

Registration No. 201201007097 (980617-A)

ENLINEA SDN. BHD.
Registration No. 201201007097 (980617-A)
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
31 MARCH 2021

These financial Statements and reports of Accounts of the Company with ~~Qualified~~/Unqualified Auditors' Report for the year ended 31 March 2021 were circulated on 20 December 2021.



.....
CHEW MEI LING
(MAICSA No. 7019175)
(SSM PC No. 201908003178)
Secretary

ENLINEA SDN. BHD.
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(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
31 MARCH 2021

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ENLINEA SDN. BHD.
Registration No. 201201007097 (980617-A)
(Incorporated in Malaysia)

CORPORATE INFORMATION

Directors

Goh Shze Yinn
Leow Wee Keat

Secretaries

Chew Mei Ling
Cynthia Gloria Louis

Registered Office

Unit 621 6th Floor, Block A
Kelana Centre Point
No 3 Jalan SS7/19 Kelana Jaya
47301 Petaling Jaya
Selangor Darul Ehsan

Business Address

H-89-1 Jaya One
72 Jalan University
46200 Petaling Jaya
Selangor Darul Ehsan

Auditors

Grant Thornton Malaysia PLT
Chartered Accountants

Banker

Malayan Banking Berhad

ENLINEA SDN. BHD.
Registration No. 201201007097 (980617-A)
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DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

The directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended **31 March 2021**.

PRINCIPAL ACTIVITIES

The Company is principally an information technology solution provider and an online media company specialising in web design, e-commerce platform, mobile development, system integration and other related services, and investment holding company.

The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

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

RESULTS

	GROUP RM	COMPANY RM
Profit for the financial year	<u>688,360</u>	<u>1,292,306</u>
Attributable to:		
Owners of the Company	940,718	1,292,306
Non-controlling interests	<u>(252,358)</u>	<u>-</u>
	<u>688,360</u>	<u>1,292,306</u>

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended **31 March 2021** have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividends have been declared or paid by the Company since the end of previous financial year.

The directors do not recommend any dividend payment for the financial year.

RESERVES AND PROVISIONS

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

SHARE CAPITAL AND DEBENTURE

During the financial year, the Company did not issue any share or debenture.

REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS")

The salient features of the ICPS is disclosed in Notes 14 to the financial statements.

IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

The salient features of the ICPS is disclosed in Notes 15 to the financial statements.

DIRECTORS

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

Goh Shze Yinn
Leow Wee Keat

DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year in shares in the Company and its related corporation during the financial year are as follows:

	----- Number of ordinary shares -----			
	Balance at 1.4.2020	Bought	Sold	Balance at 31.3.2021
Direct Interests:				
Goh Shze Yinn	1,121,695	-	-	1,121,695
Deemed Interests:				
* Leow Wee Keat	846,630	-	-	846,630

* Deemed interested by virtue of his substantial interest in BI-Matrix Sdn. Bhd.

DIRECTORS' REMUNERATION AND BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors as disclosed in Note 25 to the financial statements) by reason of a contract made by the Company or a related corporation with a director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest, other than those related party transactions disclosed in the notes to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS OR AUDITORS

No indemnity has been given to or insurance effected for any directors, officers or auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION

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

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

- (i) that would render it necessary to write off any bad debts or make any provision for doubtful debts in the financial statements of the Group and of the Company, or
- (ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading; or
- (iii) that would render any amount stated in the financial statements of the Group and of the Company misleading; or
- (iv) that have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

- (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 liability of any other person; and
- (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

In the opinion of the directors:

- (i) no contingent liability or other liability of the Group and of the Company has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due; and
- (ii) 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 current financial year in which this report is made.

SIGNIFICANT EVENT

Details of significant event during the reporting period are disclosed in Note 28 to the financial statements.

AUDITORS

The total amount of fees paid to or receivable by the auditors, **Grant Thornton Malaysia PLT**, as remuneration for their services as auditors of the Company for the financial year ended 31 March 2021 is disclosed in Note 24 to the financial statements.

The auditors, **Grant Thornton Malaysia PLT**, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the directors:



.....
Goh Shze Yinn



.....
Leow Wee Keat

Penang,

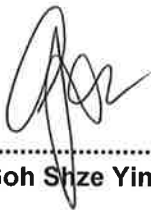
Date: 26 NOV 2021

ENLINEA SDN. BHD.
Registration No. 201201007097 (980617-A)
(Incorporated in Malaysia)

DIRECTORS' STATEMENT

In our opinion, the financial statements set out on pages 11 to 41 are properly drawn up in accordance with Malaysian Private Entities Reporting Standard 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 March 2021** and of their financial performance and cash flows for the financial year then ended.

Signed in accordance with a resolution of the directors:


.....
Goh Shze Yinn



.....
Leow Wee Keat

Date: 2 6 NOV 2021

STATUTORY DECLARATION

I, **Goh Shze Yinn**, the director primarily responsible for the financial management of **Enlinea Sdn. Bhd.**, do solemnly and sincerely declare that the financial statements set out on pages 11 to 41 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Penang, this)
day of **2 6 NOV 2021**)


.....
Goh Shze Yinn

Before me,



.....
Commissioner for Oaths

**20 Lebuh King
10200 Pulau Pinang**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ENLINEA SDN. BHD.****Registration No. 201201007097 (980617-A)**
(Incorporated in Malaysia)

Grant Thornton Malaysia PLTLevel 5, Menara BHL
51 Jalan Sultan Ahmad Shah
10050 Penang
Malaysia**Report on the Audit of the Financial Statements****T +604 228 7828****F +604 227 9828****Opinion**

We have audited the financial statements of **Enlinea Sdn. Bhd.**, which comprise the statements of financial position as at **31 March 2021** of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 41.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at **31 March 2021**, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Basis of 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 Code of Ethics for Professional Accountants* (including International Independence Standards) ("*IESBA Code*") of the International Ethics Standards Board for Accountants, and we have fulfilled our other ethical responsibilities in accordance with the *By-Laws* and the *IESBA Code*.

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 Directors' Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the Directors' Report 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' 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 the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

**Independent Auditors' Report To The Members Of
Enlinea Sdn. Bhd. (cont'd)
Registration No. 201201007097 (980617-A)
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Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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 of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

**Independent Auditors' Report To The Members Of
Enlinea Sdn. Bhd. (cont'd)
Registration No. 201201007097 (980617-A)
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- 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, is disclosed in Note 6 to the financial statements.

Other Matters

- (i) This report is made solely to the member 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.
- (ii) The financial statements for the preceding year ended 31 March 2020 were audited by **Grant Thornton** whose report dated 20 November 2020, expressed an unqualified opinion on the financial statements. The practice of **Grant Thornton** has merged with **Grant Thornton Malaysia PLT** effective from 1 January 2021.



