

M N C Wireless Berhad
Registration No: 200301033463 (635884-T)





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CORPORATE INFORMATION

BOARD OF DIRECTORS

Wong Kok Seong

Chairman
Senior Independent Non-Executive Director

Thu Soon Shien

Independent Non-Executive Director

Datuk Tan Chor How Christopher

Chief Executive Officer cum
Executive Director

Pang Siaw Sian

Non-Independent Non-Executive Director

Dato' Kua Khai Shyuan

Independent Non-Executive Director

Dato' Muhammad Shuib Bin Md Hashim

Independent Non-Executive Director

AUDIT COMMITTEE

Thu Soon Shien

Chairman

Wong Kok Seong

Member

Dato' Kua Khai Shyuan

Member

NOMINATION AND REMUNERATION COMMITTEE

Dato' Kua Khai Shyuan

Chairman

Wong Kok Seong

Member

Thu Soon Shien

Member

COMPANY SECRETARY

Tea Sor Hua

(MACS 01324)
SSM PC No. 201908001272

REGISTERED OFFICE

Third Floor, No. 77, 79 & 81,
Jalan SS21/60, Damansara Utama,
47400 Petaling Jaya,
Selangor Darul Ehsan.

Tel : +603 7725 1777

Fax : +603 7722 3668

HEAD OFFICE, PRINCIPAL PLACE OF BUSINESS AND R&D CENTRE

100-3.011, 129 Offices,
Jaya One, No. 72A,
Jalan Profesor Diraja Ungku Aziz,
46200 Petaling Jaya,
Selangor Darul Ehsan.

Tel : +603 7491 1880

Fax : +603 7491 1899

Email : info@mnc.com.my

SHARE REGISTRAR

Securities Services (Holdings) Sdn. Bhd.

Level 7, Menara Milenium,
Jalan Damanlela,
Pusat Bandar Damansara,
Damansara Heights,
50490 Kuala Lumpur,
Wilayah Persekutuan.

Tel : +603 2084 9000

Fax : +603 2094 9940

+603 2095 0292

PRINCIPAL BANKER

CIMB Bank Berhad

Menara SBB
83, Medan Setia 1,
Plaza Damansara,
Bukit Damansara,
50490 Kuala Lumpur,
Wilayah Persekutuan.

Tel : +603 2087 3000

Fax : +603 2710 2840

AUDITORS

Ong & Wong Chartered Accountants

Unit C-20-5, 20th Floor,
Block C, Megan Avenue II,
12, Jalan Yap Kwan Seng,
50450 Kuala Lumpur,
Wilayah Persekutuan.

Tel : +603 2161 1000

Fax : +603 2166 9131

STOCK EXCHANGE

ACE Market of Bursa Malaysia Securities Berhad

Ordinary Shares

Stock Name : MNC

Stock Code : 0103

Preference Shares

Stock Name : MNC-PA

Stock Code : 0103PA

Warrants A

Stock Name : MNC-WA

Stock Code : 0103WA

Warrants B

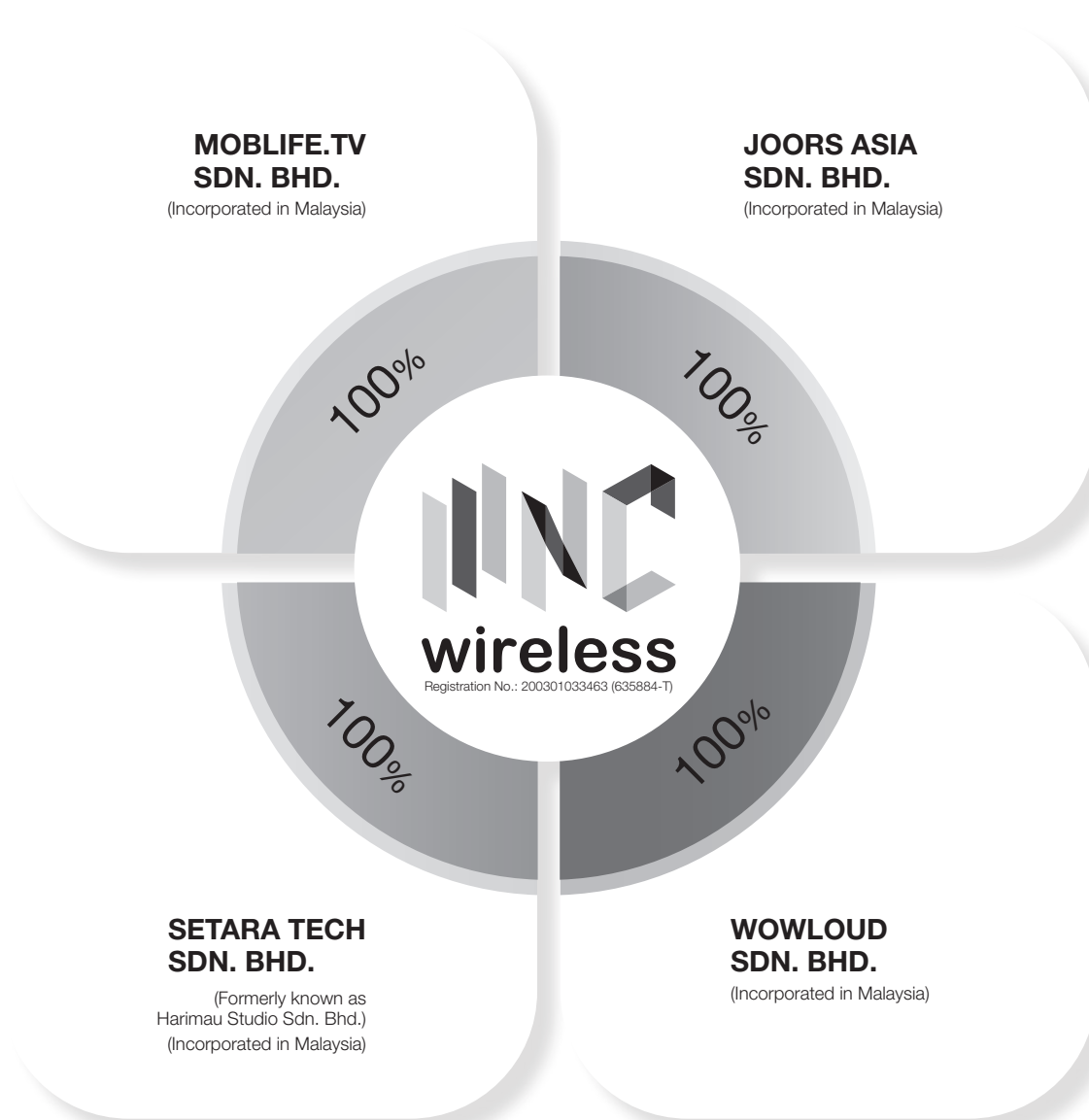
Stock Name : MNC-WB

Stock Code : 0103WB

WEBSITE

www.mnc.com.my

CORPORATE STRUCTURE

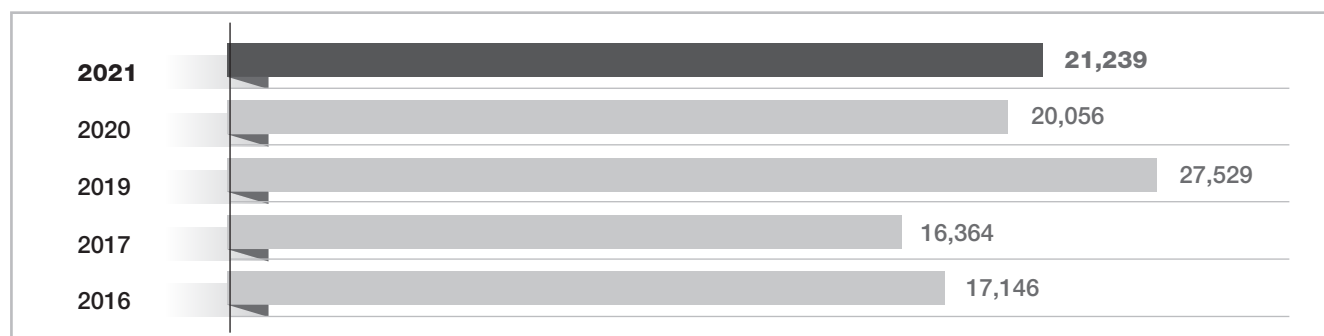


GROUP FINANCIAL REVIEW

	2016	2017	2019	2020	2021
Revenue (RM'000)	17,146	16,364	27,529	20,056	21,239
Profit/(Loss) After Tax (RM'000)	313	(699)	(3,394)	(4,085)	(17,776)
Shareholders' Equity (RM'000)	34,087	40,219	37,698	80,583	92,904
Net Asset per share (sen)	9.02	8.41	7.88	7.06	5.28
Earnings/(Loss) per share (sen)	0.23	(0.16)	(0.52)	(0.48)	(1.23)

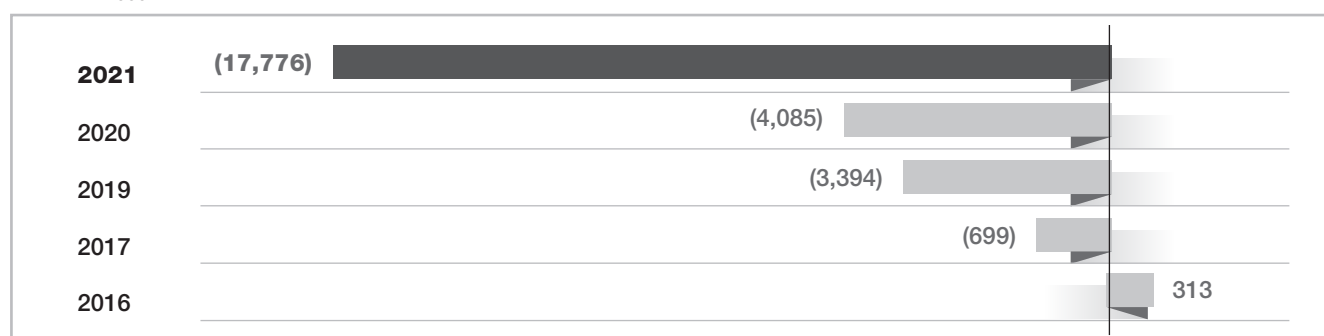
REVENUE

RM '000



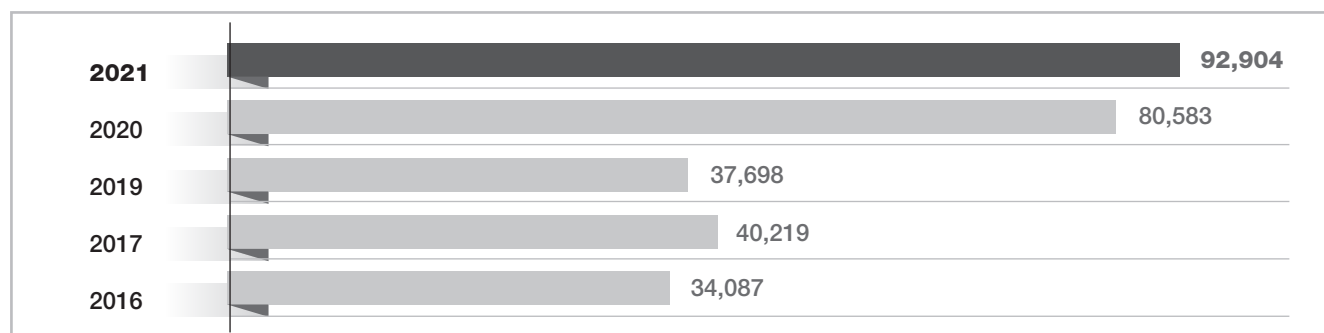
PROFIT/(LOSS) AFTER TAX

RM '000



SHAREHOLDERS' EQUITY

RM '000



BOARD OF DIRECTORS' PROFILE

DATUK TAN CHOR HOW CHRISTOPHER

Chief Executive Officer cum Executive Director • Key Senior Management • Malaysian • Male • Aged 41

Datuk Tan Chor How Christopher was appointed to the Board as Chief Executive Officer cum Executive Director on 1 June 2015. Datuk Christopher graduated with a Bachelor of Commerce (Accounting) degree in 2002 from The University of Adelaide, South Australia and completed his Certified Credit Professional - Business Credit certification from Institute Bank - Bank Malaysia (IBBM) in 2005. He attended all four (4) Board Meetings of the Company held during the financial year.

Datuk Christopher has over 11 years banking career with international banks, spanning across Commercial/Consumer Banking Divisions and Branch Management in Malaysia. He was mainly involved in business development, portfolio management and sales management, providing financing and liquidity management solutions, for companies operating across diverse industries ranging from property development, infrastructure works, renewable energy, O&G, IT, marine, trading, manufacturing etc. In addition, he has experience with Branch Management (Sales Channel, Operations and Compliance) and consumer banking product and services (deposits, mortgage, bank assurance, credit cards, personal loans etc).

Datuk Christopher currently also serves as Executive Director cum Chief Executive Office of PDZ Holdings Bhd., a container liner business company. He presently sits on the board of several private limited companies.

Datuk Christopher has no conflict of interests with the Company and any family relationship with any Directors and/or major shareholders of the Company. He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 April 2021.

WONG KOK SEONG

Chairman • Senior Independent Non-Executive Director

Member of Audit Committee • Member of Nomination and Remuneration Committee • Malaysian • Male • Aged 52

Mr. Wong Kok Seong was appointed to the Board as an Independent Non-Executive Director on 8 April 2015 and was later appointed as the Chairman of the Board on 19 May 2015. He was identified as the Senior Independent Non-Executive Director on 26 May 2015. Mr. Wong is a Chartered Accountant and holds a Masters of Business Administration from Open University, United Kingdom. He is a member of the Malaysian Institute of Accountants (MIA) and also a Fellow Member of the Association of Chartered Certified Accountants (FCCA). He attended all four (4) Board Meetings of the Company held during the financial year.

Having spent 15 years in the United Kingdom, Mr. Wong has gained extensive exposure with a United Kingdom accounting firm, Appleby & Wood, where he was an audit partner from 1999 to 2005. His experience extended to multinational companies where he was appointed as Finance Director for several UK-based companies. During his tenure there, he was responsible for the preparation of business plans, budgets and organisational financial statements, due diligence, accounting & taxation, management, project financing and implementation.

On his return to Malaysia in 2006 and upon obtaining his audit license, he joined an audit firm Messrs. Hasnan THL Wong & Partners, and is currently its Managing Partner. He is also made a partner in another audit firm in Malaysia. Over the last few years, he has extensively been involved in a wide range of businesses, such as cross border trading, manufacturing and property development. His experience includes accounting & taxation, due diligence, management consultancy, project financing and implementation.

Currently, Mr. Wong is an Independent Non-Executive Director of PNE PCB Berhad. He does not have any family relationship with any Directors and/or major shareholders of the Company and has no conflict of interests with the Company.

On 4 December 2017, Mr. Wong was publicly reprimanded by the Securities Commission Malaysia with a fine of RM539,000 for breaching of the Securities Industry (Compliance with Approved Accounting Standards) Regulations and Capital Markets and Services Act 2007 in relation to his former directorship in Trive Property Group Berhad.

BOARD OF DIRECTORS' PROFILE

(CONT'D)

DATO' KUA KHAI SHYUAN

Independent Non-Executive Director • Chairman of Nomination and Remuneration Committee

Member of Audit Committee • Malaysian • Male • Aged 37

Dato' Kua Khai Shyuan was first appointed to the Board as an Executive Director on 8 April 2015 and was subsequently re-designated to Non-Independent Non-Executive Director on 10 August 2015. On 30 September 2017, Dato' Kua was re-designated to Independent Non-Executive Director of the Company. Dato' Kua graduated from Curtin University of Technology in 2006 with a Bachelor's Degree in Commerce Management and Marketing. He attended all four (4) Board Meetings of the Company held during the financial year.

In 2007, he was holding the position as Regional Manager for Malaysia Region in a Multinational healthcare company where he is responsible for the management of the overall mobile sales team as well as the supply chain management of the company's products range. In 2009, he joined a Malaysian based company specializing in the fabrication of plastic moulds and plastic injection molding as the Head of Marketing Division.

Dato' Kua currently serves as an Executive Director in DGB Asia Berhad and Trive Property Group Berhad where his role includes assisting the Group Managing Director in charting the overall strategy and direction of the Group as well as customer relationship management. He is also a Non-Independent Non-Executive Director of Metronic Global Berhad. In addition, he also currently sits on the board of several private limited companies.

Dato' Kua has no conflict of interests with the Company and any family relationship with any Directors and/or major shareholders of the Company. He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 April 2021.

DATO' MUHAMMAD SHUIB BIN MD HASHIM

Independent Non-Executive Director • Malaysian • Male • Aged 63

Dato' Muhammad Shuib Bin Md Hashim was appointed to the Board as an Independent Non-Executive Director on 10 February 2020. He graduated from Universiti Kebangsaan Malaysia with a Diploma in Police Science. He attended all four (4) Board Meetings of the Company held during the financial year.

Dato's Muhammad Shuib has served Royal Malaysia Police (Special Branch) for the past 38 years since 1980 and based across various locations, namely Bukit Aman, Pulau Pinang, Selangor and Pahang. He last posting was Head of Special Branch Pahang since year 2017 and retired in year 2018.

Dato's Muhammad Shuib does not hold directorships in any other public companies and listed issuer. He has no conflict of interests with the Company and any family relationship with any Directors and/or major shareholders of the Company. He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 April 2021.

