. Mohd Fikri Bin Abdullah

Dato’ Dr. Mohd Fikri Bin Abdullah was appointed as the Independent Non-Executive Director of UCrest Berhad on 16 May 2018. The Board, via the NC had assessed Dato’ Dr. Mohd Fikri Bin Abdullah, who is due to retire at the forthcoming Twenty-Seventh AGM, and was satisfied that he would continue to provide his valuable contribution and views to the Group based on his background, knowledge, skills and vast experience in healthcare industry. He has also exercised due care and fulfill his responsibilities proficiently during his tenure as Independent Non-Executive Director as well as a member of the Remuneration Committee.

GENERAL MANDATE FOR ISSUE OF SECURITIES

Kindly refer to item 4 of the Explanatory Notes on Ordinary/Special Business as contained in the Notice of Twenty-Seventh AGM.

ADMINISTRATIVE GUIDE FOR THE TWENTY-SEVENTH ANNUAL GENERAL MEETING

(“27th AGM”) OF UCREST BERHAD (“UCREST” OR “THE COMPANY”)

Date : Monday, 18 November 2024
Time : 12.00 p.m.
Broadcast Venue : UCrest’s Headoffice
6th Floor, Unit 4, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya,
Selangor Darul Ehsan

The 27th AGM of the Company will be conducted on **a virtual basis through live streaming and online remote voting** via Remote Participation and Voting (“RPV”) facilities.

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairman of the meeting to be present at the main venue of the meeting. Shareholders/proxies **WILL NOT BE ALLOWED** to attend the 27th AGM in person at the Broadcast Venue on the day of the meeting.

To attend the 27th AGM remotely, all shareholders and proxies will have to register your request to participate with our Cisco Webex via the link <https://ucrest-event.webex.com/weblink/register/r81f7f09de81e90082a370c29b6b485c1> latest by **Saturday, 16 November 2024 at 12.00 p.m.** Kindly refer to the Administrative Guide for more information on registration process or at <http://www.ucrest.net/investor-relations/>.

We will continue to observe whether there is any new procedures, guidelines or measures may affect the administration of the 27th AGM as set out in this Administrative Guide and requiring material change to the proceedings of the meeting. Kindly check the Company’s website or announcements for the latest updates (if any) on the arrangement/ administration of the 27th AGM.

As part of our commitment to reduce paper usage, all documents related to the 27th AGM are available on the Company’s website at <http://www.ucrest.net/investor-relations/>.

We look forward to connecting with you via the RPV on the day of the 27th AGM. Thank you for your continued support to the Company.

Should you require any assistance on the above, kindly contact us at 03-7728 9880 or agm@ucrest.net.

EG KAH YEE
Chairman/ Managing Director
30 September 2024

Administrative Guide for the Twenty-Seventh Annual General Meeting (Cont'd)

1. REMOTE PARTICIPATION AND VOTING FACILITIES (“RPV”)

Shareholders who are entitled to attend (including posing questions to the Board via real time submission of typed texts) and vote (collectively, “participate”) remotely at the 27th AGM using RPV provided by UCrest Berhad (“UCrest”) via its Cisco Webex will be provided with the meeting link via email upon the successful verification of the registration.

Shareholders who appoint proxy/proxies to participate via RPV in the AGM must ensure that the duly executed proxy forms are deposited in a hard copy form to the Company’s Share Registrar not later than **Saturday, 16 November 2024 at 12.00 p.m.**

Corporate representatives of corporate members must deposit their original certificate of appointment of corporate representative to the Company’s Share Registrar not later than **Saturday, 16 November 2024 at 12.00 p.m.** to participate via RPV in the AGM.

Attorneys appointed by power of attorney are required to deposit their power of attorney with the Company’s Share Registrar not later than **Saturday, 16 November 2024 at 12.00 p.m.** to participate via RPV in the AGM.

A shareholder who has appointed a proxy or attorney or authorised representative to participate at this AGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV at Cisco Webex at the following link:

<https://ucrest-event.webex.com/weblink/register/r81f7f09de81e90082a370c29b6b485c1>

As the 27th AGM is a virtual AGM, members who are unable to participate in this AGM are strongly encouraged to appoint the Chairman of the meeting as his/her proxy and indicate the voting instructions in the proxy form.

2. PROCEDURES FOR RPV

Shareholders/proxies/corporate representatives/attorneys who wish to participate in the 27th AGM remotely using the RPV are to follow the requirements and procedures as summarised below: -

	Procedure	Action
BEFORE THE AGM DAY		
(a)	Register as a user with Cisco Webex	<ul style="list-style-type: none"> Using your computer, access the website at the following link: https://ucrest-event.webex.com/weblink/register/r81f7f09de81e90082a370c29b6b485c1 Register as a user by completing the registration form. You may register anytime but no later than 12.00 p.m. on 16 November 2024.
(b)	Submit your request	<ul style="list-style-type: none"> Read and agree to the Terms & Conditions and confirm the Declaration. Review your registration and proceed to submit. System will send an e-mail to notify that your registration for remote participation is received and will be verified. After verification of your registration against the General Meeting Record of Depositors as at 12 November 2024, the system will send you an e-mail to approve or reject your registration for remote participation.