Grant Thornton Malaysia PLT
AF: 0737
201906003682 (LLP022494-LCA)
Chartered Accountants



Terence Lau Han Wen
No. 03298/04/2023 J
Chartered Accountant

Penang

Date: 26 November 2021

ENLINEA SDN. BHD.
Registration No. 201201007097 (980617-A)
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	NOTE	GROUP		COMPANY	
		2021 RM	2020 RM	2021 RM	2020 RM
ASSETS					
Non-current assets					
Plant and equipment	4	115,572	155,914	103,807	122,627
Intangible assets	5	843,344	460,916	843,344	460,916
Investments in subsidiaries	6	-	-	192,231	192,231
Goodwill on consolidation	7	5,151	6,009	-	-
		<u>964,067</u>	<u>622,839</u>	<u>1,139,382</u>	<u>775,774</u>
Current assets					
Inventories	8	327,947	328,219	327,947	328,219
Trade receivables	9	1,692,897	1,003,810	1,667,325	996,264
Other receivables, deposits and prepayments	10	753,836	563,199	63,030	57,437
Amount due from subsidiaries	11	-	-	5,588,267	4,834,528
Cash and bank balances	12	1,284,460	302,544	1,226,140	209,507
		<u>4,059,140</u>	<u>2,197,772</u>	<u>8,872,709</u>	<u>6,425,955</u>
TOTAL ASSETS		<u>5,023,207</u>	<u>2,820,611</u>	<u>10,012,091</u>	<u>7,201,729</u>
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	13	894,008	894,008	894,008	894,008
Redeemable convertible preference shares ("RCPS")	14	1,048,681	1,048,681	1,048,681	1,048,681
Irredeemable convertible preference shares ("ICPS")	15	1,069,120	1,069,120	1,069,120	1,069,120
Exchange translation reserve	16	(79,275)	(16,786)	-	-
Accumulated losses		(10,214,026)	(11,154,744)	(6,547,711)	(7,840,017)
		<u>(7,281,492)</u>	<u>(8,159,721)</u>	<u>(3,535,902)</u>	<u>(4,828,208)</u>
Non-controlling interests		<u>(1,493,673)</u>	<u>(1,185,511)</u>	<u>-</u>	<u>-</u>
Total equity		<u>(8,775,165)</u>	<u>(9,345,232)</u>	<u>(3,535,902)</u>	<u>(4,828,208)</u>
Non-Current liabilities					
Redeemable convertible preference shares ("RCPS")	14	7,658,383	7,440,103	7,658,383	7,440,103
Borrowings	17	2,022,482	3,040,496	2,022,482	3,040,496
		<u>9,680,865</u>	<u>10,480,599</u>	<u>9,680,865</u>	<u>10,480,599</u>
Current liabilities					
Trade payables	18	155,258	404,678	146,288	402,888
Other payables and accruals	19	316,648	238,998	182,344	201,950
Amount due to directors	20	168,910	253,510	61,805	156,442
Borrowings	17	3,476,691	788,058	3,476,691	788,058
Total liabilities		<u>4,117,507</u>	<u>1,685,244</u>	<u>3,867,128</u>	<u>1,549,338</u>
TOTAL EQUITY AND LIABILITIES		<u>5,023,207</u>	<u>2,820,611</u>	<u>10,012,091</u>	<u>7,201,729</u>

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

ENLINEA SDN. BHD.
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	NOTE	GROUP		COMPANY	
		2021 RM	2020 RM	2021 RM	2020 RM
Revenue	21	11,601,526	10,366,090	10,816,802	10,172,277
Cost of sales		<u>(4,340,511)</u>	<u>(5,375,538)</u>	<u>(4,404,977)</u>	<u>(5,375,538)</u>
Gross profit		7,261,015	4,990,552	6,411,825	4,796,739
Other income	22	230,833	183,499	1,142,897	781,812
Administrative expenses		<u>(2,788,485)</u>	<u>(3,528,500)</u>	<u>(3,139,087)</u>	<u>(3,326,610)</u>
Marketing and promotion expenses		<u>(3,588,618)</u>	<u>(2,606,409)</u>	<u>(2,696,944)</u>	<u>(1,950,999)</u>
Profit/(Loss) from operations		1,114,745	(960,858)	1,718,691	300,942
Finance costs	23	<u>(426,385)</u>	267,943	<u>(426,385)</u>	267,943
Profit/(Loss) before taxation	24	688,360	(692,915)	1,292,306	568,885
Taxation	26	-	-	-	-
Profit/(Loss) for the year		688,360	(692,915)	1,292,306	568,885
Other comprehensive loss, net of tax:					
Items that will be reclassified					
subsequently to profit and loss:					
Exchange differences arising from translation of foreign operations		<u>(118,293)</u>	<u>(140,857)</u>	-	-
Total comprehensive income/(loss) for the year		570,067	(833,772)	1,292,306	568,885
Profit/(loss) attributable to:					
Owners of the Company		940,718	(212,530)	1,292,306	568,885
Non-controlling interests		<u>(252,358)</u>	<u>(480,385)</u>	-	-
Net profit/(loss) for the year		688,360	(692,915)	1,292,306	568,885
Total comprehensive income/(loss) attributable to:					
Owners of the Company		878,229	(277,412)	1,292,306	568,885
Non-controlling interests		<u>(308,162)</u>	<u>(556,360)</u>	-	-
Total comprehensive income/(loss) for the year		570,067	(833,772)	1,292,306	568,885

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

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STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Share Capital RM	----- Non-Distributable ----- RCPS RM	ICPS RM	Accumulated Losses RM	Total Equity RM
2021					
Balance at beginning	894,008	1,048,681	1,069,120	(7,840,017)	(4,828,208)
Total comprehensive income for the financial year	-	-	-	1,292,306	1,292,306
Balance at end	<u>894,008</u>	<u>1,048,681</u>	<u>1,069,120</u>	<u>(6,547,711)</u>	<u>(3,535,902)</u>
2020					
Balance at beginning	894,008	1,048,681	1,069,120	(8,408,902)	(5,397,093)
Total comprehensive income for the financial year	-	-	-	568,885	568,885
Balance at end	<u>894,008</u>	<u>1,048,681</u>	<u>1,069,120</u>	<u>(7,840,017)</u>	<u>(4,828,208)</u>