BOARD OF DIRECTORS' PROFILE

(CONT'D)

THU SOON SHIEN

Independent Non-Executive Director • Chairman of Audit Committee

Member of Nomination and Remuneration Committee • Malaysian • Male • Aged 40

Mr. Thu Soon Shien was appointed to the Board as an Independent Non-Executive Director on 8 April 2015. Mr. Thu is a member of the Malaysian Institute of Accountants (MIA) and a member of the Association of Chartered Certified Accountants, UK (ACCA). He is an accountant by profession with more than ten (10) years of experience. He attended all four (4) Board Meetings of the Company held during the financial year.

He started his career in 2004 as a junior associate with an established audit firm and is currently an Audit Principal in Messrs. Hasnan THL Wong & Partners. He has extensive experience in carrying out audit work for major companies in manufacturing, construction, property development, servicing and trading sectors amongst others. He was also involved in various corporate advisory services which includes due diligence and share valuations as well as taxation, company secretarial and internal audit.

Mr. Thu was an Alternate Director in PNE PCB Berhad. On 28 May 2021, he resigned from the said position. Currently, he does not hold directorships in any other public companies and listed issuer. He does not have any family relationship with any Directors and/or major shareholders of the Company and has no conflict of interests with the Company.

On 4 December 2017, Mr. Thu was publicly reprimanded by the Securities Commission Malaysia with a fine of RM539,000 for breaching of the Securities Industry (Compliance with Approved Accounting Standards) Regulations and Capital Markets and Services Act 2007 in relation to his former directorship in Trive Property Group Berhad.

PANG SIAW SIAN

Non-Independent Non-Executive Director • Malaysian • Female • Aged 34

Ms. Pang Siaw Sian was first appointed to the Board as an Independent Non-Executive Director on 8 April 2015 and was subsequently re-designated to Executive Director on 26 May 2015. On 30 September 2017, Ms. Pang had been re-designated to Non-Independent Non-Executive Director of the Company. She holds a Bachelor of Arts (Hons) in International Hospitality Management from Bournemouth University in United Kingdom. She attended all four (4) Board Meetings of the Company held during the financial year.

Ms. Pang started her career with a public listed company in 2010 as a Personal Assistant to a Managing Director where she supports top-level executive in strategic planning, market analysis, research and business plan to address future prospects of the company. She later pursued her career with a financial institution in 2012 as the Regional Sales Manager in Mortgage Division. With her exceptional results, she was awarded with the recognition as the Nationwide Best Award in 2013. She expanded customers and business partners database to overseas by proactively involved in major properties development events. She has also provided credit assessment and professional advices on customer's investments decisions.

Ms. Pang does not hold directorships in any other public companies and listed issuer. She has no conflict of interests with the Company and any family relationship with any Directors and/or major shareholders of the Company. She has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 April 2021.

KEY SENIOR MANAGEMENT'S PROFILE

HOOI HING CHUAN

Chief Technology Officer • Malaysian • Male • Aged 51

Mr. Hooi Hing Chuan first joined the Company in 2002 as a Technical Manager and was subsequently promoted to Chief Technology Officer in 2008. He is responsible for overseeing and managing the Enterprise Solutions teams while providing the team with technical advice and support in designing solutions architectures.

Mr. Hooi graduated with a Bachelor of Science majoring in Computer Science and Information Technology from the University of Western Australia with commendable technical background in Web application developments, Windows application programming, TCP/IP socket programming, database connectivity and computer hardware.

Mr. Hooi began his career as an Analyst Programmer and was subsequently promoted to Application Specialist with BASS Consulting Sdn. Bhd. His major contribution were designing and development of front-end/back-end stand alone and web-based applications for various stock-broking companies. Prior to joining the Company, he was a Consultant with Logica (Malaysia) Sdn. Bhd., a solutions telecommunications company. His portfolio includes the Geneva Migration Project for PT Telekomikasi Selular of Indonesia, the development of a FTP manager module for Digitel Telecommunications Philippines Inc, and the development of a web-based pre-paid demonstration application for TA-Orange of Thailand.

Mr. Hooi does not hold any directorships in public companies and listed issuers. He has no conflict of interests with the Company and any family relationship with any Director and/or major shareholder of the Company. He has also neither been convicted for any offences within the past five (5) years other than traffic offences, if any, nor received any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 30 April 2021.

MANAGEMENT DISCUSSION AND ANALYSIS

On behalf of the Board of Directors of M N C Wireless Berhad ("MNC"), the Management presents to you our Annual Report and the Audited Financial Statements of the Company and its subsidiaries ("the Group") for the financial year ended 30 April 2021.

For the financial year under review, the on-going global COVID-19 pandemic continued to put pressures across business segments of the economy.

Hence, the Group's continuing efforts to improve its customer-focused solutions and enhance customer acquisition activities, whilst improving operational efficiencies have enabled the Group to support its clientele and strengthen its core business, albeit restricted operating environment given the necessary policies in-place to curtail the ongoing pandemic and to ensure the health and safety of fellow colleagues and associates are not compromised.

Company's Performance

On the back of the challenging operating climate, further exasperated by the on-going global pandemic, the Group registered commendable sales compared to the previous year, on the back of heightened marketing initiatives with revenue contributions coming from all business segments, namely wireless, mobile applications and multi-media related services, coupled with investments in quoted securities, compared to the previous financial year, with its ongoing finetuning and streamlining of its operations.

Increasing developments and offering of customer centric solutions, coupled with higher customer acquisition and operating cost such as higher depreciation and amortisation, staff cost, amongst others, has resulted in higher operating loss compared to the previous years, on the back of increasing revenue channels for the coming years.

The year under review has proven to be another challenging year, more so with the pandemic resulting in necessary various stages of lockdown to curb the spread of the deadly virus. With the safety of all parties its utmost importance, the Group evolved to the new norms with necessary social distancing practices in place and ensure its servicing of diverse clientele remains unaffected.

Business and Operational Review

The Group's infrastructure and operational efficiency enhancement on its core business in supporting the Group is continuing to allow it to respond faster to clientele's business needs.

Potential factors which may adversely impact the Group's business segment performance would be stability of internet connectivity and messaging platforms supported by the industry. Nevertheless, this has continued to show improvements and enhancements by industry players, thereby mitigating further potential risk of network deliverables.

Go!SMS, the Group's enterprise based mobile messaging platform, continued to register healthy growth levels with enhanced messaging platform efficiencies and capacity with higher non-financial indicator of messaging volume sent through the platform.

The Group's reverse billing platform services, Go!CPA, which supports premium billing through SMS, continued to register commendable performance on the back of continuous efforts of customer acquisition with close collaboration with business partners.

Further activities to drive digital marketing segment, which assist our clients in brand building and operational efficiencies, continued to show encouraging results with launch of various new mobile and web applications, with increased capacity and capabilities.

MANAGEMENT DISCUSSION AND ANALYSIS

(CONT'D)

Outlook and Group Prospects

In these challenging times with the on-going global pandemic, business sectors are increasing digitalisation of its business operations and processes, all of which augurs well for the Groups customer centric solutions with demand for mobile and digital applications and its multimedia related services, coupled with new revenue channels, is expected to trend upwards, thereby is expected to contribute positively to the business segments that the Group operates within, on the back of increasing trend of digital marketing environment being embraced by consumers and business units.

As vaccinations rates reaches a wider population towards herd immunity, with continuing social distancing in place, the Group expects the economy to improve further with gradual opening up of various business sectors across the economy, all of which augur well for the Group and its associates' business and financial performance with on-going strategic business planning to increase operational efficiency and reaching out to clients to service their needs.

The Group aim to continuously seek market opportunities in the domestic markets to strengthen our market presence and enhance profitability. To this end, we will remain committed to provide quality products, as well as continuously improve our services/products in order to expand our customer base. This will in turn support our long-term sustainability and growth, coupled with support from business partners and clients.

On-going strategic partnerships with business partners will add to future sustainable growth for the Group with the following collaborative initiatives: -

- Memorandum of Understanding signed with Sanichi Property Sdn. Bhd. on 15 January 2018, for the purpose of:
 - i. Online leasing or short-term luxury rental service for 120 units of Marina Point, Melaka; and
 - ii. Creating and operating an online marketing or community marketplace for public to book luxury homestay.
- Memorandum of Understanding signed between Setara Tech Sdn. Bhd. (formerly known as Harimau Studio Sdn. Bhd.), a wholly-owned subsidiary of MNC, and Vision Works (M) Sdn. Bhd. on 22 January 2020, for the purpose of establishing a close collaborative partnership in producing industry desired, high quality, relevant and cutting-edge feature films for both the local and international market.
- The Group's proposed private placement to undertake the development of a lifestyle e-commerce platform through a combination of in-house development partnership with third-party technology partners, offering a range of features to provide a seamless shopping experience with online payment processing capabilities and end-to-end order fulfilment services has been approved by shareholders at an extraordinary general meeting on 9 April 2021.

Other initiatives as outlined in the previous and on-going corporate development exercise, will allow the Group to further expand downstream into related business activities, namely mobile gaming applications, bespoke management platforms, provision of authentication tool for online transactions, supply of advertising display panels, amongst others, to further enable the Group to increase its market presence across the business sector it operates within.

SUSTAINABILITY STATEMENT

M N C Wireless Berhad and its subsidiaries ("MNC" or "the Group") aims to conduct its business in a sustainable manner which focuses to outline the key Economic, Environmental, Social and Governance aspects that are material to the continued success of the Group's strategies and business operations, maintaining high standards of conduct and maximising long-term value creation for the benefit of our stakeholders.

This Sustainability Statement is prepared in accordance with Bursa Malaysia Securities Berhad's ("Bursa Securities") Sustainability Reporting Guide. This Sustainability Statement outlines the Group's sustainability activities with respect to the following core areas throughout the financial year under review.

SUSTAINABILITY CORPORATE GOVERNANCE AND ETHICS

The Group maintains high level of corporate governance through transparent reporting and compliance with applicable laws and regulations as well as ethical procurement practices. The Group ensure best practices by adhering to policies and guidelines set by Bursa Malaysia and other relevant authorities for effective, prudent management and accountability on business sustainability.

The Group is committed to conduct its business and operations with integrity and accountability, conduct its affairs in an ethical, responsible and transparent manner.

In line with Section 17(A) of Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Group has developed the Anti-Bribery and Anti-Corruption Policy. The Policy is designed to uphold the Group's zero-tolerance position against all forms of bribery and corruption in its day to day operations.

MATERIAL SUSTAINABILITY MATTERS

ECONOMIC

MNC is dedicated and committed to ensure the interest of all vital stakeholders such as shareholders, employees, business partners, customers, suppliers, government bodies and local communities, are taken into consideration. The Group is held to the same standard in its compliance with all applicable legal and regulatory requirements.

Shareholders

The Group ensures its corporate website provides latest corporate news of the Group, which includes relevant announcements, financial results and other development with the objective to provide timely information to our various stakeholders of the Group. Furthermore, shareholders have the opportunity to raise questions and seek clarifications on our Group's business operations, financial performance, business strategies and future planning during Annual General Meetings.

Customers

The Group's business activities are consistently aligned to the needs of its customers. Customer loyalty and satisfaction are critical success factors for MNC. The Group strives for long-term partnerships based on mutual trust and respect. With innovative technologies, dependable products and excellent services, MNC provides customers with solutions that contribute in turn to their success.

Suppliers

Suppliers are regularly reviewed to ensure value creation, on-time delivery, quality and timely response. The Group engages with suppliers to identify and manage risks, underpinned by values of integrity and transparency.

SUSTAINABILITY STATEMENT

(CONT'D)

ENVIRONMENT

The Group does not operate in an environmentally sensitive business. However, we recognize our duty to minimize carbon footprint to the environment and has identified opportunities to reuse and recycle or minimize the resources it consumes in caring for the environment.

As MNC operates in the Information Technology and Digital Solutions industry, employees are encouraged to fully maximise the benefits of Information Communications Technology such as e-mails, instant messaging, newsletters via email broadcasting, e-greeting cards, for communications, in addition to reducing our energy consumption through switching off unused lights and air conditioning and our paper management initiatives to print only when absolutely necessary, recycling of used printed paper and other items where possible.

SOCIAL

The Workplace

The Group believes that quality and conducive working environment would raise efficiency and productivity as well as improving the overall quality of employees. As such, we continuously create a safe, pleasant and conducive working environment for our people and promote employee safety, well-being and gender diversity.

The Employees

The Group has demonstrated responsibility in the workplace through the support of human capital development for its employees by providing continuous training and development to enhance its employees' career and personal development. This is in addition to offering attractive and competitive pay package to all its team members. Others than benefits that are mandated and defined by local legislation, the Group also takes care of the health and well-being of our employees with Group Personal Accident Insurance, Group Hospitalisation and Surgical Insurance coverage and other medical benefits.

The Group do not condone any form of prejudice or discrimination in the workplace and as part of its Code of Conduct & Ethics, the Group adopts a policy that all employees are treated fairly and equally without regard to race, creed, religion, gender, nationality, age or disability.

In MNC, employees are our greatest assets. We will continue to focus on human capital development to nurture our employees to their full potential. The Group has been continuously creating various learning opportunities for the employees in order to enhance their competence, job skills, knowledge and performance.

The devastating COVID-19 pandemic in early 2020 proved to be a litmus test on the Company's employee well-being policies. The Management had ensured adequate health and safety protection including implementation of Standard Operating Procedures and "Work from Home" policy are in place.

The Community

The Group recognised that we can make a positive impact to the community by giving financial and other resources towards meaningful causes. MNC had continued to take in students from local institutions, colleges and/or universities as trainees. This practice has allowed the Group to discover talented candidates to work with us as well as supporting the Malaysian educational system for human capital development.

Moving on, the Group strives to support more Corporate Social Responsibility (CSR) initiatives for local communities at large as part of its commitment to be a responsible corporate citizen.

CONCLUSION

Moving forward, the Group is committed to understand and implement sustainable practices across its business operation whilst attempting to achieve the right balance between the needs of the wider community, the requirements of shareholders and stakeholders, and economic success.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of M N C Wireless Berhad (“MNC” or “the Company”) acknowledges the importance of maintaining good corporate governance in the Company and its subsidiaries (“the Group”) and is committed to ensure that the principles and best practices of corporate governance as set out in the Malaysian Code on Corporate Governance (“MCCG” or “the Code”) are being observed.

This Corporate Governance Overview Statement is augmented with a Corporate Governance Report 2021 (“CG Report”), based on a prescribed format as enumerated in Rule 15.25(2) of the ACE Market Listing Requirements (“ACE Market LR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) so as to provide a detailed articulation on the application of the Group’s corporate governance practices as set out in the Code throughout the financial year ended 30 April 2021 (“FYE 2021”). The CG Report is available on the Company’s website at www.mnc.com.my, as well as via an announcement on the website of Bursa Securities.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

PART I - BOARD RESPONSIBILITIES

1. Board’s Leadership on Objective and Goals

- 1.1 The Board is responsible for the overall performance and business affairs of the Group. The Board provides necessary leadership including practicing a high level of good governance to ensure long-term success of the Group and the delivery of sustainable value to its stakeholders.

In discharging its fiduciary duties and responsibilities, the Board is governed by its Board Charter, outlining the roles and responsibilities and applicable limits, including those reserved for the Board’s approval, and those which the Board may delegate to the Board Committees, the Chief Executive Officer cum Executive Director (“CEO cum ED”) and the Management. The Board Committees comprise of Audit Committee (“AC”), and Nomination and Remuneration Committee (“NRC”) respectively. The Terms of Reference of the respective committees are available on the Company’s website at www.mnc.com.my.

To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Group, the Board has, amongst others:-

- promoted good corporate governance culture within the Group which reinforces ethical, prudent and professional conduct;
- reviewed, challenged and decided on Management’s proposals for the Group, and monitor its implementation;
- ensured that the strategic plan of the Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- assessed Management performance;
- ensured there is a sound framework for internal controls and risk management;
- recognised the principal risks of the Group’s business and that business decisions involve the taking of appropriate risks;
- set the risk appetite within which the Board expects Management to operate and ensured that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- ensured that Senior Management has the necessary skills and experience, and measures are in place to provide for the orderly succession of Board and senior management;
- ensured that the Group has in place procedures to enable effective communication with shareholders and stakeholders; and
- ensured the integrity of the Group’s financial and non-financial reporting.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

PART I - BOARD RESPONSIBILITIES (CONT'D)

1. Board's Leadership on Objective and Goals (cont'd)

- 1.2 The Chairman of the Board, Mr. Wong Kok Seong, holds a Senior Independent Non-Executive position and is primarily responsible for the leadership, effectiveness, conduct and governance of the Board.

The responsibilities of Chairman, amongst others, including the following:-

- To provide leadership to the Board.
- To oversee the effective discharge of the Board's supervisory role.
- To facilitate the effective contribution of all Directors.
- To conduct and chair Board meetings and general meetings of the Company.
- To ensure Board meetings and general meetings comply with good conduct and best practices.
- To manage Board communications and Board effectiveness and effective supervision over Management.
- To promote constructive and respectful relations between Board members and between the Board and the Management.
- To ensure that quality information to facilitate decision-making is delivered to the Board in a timely manner.
- Together with the CEO cum ED, represents the Company and/or Group to external groups such as shareholders, creditors, consumer groups, local communities and federal, state, and local governments.

- 1.3 The position of the Chairman and CEO cum ED are held by two different individuals and each has a clear accepted division of responsibilities to ensure there is a balance of power and authority to promote accountability, such that no one individual has unfettered decision-making powers.

The Chairman is responsible for the orderly conduct and effectiveness of the Board in addition to facilitating constructive deliberation of matters in hand, whilst the CEO cum ED leads the management of the Company and has overall responsibility for the operating units and the implementation of the Board's policies and decisions.