Administrative Guide for the Twenty-Seventh Annual General Meeting (Cont'd)

2. PROCEDURES FOR RPV (CONT'D)

	Procedure	Action
ON THE DAY OF THE AGM		
(c)	Login to Cisco Webex	<ul style="list-style-type: none"> If you don't have Cisco Webex, please download before 27th AGM start. Click join event which was provided to you via e-mail any time from 11.45 a.m. The live streaming will commence at 12.00 p.m. on 18 November 2024.
(d)	Participate through Live Streaming	<ul style="list-style-type: none"> Click join event to engage in the proceedings of the AGM remotely. If you have any question for the Chairman/ Board, you may use the Q&A box to transmit your question. The Chairman/ Board will try to respond to relevant questions submitted by remote participants during the AGM. If there is time constraint, the responses will be provided to you at the earliest possible, after the meeting.
(e)	Online Remote Voting	<ul style="list-style-type: none"> Member or Proxy may commence voting from 12.00 p.m. on Monday, 18 November 2024 until a time when the Chairman announces the completion of the voting session of the AGM. Indicate your voting for the resolutions that are tabled for voting. Confirm and submit your votes. Upon completion of the voting session for the 27th AGM, the Scrutineer will verify the poll results, followed by the announcement by the Chairman of the poll results.
(f)	End of remote participation	<ul style="list-style-type: none"> Upon the announcement by the Chairman on the closure of the 27th AGM, the live streaming will end.

Note to users of the RPV facilities:

- Should your application to join the meeting be approved, we will make available to you the rights to join the live streamed meeting and to vote remotely. Your login to **Cisco Webex** on the day of meeting will indicate your presence at the virtual meeting.
- The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
- In the event you encounter any issues with logging-in, connection to the live streamed meeting or online voting on the meeting day, kindly call us at 03-7728 9880 or email to agm@ucrest.net for assistance.

3. ENTITLEMENT TO ATTEND AND VOTE

Only a member whose name appears on the Record of Depositor as at 12 November 2024 shall be entitled to attend and vote or appoint proxy/proxies to attend and/or vote on his/her behalf in the 27th AGM via RPV.

In view that the 27th AGM will be conducted on a virtual basis, if you are unable to attend the meeting via RPV on 18 November 2024, you may appoint the Chairman of the 27th AGM as proxy and indicate the voting instructions in the Proxy Form.

If you wish to personally participate in the 27th AGM, please do not submit any Proxy Form. You will not be allowed to participate in the 27th AGM together with a proxy appointed by you.

Administrative Guide for the Twenty-Seventh Annual General Meeting (Cont'd)

3. ENTITLEMENT TO ATTEND AND VOTE (CONT'D)

If you have submitted your Proxy Form prior to the 27th AGM and subsequently decide to personally participate in the 27th AGM, please proceed to register yourself for RPV at Cisco Webex at the following link: <https://ucrest-event.webex.com/weblink/register/r81f7f09de81e90082a370c29b6b485c1>

The original Proxy Form must be deposited at the office of the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than forty-eight (48) hours before the time appointed for holding the 27th AGM or any adjournment thereof, otherwise the Proxy Form shall not be treated as valid.

4. NO DOOR GIFT/FOOD VOUCHER

There will be **no distribution** of door gifts or food vouchers for the 27th AGM.

5. RECORDING OR PHOTOGRAPHY

Strictly **NO** unauthorised recording or photography of the proceedings of the 27th AGM is allowed.

6. PRIVATE NOTICE TO SHAREHOLDERS UNDER THE PERSONAL DATA PROTECTION ACT 2010 (PDPA)

UCrest Berhad ("UCrest" or "we" or "us" or "our") strives to protect your personal data in accordance with the Personal Data Protection Act 2010 ("the Act"). The Act was enacted to regulate the processing of personal data to comply with the Act, we are required to manage the personal data that we collect from you relating to your shareholding in UCrest.

The purposes for which your personal data may be used are, but not limited to:

- Internal record keeping including but not limited to the registration and management of your shareholding in UCrest
- To provide services to you
- To communicate with you as a shareholder/ proxy for a shareholder of UCrest
- To better understand your needs as our shareholder
- For security and fraud prevention purposes
- For the purposes of statistical analysis of data
- For marketing activities
- For the purposes of our corporate governance
- To send you event invitations based on selected events
- To comply with any legal, statutory and/or regulatory requirements
- For the purposes of inclusion in media engagements and/or any relevant or related events
- For the purposes of us preparing guest invitations, registration and/or sign-ups for our events
- For the purposes of printed and on-line publications

(collectively, "the Purposes")

Administrative Guide for the Twenty-Seventh Annual General Meeting (Cont'd)

6. PRIVATE NOTICE TO SHAREHOLDERS UNDER THE PERSONAL DATA PROTECTION ACT 2010 (PDPA) (CONT'D)

Your personal data is or will be collected from information provided by you, including but not limited to, postal, facsimile, telephone, and e-mail communications with or from you, and information provided by third parties, including but not limited to, Bursa Malaysia Berhad and any other stock exchange, and your stockbrokers and remisiers.