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

ENLINEA SDN. BHD.
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(loss) before taxation	688,360	(692,915)	1,292,306	568,885
Adjustment for:				
Amortisation of goodwill	858	858	-	-
Depreciation	64,552	71,243	57,568	63,735
Dividends on RCPS	-	(424,587)	-	(424,587)
Finance costs	208,105	189,231	208,105	189,231
Loss on disposal of plant and equipment	7,592	-	-	-
Unwinding of discount of RCPS	218,280	(32,587)	218,280	(32,587)
	<u>1,187,747</u>	<u>(888,757)</u>	<u>1,776,259</u>	<u>364,677</u>
Operating profit/(loss) before working capital changes				
Decrease/(Increase) in inventories	272	(173,075)	272	(173,075)
Increase in receivables	(879,724)	(364,494)	(676,654)	(551,028)
Increase/(Decrease) in payables	(290,063)	(418,948)	(276,206)	(259,645)
Net change in subsidiaries	-	-	(753,739)	(1,208,721)
	<u>18,232</u>	<u>(1,845,274)</u>	<u>69,932</u>	<u>(1,827,792)</u>
Cash from/(used in) operations				
Interest paid	(208,105)	(189,231)	(208,105)	(189,231)
	<u>(189,873)</u>	<u>(2,034,505)</u>	<u>(138,173)</u>	<u>(2,017,023)</u>
Net cash used in operating activities				
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of intangible assets	(382,428)	(450,742)	(382,428)	(450,742)
Purchase of property, plant and equipment	(38,748)	(53,529)	(38,748)	(35,735)
Net cash used in investing activities	(421,176)	(504,271)	(421,176)	(486,477)
CASH FLOWS FROM FINANCING ACTIVITIES				
Drawdown of term loan	2,000,000	2,914,521	2,000,000	2,914,521
Net change in director's account	(84,600)	(138,134)	(94,637)	(235,202)
Proceeds from disposal of plant and equipment	6,946	-	-	-
Repayment of term loan	(329,381)	(799,960)	(329,381)	(799,960)
Net cash from financing activities	1,592,965	1,976,427	1,575,982	1,879,359
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	981,916	(562,349)	1,016,633	(624,141)
CASH AND BANK BALANCES AT BEGINNING	302,544	864,893	209,507	833,648
CASH AND BANK BALANCES AT END	<u>1,284,460</u>	<u>302,544</u>	<u>1,226,140</u>	<u>209,507</u>

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

ENLINEA SDN. BHD.
Registration No. 201201007097 (980617-A)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2021

1. GENERAL INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The Company is principally an information technology solution provider and an online media company specialising in web design, e-commerce platform, mobile development, system integration and other related services, and investment holding company.

The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

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

The registered office is located at Unit 621, 6th Floor, Block A, Kelana Centre Point, No 3, Jalan SS7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.

The principal place of business is located at H-89-1, Jaya One, 72 Jalan University, 46200 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 November 2021.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention and on the going concern basis which is dependent on the injection of fresh capital and/or the continued financial support of its shareholders and/or its ability to achieve profitability from its operations.

The financial statements are presented in Ringgit Malaysia ("RM") which is also the Company's functional currency.

2.3 Significant Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2.3.1 Judgements made in applying accounting policies

There are no significant areas of critical judgement in applying accounting policies that have any significant effect on the amount recognised in the financial statements.

2.3.2 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 financial year are discussed below:

(i) Useful lives of plant and equipment

The depreciable costs of plant and equipment are allocated on the straight line basis over their estimated useful lives. Management estimates the useful lives of these assets to be within 5 to 10 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and residual value of these assets. Therefore, future depreciation charges could be revised.

(ii) Impairment of plant and equipment and intangible assets

The Group and the Company perform an impairment review as and when there are impairment indicators to ensure that the carrying value of the plant and equipment and intangible assets do not exceed its recoverable amount. The recoverable amount represents the present value of the estimated future cash flows expected to arise from continuing operations. Therefore, in arriving at the recoverable amount, management exercise judgement in estimating the future cash flows, growth rate and discount rate.

(iii) Inventories

The management reviews for damaged, slow-moving and obsolete inventories. This review requires judgements and estimates. Possible changes in these estimates could result in revision to the valuation of inventories.

(iv) Impairment of loans and receivables

The Group and the Company assess at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience of assets with similar credit risk characteristics.

3. ACCOUNTING POLICIES

The following accounting policies adopted by the Group and by the Company are consistent with those adopted in the previous financial years unless otherwise indicated below.

3.1 Business Combination and Consolidation

(i) Business Combination

The Group applies the acquisition method to account for all business combinations. If the acquisition of an asset or a group of assets does not constitute a business, it is accounted for as an asset acquisition.

The Group identifies the acquisition date of a business combination as the date on which the Group obtains control of an acquiree. Control is obtained when the Group commences to have the power to direct financial and operating policy decisions of the investee so as to obtain benefits from its activities.

As of the acquisition date, the Group recognises, separately from goodwill, the identifiable assets acquired (including identifiable intangible assets), the liabilities assumed (including contingent liabilities) and any non-controlling interest in the acquiree. The identifiable assets acquired and liabilities assumed are measured at their acquisition-date fair values, except for those permitted or required to be measured on other bases by MPERS. Non-controlling interest at the acquisition date is measured at its acquisition date share of net assets, excluding goodwill.

The cost of a business combination is measured at fair value, calculated as the sum of the acquisition-date fair value of assets transferred (including contingent consideration), the liabilities incurred to former owners of the acquiree and the equity instruments issued by the Group. Expenses incurred in connection with a business combination are capitalised in the cost of business combination.

The cost of a business combination is allocated to the share of net assets acquired to determine the initial amount of goodwill on combination. In a business combination achieved in stages (including acquisition of a former associate or a former joint venture), the cost of each exchange transaction is compared with the share of net assets to determine the goodwill of each exchange transaction on a step-by-step basis. Any increase in equity interest in an investee after the acquisition date is accounted for as an equity transaction between the parent and the non-controlling interests and the effect is adjusted directly in equity.

If the initial accounting for a business combination is not completed by the end of the reporting period in which the combination occurs, the Group uses provisional fair value amounts for the items for which the accounting is incomplete. The provisional amounts are adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date, including additional assets or liabilities identified in the measurement period. The measurement period for completion of the initial accounting ends after one year from the acquisition date.

(ii) **Subsidiaries and Basis of Consolidation**

The Group recognises a subsidiary based on the criterion of control. A subsidiary is an entity (including special purpose entities) over which the Group has the power to govern the financial and operating policy decisions of the investee so as to obtain benefits from its activities. In circumstances when the voting rights are not more than half or when voting rights are not the dominant determinant of control, the Group uses judgements to assess whether it has de facto control, control by other arrangements (including control of special purpose entities), or by holding substantive potential voting rights.

The financial statements of the Company and all its subsidiaries used in the preparation of the consolidated financial statements are prepared as of the same reporting date.

The consolidated financial statements are prepared using uniform accounting policies for like transactions, other events and conditions in similar circumstances.