- 1.4 The corporate secretarial function of the Company is outsourced to Cospec Management Services Sdn. Bhd. ("CMS").

The Board is supported by a qualified and competent Company Secretary nominated by CMS. She is a member of the Malaysian Association of Company Secretaries and is holding a professional certificate as a qualified Company Secretary under the Companies Act 2016. She possesses over 25 years of experience in corporate secretarial practices and is supported by a team of competent company secretarial personnel.

The Company Secretary has –

- together with Management, managed all Board and Board Committee meeting logistics;
- attended and recorded minutes of all Board and Board Committee meetings and facilitated Board communications;
- advised the Board on its roles and responsibilities;
- advised the Board on corporate disclosures and compliance with Company and Securities Commission's regulations and ACE Market LR;
- managed processes pertaining to the general meetings; and
- monitored corporate governance developments and advised the Board on governance practices.

Overall, the Board is satisfied with the performance and support rendered by the Company Secretary to the Board in the discharge of her duties and functions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

PART I - BOARD RESPONSIBILITIES (CONT'D)

1. Board's Leadership on Objective and Goals (cont'd)

- 1.5 To facilitate the Directors' time planning, an annual meeting calendar is prepared and circulated in advance of each new year. The calendar provides Directors with the scheduled dates for meetings of the Board and Board Committees, the Annual General Meeting ("AGM") as well as the closed periods for dealings in securities by Directors and principal officers of the Company based on the targeted dates of announcements of the quarterly results.

The notice of meetings of the Board and Board Committees are sent to the Directors via email at least five (5) working days prior to the date of the meetings. The same notification is sent to the Management that is invited to the meetings. Meeting materials are also circulated to Directors at least five (5) business days in advance of the Board and Board Committee meetings to ensure that they have been given sufficient preparation time and information to make an informed decision at each meeting.

The deliberations and decisions of matters discussed at the Board and Board Committees meetings are duly recorded and well documented in the minutes of meetings, including matters where Directors abstained from voting or deliberation. The minutes of meetings are circulated to the respective Board and Board Committee for review in a timely manner before they are finalised and tabled at the next meeting for confirmation.

2. Demarcation of Responsibilities Between the Board, Board Committees and the Management

- 2.1 The Board Charter serves as a primary reference for prospective and existing Board members of their fiduciary duties as Directors and the functions of the Board Committees. The Board Charter is available on the Company's website at www.mnc.com.my.

The Board Charter sets out the roles and responsibilities, composition and balance, operation and processes of the Board. It serves as a reference point for Board activities and is designed to provide guidance and clarity to Directors with regards to the respective roles and responsibilities of the Board, Board Committees, Chairman and CEO cum ED, as well as issues and decisions reserved for the Board, the Board's governance structure and authority.

The Board Charter will be reviewed by the Board as and when necessary to ensure it is up to date and remains consistent with the Board's objectives and responsibilities and reflect the latest compliance requirements as a result of changes in the regulatory framework.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

PART I - BOARD RESPONSIBILITIES (CONT'D)

3. Good Business Conduct and Healthy Corporate Culture

- 3.1 The Company has in place a Code of Ethics and Conduct for Directors and employees of the Group which is available on the Company's website at www.mnc.com.my. A brief Code of Ethics and Conduct is also incorporated in Part 6 of the Board Charter.

The Board will review the Code of Ethics and Conduct regularly to ensure that it continues to remain relevant and appropriate with the prescribed requirements and best corporate governance practices.

The Board is committed in maintaining a corporate culture that engenders ethical conduct. All Directors and employees of the Group are to adhere to the Code of Ethics and Conduct and make a necessary declaration if there is any conflict of interests.

- 3.2 The Group has put in place a Whistleblowing Policy that fosters an environment in which integrity and ethical behaviour are maintained through protocols which allow for the exposure of any violations or improper conduct or wrongdoing within the Group.

The Whistleblowing Policy provides an avenue for employees to report any misconduct, breach or suspected breach of any law or regulation, including business principles and the Group's policies and guidelines, in a safe and confidential manner.

The Whistleblowing Policy is published on the Company's website at www.mnc.com.my.

PART II - BOARD COMPOSITION

4. Board's Objectivity

- 4.1 The composition of the Board complies with Rule 15.02 of the ACE Market LR, which stipulates that the Company must ensure that at least two (2) Directors or 1/3 of the Board, whichever is the higher, are Independent Directors. Currently, the Board has six (6) members and more than half of the Board comprises Independent Non-Executive Directors as follows:-

No.	Names	Designations
1.	Wong Kok Seong (Chairman)	Senior Independent Non-Executive Director
2.	Thu Soon Shien	Independent Non-Executive Director
3.	Dato' Kua Khai Shyuan	Independent Non-Executive Director
4.	Pang Siaw Sian	Non-Independent Non-Executive Director
5.	Datuk Tan Chor How Christopher	CEO cum ED
6.	Dato' Muhammad Shuib Bin Md Hashim	Independent Non-Executive Director

- 4.2 The Board is aware that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon the completion of the nine (9) year term, an Independent Director may continue to serve on the Board subject to the said Director's redesignation as a Non-Independent Director.

There is no Independent Director of the Company whose tenure has exceeded a cumulative term of nine (9) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

PART II - BOARD COMPOSITION (CONT'D)

4. Board's Objectivity (cont'd)

- 4.3 The Company has not adopted a policy which limits the tenure of its Independent Directors to nine (9) years. Notwithstanding that, the assessment of independence of Independent Directors was conducted annually via Annual Evaluation of Independence of Director to ensure that they were independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.
- 4.4 The Board appoints its members through a formal and transparent selection process. The NRC is responsible to consider and nominate new candidates for appointment and make the necessary recommendations to the Board for approval. In this respect, the role of the NRC is detailed in its Terms of Reference, which is accessible on the Company's website, www.mnc.com.my.

The Board also via the NRC, reviews the correct mix of skills, business and professional experiences that should be added to the Board annually or as and when required.

- 4.5 The Board has adopted a Gender Diversity Policy which provides a framework for the Company to improve its gender diversity at Board and senior management level.

The objectives and principles as well as measures as set out in the Gender Diversity policy are as summarised below:-

Objectives/Principles

- a. The Gender Diversity Policy provides a framework for the Company to improve its gender diversity at Board and senior management level.
- b. The Company acknowledges the importance of gender diversity at Board and senior management level and will actively work towards having more female Directors on the Board and senior management. To avoid any mismatch and ineffective appointment of the female Directors and senior management, the Company does not set any specific target on the gender composition of its Board and senior management in the policy.
- c. In assessing the Board and senior management's composition and Board effectiveness, the Board shall accord due consideration to gender diversity, required mix of skills, experience, independence and other qualities, including core competencies, commitment, integrity and/or other commitments to the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

PART II - BOARD COMPOSITION (CONT'D)

4. Board's Objectivity (cont'd)

- 4.5 The Board has adopted a Gender Diversity Policy which provides a framework for the Company to improve its gender diversity at Board and senior management level. (cont'd)

Measures

To pursue the objectives of gender diversity, the Board would take into consideration the following measures:

- a. The NRC shall nominate the potential candidate to the Board based on a broad spectrum of perspectives, including but not limited to education background, age, ethnicity, skills, knowledge, expertise, experience, competencies, integrity and/or other commitments that the candidate will bring to complement the Board.
- b. The NRC is responsible in ensuring that gender diversity objective is adopted in the Board recruitment and succession planning processes.
- c. The Company shall adopt a more accommodating boardroom culture and environment that is free from discriminations to attract and retain women participation at the Board level.
- d. The Company will undertake the following strategies to promote its gender diversity at Board and senior management level:
 - o recruiting from a diverse pool of candidates for female Directors and senior management;
 - o reviewing succession plans to ensure an appropriate focus on gender diversity;
 - o identifying specific factors to take into account the recruitment and selection processes to encourage gender diversity; and
 - o any other strategies the Board may develop from time to time.

The Board practises non-gender discrimination and endeavours to promote workplace diversity and supports the representation of women in the composition of Board and senior management positions of the Company. Currently, there is a female Director on the Board namely, Ms. Pang Siaw Sian.

- 4.6 The policies and procedures for recruitment and appointment of Directors are guided by the Terms of References of NRC.

The NRC leverages on various sources and gain access to a wider pool of potential candidates. Besides the recommendation from the existing Board members, management and major shareholders, the Board also refers to the potential candidate from the industry taking into consideration the education, skills and experience background.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

PART II - BOARD COMPOSITION (CONT'D)

4. Board's Objectivity (cont'd)

- 4.7 The NRC is chaired by Dato' Kua Khai Shyuan, an Independent Non-Executive Director of the Company. The NRC Chairman has led the annual review of Board effectiveness, ensuring that the performance of each individual Director is independently assessed and will lead the succession planning and appointment of future Board members.

The NRC comprises the following members, all being Independent Non-Executive as identified by the Board:-

Name of Directors	Designations
Dato' Kua Khai Shyuan (Chairman)	Independent Non-Executive Director
Wong Kok Seong (Member)	Senior Independent Non-Executive Director
Thu Soon Shien (Member)	Independent Non-Executive Director

The activities undertaken by the NRC during the FYE 2021 are as follows:-

- Assessed and evaluated the independence of the Independent Directors.
- Assessed and rated the performance of each Independent Director against the criteria as set out in the evaluation form, amongst others, attendance at Board and/or Board Committees meetings, adequate preparation for Board and/or Board Committee meetings, regular contribution to Board and/or Board Committee meetings, personal input to the role and other contributions to the Board and/or Board Committees.
- Assessed and rated the performance of the Executive Directors against diverse key performance indicators, amongst others, financial, strategic and sustainability, conformance and compliance, business acumen/increasing shareholders' wealth, succession planning and personal input to the role.
- Reviewed and assessed the performance of the AC.
- Reviewed and recommended to the Board the re-election of Mr. Wong Kok Seong and Mr. Thu Soon Shien who retired by rotation in accordance with Clause 91 of the Company's Constitution at the last AGM held on 25 September 2020.
- Reviewed and recommended to the Board the re-election of Mr. Robbie Hari Krishnan Tatparanandam and Dato' Muhammad Shuib Bin Md Hashim who retired in accordance with Clause 98 of the Company's Constitution at the last AGM held on 25 September 2020.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**PART II - BOARD COMPOSITION (CONT'D)****5. Overall Effectiveness of the Board and Individual Directors**

5.1 The Board has, through the NRC, conducted the following annual evaluation to determine the effectiveness of the Board, its Board Committees and each individual Director in the FYE 2021:-

- i. Performance of CEO cum ED;
- ii. Performance of Non-Executive Directors;
- iii. Independence of the Independent Directors;
- iv. Performance of the AC; and
- v. Effectiveness of the Board and Board Committees as a whole.

Based on the evaluations conducted in the FYE 2021, the NRC and the Board were satisfied with the performance of the individual Directors, Board as a whole, Board Committees as well as the independence and objective judgements that the Independent Directors have brought to the Board.

Attendance of Board and Board Committees' Meetings

The Board schedules at least four (4) meetings in a financial year with additional meetings to be convened where necessary. During the FYE 2021, the Board had conducted four (4) Board meetings where they deliberated and approved various reports and matters, including the quarterly financial results of the Group for the announcement to Bursa Securities as well as the Group's budget, strategic, operational and financial performance.

The number of meetings held and attended by each member of the Board and the Board Committees during the FYE 2021 are as follows:-

Name of Directors (Designations)	Attendance		
	Board	AC	NRC
Wong Kok Seong (Senior Independent Non-Executive Director)	4/4	4/4	1/1
Datuk Tan Chor How Christopher (CEO cum ED)	4/4	-	-
Pang Siaw Sian (Non-Independent Non-Executive Director)	4/4	-	-
Thu Soon Shien (Independent Non-Executive Director)	4/4	4/4	1/1
Dato' Kua Khai Shyuan (Independent Non-Executive Director)	4/4	4/4	1/1
Robbie Hari Krishnan Tatparanandam* (Non-Independent Non-Executive Director)	0/1	-	-
Dato' Muhammad Shuib Bin Md Hashim (Independent Non-Executive Director)	4/4	-	-

Note:

- * Mr. Robbie Hari Krishnan Tatparanandam retired as a Non-Independent Non-Executive Director of the Company on 25 September 2020.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

PART II - BOARD COMPOSITION (CONT'D)

5. Overall Effectiveness of the Board and Individual Directors (cont'd)

- 5.1 The Board has, through the NRC, conducted the following annual evaluation to determine the effectiveness of the Board, its Board Committees and each individual Director in the FYE 2021: (cont'd)

Directors' Trainings

During the FYE 2021, all Directors had attended the following training programmes in compliance with Rule 15.08 of the ACE Market LR of Bursa Securities:-

Name of Directors	Trainings attended
Wong Kok Seong	<ul style="list-style-type: none"> MIA Webinar Series: Mastering the Technical Requirements of IAS1 - Presenting Financial Statement with Confidence MIA Webinar Series: How to Apply Various Impairment Models to Different Classes of Assets under Volatile Environments
Thu Soon Shien	<ul style="list-style-type: none"> MIA Webinar Series: How to Apply Various Impairment Models to Different Classes of Assets under Volatile Environments 2021 Budget Seminar MPERS E-Book and Latest Developments
Dato' Muhammad Shuib Bin Md Hashim	<ul style="list-style-type: none"> Mandatory Accreditation Programme for Directors of Public Listed Companies

Although Datuk Tan Chor How Christopher, Pang Siaw Sian and Dato' Kua Khai Shyuan have not able to attend a structured training programme during the financial year under review due to work and personal commitments, they have continued to gain updates through briefings by the Company Secretary, Internal and External Auditors during quarterly meetings, communications with other Directors as well as the daily work exposures.

The Board has on a continuous basis, evaluate and assess the training needs of each Director to keep them abreast with the state of economy, technological advances, regulatory updates, management strategies and development in various aspects of the business environment to enhance the Board's skills and knowledge in discharging its responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

PART III – REMUNERATION

6. Level and Composition of Remuneration

- 6.1 The Board acknowledges the importance of fair remuneration in attracting, retaining and motivating Directors and Senior Management. Hence, a Remuneration Policy had been adopted by the Board and it is available for reference on the Company's website at www.mnc.com.my.

The Remuneration Policy is guided by the following key principles in remunerating the Directors of the Company:

- a. fees payable to Directors who hold non-executive office in the Company shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover;
- b. fees and/or benefits (including meeting allowance) payable to Directors are subject to annual shareholders' approval at a general meeting, where notice of the proposed fees and/or benefits has been given in the notice convening the meeting;
- c. fees payable to an alternate Director (if any) shall be agreed upon between himself and the Director nominating him and shall be paid out of the remuneration of the latter; and
- d. salaries and other emoluments payable to Directors who hold an executive office in the Company pursuant to a contract of service need not be determined by the Company in general meeting but such salaries and emoluments may not include a commission on or percentage of turnover.

The remuneration is reviewed by the NRC on an annual basis prior to making its recommendations to the Board for approval. In its review, the NRC considers various factors including the Directors' fiduciary duties, time commitments and expertise expected from them and the Company's performance.

- 6.2 The Board has an NRC that assists the Board in implementing its policies and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company. The NRC is also responsible to ensure that the remuneration packages commensurate with the expected responsibility and contribution by the Directors and link to the strategic objectives of the Company.

The NRC has a detailed Terms of Reference in writing which is accessible on the Company's website at www.mnc.com.my.

The Board is satisfied that the NRC has effectively and efficiently discharged its roles and responsibilities with respect to its nomination and remuneration functions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)**PART III – REMUNERATION (CONT'D)****7. Remuneration of Directors and Senior Management**

7.1 The remuneration payable to the Directors on the Company and the Group basis for the FYE 2021 is same as follows:-

Name of Directors	Fees RM	Salaries RM	Benefits in Kind RM	Meeting Allowance RM	Bonus RM	Other Benefits # RM	Total RM
The Company and Group Level							
Datuk Tan Chor How Christopher	–	210,600	–	–	–	64,478	275,078
Wong Kok Seong	29,250	–	–	2,000	–	–	31,250
Thu Soon Shien	23,400	–	–	2,000	–	–	25,400
Dato' Kua Khai Shyuan	35,100	–	–	2,000	–	–	37,100
Pang Siaw Sian	58,500	–	–	2,000	–	–	60,500
Robbie Hari Krishnan Tatparanandam (Retired on 25 September 2020)	9,400	–	–	–	–	–	9,400
Dato' Muhammad Shuib Bin Md Hashim	29,250	–	–	2,000	–	–	31,250
TOTAL	184,900	210,600	–	10,000	–	64,478	469,978

Note:

Other benefits include Defined Contribution Plan and travelling allowances.

The Board determines the fees and benefits of all Directors, including the Non-Executive Directors. The Director's fees are endorsed by the Board for approval by the shareholders of the Company at the AGM. Directors do not participate in the decisions regarding their own fees, benefits and/or remuneration packages.

7.2 The remuneration of the Senior Management of the Company is as follows:-

Range of Remuneration	No. of Senior Management Officer
Below RM50,000	–
RM50,001 to RM100,000	–
RM100,001 to RM150,000	1
RM150,001 to RM200,000	1
RM200,001 to RM250,000	–
RM250,001 to RM300,000	1
TOTAL	3

Due to confidentiality and sensitivity of the remuneration packages of Senior Management as well as security concerns, the Board opts not to disclose the Senior Management's remuneration components on named basis in the bands of RM50,000.00.