You may be required to supply us with your name, correspondence address, telephone number, facsimile number and email address.

If you fail to supply us with such personal data, we may not be able to process and/or disclose your personal data for any of the Purposes.

Please be informed that your personal data may be disclosed, disseminated and/or transferred to companies within the U Crest Group (including the holding company, subsidiaries, related and affiliated companies, both local and international), whether present or future (collectively, "the Group") or to any third party organisations or persons for the purpose of fulfilling our obligations to you in respect of the Purposes and all such other purposes that are related to the Purposes and also in providing integrated services, maintaining and storing records including but not limited to the share registrar(s) appointed by us to manage the registration of shareholders.

The processing, disclosure, dissemination and/or transfer of your personal data by us and/or the Group and/or third party organisations or persons may result in your personal data being transferred outside of Malaysia.

To this end, we are committed to ensuring the confidentiality, protection, security and accuracy of your personal data made available to us. It is your obligation to ensure that all personal data submitted to us and retained by us are accurate, not misleading, updated and complete in all aspects. For the avoidance of doubt, we and/or the Group and/or our or their employees or authorised officers or agents will not be responsible for any personal data submitted by you to us that is inaccurate, misleading, not up to date and incomplete.

Further, we may request your assistance to procure the consent of third parties whose personal data is made available by you to us and you hereby agree to use your best endeavours to do so.

In addition, you may request for access to your personal data by contacting your broker or alternatively Tricor Investor & Issuing House Services Sdn Bhd as shown above if:

- you require access to and/or wish to make corrections to your personal data subject to compliance of such request for access or correction not being refused under the provisions of the Act and/or existing laws; or
- you wish to enquire about your personal data.

Any personal data retained by us shall be destroyed and/or deleted from our records and system in accordance with our retention policy in the event such data is no longer required for the said Purposes.

We trust that you will consent to the processing of your personal data and that you declare that you have read, understood and accepted the statements and terms herein.

Administrative Guide for the Twenty-Seventh Annual General Meeting (Cont'd)

7. ENQUIRY

If you have any enquiries on the above, please contact the following persons during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

UCrest Berhad

General Line : 03-7728 9880
Fax Number : 03-7728 1080
Email : agm@ucrest.net
Contact persons :

Name	Contact Details
Yee Ting	Direct line: 03-7728 9880 Email Address: yeeting@ucrest.net
Kate	Direct line: 03-7664 3300 Email Address: kate@ucrest.net

This page has been intentionally left blank



CDS Account No.
No. of shares held

PROXY FORM

*I/We _____ Tel: _____
[Full name in block, NRIC/Registration No.]

of _____

being member(s) of Ucrest Berhad, hereby appoint:-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or (delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us and on my/our behalf at the Twenty-Seventh Annual General Meeting of the Company to be conducted entirely through live streaming from the broadcast venue at Ucrest's Headoffice at 6th Floor, Unit 4, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor Darul Ehsan on Monday, 18 November 2024 at 12.00 p.m. and at any adjournment thereof, and to vote as indicated below: -

Item	Agenda		*For	*Against
ORDINARY BUSINESS				
1.	Approval of Directors' Fees for the period from 19 November 2024 until the date of the next Annual General Meeting of the Company.	(Resolution 1)		
2.	To re-elect Abdul Razak Bin Dato' Haji Ipap who retires under Clause 76(3) of the Company's Constitution.	(Resolution 2)		
3.	To re-elect Dato' Dr. Mohd Fikri Bin Abdullah who retires under Clause 76(3) of the Company's Constitution.	(Resolution 3)		
4.	To re-appoint Messrs. UHY Malaysia (formerly known as UHY) as Auditors of the Company and to authorise the Directors to fix their remuneration.	(Resolution 4)		
AS SPECIAL BUSINESS				
5.	To authorise Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.	(Resolution 5)		
6.	To approve Chuan Tsui Ju to continue in office as Independent Non-Executive Director.	(Resolution 6)		
7.	Proposed Renewal of the Existing Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.	(Resolution 7)		

[Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.]

Dated this _____ day of _____ 2024.

Signature of Shareholder/Common Seal
Contact No.

***Manner of execution:**

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:-

1. For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 12 November 2024. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.
2. A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.
5. Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee 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. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form and submit to the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. All proxy form submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.
9. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting 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.
10. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
11. Last date and time for lodging the proxy form is Saturday, 16 November 2024 at 12.00 p.m.



Fold this flap for sealing

Then fold here

AFFIX
STAMP

THE SHARE REGISTRAR
UCREST BERHAD [199701004560 (420056-K)]
Unit 32-01, Level 32, Tower A, Vertical Business Suite,
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi,
59200 Kuala Lumpur
Tel : 03 2783 9299 Fax : 03 2783 9222

1st fold here

www.ucrest.net

UCREST BERHAD
199701004560 (420056-K)

 6th Floor, Unit 4, 8 First Avenue, Bandar Utama
47800 Petaling Jaya, Selangor, Malaysia

 +603 7728 9880

 info@ucrest.net