The carrying amount of investment in each subsidiary of a parent in the Group is eliminated against the Company's portion of equity in each subsidiary. The consolidated financial statements combine like items of assets, liabilities, equity, income, expenses and cash flows of the Company and all its subsidiaries. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition (which is the date the Group assumes control of an investee) or up to effective date of disposal (which is the date the Group ceases to have control of an investee).

All intragroup balances and transactions are eliminated in full on consolidation. Unrealised profits or losses arising from intragroup transactions are also eliminated in full on consolidation, except when an unrealised loss is an impairment loss.

When the Group ceases to control a subsidiary, the difference between the proceeds from the disposal of the subsidiary and its carrying amount at the date that control is lost is recognised in profit or loss in the consolidated statement of comprehensive income as the gain or loss on disposal of the subsidiary. The cumulative amount of any exchange differences that relate to a foreign subsidiary recognised in other comprehensive income is not reclassified to profit or loss on disposal of the subsidiary. If the Group retains an equity interest in the former subsidiary, it is accounted for as a financial asset (provided it does not become an associate or a joint venture). The carrying amount of the investment retained at the date that the entity ceases to be a subsidiary is regarded as the cost on initial measurement of the financial asset.

Any decrease in equity stake in a subsidiary that does not result in a loss of control is accounted for as an equity transaction and the financial effect is adjusted directly in the consolidated statement of changes in equity.

(iii) Non-Controlling Interests

Non-controlling interests in a partly-owned subsidiary represents its share of net assets, other than goodwill, of the subsidiary and is presented as a component of equity separately from owners' equity. Non-controlling interests is initially measured at acquisition-date share of net assets other than goodwill as of the acquisition date and is subsequently adjusted for the changes in the net assets of the subsidiary after the acquisition date.

The Group treats a change in a parent's controlling interest in a subsidiary that does not result in a loss of control as a transaction with equity holders in their capacity as equity holders. Accordingly, the carrying amount of the non-controlling interest is adjusted to reflect the change in the parent's interest in the subsidiary's net assets. Any difference between the amount by which non-controlling interest is so adjusted and the fair value of the consideration paid or received, if any, is recognised directly in equity and attributed to the owners of the parent.

3.2 Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Plant and equipment are depreciated over their estimated useful lives on the straight-line method at the following annual rates:

Computer	10%
Furniture and fittings	20%
Office equipment	20%

Upon the disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is charged or credited to the profit or loss.

3.3 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or asset or the arrangement conveys a right to use the asset, even if that right is not explicitly specific in an arrangement.

Finance lease

A finance lease which includes hire purchase arrangement, is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. Title may or may not eventually be transferred.

Minimum lease payments made under finance leases are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the profit or loss. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

3.4 Goodwill and Other Intangible Assets

3.4.1 Goodwill

The Group does not recognise internally generated goodwill.

In a business combination accounted for under the acquisition method, purchased goodwill is recognised as an asset as of the acquisition date, measured at the difference between cost of investment and share of net assets acquired. Non-controlling interests' share of goodwill is not recognised.

In the rare occasion when the share of net assets acquired exceeds the cost of combination, a reassessment of the acquisition-date accounting is performed, and any remaining excess is recognised immediately in profit or loss as a bargain purchase gain and attributed to the owners of the Company only.

Purchased goodwill, including goodwill on acquisition of an interest in an associate or a joint venture, is amortised on the straight-line basis over 10 years and is subject to impairment test whenever there is any indication of impairment.

3.4.2 Others

Intangible assets acquired separately are measured at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised on a straight-line basis over the estimated economic useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and method for an intangible asset with a finite useful life are reviewed annually.

Intangible assets with indefinite useful lives are amortised over 10 years, determined based on management's best estimate. The useful life of an intangible asset with an indefinite life is also reviewed annually to determine whether the useful life continues to be supportable.

3.5 Impairment of 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, then 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 ("CGU").

The recoverable amount of an asset of CGU 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 CGU.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its related CGU exceeds its estimated recoverable amount.

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 if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

3.6 Financial Instruments

3.6.1 Initial recognition and measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transactions costs that are directly attributable to the acquisition or issue of the financial instrument. For intra-group loans and advances, and other contractual arrangements, that constitute a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instruments.

3.6.2 Financial instrument categories

The Group and the Company categorise financial instruments as follows:

Financial assets

Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market.

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the end of the reporting period which are classified as non-current.

All financial assets are subject to review for impairment.

Financial liabilities

Financial liabilities are classified as current liabilities, except for those having maturity dates later than 12 months after the end of the reporting period which are classified as non-current.

3.6.3 Subsequent measurement

Debt instruments that meet the following conditions are measured at amortised cost using the effective interest method:

- (i) returns to the holder are determinable, e.g. a fixed amount and/or variable rate of return benchmark against a quoted or observable interest rate;
- (ii) there is no contractual provision that could result in the holder losing the principal amount of any interest attributable to the current or prior periods; and
- (iii) prepayment option, if any, is not contingent on future events.

Debt instruments that are classified as current assets or current liabilities are measured at the undiscounted amount of the cash or other consideration expected to be paid or received unless the arrangement constitutes, in effect, a financing transaction.

All other financial assets or financial liabilities not measured at amortised cost or cost less impairment are measured at fair value with changes recognised in profit or loss.

All financial assets (except for financial assets measured at fair value through profit or loss) are assessed at each reporting date whether there is any objective evidence of impairment. An impairment loss is measured as follows:

- (i) for an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.
- (ii) for an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

3.6.4 Derecognition

A financial asset or part of it is derecognised, when and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

3.7 Impairment and Uncollectibility of Financial Assets

For short-term trade and other receivables where the effect of discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due period. A collective allowance is estimated for a class group based on the Group's and on the Company's experiences of loss ratio in each class, taking into consideration current market conditions.

3.8 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on the first in, first out basis.

Net realisable value represents the estimated selling price less the estimated cost to completion and the estimated costs necessary to make the sale.

3.9 Cash and Cash Equivalents

Cash comprises cash in hand, cash at bank and demand deposits. Cash equivalents are short term and highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value, against which bank overdraft balances, if any, are deducted.

3.10 Provisions

Provisions are recognised when the Group and the Company have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost expense.

3.11 Borrowing Costs

Borrowing costs of the Group and of the Company include interest on loans and interest expenses of other debt instruments calculated using the effective interest method. All borrowing costs are recognised as an expense when incurred.

3.12 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and to the Company and when the revenue can be reliably measured on the following bases:

(i) Sale of goods

Revenue from sale of maternity, baby and kids products via E-commerce platform is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer.

(ii) Revenue from services provided

Revenue arising from the provision of advertising and subscription services, wedding planning and consultation services is recognised in the accounting period in which the relevant services are rendered.

(iii) Management fee

Revenue is recognised when services are rendered.

(iv) Interest income

Interest income is recognised on an accrual basis.