The Board is of the view that the disclosure of the Senior Management's remuneration components would not be in the best interest of the Company given that the competitive human resources environment as such disclosure may give rise to recruitment and talent retention issues.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

B. EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I - AC

8. Effective and Independent AC

- 8.1 The positions of Chairman of the Board and Chairman of AC are assumed by two different persons. The Chairman of the Board is Mr. Wong Kok Seong, while the Chairman of the AC is Mr. Thu Soon Shien, both are Independent Non-Executive Directors of the Company. This had ensured that the objectivity of the Board's review of the AC's findings and recommendations is not impaired.

The separation had been set out clearly in the Terms of Reference of the AC which is accessible on the Company's website at www.mnc.com.my.

- 8.2 Currently, none of the members of the AC were former key audit partners of the present auditors of the Group.

The AC has in place a policy that requires a former key partner to observe a cooling-off period of at least two (2) years before being appointed as a member of the AC. The policy had been codified in the Term of Reference of AC of the Company.

- 8.3 The Board had established the External Auditors Assessment Policy ("the Policy") together with an annual performance evaluation form. The Policy is to outline the guidelines and procedures for the AC to review, assess and monitor the performance, suitability and independence of the External Auditors.

The AC obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The AC carried out annual performance assessment of the External Auditors and requested the Executive Director(s) and Management to join the assessment.

- 8.4 The AC comprises solely of the following Independent Non-Executive Directors:-

- (a) Mr. Thu Soon Shien (Chairman);
- (b) Mr. Wong Kok Seong (Member); and
- (c) Dato' Kua Khai Shyuan (Member).

- 8.5 The Chairman and members of the AC are financially literate and they are able to understand matters under the purview of the AC including the financial reporting process.

The NRC would review the terms of office and performance of the AC members to determine whether they have carried out their duties in accordance with their Terms of Reference.

The AC members were invited to various training programmes to keep abreast of relevant industry developments including accounting and auditing standards, business practices and rules, to address any skills or knowledge gaps according to their needs.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

B. EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

PART II - RISK MANAGEMENT AND INTERNAL CONTROL

9. Risk Management and Internal Control Framework

- 9.1 The Board acknowledges its overall responsibilities in establishing a sound risk management framework and internal control system within the Group. The risk management framework and internal control system are designed to manage the Group's risks within an acceptable risk appetite, rather than eliminate the risk of failure to achieve the policies, goals and objectives of the Group. It provides reasonable assurance against material misstatement of financial information and records or against financial losses or fraud.
- 9.2 The Board oversees the Group risk management framework and policies, ensures that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interest and the Group's assets and determines the nature and extent of significant risks which it is willing to take in achieving its strategic objectives.

Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control of the Annual Report 2021.

10. Effective Governance, Risk Management and Internal Control Framework

- 10.1 The internal audit function is outsourced to an independent professional consulting firm that assists the AC in managing the risks and establishment of the internal control system and processes of the Group by providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes. The Internal Auditors reports directly to the AC.

The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Group's system of internal control is satisfactory and operating effectively.

The internal audit functions and activities carried out during the FYE 2021 are as disclosed in the AC Report of the Annual Report 2021.

- 10.2 The internal audit function for the Group is outsourced to Wensen Consulting Asia (M) Sdn. Bhd. The Internal Audit team is free from any relationships or conflicts of interest which could impair their objectivity and independence.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

PART I – COMMUNICATION WITH STAKEHOLDERS

11 Continuous Communication between Company and Stakeholders

- 11.1 The Company is committed to provide effective communication to its shareholders and the general public regarding the business, operations and financial performance of the Group and hence, a Corporate Disclosure Policy has been adopted to ensure that the Company's communication with its shareholders and stakeholders is transparent and timely. A copy of the Corporate Disclosure Policy is published on the Company's website at www.mnc.com.my.

Quarterly results, announcements, annual reports and circulars serve as primary means of dissemination of information so that the shareholders are constantly kept abreast of the Group's progress and developments. The Company's corporate website, www.mnc.com.my serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, Board Charter and policies, announcements, news and events relating to the Group.

- 11.2 The Company is not categorised as "Large companies" under the MCCG and hence, has not adopted integrated reporting based on a globally recognised framework.

PART II – CONDUCT OF GENERAL MEETINGS

12. Shareholders' Participation at General Meetings

- 12.1 The notice of the Seventeenth AGM ("17th AGM") of the Company which is scheduled to be held on 29 October 2021 was sent to the shareholders at least twenty-eight (28) days before the date of the 17th AGM this year.

The notice of the 17th AGM dated 30 August 2021 included the details of each proposed resolution to enable shareholders to have sufficient time to consider the resolutions and to make informed decisions in exercising their voting rights.

All resolutions set out in the notice of the AGM were put to vote by poll and the votes casted were validated by an independent scrutineer appointed by the Company. The outcome of all resolutions proposed at the general meetings is announced to Bursa Securities at the end of the meeting day.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(CONT'D)

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

PART II – CONDUCT OF GENERAL MEETINGS (CONT'D)

12. Shareholders' Participation at General Meetings (cont'd)

12.2 All Directors of the Company including the Chairman of the AC and NRC had attended the previous Sixteenth AGM ("16th AGM") of the Company held on 25 September 2020.

During the proceedings of the previous 16th AGM, the Chairman invited the shareholders to raise any questions pertaining to the Company's audited financial statements and other agenda items tabled for approval at the meeting, before putting the resolutions to vote.

All the Directors of the Company will always endeavour to attend all general meetings and the Chairman of the Board committees will provide a meaningful response to questions addressed to them.

12.3 In view of the National Recovery Plan as imposed by the Government to contain the spread of the COVID-19 outbreak in Malaysia, the Company will also hold its upcoming 17th AGM on a fully virtual basis and entirely via remote participation and voting. This allows the shareholders to attend, speak (including posing questions to the Company/Board) and vote remotely at the AGM without being physically present at the broadcast venue.

Shareholders who are unable to attend the AGM may appoint proxy(ies) to participate on his/her behalf by submitting the duly executed proxy form to the Company's share registrar in hard copy or by electronic means. Alternatively, they may exercise their voting rights by appointing the Chairman of the meeting as his/her proxy with a pre-determined proxy form.

Shareholders will be allowed to cast their votes via an online platform at the time of the meeting until a time when the Chairman of the meeting announces the completion of the voting session.

STATEMENT BY THE BOARD ON CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board has deliberated, reviewed and approved this Statement. The Board considers and is satisfied that to the best of its knowledge the Company has fulfilled its obligations under the Code, the relevant chapters of the ACE Market LR of Bursa Securities on corporate governance and all applicable laws and regulations throughout the FYE 2021.

AUDIT COMMITTEE REPORT

The Board of Directors (“the Board”) of M N C Wireless Berhad (“MNC” or “the Company”) is pleased to present the report of the Audit Committee (“AC”) for the financial year under review. The primary objective of the AC is to assist the Board in fulfilling its fiduciary responsibilities relating to corporate governance, system of internal controls, risk management processes, management and financial reporting practise.

COMPOSITION OF THE AC

The Composition of the AC is in compliance with Rule 15.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The AC comprises solely of Independent Non-Executive Directors.

The present members of the AC are as follows:

AC Members	Designation	Directorship
Thu Soon Shien	Chairman	Independent Non-Executive Director
Wong Kok Seong	Member	Senior Independent Non-Executive Director
Dato’ Kua Khai Shyuan	Member	Independent Non-Executive Director

All members of the AC are financially literate. The Chairman, Mr. Thu Soon Shien is a member of the Malaysian Institute of Accountants (MIA) and a member of Association of Chartered Certified Accountants, UK (ACCA).

The Chairman of the AC is not the Chairman of the Board. To further strengthen the objectivity and independent of the AC, the AC has adopted a policy whereby no former key audit partner shall be appointed as a member of the AC before observing a cooling-off period of at least two (2) years. This policy had been codified in the Terms of Reference of the AC. The Terms of Reference of the AC is available in the corporate website of the Company at www.mnc.com.my.

AC MEETINGS

During the financial year ended 30 April 2021, the AC held a total of four (4) meetings and the details of the attendance of each AC member to the meetings are set out below:

AC Members	Meeting Attendance
Thu Soon Shien	4/4
Wong Kok Seong	4/4
Dato’ Kua Khai Shyuan	4/4

The Internal and External Auditors of the Company and its subsidiaries (“Group”) and other Senior Management also attended the AC meetings by invitation to provide clarification on the audit issues, Group’s operations and any other matters of interests.

In carrying out its duties, the AC reported to and updated the Board on significant issues and concerns discussed during the AC meetings and where appropriate, made necessary recommendations to the Board.

Minutes of each AC meeting were recorded and tabled for confirmation at the next following AC meeting and subsequently presented to the Board for notation.

AUDIT COMMITTEE REPORT

(CONT'D)

SUMMARY OF WORK

During the financial year ended 30 April 2021, the AC carried out the following activities in the discharge of its functions and duties:

Financial Reporting Oversight

- (a) Reviewed the quarterly financial results, focusing particularly on significant changes, and ensure that the financial reporting and disclosure requirements of relevant authorities had been compliance with accounting standards, any changes in or implementation of accounting policies and practices, prior to submission to the Board for approval and release quarterly financial results to Bursa Securities; and
- (b) Reviewed the audited financial statements with the Management and External Auditors that the audited financial statements were prepared in compliance with the provision of the Companies Act 2016, Malaysian Financial Reporting Standards, and the ACE Market Listing Requirements.

External Audit

- (a) Discussed and reviewed with External Auditors on their audit review memorandum for the Group and the audit planning memorandum for the financial year ended 30 April 2021;
- (b) Reviewed the results of the annual audit, their audit report and management letter, together with the Management's responses to the findings of the External Auditors prior to submission to the Board for approval;
- (c) Reviewed and recommended the re-appointment of Messrs. Ong & Wong Chartered Accountants as the External Auditors and their audit fees to the Board for consideration based on the competency, efficiency and transparency as demonstrated by them during their audit for financial year under review; and
- (d) Met with the External Auditors separately without the presence of the Executive Directors and Management to make enquiries on any non-compliance disclosures encountered by the External Auditors during their audit.

Internal Audit

- (a) Reviewed with the Internal Auditors on the internal audit report, their recommendations, the adequacy and efficiency of Management's response to these recommendations; and
- (b) Review and discussed the Enterprise Risk Assessment Report of the Group tabled by the Management, where the discussion included risk assessment, summary of action plans and manage the principal risks of the Group.

Related Party Transaction

- (a) Reviewed any related party transactions and conflict of interest situation that may arise within the Group including any transaction, procedure or course of conduct that raises the questions on management integrity.

Other Matter

- (a) Review the Statement on Risk Management and Internal Control, Corporate Governance Overview Statement and AC Report to ensure adherence to legal and regulatory reporting requirement before recommending to the Board for approval for inclusion in the Company's Annual Report; and
- (b) Reviewed its Terms of Reference periodically and made recommendation to the Board on revision, if necessary

AUDIT COMMITTEE REPORT

(CONT'D)

INTERNAL AUDIT FUNCTION

The Board has outsourced its internal audit function to Wensen Consulting Asia (M) Sdn. Bhd., an independent professional consulting firm, which provides support to the AC in monitoring and managing risks, controls and governance processes of the Group. The main role of the internal audit function is to review the effectiveness and adequacy of the existing internal control policies and procedures and to provide recommendations, if any, for the improvement of the control policies and procedures.

During the financial year under review, the Internal Auditors have conducted the yearly internal audit review and the scope of review was discussed and requested by the Management thereafter subsequent alignment and confirmation with Audit Committee of the Group during the AC meeting.

The Internal Auditors had carried out the following audit activities during the financial year under review:

1. Review and evaluated the adequacy and effectiveness of the internal control system on Reporting Structure of Business Process for Content Provider Business Operations Segment; and
2. Follow-up reviews in assessing the progress of the agreed Management's action plans and report to the Management and AC.

The report by the Internal Auditors were deliberated by the AC and the recommendations made to the Board and/or the Management were acted upon.

The cost incurred for the internal audit function of the Group for the financial year ended 30 April 2021 was RM10,000.00.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Introduction

Pursuant to Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Statement on Risk Management and Internal Control: Guidelines for Directors of Public Listed Issuers, the Board of Directors of M N C Wireless Berhad ("Board") is pleased to provide the following statement which outlines the policies, key elements and scope of risk management and internal control of the Company and its subsidiaries ("Group") for the financial year ended 30 April 2021.

Board's Roles and Responsibilities

The Board recognises its overall responsibility for maintaining the adequacy and effectiveness of the Group's risk management and system of internal controls which covers financial, operations and compliance with relevant regulations, policies and procedures. This includes the establishment of an appropriate risk management and internal control framework and review the adequacy and effectiveness of those systems on an on-going basis.

The Board has delegated the implementation of the policies on risk management and internal control to the Management who remains accountable to the Board to ensure that the Group's risk management and internal control system are operating adequately and effectively. The Management shall be responsible for identifying and assessing the risks faced by the Group, identifying the changes to risk and in the design and operation of suitable internal controls to mitigate the risks identified. Towards this responsibility, the Management has established satisfactory internal control system with risk management embedded in the internal control system.

In view of the inherent limitations that exist in any system of internal controls, the system of internal controls and risk management within the Group are designed to manage rather than eliminate the risk of failure to meet its corporate objectives. Accordingly, the system can only provide reasonable and not absolute assurance against material misstatements, losses or fraud.

Risk Management Framework

The Board recognises that effective risk management is critical to enhance shareholders value and promote good corporate governance. The Group's risk management which is embedded in the internal control system is an ongoing process and is established for identifying, evaluating and managing significant risks faced by the Group in achieving its objectives and strategies. The identification, evaluation, reporting, monitoring and review of the key risks within the Group are executed by the Group's Management team who meets regularly to ensure that the risks faced by the Group are monitored and properly addressed. Significant risks identified are subsequently brought to the attention of the Board at the scheduled Board meetings. This serves as an on-going process of identifying, assessing and managing risks faced by the Group and has been in place for the financial year under review and up to the date of approval of this statement for inclusion in the annual report.

This process is regularly reviewed by the Board via the Audit Committee ("AC") at the quarterly Board meeting with the assistance of the outsourced Internal Auditors to further review and improve 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 changing business and competitive environment.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

Internal Control Structure

The Board is committed to maintain a strong control structure and environment for the proper conduct of the Group's business operations.

The following set out the key elements of the Group's control environment include:

(i) **Organisation Structure**

The current organisation structure of the Group is incorporated with clear lines of accountability that sets out the authority delegated to the Board and Management. The Board is supported by various established committees in discharging its responsibilities that includes the AC, and Nomination and Remuneration Committee respectively.

(ii) **Internal Audit Function**

The Group has outsourced its internal audit function to an independent professional consulting firm who assists the Board and the AC in providing independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system. For the financial period under review, the Internal Auditors have conducted various assignments and made recommendations to enhance the effectiveness of the control processes of the Group in accordance with the Internal Audit Plan approved by the AC. A summary of findings and recommendations are discussed at the AC meetings and the status of implementation of the actions agreed by Management is tracked and reported to the AC.

(iii) **Financial and Operational Information**

The Group has defined procedures and controls to ensure the reporting of complete and accurate financial information, taking into consideration the Malaysian Financial Reporting Standards. The annual financial statements and quarterly reports are reviewed by the Board and the AC before the announcement to Bursa Malaysia Securities Berhad.

Policies and procedures of business operations within the Group are documented in Standard Operating Procedures manuals. The Standard Operating Procedures are periodically updated to reflect changing risks or to resolve operational deficiencies.

The annual budget which contains financial and operating targets and performance indicators are reviewed and approved by the Chief Executive Officer cum Executive Director ("CEO cum ED") together with the Senior Management before being presented to the Board for final review and approval. Consistent monitoring of result against budget, with major variances being followed up and management action taken, when necessary.

(iv) **Limit of Authority**

Authorisation limit that sets out the appropriate authorisation limits of respective levels of management are in place to ensure all transactions are properly authorised before they are undertaken. The authorisation limit is reviewed regularly to ensure that they continue to be relevant and effective. The CEO cum ED approves all changes to the authorisation limit.

(v) **Information and Communication**

The Board and Management receive timely, relevant and reliable reports on the business progress against objectives and the key risks to enable them to make appropriate decisions. Regular management meetings are held to identify, discuss and resolve business and operational issues and to improve efficiency.

(vi) **Performance Management**

The Group has in place a proper control environment which emphasises on quality and performance of its employees through the development of a competency based human resources process. Training programmes, career development and appraisal systems are implemented for employees to ensure continuity and to ensure employees are competent in carrying out their duties.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(CONT'D)

Review of the Statement by External Auditors

As required by Rule 15.23 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, this Statement on Risk Management and Internal Control has been reviewed by the External Auditors for the inclusion in the Annual Report 2021.

The External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement on Risk Management and Internal Control is not prepared in all material respects and in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor is factually inaccurate.

Assurance

The CEO cum ED has provided assurance to the Board that the Group's risk management and internal control system, in all material aspects are operating adequately and effectively.

Conclusion

For the financial year under review, the Board is satisfied with the adequacy and effectiveness of the Group's internal control system with embedded risk management. There were no major weaknesses identified that would hamper the operations and lead to major financial impact of the Group that would require disclosure in the Group's Annual Report. The Board will continue to take appropriate measures to strengthen the control environment in the face of changing regulations and operating conditions.

This Statement on Risk Management and Internal Control is made on the recommendation of the AC to the Board and is made in accordance with the Board's resolution dated 20 August 2021.

ADDITIONAL COMPLIANCE INFORMATION

1. STATUS OF UTILISATION OF PROCEEDS RAISED FROM THE CORPORATE PROPOSALS

a. Rights Issue with Warrants A

The Company had on 11 November 2016 completed the Rights Issue with Warrants A following the admission of the Warrants A to the Official List and the listing of and quotation for 283,420,500 Right Shares together with 188,946,927 Warrants A on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

As at 30 April 2021, the status of utilisation of proceeds raised from the Rights Issue with Warrants A are as follows:

Description	Timeframe for Utilisation	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance to be Utilised (RM'000)
Wireless and mobile application services expenses	Within 72 months	2,000	(1,425)	575
Multimedia related service expenses / Infrastructure development	Within 72 months	3,000	(1,600)	1,400
Digital related service expenses / Purchase of advertising display panels	Completed	8,000	(8,000)	–
Branch Expansion	Within 72 months	4,000	(1,299)	2,701
Repayment of bank borrowings	Completed	2,750	(2,750)	–
Working capital	Within 72 months	8,021	(4,633)	3,388
Corporate Exercises expenses	Completed	571	(571)	–
Total		28,342	(20,278)	8,064

Note:

The Board had on 25 September 2020 approved the utilisation of the proceeds derived from Rights Issue with Warrants A to be extended by 24 months to 10 November 2022.

ADDITIONAL COMPLIANCE INFORMATION

(CONT'D)

1. STATUS OF UTILISATION OF PROCEEDS RAISED FROM THE CORPORATE PROPOSALS (CONT'D)

b. Private Placement of up to 10% of the total number of Issued Shares

The Private Placement was completed on 22 August 2017 following the listing of and quotation for 43,489,400 new ordinary shares at an issue price of RM0.05454 each amounting to RM2,372,000.00 on the ACE Market of Bursa Securities.

As at 17 August 2021, the status of utilisation of the proceeds raised from the Private Placement are as follow:-

Description	Timeframe for Utilisation	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance to be Utilised (RM'000)
Working capital (i)	Within 60 months	2,273	–	2,273
Estimated expenses for the Proposed Private Placement	Completed	99	99	–
Total		2,372	99	2,273

Note:

- (i) The Board had on 17 August 2021 approved a variation of the utilisation of proceeds allocated for funding for the e-commerce platform to be operated in the Digital Free Trade Zone project to working capital as well as an extension of time of 12 months for the utilisation to 60 months.

c. Rights Issue of Irredeemable Convertible Preference Shares ("ICPS") with Warrants B

The Rights Issue of ICPS with Warrants B was completed following the listing of and quotation of 1,497,963,330 ICPS together with 29,959,264 Warrants B on the ACE market of Bursa Securities on 13 September 2019.

As at 30 April 2021, the status of utilisation of proceeds raised from the Rights Issue of ICPS with Warrants B are as follows:

Description	Timeframe for Utilisation	Proposed Utilisation (RM'000)	Actual Utilisation (RM'000)	Balance to be Utilised (RM'000)
Upgrading of the Company and its subsidiaries' ("Group") bulk SMS messaging platform	Within 24 months	11,000	–	11,000
Upgrading of the Group's premium mobile content platform	Within 24 months	15,100	–	15,100
Development of an online property management platform	Within 24 months	10,000	(3,950)	6,050
Acquisition and/or investments in other complementary business and/or assets	Within 24 months	8,239	(8,052)	187
Expenses for the Corporate Exercises	Completed	600	(600)	–
Total		44,939	(12,602)	32,337

ADDITIONAL COMPLIANCE INFORMATION

(CONT'D)

2. AUDIT FEES AND NON-AUDIT FEES

The amount of audit and non-audit fees paid/payable to the External Auditors and its affiliates by the Company and the Group for the financial year ended 30 April 2021 are as follows:

	Group RM	Company RM
Audit Fees	79,500	52,500
Non-Audit Fees	3,000	3,000

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

The ESOS was approved by the shareholders at an Extraordinary General Meeting held on 21 December 2015 and governed by the ESOS By-Law. The ESOS would be in force for a period of five (5) years from the date of implementation on 11 November 2016.

The maximum allocation of ESOS to Directors and employees of the Group shall not exceed 30% of the Company's total number of issued shares (excluding treasury shares, if any) at any point in time during the duration of the ESOS.

The details on the number of ESOS options granted, exercised, forfeited and outstanding since its commencement up to 30 April 2021 are as follows:-

	Total	Executive Director/ Chief Executive	Senior Management	Other Employees
Number of options granted	949,927,000	-	345,127,000	604,800,000
Number of options exercised	652,049,999	-	215,800,000	436,249,999
Number of options forfeited	297,877,001	-	129,327,000	168,550,001
Number of options outstanding	-	-	-	-

During the financial year ended 30 April 2021, the actual percentage of the ESOS option granted to Senior Management was 36.33%

The Directors of the Company have not, since the implementation of the ESOS, been granted any options under ESOS.

On 19 January 2021, the Company has terminated the ESOS in accordance to the By-Law governing the ESOS.

4. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

There was no material contract entered into by the Group which involved the interest of the Directors' and major shareholders' during the financial year under review.

5. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

There was no RRPT of a revenue or trading nature during the financial year ended 30 April 2021.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Board of Directors ("the Board") is required by the Companies Act 2016 to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards in Malaysia, which give a true and fair view of the financial position of the Group and of the Company at the end of each financial year.

In preparing the financial statements for the financial year ended 30 April 2021, the Directors have considered that:-

- the appropriate accounting policies have been adopted and applied consistently;
- reasonable and prudent judgements and estimates were made;
- approved accounting standards in Malaysia have been applied; and
- the financial statements have been prepared on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep accounting records which disclose with reasonable accuracy, the financial position of the Group and the Company at any time, and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016 and the applicable approved accounting standards in Malaysia.

The Directors have overall responsibilities for taking reasonable steps to safeguard the assets of the Group and of the Company, to prevent and detect fraud and any irregularities.



FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 April 2021.

PRINCIPAL ACTIVITIES

The principal activities of the Company are sales and marketing, and research and development of wireless, mobile and multimedia solutions and content and investment holding. The principal activities of the subsidiary companies are as set out in *Note 7* to the financial statements. There were no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Total comprehensive loss attributable to: Owners of the Company	(17,776,292)	(13,627,525)

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDEND

No dividend has been paid or declared since the end of the previous financial year. The directors do not propose any dividend in respect of the current financial year.

MOVEMENTS ON RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company:

- i) issued 9,301,000 new ordinary shares at book value of RM0.0591 each arising from the conversion of 9,301,000 units of irredeemable convertible preference shares ("ICPS") on the basis of 1 unit of ICPS with additional cash payment of RM0.03 for 1 new ordinary share;
- ii) issued 13,305,900 new ordinary shares at book value of RM0.0582 each arising from conversion of 26,611,800 units of ICPS on the basis of 2 units of ICPS for 1 new ordinary share;
- iii) issued 91,949,999 new ordinary shares of RM0.046 each as a result of the exercise of Employees' Share Option Scheme ("ESOS");
- iv) issued 186,300,000 new ordinary shares of RM0.045 each as a result of the exercise of ESOS; and
- v) issued 316,800,000 new ordinary shares of RM0.040 each as a result of the exercise of ESOS.

These new ordinary shares rank *pari passu* with the existing ordinary shares of the Company.

The Company did not issue any debentures during the financial year.

DIRECTORS' REPORT

(CONT'D)

IREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

On 13 September 2019, the Company issued 1,497,963,330 new ICPS pursuant to the Rights Issue of ICPS with Warrants Exercise on the basis of 50 ICPS together with 1 free warrant for every 10 existing ordinary shares of the Company held on entitlement date.

Details of the ICPS are disclosed in *Note 14* to financial statements.

As at 30 April 2021, the total number of ICPS that remain unconverted was 210,491,302.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

On 21 December 2015, the Company obtained approval from the shareholders at Extraordinary General Meeting for the issuance of ESOS of not exceeding in aggregate thirty percent (30%) of the Company's total issued share capital at any point of time during the duration of the ESOS. The ESOS shall be allocated to any eligible employee of the Group who fulfilled the eligibility criteria for participation in the ESOS.

Each ESOS option entitles the eligible employee to subscribe for such number of ordinary shares in the Company pursuant to an offer duly accepted by the eligible employee at the exercise price to be determined by the ESOS Committee at its discretion based on the 5-days volume weighted average price of the Company's share as quoted in Bursa Malaysia Securities Berhad, immediately prior to the date of offer made by the ESOS Committee with a discount of not more than 10%, if deemed appropriate.

The ESOS shall be valid for a duration of five periods from the effective date of the ESOS, and may upon the recommendation of the ESOS Committee, be extended for a further five periods.

The Company offered a total of 861,900,000 share options under the ESOS to eligible employees of the Company as follows:

Date of offer	Exercise price of options	Number of options offered
23 July 2020	RM0.046	287,000,000
15 September 2020	RM0.045	258,100,000
30 October 2020	RM0.040	316,800,000

On 19 January 2021, the existing ESOS has been terminated and the remaining 266,850,001 unexercised share options have lapsed.

WARRANTS

On 3 November 2016, the Company listed and quoted 188,946,927 Warrants A pursuant to the Rights Issue with Warrants Exercise on the basis of 2 Warrants A for every 3 right shares subscribed. Warrants A are constituted by the Deed Poll dated 26 September 2016.

On 13 September 2019, the Company listed and quoted 29,959,264 Warrants B pursuant to the Rights Issue of ICPS with Warrants Exercise on the basis of 1 Warrant B for every 50 ICPS subscribed. Warrants B are constituted by the Deed Poll dated 18 July 2019.

Other salient features of the Warrants are disclosed in *Note 16* to financial statements.

As at 30 April 2021, the total number of Warrants A and Warrants B that remain unexercised were 188,946,927 and 29,959,264 respectively.

DIRECTORS' REPORT

(CONT'D)

DIRECTORS

The directors in office since the date of the last report are:

Datuk Tan Chor How Christopher*
Dato' Kua Khai Shyuan*
Wong Kok Seong
Pang Siaw Sian
Thu Soon Shien
Robbie Hari Krishnan Tatparanandam (Retired on 25.09.2020)
Dato' Muhammad Shuib Bin Md Hashim

* A director who also holds office in the subsidiary companies.

DIRECTORS' INTERESTS

According to the Register of Directors' shareholdings, particulars of directors' interests in the shares of the Company at the end of the financial year are as follows:

	Balance at 01.05.2020	Number of Ordinary shares		Balance at 30.04.2021
		Bought	Sold	
Datuk Tan Chor How Christopher	133,383,333	–	–	133,383,333
	Balance at 01.05.2020	Number of Warrants B		Balance at 30.04.2021
		Bought	Sold/ Converted	
Datuk Tan Chor How Christopher	5,333,333	–	–	5,333,333

DIRECTORS' BENEFITS

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

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

INDEMNITY AND INSURANCE COST

No indemnity has been given during the financial year, for any person who is or has been the director, officer or auditor of the Company.

DIRECTORS' REMUNERATION

The amount of remunerations received and receivable by the directors of the Company and its subsidiary companies during the financial year are disclosed in *Note 27* of the financial statements.

DIRECTORS' REPORT

(CONT'D)

OTHER STATUTORY INFORMATION

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

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
- (b) 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.

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

- (a) which would render it necessary to write off any bad debts or the amounts of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) 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
- (d) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

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

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in *Note 32* to the financial statements.

SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR

The significant events subsequent to the financial year are disclosed in *Note 33* to the financial statements.

DIRECTORS' REPORT

(CONT'D)

AUDITORS

The details of the auditors' remuneration for the financial year are disclosed in *Note 24* to the financial statements.

The auditors, Messrs Ong & Wong, Chartered Accountants, have expressed their willingness to continue in office.

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

WONG KOK SEONG
Director

**DATUK TAN CHOR HOW
CHRISTOPHER**
Director

Kuala Lumpur
Date: 20 August 2021

STATEMENT BY DIRECTORS

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

In the opinion of the directors, the financial statements set out on pages 48 to 110 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 exhibit a true and fair view of the financial positions of the Group and of the Company as at 30 April 2021 and of the financial performance and cash flows of the Group and of the Company for the year ended on that date.

Signed in Kuala Lumpur on 20 August 2021

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

WONG KOK SEONG

**DATUK TAN CHOR HOW
CHRISTOPHER**

STATUTORY DECLARATION

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

I, Datuk Tan Chor How Christopher, being the director primarily responsible for the financial management of M N C Wireless Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief the financial statements set out on pages 48 to 110 are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly
declared in Kuala Lumpur on 20 August 2021

**DATUK TAN CHOR HOW
CHRISTOPHER**

Before me,

DATIN RAIHELA BINTI WANCHIK
LICENSE NO.W275

Commissioner for Oaths
Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF M N C WIRELESS BERHAD
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of M N C Wireless Berhad, which comprise the statements of financial position as at 30 April 2021 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 48 to 110.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 April 2021, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

We have fulfilled the responsibilities described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements of the Group and of the Company. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Risk area and rationale	Our response
<p>Trade Receivables (Note 9 to the financial statements)</p> <p>The adoption of MFRS 9 Financial Instruments has changed the Group's and the Company's accounting policy for impairment by replacing an incurred loss model with a forward looking expected credit loss approach.</p> <p>We considered this a key audit matter as the assessment of recoverability of receivables involved judgements and estimation uncertainty in analysing historical bad debts, customer concentration, customer creditworthiness, current economic trends, customer payment terms and etc.</p> <p>As at 30 April 2021, gross trade receivables of the Group amounted to RM5,759,028 and the accumulated impairments amounted to RM303,382.</p>	<p>1) Obtained an understanding of the Group's control over the receivables collection process and making inquiries regarding the action plans to recover the overdue amounts;</p> <p>2) Reviewed the aging analysis of receivables and testing the reliability thereof;</p> <p>3) Requested balance confirmations and reviewed subsequent collections from receivables; and</p> <p>4) Evaluated the reasonableness and adequacy of the impairment losses provided based on historical data and forward looking information as required by MFRS 9.</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 auditors' report thereon.

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITORS' REPORT

(CONT'D)

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

- 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 and on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Other Matters

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

ONG & WONG
AF: 0241
Chartered Accountants

ONG KONG LAI
00494/06/2022 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2021

			Group		Company
	Note	2021 RM	2020 RM	2021 RM	2020 RM
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	5	9,682,118	10,420,666	7,336,274	7,426,317
Intangible assets	6	10,246,933	4,887,500	6,757,766	4,887,500
Investment in subsidiary companies	7	—	—	1,165,037	1,165,037
Other investments	8	4,260,425	3,482,024	4,260,425	3,482,024
		24,189,476	18,790,190	19,519,502	16,960,878
CURRENT ASSETS					
Trade receivables	9	5,455,646	6,899,457	2,498,685	2,095,015
Other receivables, deposits and prepayments	10	11,782,195	3,408,216	11,595,236	3,333,111
Amount owing by subsidiary companies	11	—	—	9,088,861	3,907,252
Current tax assets		168,858	148,006	—	—
Fixed deposits	12	60,467,366	62,771,709	60,354,423	62,662,171
Cash and bank balances		1,072,731	1,621,261	816,734	252,604
		78,946,796	74,848,649	84,353,939	72,250,153
TOTAL ASSETS		103,136,272	93,638,839	103,873,441	89,211,031

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

STATEMENTS OF FINANCIAL POSITION

(CONT'D)

			<i>Group</i>		<i>Company</i>
	<i>Note</i>	2021 RM	2020 RM	2021 RM	2020 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	13	114,338,162	83,195,635	114,338,162	83,195,635
Irredeemable convertible preference shares	14	6,122,301	7,167,364	6,122,301	7,167,364
Revaluation reserve	15	2,715,917	2,748,121	2,715,917	2,748,121
Warrant reserve	16	6,074,836	6,074,836	6,074,836	6,074,836
Accumulated losses		(36,346,812)	(18,602,724)	(30,192,379)	(16,597,058)
TOTAL EQUITY		92,904,404	80,583,232	99,058,837	82,588,898
LIABILITIES					
NON-CURRENT LIABILITIES					
Finance lease payables	18	656,547	931,365	–	–
Deferred tax liabilities	19	891,063	901,628	891,063	901,628
		1,547,610	1,832,993	891,063	901,628
CURRENT LIABILITIES					
Trade payables	20	4,038,910	4,682,055	539,497	712,656
Other payables and accruals	21	4,226,922	6,245,579	3,240,436	4,974,577
Finance lease payables	18	274,818	261,708	–	–
Income tax payable		143,608	33,272	143,608	33,272
		8,684,258	11,222,614	3,923,541	5,720,505
TOTAL LIABILITIES		10,231,868	13,055,607	4,814,604	6,622,133
TOTAL EQUITY AND LIABILITIES		103,136,272	93,638,839	103,873,441	89,211,031

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2021

		Group		Company	
	Note	2021 RM	2020 RM	2021 RM	2020 RM
Revenue	22	21,238,544	20,056,423	5,684,549	7,075,952
Cost of sales		(17,978,985)	(14,665,492)	(4,324,554)	(4,090,936)
Gross profit		3,259,559	5,390,931	1,359,995	2,985,016
Other operating income		9,913,899	1,845,473	10,552,700	2,647,923
Sales and distribution costs		(3,289)	(31,585)	(3,289)	(31,585)
Administrative expenses		(30,136,992)	(11,052,906)	(24,878,406)	(8,101,511)
Net (allowance)/reversal of impairment on financial assets		(119,945)	6,066	(132,683)	60,831
Loss from operations		(17,086,768)	(3,842,021)	(13,101,683)	(2,439,326)
Finance costs	23	(49,212)	(45,138)	–	–
Loss before taxation	24	(17,135,980)	(3,887,159)	(13,101,683)	(2,439,326)
Income tax expense	25	(640,312)	(197,480)	(525,842)	(506,261)
Loss after taxation, representing total comprehensive loss for the year		(17,776,292)	(4,084,639)	(13,627,525)	(2,945,587)
Loss/Total comprehensive loss attributable to:					
Owners of the Company		(17,776,292)	(4,084,639)		
Loss per share (sen)					
- Basic	26	(1.23)	(0.48)		
- Diluted	26	N/A	N/A		