3.13 **Employee Benefits**

Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group and of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

A liability is recognised for the amount expected to be paid under short term cash bonus if the Group and the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"). The Group's foreign subsidiaries also make contributions to their respective country's statutory pension schemes. The Group has no legal or constructive obligation to pay contribution in addition to its fixed contributions which are recognised as an expense in the period that relevant employee services are received.

3.14 **Income Tax**

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.15 **Goods and Services Tax (“GST”) and Sales and Services Tax (“SST”)**

GST is a consumption tax based on the value-added concept. GST is imposed on goods and services at every production and distribution stage in the supply chain including importation of goods and services, at the applicable tax rate of 7% in Singapore. Input tax that a company pays on business purchases is offset against output tax.

Revenue, expenses and assets are recognised net of GST/SST except:

- where the GST/SST incurred in a purchase of asset or service is not recoverable from the authority, in which case the GST/SST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with GST/SST inclusive.

The net GST/SST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

The SST has two elements: a service tax that is charged and levied on taxable services provided by any taxable person in Malaysia in the course and furtherance of business, and a single stage sales tax levied on imported and locally manufactured goods, either at the time of importation or at the time the goods are sold or otherwise disposed of by the manufacturer.

The rate for sales tax is fixed at 5% or 10%, while the rate for service tax is fixed at 6%.

3.16 **Foreign Currency**

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities measured at historical cost in a foreign currency at the end of the reporting period are translated to the functional currency at the exchange rate at the date of the transaction except for those measured at fair value shall be translated at the exchange rate at the date when the fair value was determined.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in profit or loss.

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

Foreign operations

The assets and liabilities of foreign operations are translated to RM at exchange rates at the end of the reporting period. The income and expenses of foreign operations are translated to RM at exchange rates at the dates of the transactions.

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

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the FTR in equity.

3.17 Equity Instruments

3.17.1 Share capital, share issuance costs and dividends

Classification

Ordinary shares are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument.

Share issuance costs

Incremental external costs directly attributable to the issuance of new shares are deducted against equity.

Dividends

Dividends on ordinary shares are accounted for in shareholder's equity as an appropriation of retained profits and recognised as a liability in the period in which they are declared.

3.17.2 Preference share capital

Preference share capital is classified as equity if it is non-redeemable, or is redeemable but only at the Company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity.

Preference share capital is classified as financial liability if it is redeemable on a specific date or at the option of the equity holders, or if dividend payments are not discretionary. Dividends thereon are recognised as interest expense in profit or loss as accrued.

Redeemable convertible preference shares are regarded as compound instruments, consisting of a liability component and an equity component. The component of redeemable convertible preference shares that exhibits characteristics of a liability is recognised as a financial liability in the statements of financial position, net of transaction costs. The dividends on those shares are recognised as interest expense in profit or loss using the effective interest rate method.

On issuance of the redeemable convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible debt and this amount is carried as a financial liability. The residual amount, after deducting the fair value of the liability component, is recognised and included in shareholder's equity, net of transaction costs.

Transaction costs are apportioned between the liability and equity components of the redeemable convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments were first recognised.

3.18 **Related Parties**

A related party is a person or entity that is related to the Group. A related party transaction is a transfer of resources, services or obligations between the Group and its related party, regardless of whether a price is charged.

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) Has control or joint control over the Group;
 - (ii) Has significant influence over the Group; or
 - (iii) Is a member of the key management personnel of the Group.

- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group.
 - (ii) The entity is an associate or joint venture of the other entity.
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) The entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefits of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly-controlled by a person identified in (a) above.
 - (vii) A person identified in (a)(i) above has significant influence over the Group or is a member of the key management personnel of the Group.
 - (viii) The entity, or any member of a group when it is a part, provides key management personnel services to the Group or to the parent of the Group.

4. PLANT AND EQUIPMENT

GROUP

	Computer RM	Furniture and fittings RM	Office equipment RM	Total RM
2021				
At cost				
Balance at beginning	236,377	46,313	89,972	372,662
Additions	38,118	-	630	38,748
Disposal	-	-	(18,015)	(18,015)
Balance at end	<u>274,495</u>	<u>46,313</u>	<u>72,587</u>	<u>393,395</u>
Accumulated depreciation				
Balance at beginning	131,383	30,512	54,853	216,748
Current charge	47,564	9,292	7,696	64,552
Disposal	-	-	(3,477)	(3,477)
Balance at end	<u>178,947</u>	<u>39,804</u>	<u>59,072</u>	<u>277,823</u>
Carrying amount	<u>95,548</u>	<u>6,509</u>	<u>13,515</u>	<u>115,572</u>
2020				
At cost				
Balance at beginning	212,528	46,313	60,292	319,133
Additions	23,849	-	29,680	53,529
Balance at end	<u>236,377</u>	<u>46,313</u>	<u>89,972</u>	<u>372,662</u>
Accumulated depreciation				
Balance at beginning	84,400	21,220	39,885	145,505
Current charge	46,983	9,292	14,968	71,243
Balance at end	<u>131,383</u>	<u>30,512</u>	<u>54,853</u>	<u>216,748</u>
Carrying amount	<u>104,994</u>	<u>15,801</u>	<u>35,119</u>	<u>155,914</u>

4. PLANT AND EQUIPMENT

COMPANY

	Computer RM	Furniture and fittings RM	Office equipment RM	Total RM
2021				
At cost				
Balance at beginning	207,882	46,313	71,684	325,879
Additions	38,118	-	630	38,748
Balance at end	<u>246,000</u>	<u>46,313</u>	<u>72,314</u>	<u>364,627</u>
Accumulated depreciation				
Balance at beginning	119,476	30,512	53,264	203,252
Current charge	41,481	9,292	6,795	57,568
Balance at end	<u>160,957</u>	<u>39,804</u>	<u>60,059</u>	<u>260,820</u>
Carrying amount	<u>85,043</u>	<u>6,509</u>	<u>12,255</u>	<u>103,807</u>
2020				
At cost				
Balance at beginning	184,033	46,313	59,798	290,144
Additions	23,849	-	11,886	35,735
Balance at end	<u>207,882</u>	<u>46,313</u>	<u>71,684</u>	<u>325,879</u>
Accumulated depreciation				
Balance at beginning	78,586	21,220	39,711	139,517
Current charge	40,890	9,292	13,553	63,735
Balance at end	<u>119,476</u>	<u>30,512</u>	<u>53,264</u>	<u>203,252</u>
Carrying amount	<u>88,406</u>	<u>15,801</u>	<u>18,420</u>	<u>122,627</u>

5. INTANGIBLE ASSETS

	GROUP AND COMPANY	
	2021 RM	2020 RM
At cost		
Balance at beginning	460,916	10,174
Additions	382,428	450,742
Balance at end	843,344	460,916

Intangible assets represent domains, trademarks and management software purchased.