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

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

	Attributable to Owners of the Company						
	Non-distributable						
	Share Capital RM	Preference Shares RM	Irredeemable Convertible Shares RM	Revaluation Reserve RM	Warrant Reserve RM	Accumulated Losses RM	Total Equity RM
Group							
At 1 May 2019	44,556,012	-	-	2,780,325	4,723,673	(14,361,951)	37,698,059
Transactions with owners:							
Issuance of ICPS	-	43,587,737	-	-	-	-	43,587,737
Conversion of ICPS to ordinary shares	38,639,623	(36,420,373)	-	-	-	-	2,219,250
Provision for warrants reserve	-	-	-	-	1,351,163	-	1,351,163
	38,639,623	7,167,364	-	-	1,351,163	-	47,158,150
Loss after taxation	-	-	-	-	-	(4,084,639)	(4,084,639)
Share issuance expenses	-	-	-	-	-	(188,338)	(188,338)
Realisation of the revaluation reserve	-	-	-	(32,204)	-	32,204	-
Total comprehensive loss for the year	-	-	-	(32,204)	-	(4,240,773)	(4,272,977)
At 30 April 2020	83,195,635	7,167,364	2,748,121	6,074,836	(18,602,724)	80,583,232	
At 1 May 2020	83,195,635	7,167,364	2,748,121	6,074,836	(18,602,724)	80,583,232	
Transactions with owners:							
Conversion of ICPS to ordinary shares	1,324,092	(1,045,063)	-	-	-	-	279,029
Issuance of shares pursuant to the exercise of ESOS	29,818,435	-	-	-	-	-	29,818,435
	31,142,527	(1,045,063)	-	-	-	-	30,097,464
Loss after taxation	-	-	-	-	-	(17,776,292)	(17,776,292)
Realisation of the revaluation reserve	-	-	(32,204)	-	-	32,204	-
Total comprehensive loss for the year	-	-	(32,204)	-	-	(17,744,088)	(17,776,292)
At 30 April 2021	114,338,162	6,122,301	2,715,917	6,074,836	(36,346,812)	92,904,404	

STATEMENTS OF CHANGES IN EQUITY

(CONT'D)

	Attributable to Owners of the Company					
	Share Capital	Preference Shares	Irredeemable Convertible Shares	Revaluation Reserve	Warrant Reserve	Total Equity
	RM	RM	RM	RM	RM	RM
<i>Company</i>						
At 1 May 2019	44,556,012	-	-	2,780,325	4,723,673	38,564,673
<i>Transactions with owners:</i>						
Issuance of ICPS	-	43,587,737	-	-	-	43,587,737
Conversion of ICPS to ordinary shares	38,639,623	(36,420,373)	-	-	-	2,219,250
Provision for warrants reserve	-	-	-	-	1,351,163	1,351,163
	38,639,623	7,167,364	-	-	1,351,163	47,158,150
Loss after taxation	-	-	-	-	(2,945,587)	(2,945,587)
Share issuance expenses	-	-	-	-	(188,338)	(188,338)
Realisation of the revaluation reserve	-	-	-	(32,204)	-	32,204
Total comprehensive loss for the year	-	-	-	(32,204)	-	(3,133,925)
At 30 April 2020	83,195,635	7,167,364	-	2,748,121	6,074,836	82,588,898
At 1 May 2020	83,195,635	7,167,364	-	2,748,121	6,074,836	82,588,898
<i>Transactions with owners:</i>						
Conversion of ICPS to ordinary shares	1,324,092	(1,045,063)	-	-	-	279,029
Issuance of shares pursuant to the exercise of ESOS	29,818,435	-	-	-	-	29,818,435
	31,142,527	(1,045,063)	-	-	-	30,097,464
Loss after taxation	-	-	-	-	(13,627,525)	(13,627,525)
Realisation of the revaluation reserve	-	-	-	(32,204)	-	32,204
Total comprehensive loss for the year	-	-	-	(32,204)	-	(13,627,525)
At 30 April 2021	114,338,162	6,122,301	-	2,715,917	6,074,836	99,058,837

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2021

	2021 RM	Group 2020 RM	2021 RM	Company 2020 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before taxation	(17,135,980)	(3,887,159)	(13,101,683)	(2,439,326)
<i>Adjustments for:</i>				
Allowance/(Reversal) for impairment losses on trade receivables	4,978	(2,489)	4,978	(2,489)
Amortisation of intangible assets	1,826,567	862,500	1,365,734	862,500
Depreciation of property, plant and equipment	737,354	714,855	121,850	136,715
Gain on disposal of property, plant and equipment	(165,999)	–	–	–
(Gain)/Loss on disposal of quoted shares	(8,153,567)	150,718	(8,153,567)	150,718
Impairment losses on quoted shares	1,432,947	2,295,177	1,432,947	2,295,177
Interest expenses	49,212	45,138	–	–
Interest income	(1,497,610)	(1,730,562)	(1,493,863)	(1,724,351)
Net allowance/(reversal) of impairment on financial assets	119,945	(6,066)	132,683	(60,831)
Property, plant and equipment written off	3,083	–	3,083	–
Staff costs - Share-based payment	4,533,235	–	4,533,235	–
<i>Operating loss before working capital changes</i>	(18,245,835)	(1,557,888)	(15,154,603)	(781,887)
(Increase)/Decrease in receivables	(7,055,090)	4,325,177	(8,803,456)	4,869,026
(Decrease)/Increase in payables	(2,661,803)	5,672,893	(1,907,300)	3,925,777
Increase in amount owing by subsidiary companies	–	–	(5,181,609)	(1,600,260)
<i>Cash (used in)/generated from operations</i>	(27,962,728)	8,440,182	(31,046,968)	6,412,656
Tax refund	–	499,884	–	–
Tax paid	(561,393)	(582,954)	(426,071)	(410,340)
<i>Net cash (used in)/generated from operating activities</i>	(28,524,121)	8,357,112	(31,473,039)	6,002,316

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

STATEMENTS OF CASH FLOWS

(CONT'D)

	<i>Group</i>		<i>Company</i>	
	2021 RM	2020 RM	2021 RM	2020 RM
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	1,497,610	1,730,562	1,493,863	1,724,351
Investment in quoted shares	(50,731,190)	(11,553,527)	(50,731,190)	(11,553,527)
Purchase of property, plant and equipment (Note A)	(34,890)	(1,642,489)	(34,890)	(6,999)
Purchase of intangible assets	(7,186,000)	(5,750,000)	(3,236,000)	(5,750,000)
Proceeds from disposal of property, plant and equipment	199,000	–	–	–
Proceeds from disposal of quoted shares	56,673,409	9,136,667	56,673,409	9,136,667
<i>Net cash generated from/(used in) investing activities</i>	417,939	(8,078,787)	4,165,192	(6,449,508)
CASH FLOWS FROM FINANCING ACTIVITIES				
Interest paid	(49,212)	(45,138)	–	–
Proceeds from issuance of irredeemable convertible preference shares, net of share issuance expenses	1,324,092	6,979,026	1,324,092	6,979,026
Proceeds from conversion of irredeemable convertible preference shares to ordinary shares	(1,045,063)	38,639,623	(1,045,063)	38,639,623
Proceeds from issuance of warrants	–	1,351,163	–	1,351,163
Proceeds from exercise of ESOS	25,285,200	–	25,285,200	–
Repayment of finance lease payables	(261,708)	(187,592)	–	–
<i>Net cash generated from financing activities</i>	25,253,309	46,737,082	25,564,229	46,969,812
<i>Net (decrease)/increase in cash and cash equivalents</i>	(2,852,873)	47,015,407	(1,743,618)	46,522,620
<i>Cash and cash equivalents at the beginning of the financial year</i>	64,392,970	17,377,563	62,914,775	16,392,155
<i>Cash and cash equivalents at the end of year (Note B)</i>	61,540,097	64,392,970	61,171,157	62,914,775

NOTES TO STATEMENTS OF CASH FLOWS

(A)	Purchase of property, plant and equipment				
	Aggregate cost	34,890	2,242,489	34,890	6,999
	Less: Finance lease financing	–	(600,000)	–	–
		34,890	1,642,489	34,890	6,999
(B)	Cash and cash equivalents comprise:				
	Fixed deposits	60,467,366	62,771,709	60,354,423	62,662,171
	Cash and bank balances	1,072,731	1,621,261	816,734	252,604
		61,540,097	64,392,970	61,171,157	62,914,775

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

NOTES TO THE FINANCIAL STATEMENTS

- 30 APRIL 2021

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The principal activities of the Company are sales and marketing, and research and development of wireless, mobile and multimedia solutions and content and investment holding. The principal activities of the subsidiary companies are as set out in Note 7. There were no significant changes in the nature of these activities during the financial year.

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

The address of the registered office of the company is located at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan.

The address of the principal place of business of the Company is located at 100-3.011, 129 Offices, Jaya One, No. 72A, Jalan Profesor Diraja Ungku Aziz, 46200 Petaling Jaya, Selangor Darul Ehsan.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

(a) Changes in Accounting Policies and Effects Arising from Adoption of New and Revised Standards and Amendments

The accounting policies adopted by the Group and the Company are consistent with those adopted in the previous financial year except for the adoption of the following new, revised MFRSs and amendments which are effective for annual period beginning on or after 1 January 2020.

<u>Description</u>	<u>Effective for annual period beginning on or after</u>
Amendments to MFRS 3: Definition of a Business	1 January 2020
Amendments to MFRS 101: Presentation of Financial Statements – Definition of Material	1 January 2020
Amendments to MFRS 108: Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2020
Amendments to MFRS 7, MFRS 9 and MFRS 139: Interest Rate Benchmark Reform	1 January 2020
Amendments to MFRS 16 Leases: Covid-19-Related Rent Concessions	1 June 2020

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

(b) Standards and Amendments Issued But Not Yet Effective

At the date of authorisation for issue of the financial statements, the new and revised Standards and Amendments issued but not yet effective for the Group and the Company and not early adopted by the Group and by the Company are as listed below:

<u>Description</u>	<u>Effective for annual period beginning on or after</u>
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: Interest Rate Benchmark Reform-Phase 2	1 January 2021
Amendments to MFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
MFRS 1: Annual Improvements to MFRS Standards 2018 -2020	1 January 2022
Amendments to MFRS 3 Business Combinations: Reference to the Conceptual	1 January 2022
MFRS 9: Annual Improvements to MFRS Standards 2018 - 2020	1 January, 2022
Amendments to MFRS 116: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137: Provisions, Contingent Liabilities and Contingent Assets – Onerous Contract- Cost of Fulfilling a Contract	1 January 2022
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 10: Consolidated Financial Statements and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The Group and the Company are expected to apply the abovementioned pronouncements beginning from the perspective dates the pronouncements become effective. The initial application of the abovementioned pronouncements are not to be expected to have any material impact to financial statements of the Group and of the Company.

(c) Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the significant accounting policies as disclosed in Note 3 below.

The financial statements are presented in Ringgit Malaysia ("RM").

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES

All significant accounting policies set out below are consistent with those applied in the previous financial year unless otherwise stated.

(a) Basis of Consolidation

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

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

(i) *Acquisition method of accounting for business combinations*

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

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

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

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

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

(ii) *Non-controlling interest*

Non-controlling interest represents the equity in subsidiary companies not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated profit or loss and within equity in the consolidated financial position, separately from equity attributable to owners of the Company.

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Property, Plant and Equipment

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

Buildings are stated at revalued amount less accumulated depreciation and impairment losses, if any, recognised after the date of the revaluation.

Buildings are revalued periodically, at least once in every 5 years. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

Freehold land has an unlimited useful life and therefore is not depreciated.

Property, plant and equipment are depreciated on a straight line basis to write off the cost of each asset to their residual values over their estimated useful lives.

Buildings are depreciated in equal instalments over the lease period of 87 years.

Freehold buildings included in property, plant and equipment are not depreciated as these assets are not yet available for use.

All other property, plant and equipment are depreciated based on the estimated useful lives of the assets at the following annual rates:

	%
Computers	20 - 40
Furniture, fittings and equipment	10
Motor vehicles	20
Renovation	20

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

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Intangible Assets

System Platform

The system platform are measured initially at cost. Following initial acquisition, system platform are measured at cost less any accumulated amortisation and accumulated impairment losses, if any.

The useful life of system platform are assessed to be finite. System platform are amortised on a straight-line basis over the estimated economic useful lives at an annual rate of 20% and assessed for impairment whenever there is an indication that it may be impaired. The amortisation period and the amortisation method for system platform with finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on system platform with finite lives are recognised in profit or loss.

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

(d) Investment In Subsidiary Companies

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

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

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

(e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) *Recognition and initial 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 asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

An embedded derivative is recognised separately from the host contract where the host contract is not a financial asset, and accounted for separately if, and only if, the derivative is not closely related to the economic characteristics and risks of the host contract and the host contract is not measured at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial Instruments (cont'd)

(ii) *Financial instrument categories and subsequent measurement*

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group and the Company change their business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

a. Amortised cost

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

b. Fair value through other comprehensive income

i. Debt investments

Fair value through other comprehensive income category comprises debt investment where it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the debt investment, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The debt investment is not designated as at fair value through profit or loss. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

ii. Equity investments

This category comprises investment in equity that is not held for trading, and the Group and the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income on initial recognition. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial Instruments (cont'd)

(ii) Financial instrument categories and subsequent measurement (cont'd)

Financial assets (cont'd)

c. Fair value through profit or loss

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

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

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment.

Financial liabilities

The categories of financial liabilities at initial recognition are as follows:

a. Fair value through profit or loss

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination and financial liabilities that are specifically designated into this category upon initial recognition.

On initial recognition, the Group and the Company may irrevocably designate a financial liability that otherwise meets the requirements to be measured at amortised cost as fair value through profit or loss:

- i. if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise;
- ii. a group of financial liabilities or assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Group's key management personnel; or
- iii. if a contract contains one or more embedded derivatives and the host is not a financial asset in the scope of MFRS 9, where the embedded derivative significantly modifies the cash flows and separation is not prohibited.

Financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair value with gains or losses, including any interest expense are recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial Instruments (cont'd)

(ii) *Financial instrument categories and subsequent measurement (cont'd)*

Financial liabilities (cont'd)

a. Fair value through profit or loss (cont'd)

For financial liabilities where it is designated as fair value through profit or loss upon initial recognition, the Group and the Company recognise the amount of change in fair value of the financial liability that is attributable to change in credit risk in the other comprehensive income and remaining amount of the change in fair value in the profit or loss, unless the treatment of the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch.

b. Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

(iii) *Regular way purchase or sale of financial assets*

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date or settlement date accounting in the current year.

Trade date accounting refers to:

- a. the recognition of an asset to be received and the liability to pay for it on the trade date, and
- b. derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Settlement date accounting refers to:

- a. the recognition of an asset on the day it is received by the Group and the Company, and
- b. derecognition of an asset and recognition of any gain or loss on disposal on the day that is delivered by the Group and the Company.

Any change in the fair value of the asset to be received during the period between the trade date and the settlement date is accounted in the same way as it accounts for the acquired asset.

Generally, the Group and the Company applied settlement date accounting unless otherwise stated for the specific class of asset.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial Instruments (cont'd)

(iv) *Financial guarantee contracts*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, Revenue from Contracts with Customers.

Liabilities arising from financial guarantees are presented together with other provisions.

(v) *Hedge accounting*

At inception of a designated hedging relationship, the Group and the Company document the risk management objective and strategy for undertaking the hedge. The Group and the Company also document the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

a. *Fair value hedge*

A fair value hedge is a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect the profit or loss.

In a fair value hedge, the gain or loss on the hedging instrument shall be recognised in profit or loss (or other comprehensive income, if the hedging instrument hedges an equity instrument which the Group and the Company have elected to present the subsequent changes in fair value of the investment in equity in other comprehensive income).

The hedging gain or loss on the hedged item shall adjust the carrying amount of the hedged item and be recognised in profit or loss. If the hedged item is a financial asset (or a component thereof) that is measured at fair value through other comprehensive income, the hedging gain or loss on the hedged item shall be recognised in profit or loss.

However, if the hedged item is an equity instrument for which an entity has elected to present changes in fair value in other comprehensive income, those amounts shall remain in other comprehensive income. When a hedged item is an unrecognised firm commitment (or a component thereof), the cumulative change in the fair value of the hedged item subsequent to its designation is recognised as an asset or a liability with a corresponding gain or loss recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial Instruments (cont'd)

(v) *Hedge accounting (cont'd)*

b. Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with all, or a component of, a recognised asset or liability or a highly probable forecast transaction and could affect the profit or loss. In a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and accumulated in equity and the ineffective portion is recognised in profit or loss. The effective portion of changes in the fair value of the derivative that is recognised in other comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge asset or a liability with a corresponding gain or loss recognised in profit or loss.

Subsequently, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss. If the hedge item is a non-financial asset or liability, the associated gain or loss recognised in other comprehensive income is removed from equity and included in the initial amount of the asset or liability. However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is reclassified from equity into profit or loss immediately.

The Group designates only the change in fair value of the spot element of forward contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ("forward points") and/or the foreign currency basis spread are separately accounted for as cost of hedging and recognised in a cost of hedging reserve within equity.

Cash flow hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, the hedge is no longer highly effective, the forecast transaction is no longer expected to occur or the hedge designation is revoked. If the hedge is for a forecast transaction, the cumulative gain or loss on the hedging instrument remains in equity until the forecast transaction occurs. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve and the cost of hedging reserve remains in equity until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial Instruments (cont'd)

(vi) *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 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 asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in 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, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. 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.

(vii) *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group and the Company currently have a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(f) Impairment

(i) *Financial Assets*

The Group and the Company recognise loss allowances for expected credit losses ("ECL") on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Impairment (cont'd)

(i) *Financial Assets (cont'd)*

This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 16-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 16 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company are exposed to credit risk.

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

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

An impairment loss in respect of debt investments measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

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

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

(ii) *Non-financial Assets*

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

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Impairment (cont'd)

(ii) *Non-financial Assets (cont'd)*

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

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

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

(g) Warrant Reserve

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

(h) Fair Value Measurement

The Group and the Company measure the marketable securities at fair value at each end of reporting date.

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

- (i) in the principal market for the assets or liability; or
- (ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Fair Value Measurement (cont'd)

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

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

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(i) Provisions For Liabilities

Provisions for liabilities are recognised when the Group and the Company have a present legal or constructive obligation as a result of past events; when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and when a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at the end of the reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

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

(j) Contingent Liabilities

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

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Foreign Currency Translation

(i) *Functional and Presentation Currency*

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

(ii) *Foreign Currency Transactions*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date.

Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions.

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date.

Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions.

Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

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 and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Related Parties

A party is related to an entity if:-

- (i) directly, or indirectly through one or more intermediaries, the party:-
 - a. controls, is controlled by, or is under common control with, the entity (this includes holding company, subsidiary companies and fellow subsidiary companies);
 - b. has an interest in the entity that gives it significant influence over the entity; or
 - c. has joint control over the entity;
- (ii) the party is an associate of the entity;
- (iii) the party is a joint venture in which the entity is a venture;
- (iv) the party is a member of the key management personnel of the entity or its holding company;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

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

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

(m) Revenue Recognition

- (i) Revenue from services is recognised when services are performed.
- (ii) Interest income is recognised on an accrual basis using the effective interest method.
- (iii) Rental income is recognised on an accrual basis.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Income Tax Expense

Income taxes for the year comprise current and deferred tax.

(i) *Current Tax*

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

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

(ii) *Deferred Tax*

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Employee Benefits

(i) *Short Term Employee Benefits*

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

(ii) *Defined Contribution Plan*

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

(iii) *Share-based Payment Transactions*

Equity-settled Share-based Payment Transaction

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 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 estimates, if any, in the profit or loss, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) when the options are exercised.

(p) Earnings Per Ordinary Share ("EPS")

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Cash And Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits and short term highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts which are repayable on demand and which form an integral part of the Group's and of the Company's cash management. Restricted deposits are excluded from cash and cash equivalents.

(r) Operating Segments

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

(s) Lease

All leases are accounted for by recognising a right-of-use asset and a lease liability except for leases of low value assets and leases with a duration of twelve months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease. The Group's incremental borrowing rate on commencement of the lease is used.

On initial recognition, the carrying value of the lease liability also includes amounts expected to be payable under any residual value guarantee, the exercise price of any purchase option granted in favour of The Group if it is reasonable certain to assess that option, and any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for lease payments made at or before commencement of the lease, initial direct costs incurred and the amount of any provision recognised where The Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset.

When the Group revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

(a) Judgements Made in Applying Accounting Policies

In the process of preparing the financial statements, there were no significant judgements made in applying the accounting policies of the Group which may have significant effects on the amounts recognised in the financial statements.

(b) Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date 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) Impairment of Investment in Subsidiaries

The management determines whether the carrying amounts of its investments are impaired at reporting date. This involves measuring the recoverable amounts which includes fair value less costs to sell and valuation techniques. Valuation techniques include amongst others, discounted cash flows analysis and in some cases, based on current market indicators and estimates that provide reasonable approximations to the detailed computation or based on total shareholders' equity of the subsidiaries.

The carrying amount of investment in subsidiaries as at 30 April 2021 were RM1,165,037 (2020: RM1,165,037). Further details are disclosed in *Note 7* to the financial statements. Based on management's review, no further adjustment for impairment is required for the investment in subsidiaries by the Company during the current year.

(ii) Impairment of Financial Assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers 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 for assets with similar credit risk characteristics. The carrying amount of the Group's financial assets at the reporting date is disclosed in *Note 9* to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

(b) Key Sources of Estimation Uncertainty (cont'd)

(iii) Depreciation of Property, Plant and Equipment and Amortisation of Intangible Assets

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

The Group and the Company anticipate that the residual values of their property, plant and equipment and intangible assets will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable or amortisable amount.

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

The carrying amount of property, plant and equipment and intangible assets are disclosed in *Note 5* and *Note 6*.

(iv) Income Taxes

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

(v) Employee Share Options Scheme ("ESOS") Reserve

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 most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimates also require determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT

Group	Cost/Valuation	At Valuation		At Cost					Total RM
		Buildings RM	Freehold land RM	Freehold buildings RM	Computers RM	Furniture, fittings and equipment RM	Motor vehicle RM	Renovation RM	
At 1 May 2019	7,500,000	-	-	-	1,039,183	219,231	2,419,109	245,818	11,423,341
Additions	-	-	433,160	866,320	3,299	3,700	936,010	-	2,242,489
At 30 April 2020 / 1 May 2020	7,500,000	-	433,160	866,320	1,042,482	222,931	3,355,119	245,818	13,665,830
Additions	-	-	-	-	18,890	3,750	-	12,250	34,890
Disposal	-	-	-	-	-	-	(374,906)	-	(374,906)
Written off	-	-	-	-	(7,802)	-	-	-	(7,802)
At 30 April 2021	7,500,000	-	433,160	866,320	1,053,570	226,681	2,980,213	258,068	13,318,012
<i>Accumulated depreciation</i>									
At 1 May 2019	57,604	-	-	-	1,031,217	142,292	1,087,846	211,350	2,530,309
Charge for the year	86,405	-	-	-	6,289	18,623	577,423	26,115	714,855
At 30 April 2020 / 1 May 2020	144,009	-	-	-	1,037,506	160,915	1,665,269	237,465	3,245,164
Charge for the year	86,406	-	-	-	9,922	17,682	614,787	8,557	737,354
Disposal	-	-	-	-	-	-	(341,905)	-	(341,905)
Written off	-	-	-	-	(4,719)	-	-	-	(4,719)
At 30 April 2021	230,415	-	-	-	1,042,709	178,597	1,938,151	246,022	3,635,894
<i>Net carrying amount</i>									
At 30 April 2021	7,269,585	433,160	866,320	10,861	48,084	1,042,062	12,046	9,682,118	
At 30 April 2020	7,355,991	433,160	866,320	4,976	62,016	1,689,850	8,353	10,420,666	

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At Valuation	At Cost			Total RM
	Buildings RM	Computers RM	Furniture, fittings and equipment RM	Renovation RM	
<i>Company</i>					
<i>Cost/Valuation</i>					
At 1 May 2019	7,500,000	1,039,183	197,685	245,818	8,982,686
Additions	–	3,299	3,700	–	6,999
At 30 April 2020 / 1 May 2020	7,500,000	1,042,482	201,385	245,818	8,989,685
Additions	–	18,890	3,750	12,250	34,890
Written off	–	(7,802)	–	–	(7,802)
At 30 April 2021	7,500,000	1,053,570	205,135	258,068	9,016,773
<i>Accumulated depreciation</i>					
At 1 May 2019	57,604	1,031,217	126,482	211,350	1,426,653
Charge for the year	86,405	6,289	17,906	26,115	136,715
At 30 April 2020 / 1 May 2020	144,009	1,037,506	144,388	237,465	1,563,368
Charge for the year	86,406	9,922	16,965	8,557	121,850
Written off	–	(4,719)	–	–	(4,719)
At 30 April 2021	230,415	1,042,709	161,353	246,022	1,680,499
<i>Net carrying amount</i>					
At 30 April 2021	7,269,585	10,861	43,782	12,046	7,336,274
At 30 April 2020	7,355,991	4,976	56,997	8,353	7,426,317

- The buildings of the Group and of the Company have been pledged to a licensed bank as securities for banking facilities granted to the Group and to the Company.
- The buildings were revalued in August 2018 by the Group and the Company based on valuation carried out by independent professional valuers using the open market value basis.
- Freehold land has an indefinite useful life and therefore is not depreciated.
- Certain freehold buildings included in property, plant and equipment are not depreciated as these assets still in progress of capitalisation.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

5. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (e) If the buildings were measured using the cost model, the net carrying amount would be as follows:

	<i>Group and Company</i>	
	2021	2020
	RM	RM
Buildings		
Cost	3,994,400	3,994,400
Less: Accumulated depreciation	(559,216)	(479,328)
	3,435,184	3,515,072

- (f) The net carrying amount of property, plant and equipment of the Group includes the following assets held under finance lease agreements:

	<i>Group</i>	
	2021	2020
	RM	RM
Motor vehicles	926,740	1,417,109

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

6. INTANGIBLE ASSETS

	Mobile TAC Solution RM	Mobile Game Platform RM	Website Solution Platform RM	Property Management Platform RM	Total RM
<i>Group</i>					
<i>Cost</i>					
At 1 May 2019	–	–	–	–	–
Additions	3,400,000	2,350,000	–	–	5,750,000
At 30 April 2020	3,400,000	2,350,000	–	–	5,750,000
Additions	–	–	3,236,000	3,950,000	7,186,000
At 30 April 2021	3,400,000	2,350,000	3,236,000	3,950,000	12,936,000
<i>Accumulated amortisation</i>					
At 1 May 2019	–	–	–	–	–
Charge for the year	510,000	352,500	–	–	862,500
At 30 April 2020	510,000	352,500	–	–	862,500
Charge for the year	680,000	470,000	215,734	460,833	1,826,567
At 30 April 2021	1,190,000	822,500	215,734	460,833	2,689,067
<i>Net carrying amount</i>					
At 30 April 2021	2,210,000	1,527,500	3,020,266	3,489,167	10,246,933
At 30 April 2020	2,890,000	1,997,500	–	–	4,887,500

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

6. INTANGIBLE ASSETS (CONT'D)

<i>Company</i>	Mobile TAC Solution RM	Mobile Game Platform RM	Website Solution Platform RM	Total RM
<i>Cost</i>				
At 1 May 2019	–	–	–	–
Additions	3,400,000	2,350,000	–	5,750,000
At 30 April 2020	3,400,000	2,350,000	–	5,750,000
Additions	–	–	3,236,000	3,236,000
At 30 April 2021	3,400,000	2,350,000	3,236,000	8,986,000
<i>Accumulated amortisation</i>				
At 1 May 2019	–	–	–	–
Charge for the year	510,000	352,500	–	862,500
At 30 April 2020	510,000	352,500	–	862,500
Charge for the year	680,000	470,000	215,734	1,365,734
At 30 April 2021	1,190,000	822,500	215,734	2,228,234
<i>Net carrying amount</i>				
At 30 April 2021	2,210,000	1,527,500	3,020,266	6,757,766
At 30 April 2020	2,890,000	1,997,500	–	4,887,500

(a) Mobile TAC Solution

The module that is easily integrated with existing online systems to ensure authorised and secure online transactions can be achieved, via online transaction request initiated by user, in which the receiving system subsequently sends a unique TAC (Transaction Access Code) via SMS to the user's mobile phone and user is required to provide this TAC code to the system for verification.

(b) Mobile Game Platform

Providing an array of mobile games via opt-in game subscription services using their mobile phones via SMS request and thereafter login to the games portal using their mobile phone number or desktop with subscription fees being charged during tenure of service.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

6. INTANGIBLE ASSETS (CONT'D)

(c) Website Solution Platform

The platform enables users to build their own stunning and functional websites on the back of a wide selection of user-friendly templates without coding, design knowledge or even a web designer skills-sets. Moreover, it also allows for further customisation solutions.

(d) Property Management Platform

The platform enables users comprising of homeowners, tenants, administrators of housing estates to communicate effectively via desktop web or mobile web browsers, for seamless, organised and efficient manner of its property management.

7. INVESTMENT IN SUBSIDIARY COMPANIES

	2021 RM	Company 2020 RM
Unquoted shares, at cost	3,555,582	3,555,582
Less: Accumulated impairment losses	(2,390,545)	(2,390,545)
At 30 April	1,165,037	1,165,037

Details of the subsidiary companies are as follows:

The subsidiary companies are:

Name of subsidiary companies	Country of Incorporation	Principal activity	Effective equity interest	
			2021 %	2020 %
Moblife.TV Sdn. Bhd.	Malaysia	Consultation, sales, marketing and implementation of m-business solutions for business to business and business to consumer enterprise applications and the management of content resources for business to business and business to consumer enterprise applications.	100	100
Setara Tech Sdn. Bhd. (Formerly known as Harimau Studio Sdn. Bhd.)	Malaysia	Providing web design and hosting services, research and development in digital communication and advertising services.	100	100
Wowloud Sdn. Bhd.	Malaysia	Dormant.	100	100
Joors Asia Sdn. Bhd.	Malaysia	Dormant.	100	100

Impairment losses on investment in subsidiary companies

The Company assessed the recoverable amount of investment in subsidiary companies and determined that an impairment loss should be recognised as the recoverable amount is lower than the carrying amount. The recoverable amount of each subsidiary company, being a cash-generating unit on its own, is derived from the net assets position of the respective subsidiary companies as at end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

8. OTHER INVESTMENTS

	<i>Group and Company</i>	
	2021	2020
	RM	RM
Quoted shares in Malaysia, at fair value	4,260,425	3,482,024

Impairment loss on investment in quoted shares

The Group and the Company assessed the fair value of investment in quoted shares and determined that an impairment loss should be recognised as the fair value is lower than the carrying amount. The fair value of investment in quoted shares is determined based on the market value of the quoted shares as at the end of the reporting period.

9. TRADE RECEIVABLES

	<i>Group</i>		<i>Company</i>	
	2021	2020	2021	2020
	RM	RM	RM	RM
Trade receivables	5,759,028	7,077,916	2,751,370	2,210,039
Less: Accumulated impairment losses	(303,382)	(178,459)	(252,685)	(115,024)
	5,455,646	6,899,457	2,498,685	2,095,015

The Group's and the Company's normal trade credit terms granted to trade receivables ranged from 30 to 90 days (2020: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

Movements of the accumulated impairment losses are as follow:

	<i>Group</i>		<i>Company</i>	
	2021	2020	2021	2020
	RM	RM	RM	RM
At 1 May	178,459	187,014	115,024	178,344
Additions	4,978	–	4,978	–
Reversals	–	(2,489)	–	(2,489)
Expected credit loss	119,945	(6,066)	132,683	(60,831)
At 30 April	303,382	178,459	252,685	115,024

Impairment loss for trade receivables are collectively and individually assessed using the simplified approach as disclosed in Note 3(f)(i), by reference to historical credit loss experience and observable data such as current changes and future forecasts in economic conditions.

The Group and the Company recognised the loss allowance measured at an amount equal to lifetime expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<i>Group</i>		<i>Company</i>	
	2021 RM	2020 RM	2021 RM	2020 RM
Other receivables	10,692,767	205,647	10,651,957	176,740
Deposits	1,088,998	3,202,032	942,849	3,155,834
Prepayments	430	537	430	537
	11,782,195	3,408,216	11,595,236	3,333,111

The foreign currency exposure profile is as follows:

	<i>Group and Company</i>	
	2021 RM	2020 RM
United States Dollar	106,199	111,970

11. AMOUNT OWING BY SUBSIDIARY COMPANIES

	<i>Company</i>	
	2021 RM	2020 RM
Amount owing by subsidiary companies		
- trade	2,296,687	1,228,018
- non-trade	8,160,006	4,047,066
	10,456,693	5,275,084
Less: Accumulated impairment losses	(1,367,832)	(1,367,832)
	9,088,861	3,907,252

The trade amount is subject to the normal trade credit terms ranged from 30 to 90 days (2020: 30 to 90 days).

The non-trade balances are unsecured, interest-free and repayable on demand.

The Company recognised the loss allowance measured at an amount equal to lifetime expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

11. AMOUNT OWING BY SUBSIDIARY COMPANIES (CONT'D)

Movements of the accumulated impairment losses (individually impaired) are as follow:

	2021 RM	Company 2020 RM
At 1 May / 30 April	1,367,832	1,367,832

12. FIXED DEPOSITS

	2021 RM	Group 2020 RM	2021 RM	Company 2020 RM
Fixed deposits with:				
- licensed banks	112,943	109,538	—	—
- non-financial institution	60,354,423	62,662,171	60,354,423	62,662,171
	60,467,366	62,771,709	60,354,423	62,662,171

The fixed deposits with licensed banks and non-financial institution earn effective interest at rate of 1.05% (2020: 3.10%) and 1.75% to 3.90% (2020: 3.25% to 3.80%) per annum respectively and have average maturities range from 30 to 180 (2020: 30 to 180) days.