6. INVESTMENT IN SUBSIDIARIES

	COMPANY	
	2021 RM	2020 RM
Unquoted shares, at cost	192,231	192,231

Details of the subsidiaries are as follows:

Name of Entities	Place of Incorporation	Effective Equity Interest		Principal Activities
		2021 %	2020 %	
* Nuren (Singapore) Pte. Ltd.	Singapore	100	100	Web portals services provider including social networking sites and retail sales via mail order houses or via internet.
* Nuren (Thailand) Co. Ltd.	Thailand	49	49	Provides advertising media services.

* Not audited by Grant Thornton Malaysia PLT.

Although the Company's equity interest is only 49% in Nuren (Thailand) Co. Ltd. and not more than half of the voting power of the entity, the Directors have determined that the Company controls the entity. The Company has *de facto* control over Nuren (Thailand) Co. Ltd., on the basis that the remaining voting rights in the investee is controlled by the Company.

7. GOODWILL ON CONSOLIDATION

	GROUP	
	2021 RM	2020 RM
At cost	8,583	8,583
Accumulated amortisation		
Balance at beginning	2,574	1,716
Current year	858	858
Balance at end	3,432	2,574
Carrying amount	5,151	6,009

8. INVENTORIES

	GROUP AND COMPANY	
	2021 RM	2020 RM
Trading goods	327,947	328,219

9. TRADE RECEIVABLES

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Trade receivables	1,692,897	1,042,465	1,667,325	1,034,919
Less: Allowance for doubtful debts				
Balance at beginning	(38,655)	(38,655)	(38,655)	(38,655)
Reversal	38,655	-	38,655	-
	-	(38,655)	-	(38,655)
	1,692,897	1,003,810	1,667,325	996,264

The currency profile of trade receivables is as follows:

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Ringgit Malaysia	1,667,325	995,004	1,667,325	995,004
US Dollar	-	1,260	-	1,260
Singapore Dollar	20,044	194	-	-
Thai Baht	5,528	7,352	-	-
	1,692,897	1,003,810	1,667,325	996,264

Trade receivables are non-interest bearing and are generally on **30 to 95 days** (2020: 30 to 95 days) credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Other receivables	676,342	505,762	-	-
GST claimable	-	12,657	-	12,657
Deposits and prepayments	77,494	44,780	63,030	44,780
	753,836	563,199	63,030	57,437

11. **AMOUNT DUE FROM SUBSIDIARIES**

The amount due from subsidiaries is unsecured, interest bearing at 5% per annum (2020: Nil) and is repayable on demand.

12. **CASH AND BANK BALANCES**

The currency profile of cash and bank balances is as follows:

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Ringgit Malaysia	1,177,912	159,598	1,177,912	159,598
US Dollar	48,228	49,909	48,228	49,909
Singapore Dollar	45,560	80,658	-	-
Thai Baht	12,760	12,379	-	-
	<u>1,284,460</u>	<u>302,544</u>	<u>1,226,140</u>	<u>209,507</u>

13. **SHARE CAPITAL**

	Number of ordinary shares		Amount	
	2021	2020	2021 RM	2020 RM
Issued and fully paid with no par value	<u>2,933,968</u>	<u>2,933,968</u>	<u>894,008</u>	<u>894,008</u>

14. **REDEEMABLE CONVERTIBLE PREFERENCE SHARES ("RCPS")**

	Number of RCPS		Amount	
	2021	2020	2021 RM	2020 RM
Balance at beginning	1,389,279	1,389,279	8,488,784	8,521,371
Unwinding of discount charged to profit or loss	-	-	218,280	(32,587)
	<u>1,389,279</u>	<u>1,389,279</u>	<u>8,707,064</u>	<u>8,488,784</u>

Represented by:

	Number of RCPS		Amount	
	2021	2020	2021 RM	2020 RM
RCPS Series A	1,000,000	1,000,000	4,300,236	4,188,427
RCPS Series A4	216,266	216,266	2,207,543	2,154,210
RCPS Series A5	173,013	173,013	2,199,285	2,146,147
	<u>1,389,279</u>	<u>1,389,279</u>	<u>8,707,064</u>	<u>8,488,784</u>

The carrying amount of the RCPS recognised in the statements of financial position of the Group and of the Company can be analysed as follows:

	2021 RM	2020 RM
Liability component recognised under non-current liabilities:		
Balance at beginning/at end	6,980,836	6,980,836
Unwinding of discount:		
Balance at beginning	459,267	491,854
Additions/(Reversal)	218,280	(32,587)
Balance at end	677,547	459,267
	7,658,383	7,440,103
Equity component recognised under equity:		
Balance at beginning/at end	1,048,681	1,048,681
Interest expense recognised in profit or loss:		
Dividends	-	(424,587)
Unwinding of discount - current year	218,280	197,558
- over provision in prior period	-	(230,145)
	218,280	(457,174)

The salient features of the RCPS are as follows:

RCPS A

- (a) The RCPS Series A shall rank in priority to the ordinary shares of the Company in the event of winding up liquidation;
- (b) The RCPS Series A holder shall be paid a lumpsum dividend in preference to the holders of the ordinary shares, if any ("Preferred Dividend") at the end of redemption period or upon conversion, at a rate equivalent to seven percent (7%) per annum based on the issue price of RCPS Series A and from and including the issue date of RCPS Series A up to the date (inclusive) immediately preceding the date of conversion or the date of redemption. The calculation and payment of the lumpsum dividend shall be determined at the point of redemption or conversion. For the avoidance of doubt, the Preferred Dividend shall form part of the conversion price;
- (c) In the event of liquidation, the RCPS Series A holder shall be entitled to receive one point five times (x1.5) the subscription price plus any dividends accrued on the RCPS Series A in preference to the holders of ordinary shares;
- (d) At the option of the holders of RCPS Series A for the First Tranche subscription will be convertible into ordinary shares of the Company which is equivalent to fourteen point three percent (14.3%) of the equity interest in the Company and the RCPS Series A for the Second Tranche subscription will be convertible into such number of ordinary shares in the Company on the same basis as the new investor as may procured by the Company with at least USD1,000,000 in the Company when a qualified exit is achieve or upon approval of holders of at least 50% of the RCPS Series A, voting as a single class, whichever is sooner; and

- (e) At the option of the holders of RCPS Series A holding at least majority of the outstanding RCPS Series A, the Company shall redeem the RCPS Series A on the fifth ("5") anniversary from the issue date of RCPS A5 or 23 December 2023 at a redemption price which equals to the subscription price for the RCPS Series A as may be paid by the relevant holder of the RCPS Series A plus the Preferred Dividends.

RCPS A4

- (a) The RCPS Series A4 shall rank in priority to the ordinary shares, RCPS Series A and ICPS Series A2 of the Company in the event of winding up liquidation. The RCPS Series A4 shall rank pari passu with ICPS Series A3;
- (b) The RCPS Series A4 holder shall be paid a lumpsum dividend in preference to the holders of the ordinary shares, if any ("Preferred Dividend") at the end of redemption period or upon conversion, at a rate equivalent to seven percent (7%) per annum based on the issue price of RCPS Series A4 and from and including the issue date of RCPS Series A4 up to the date (inclusive) immediately preceding the date of conversion or the date of redemption. The calculation and payment of the lumpsum dividend shall be determined at the point of redemption or conversion. For the avoidance of doubt, the Preferred Dividend shall form part of the conversion price;
- (c) In the event of liquidation, the RCPS Series A4 holder shall be entitled to receive one point five times (x1.5) the subscription price plus any dividends accrued on the RCPS Series A4 in preference to the holders of ordinary shares, RCPS Series A and ICPS Series A2 but rank pari passu with the holders of ICPS Series A3;
- (d) Each RCPS Series A4 is convertible at the option of the RCPS Series A4 holder or immediately prior to any listing of the Company on a recognised stock exchange board, into such number of ordinary shares as is determined by dividing the aggregate subscription price with the conversion price of USD2.31, which MYR price will be determined based on the actual exchange rate at which the subscription price is converted to Ringgit Malaysia ("Conversion Price"); and
- (e) At the option of the holders of RCPS Series A4 holding at least majority of the outstanding RCPS Series A4, the Company shall redeem the RCPS Series A4 on the fifth ("5") anniversary from the issue date of RCPS A5 or 23 December 2023 at a redemption price which equals to the subscription price for the RCPS Series A4 as may be paid by the relevant holder of the RCPS Series A4 plus the Preferred Dividends.

RCPS A5

- (a) The RCPS Series A5 shall rank in priority to the ordinary shares, RCPS Series A, ICPS Series A2 and RCPS Series A4 of the Company in the event of winding up liquidation. The RCPS Series A5 shall rank pari passu with ICPS Series A3;
- (b) The RCPS Series A5 holder shall be paid a lumpsum dividend in preference to the holders of the ordinary shares, if any ("Preferred Dividend") at the end of redemption period or upon conversion, at a rate equivalent to seven percent (7%) per annum based on the issue price of RCPS Series A5 and from and including the issue date of RCPS Series A5 up to the date (inclusive) immediately preceding the date of conversion or the date of redemption. The calculation and payment of the lumpsum dividend shall be determined at the point of redemption or conversion. For the avoidance of doubt, the Preferred Dividend shall form part of the conversion price;
- (c) In the event of liquidation, the RCPS Series A5 holder shall be entitled to receive one point five times (x1.5) the subscription price plus any dividends accrued on the RCPS Series A5 in preference to the holders of ordinary shares, RCPS Series A and ICPS Series A2 but rank pari passu with the holders of RCPS Series A4 and ICPS Series A3;

- (d) Each RCPS Series A5 is convertible at the option of the RCPS Series A5 holder or immediately prior to any listing of the Company on a recognised stock exchange board, into such number of ordinary shares as is determined by dividing the aggregate subscription price with the conversion price of USD2.89, which MYR price will be determined based on the actual exchange rate at which the subscription price is converted to Ringgit Malaysia ("Conversion Price"); and
- (e) At the option of the holders of RCPS A5 Series holding at least majority of the outstanding RCPS Series A5, the Company shall redeem the RCPS Series A5 on the fifth ("5") anniversary from the issue date of RCPS A5 or 23 December 2023 at a redemption price which equals to the subscription price for the RCPS Series A5 as may be paid by the relevant holder of the RCPS Series A5 plus the Preferred Dividends.

15. **IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")**

	No. of ICPS		Amount	
	2021	2020	2021 RM	2020 RM
Balance at beginning/ at end	<u>429,205</u>	<u>429,205</u>	<u>1,069,120</u>	<u>1,069,120</u>
	No. of shares		Amount	
	2021	2020	2021 RM	2020 RM
Represented by:				
ICPS Series A2	<u>360,000</u>	<u>360,000</u>	<u>295,200</u>	<u>295,200</u>
ICPS Series A3	<u>69,205</u>	<u>69,205</u>	<u>773,920</u>	<u>773,920</u>
	<u>429,205</u>	<u>429,205</u>	<u>1,069,120</u>	<u>1,069,120</u>

The salient features of the ICPS Series A2 are as follows:

- (a) The ICPS Series A2 shall rank pari passu with all other preference shares and rank in priority to all other securities of the Company;
- (b) The holders of ICPS Series A2 shall not be paid any dividend;
- (c) All the ICPS Series A2 will only be converted into ordinary shares in the event of an initial public offering or a trade sale, merger or acquisition of the Company, whichever is earlier. Every ten (10) ICPS Series A2 is convertible into one (1) ordinary shares in the Company;
- (d) There shall be no redemption of the ICPS Series A2;
- (e) The holder of ICPS Series A2 shall have no voting rights attached to the ICPS Series A2 shares. Holders of ICPS Series A2 will only have voting rights upon conversion of the ICPS Series A2 shares into ordinary shares; and
- (f) The holders of ICPS Series A2 shall have no right to appoint director in the Company and/or its subsidiaries.

The salient features of the ICPS Series A3 are as follows:

- (a) The ICPS Series A3 shall rank in priority to the ordinary shares, RCPS Series A and CPS Series A2 of the Company in the event of winding up or liquidation. The ICPS Series A3 shall rank equally amongst themselves in all respects;

- (b) The ICPS Series A3 holder shall be paid cumulative dividends at a rate as may be determined by the directors of the Company in preference to the holders of the ordinary shares;
- (c) In the event of liquidation, the ICPS Series A3 holder shall be entitled to receive one point five times (x1.5) the subscription price plus any dividends accrued on the ICPS in preference to the holder of ordinary shares and the RCPS Series A and CPS Series A2; and
- (d) Each ICPS Series A3 is convertible at the option of the ICPS Series A3 holder or immediately prior to any listing of the Company on a recognised stock exchange board, into such number of ordinary shares as is determined by dividing the aggregate subscription price with the conversion price of USD2.89, which the MYR price will be determined based on the actual exchange rate at which the subscription price is converted to Ringgit Malaysia ("Conversion Price").

16. **EXCHANGE TRANSACTION RESERVE**

The exchange translation reserve is in respect of foreign exchange difference on translation of the financial statements of the Group's foreign subsidiaries.

17. **BORROWINGS**

	GROUP AND COMPANY	
	2021	2020
	RM	RM
<u>Term loans</u>		
Total amount payable	5,499,173	3,828,554
Amount due within 1 year included under current liabilities	(3,476,691)	(788,058)
	<u>2,022,482</u>	<u>3,040,496</u>
Current liabilities		
Term loans	<u>3,476,691</u>	<u>788,058</u>

The currency profile of borrowings is as follows:

	GROUP AND COMPANY	
	2021	2020
	RM	RM
Ringgit Malaysia	5,357,511	3,582,527
US Dollar	141,662	246,027
	<u>5,499,173</u>	<u>3,828,554</u>

The borrowings of the Group and of the Company represent loans from corporations which are secured by way of:

- (i) Joint and several guarantee by certain directors;
- (ii) Debenture creating a first rank fixed and floating charge over the assets of the Company; and
- (iii) Memorandum of charge over the company's operating current accounts.

18. **TRADE PAYABLES**

The currency profile of trade payables is as follows:

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Ringgit Malaysia	146,288	402,888	146,288	402,888
Singapore Dollar	8,970	1,790	-	-
	155,258	404,678	146,288	402,888

Trade payables are non-interest bearing and are normally settled within **30 days** (2020: 30 days) credit terms.

19. **OTHER PAYABLES AND ACCRUALS**

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Other payables	249,157	166,797	123,115	137,939
Accruals	28,578	46,190	20,316	38,000
SST Payable	38,913	26,011	38,913	26,011
	316,648	238,998	182,344	201,950

20. **AMOUNT DUE TO DIRECTORS**

The amount due to directors is non-trade related, unsecured, non-interest bearing and is repayable on demand.

21. **REVENUE**

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Advertising fees	116,690	237,451	116,690	237,451
E-commerce sales	7,209,632	7,536,304	6,364,908	7,342,491
Media sales	4,275,204	2,592,335	4,335,204	2,592,335
	11,601,526	10,366,090	10,816,802	10,172,277

22. OTHER INCOME

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Management fee	-	-	678,335	723,831
Realised gain on foreign exchange	3,514	118,234	3,514	57,981
Others	26,119	65,265	-	-
Interest income	-	-	259,848	-
Wages subsidy	201,200	-	201,200	-
	230,833	183,499	1,142,897	781,812

23. FINANCE COSTS

	GROUP AND COMPANY	
	2021 RM	2020 RM
Interest expenses on:		
- RCPS - current year	218,280	197,558
- over provision in prior period	-	(654,732)
- term loans	208,105	189,231
	426,385	(267,943)

24. PROFIT/(LOSS) BEFORE TAXATION

This is arrived at:

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
After charging:				
Amortisation of goodwill	858	858	-	-
Audit fee	28,530	29,889	18,000	18,000
Depreciation of plant and equipment	64,552	71,243	57,568	63,735
Gain on foreign exchange:				
- realised	(3,514)	(118,234)	(3,514)	(57,981)
Loss on disposal of plant and equipment	7,592	-	-	-
Rental of premises	93,172	112,863	93,172	112,863

25. **EMPLOYEE BENEFITS EXPENSES**

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Salaries, overtime and allowances	2,273,400	2,240,663	2,273,400	2,240,663
EPF, SOCSO and EIS	249,374	236,185	249,374	236,185
Other staff costs	51,694	65,401	51,694	65,401
	<u>2,574,468</u>	<u>2,542,249</u>	<u>2,574,468</u>	<u>2,542,249</u>

Directors' remuneration

Included in the staff costs of the Group and of the Company are directors' remuneration as shown below:

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Salaries	204,000	204,000	204,000	204,000
EPF, SOCSO and EIS	26,327	26,327	26,327	26,327
	<u>230,327</u>	<u>230,327</u>	<u>230,327</u>	<u>230,327</u>

26. **TAXATION**

There is no current tax expense as the Group and the Company have no chargeable income for the financial year.

The reconciliation of tax expense of the Group and Company is as follows:

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Profit/(Loss) before taxation	<u>688,360</u>	<u>(692,915)</u>	<u>1,292,306</u>	<u>568,885</u>
Income tax at Malaysian statutory tax rate of 24%	(165,206)	166,300	(310,153)	(136,532)
Tax rates difference foreign jurisdictions	32,146	62,745	-	-
Expenses not deductible for tax purposes	(173,381)	(129,157)	(62,624)	(129,157)
Utilisation of unabsorbed tax losses	378,342	164,277	378,342	164,277
Movement of deferred tax assets not recognised	(71,901)	(264,165)	(5,565)	101,412
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Deferred tax assets have not been recognised on the above temporary differences as the management is unable to determine whether the Group and the Company will have chargeable income in the foreseeable future to the extent that the above deductible temporary differences can be utilised in view of the uncertain business environment.

The amount and future availability of unabsorbed tax losses for which the related tax effect have not been accounted for at the end of reporting period are estimated at:

	GROUP		COMPANY	
	2021 RM	2020 RM	2021 RM	2020 RM
Plant and equipment	41,089	72,995	41,089	64,275
Unabsorbed tax losses	(7,207,865)	(8,458,627)	(5,041,497)	(6,617,922)
Others	-	(57,981)	-	-
	(7,166,776)	(8,443,613)	(5,000,408)	(6,553,647)

The unabsorbed tax losses of the Company can be carried forward for seven consecutive years of assessment immediately following that year of assessment.

The expiry of the unabsorbed tax losses is as follows:

	COMPANY	
	2021 RM	2020 RM
Year of assessment 2025	4,023,490	5,599,915
Year of assessment 2026	1,018,007	1,018,007
	5,041,497	6,617,922

27. RELATED PARTY TRANSACTIONS

(i) Related company transactions

	COMPANY	
	2021 RM	2020 RM
Interest received	259,848	-
Management fees received	678,335	723,831
Purchases	60,000	-
	998,183	723,831

(ii) Compensation of key management personnel

Key management personnel are those persons including directors having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company, directly or indirectly.

The Group and the Company have no other members of key management personnel apart from the Board of Directors whose compensation has been shown in Note 25.

28. SIGNIFICANT EVENT

The World Health Organisation declared the 2019 Novel Coronavirus outbreak ("COVID-19") a pandemic on 11 March 2020. On 16 March 2020, the Malaysian Government has imposed the Movement Control Order ("MCO") starting from 18 March 2020 to curb the spread of the COVID-19 outbreak in Malaysia. The COVID-19 outbreak has resulted in travel restriction, lockdown and other precautionary measures imposed in various countries. The emergence of the COVID-19 outbreak since early 2020 has brought significant economic uncertainties in Malaysia and markets in which the Group and the Company operates.

The Group and the Company have performed an assessment on the overall impact of the situation on the Company's operations and financial implication, including the recoverability of the carrying amount of assets and subsequent measurement of assets and liabilities, and concluded that there is no material adverse effect on the financial statements for the financial year ended 31 March 2021.

Nevertheless, the Group and the Company with the financial support provided by the directors will be able to continue operating as a going concern for the next twelve months.