13. SHARE CAPITAL

	2021	Group and Company Number of ordinary shares 2020	2021 RM	Amount 2020 RM
Issued share capital:				
At 1 May	1,141,150,514	478,383,400	83,195,635	44,556,012
Conversion of ICPS to ordinary shares	22,606,900	662,767,114	1,324,092	38,639,623
Issuance of shares pursuant to the exercise of ESOS	595,049,999	—	29,818,435	—
At 30 April	1,758,807,413	1,141,150,514	114,338,162	83,195,635

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

13. SHARE CAPITAL (CONT'D)

During the financial year, the Company increased its issued and paid-up ordinary share capital from RM83,195,635 to RM114,338,162 by way of the issuance of:

- (a) 9,301,000 new ordinary shares at book value of RM0.0591 each arising from the conversion of 9,301,000 units of ICPS on the basis of 1 unit of ICPS with additional cash payment of RM0.03 for 1 new ordinary share;
- (b) 13,305,900 new ordinary shares at book value of RM0.0582 each arising from conversion of 26,611,800 units of ICPS on the basis of 2 units of ICPS for 1 new ordinary share;
- (c) 91,949,999 new ordinary shares of RM0.046 each as a result of the exercise of ESOS;
- (d) 186,300,000 new ordinary shares of RM0.045 each as a result of the exercise of ESOS; and
- (e) 316,800,000 new ordinary shares of RM0.040 each as a result of the exercise of ESOS.

The newly issued shares rank pari passu in all respects with the previously issued shares.

The holders of the 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.

14. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

	<i>Group and Company</i>		<i>Amount</i>	
	<i>Number of ordinary shares</i>			
	2021	2020	2021	2020
			RM	RM
Issued share capital:				
At 1 May	246,404,102	–	7,167,364	–
Issued during the year	–	1,497,963,330	–	43,587,738
Conversion of ICPS to ordinary shares	(35,912,800)	(1,251,559,228)	(1,045,063)	(36,420,374)
At 30 April	210,491,302	246,404,102	6,122,301	7,167,364

On 13 September 2019, the Company issued 1,497,963,330 new irredeemable convertible preference shares ("ICPS") at an issue price of RM0.03 per ICPS.

During the financial year, 9,301,000 and 26,611,800 units of ICPS have been converted into 22,606,900 new ordinary shares at book value of RM0.0591 and RM0.0582 each respectively on the basis of either 1 ICPS with additional cash payment of RM0.03 for 1 new ordinary share or 2 ICPS for 1 new ordinary share.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

14. IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS") (CONT'D)

Salient features of the ICPS are as follows:

(a) Dividend

Subject to compliance Section 131 of Companies Act 2016, the Company has full discretion over the declaration of dividends. Dividend declared and payable annually in arrears are non-cumulative and shall be paid in priority over the ordinary shares of the Company;

(b) Tenure

The tenure is 10 years commencing from and inclusive of the date of issuance of the ICPS;

(c) Maturity date

The maturity date of the ICPS immediately preceding the 10th anniversary from the date of issuance;

(d) Conversion rights

Each ICPS carries the entitlement to convert into new shares at the conversion price through surrender of the ICPS. No adjustment to the conversion price shall be made for any declared and unpaid dividends on the ICPS surrendered for conversion. If the conversion results in a fractional entitlement to ordinary shares of the Company, such fractional entitlement shall be disregarded and no refund or credit, whether in the form of the ICPS, cash, otherwise, shall be given in respect of the disregarded fractional entitlement.

The ICPS can be converted at any time within 10 years commencing on and including the date of issuance of the ICPS up to and including the maturing date, and it's had been fixed at either 2 ICPS to be converted into 1 new share or a combination of 1 ICPS and cash payment of RM0.03 for 1 new share;

(e) Rights of the ICPS holders

The ICPS holders are not entitled to any voting right or participation in any rights, allotments and/or other distribution in the Company except the following circumstances until and unless such holders covert their ICPS into new shares:

- (i) on a proposal to reduce the Company's share capital;
- (ii) on a proposal for sanctioning the sale of the whole of the Company's property, business and undertaking;
- (iii) on a proposal that directly affects their rights and privileges attached to the ICPS;
- (iv) on a proposal to wind-up the Company; and
- (v) during the winding-up of the Company.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

15. REVALUATION RESERVE

	<i>Group and Company</i>	
	2021	2020
	RM	RM
At 1 May	2,748,121	2,780,325
Realisation of revaluation reserve of leasehold building	(32,204)	(32,204)
At 30 April	2,715,917	2,748,121

The revaluation reserve represents the increase in the fair value of buildings of the Group and of the Company, net of deferred tax liabilities.

16. WARRANT RESERVE

	<i>Group and Company</i>		
	Warrant A	Warrant B	
	2016/2021	2019/2024	Total
	RM	RM	RM
At 1 May / 30 April	4,723,673	1,351,163	6,074,836

(a) Warrants 2016/2021 ("Warrant A")

On 3 November 2016, the Company listed and quoted 188,946,927 Warrant A pursuant to the Rights Issue with Warrants Exercise on the basis of 2 Warrants A for every 3 rights shares subscribed.

The Warrants A are constituted by the Deed Poll dated 26 September 2016 ("Deed Poll A").

Warrants A reserve arose from the issuance of 188,946,927 Warrants A at a fair valuation of RM0.025 per warrant.

Salient features of the warrants A are as follows:

- (i) Each warrant entitles the registered holder thereof ("Warrant holder(s)") to subscribe for 3 new ordinary shares in the Company at an exercise price of RM0.10 during the 10 years period expiring on 5 November 2021 ("Exercise Period A"), subject to the adjustments as set out in the Deed Poll A;
- (ii) At the expiry of the Exercise Period A, any Warrants which have not been exercised shall automatically lapse and cease to be valid for any purposes; and
- (iii) Warrant holders must exercise the Warrants A in accordance with the procedures set out in the Deed Poll A and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof.

NOTES TO THE FINANCIAL STATEMENTS

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16. WARRANT RESERVE (CONT'D)

(b) Warrants 2019/2024 ("Warrant B")

On 13 September 2019, the Company listed and quoted 29,959,264 Warrants B pursuant to Rights Issue of ICPS with Warrants Exercise on the basis of 1 Warrant B for every 50 ICPS subscribed.

The Warrants B are constituted by the Deed Poll dated 18 July 2019 ("Deed Poll B").

Warrants B reserve arose from the issuance of 29,959,264 Warrants B at a fair valuation of RM0.0451 per warrant.

Salient features of the warrants B are as follows:

- (i) Each warrant entitles the registered holder thereof ("Warrant holder(s)") to subscribe for 1 new ordinary share in the Company at an exercise price of RM0.06 during the 5 years period expiring on 5 September 2024 ("Exercise Period B"), subject to the adjustments as set out in the Deed Poll B;
- (ii) At the expiry of the Exercise Period B, any Warrants B which have not been exercised shall automatically lapse and cease to be valid for any purposes; and
- (iii) Warrant holders must exercise the Warrants B in accordance with the procedures set out in the Deed Poll B and shares allotted and issued upon such exercise shall rank pari passu in all respects with the then existing shares of the Company, and shall be entitled to any dividends, rights, allotments and/or other distributions after the issue and allotment thereof.

As at 30 April 2021, the total numbers of Warrants A and Warrants B that remain unexercised were 188,946,927 and 29,959,264 respectively.

17. EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The details of the options are as follows:

Date of granted	Fair value at grant date	Exercise price	Exercise date	Group and Company Number of ESOS options			As at 30.04.2021
				Granted	Exercised	Lapsed	
23.07.2020	0.0151	0.0460	21.08.2020	287,000,000	(91,949,999)	195,050,001	–
15.09.2020	0.0065	0.0450	24.09.2020	258,100,000	(186,300,000)	71,800,000	–
30.10.2020	0.0059	0.0400	11.12.2020	155,000,000	(155,000,000)	–	–
30.10.2020	0.0063	0.0400	24.12.2020	161,800,000	(161,800,000)	–	–
				861,900,000	(595,049,999)	266,850,001	–

The fair value of the ESOS options granted was estimated using the Black-Scholes Option Pricing Model. The key inputs to derive at the fair value of the options measured at the grant date are as follows:-

- (a) Share prices assumed to be trading in the range of RM0.0400 to RM0.0531;
- (b) Share price volatility is assumed at 101.961% to 203.899%;
- (c) Annual risk free interest rate of 1.869% to 1.910%;
- (d) Exercise price of the option of RM0.040, RM0.045 and RM0.046 per option; and
- (e) On 19 January 2021, the remaining 266,850,001 unexercised share options have lapsed.

NOTES TO THE FINANCIAL STATEMENTS

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18. FINANCE LEASE PAYABLES

The finance lease payables are repayable as follows:

	Minimum lease payments	Group Future finance charges	Net present value
	RM	RM	RM
2021			
<i>Shown under current liabilities</i>			
Within 1 year	310,920	(36,102)	274,818
<i>Shown under non-current liabilities</i>			
Between 2 to 5 years	690,650	(34,103)	656,547
	1,001,570	(70,205)	931,365
2020			
<i>Shown under current liabilities</i>			
Within 1 year	310,920	(49,212)	261,708
<i>Shown under non-current liabilities</i>			
Between 2 to 5 years	909,454	(69,058)	840,396
More than 5 years	92,116	(1,147)	90,969
	1,001,570	(70,205)	931,365
	1,312,490	(119,417)	1,193,073

The finance lease payables bear effective interest at rates ranging from 2.34% to 2.64% (2020: 2.34% to 2.64%) per annum.

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19. DEFERRED TAX LIABILITIES

	<i>Group</i>		<i>Company</i>	
	2021 RM	2020 RM	2021 RM	2020 RM
At 1 May	901,628	927,470	901,628	912,193
Realised to profit or loss (Note 25)	(10,565)	(25,842)	(10,565)	(10,565)
At 30 April	891,063	901,628	891,063	901,628

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

	Accelerated capital allowance RM	Revaluation of assets RM	Total RM
<i>Group</i>			
At 1 May 2020	–	901,628	901,628
Realisation of revaluation reserve	–	(10,565)	(10,565)
At 30 April 2021	–	891,063	891,063
At 1 May 2019	15,277	912,193	927,470
Recognised in profit or loss	(15,277)	–	(15,277)
Realisation of revaluation reserve	–	(10,565)	(10,565)
At 30 April 2020	–	901,628	901,628
<i>Company</i>			
At 1 May 2020	–	901,628	901,628
Realisation of revaluation reserve	–	(10,565)	(10,565)
At 30 April 2021	–	891,063	891,063
At 1 May 2019	–	912,193	912,193
Realisation of revaluation reserve	–	(10,565)	(10,565)
At 30 April 2020	–	901,628	901,628

NOTES TO THE FINANCIAL STATEMENTS

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20. TRADE PAYABLES

The normal trade credit terms granted by trade payables to the Group and to the Company ranged from 30 to 90 days (2020: 30 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

The foreign currency exposure profile are as follows:

	<i>Group and Company</i>	
	2021	2020
	RM	RM
United States Dollar	241	–

21. OTHER PAYABLES AND ACCRUALS

	<i>Group</i>		<i>Company</i>	
	2021	2020	2021	2020
	RM	RM	RM	RM
Other payables	3,559,932	5,385,449	3,088,307	4,785,419
Deposits received	37,191	30,587	30,457	30,457
Accruals	131,640	269,026	92,360	107,025
Deferred income	498,159	560,517	29,312	51,676
	4,226,922	6,245,579	3,240,436	4,974,577

The deferred income primarily relates to advance payment received from customers for wireless and multimedia related services of which the revenue will be recognised when services are performed.

22. REVENUE

	<i>Group</i>		<i>Company</i>	
	2021	2020	2021	2020
	RM	RM	RM	RM
Recognised at a point in time				
- Mobile applications	4,861,732	8,161,575	3,846,611	6,273,676
- Wireless and multimedia related services	16,376,812	11,872,848	1,837,938	802,276
- Others	–	22,000	–	–
	21,238,544	20,056,423	5,684,549	7,075,952

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

23. FINANCE COSTS

	2021 RM	Group 2020 RM
Finance lease interest	49,212	45,138

24. LOSS BEFORE TAXATION

	2021 RM	Group 2020 RM	2021 RM	Company 2020 RM
Loss before taxation is stated <i>after charging:</i>				
Allowance/(Reversal) for impairment losses on trade receivables	4,978	(2,489)	4,978	(2,489)
Amortisation of intangible assets	1,826,567	862,500	1,365,734	862,500
Auditors' remuneration				
- current year's provision	82,500	63,750	55,500	39,750
- under/(over)provision in respect of prior year	7,950	(587)	7,950	(1,667)
Depreciation of property, plant and equipment	737,354	714,855	121,850	136,715
Entertainment	4,060,822	791,896	4,021,901	746,428
(Gain)/Loss on disposal of quoted shares	(8,153,567)	150,718	(8,153,567)	150,718
Impairment losses on quoted shares	1,432,947	2,295,177	1,432,947	2,295,177
Loss on foreign exchange				
- realised	797	518	797	518
Net allowance/(reversal) of impairment on financial assets	119,945	(6,066)	132,683	(60,831)
Professional fee	13,691,180	2,423,485	10,561,102	1,287,021
Property, plant and equipment written off	3,083	-	3,083	-
Rental of office equipment	206,932	153,187	206,932	153,187
Employee benefit expenses (<i>Note 27</i>)	6,915,972	2,525,415	6,194,183	1,721,476
<i>and crediting:</i>				
Gain on disposal of property, plant and equipment	165,999	-	-	-
Gain on foreign exchange				
- realised	-	70	-	70
Interest income	1,497,610	1,730,577	1,493,863	1,724,351
Rental income	96,593	112,336	96,593	112,336
Management fee received	-	-	808,677	808,677
Other income	130	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

25. INCOME TAX EXPENSE

	<i>Group</i>		<i>Company</i>	
	2021 RM	2020 RM	2021 RM	2020 RM
Malaysian income tax:				
- current year's provision	377,000	308,978	377,000	308,978
- under/(over)provision in prior year	273,877	(85,656)	159,407	207,848
	650,877	223,322	536,407	516,826
Deferred tax:				
Realisation of revaluation reserve (Note 19)	(10,565)	(10,565)	(10,565)	(10,565)
Transfer from deferred tax liabilities (Note 19)	-	(15,277)	-	-
	(10,565)	(25,842)	(10,565)	(10,565)
	640,312	197,480	525,842	506,261

A reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	<i>Group</i>		<i>Company</i>	
	2021 RM	2020 RM	2021 RM	2020 RM
Loss before taxation	(17,135,980)	(3,887,159)	(13,101,683)	(2,439,326)
Income tax expense at Malaysian statutory tax rate of 24%	(4,112,635)	(932,918)	(3,144,404)	(585,438)
Adjustments for the following tax effects:				
- expenses not deductible for tax purposes	3,665,876	1,298,188	3,493,930	1,124,226
- deferred tax assets not recognised during the year	823,759	(71,569)	27,474	(229,810)
- realisation of deferred tax liabilities arising from revaluation reserve	(10,565)	(10,565)	(10,565)	(10,565)
	4,479,070	1,216,054	3,510,839	883,851
Under/(over)provision of taxation in respect of prior year	273,877	(85,656)	159,407	207,848
	640,312	197,480	525,842	506,261

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

25. INCOME TAX EXPENSE (CONT'D)

The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

Temporary differences

	<i>Group</i>		<i>Company</i>	
	2021 RM	2020 RM	2021 RM	2020 RM
Qualifying property, plant and equipment's total capital allowances claimed in excess of corresponding accumulated depreciation	(27,235)	(33,367)	(7,503)	(9,244)
Unutilised capital allowances	8,323	–	5,408	–
Unabsorbed business losses	1,236,032	426,728	20,325	–
	1,217,120	393,361	18,230	(9,244)

The unabsorbed business losses and unutilised capital allowances of the Group are available for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings under the Income Tax Act, 1967 and guidelines issued by the tax authority.

Pursuant to Section 11 of the Finance Act 2018 (Act 812), special provision relating to Section 43 & 44 of Income Tax Act 1967, a time limit has imposed on the unabsorbed business losses to be carried forward for a maximum of 7 consecutive years of assessment, this section has effect from the year of assessment 2019 and subsequent years of assessment.

26. LOSS PER SHARE

Basic Loss Per Share

The basic loss per ordinary share as at 30 April 2021 is arrived at by dividing the Group's loss attributable to owners of the Company by the weighted average number of ordinary shares issued and calculated as follows:

	<i>Group</i>	
	2021	2020
Total comprehensive loss attributable to owners of the Company (RM)	(17,776,292)	(4,084,639)
Weighted average ordinary shares issued as at 30 April 2021 and 30 April 2020	1,450,365,339	853,748,243
Basic loss per share (Sen)	(1.23)	(0.48)

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

26. LOSS PER SHARE (CONT'D)

Diluted Loss Per Share

The diluted loss per share was not applicable as the exercise price of Warrants and ESOS have exceeded the average market price of ordinary shares during the financial year.

27. EMPLOYEE BENEFIT EXPENSES

The employee benefit expenses recognised in profit or loss are as follows:

	<i>Group</i>		<i>Company</i>	
	2021 RM	2020 RM	2021 RM	2020 RM
Salaries and wages	1,884,759	2,003,917	1,216,781	1,314,221
Defined contribution plan	232,852	231,509	148,175	157,155
Other employee benefit expenses	265,126	289,989	235,992	250,100
Share-based payment	4,533,235	–	4,533,235	–
	6,915,972	2,525,415	6,134,183	1,721,476

Included in employee benefit expenses are directors' remuneration who are also the key management personnel of the Group and of the Company:

	<i>Group and Company</i>	
	2021 RM	2020 RM
Directors of the Company		
Directors' remuneration		
- fees	184,900	166,775
- other emoluments	323,835	288,103

28. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the liabilities of the Group and of the Company arising from the financing activities, including both cash and non-cash changes as follows:-

	As at 01.05.2020 RM	Cash Flows RM	Non-cash changes RM	At 30.04.2021 RM
<i>Group</i>				
Finance lease payables	1,193,073	(261,708)	–	931,365

The non-cash changes are relating to property, plant and equipment acquired under finance lease.

NOTES TO THE FINANCIAL STATEMENTS

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29. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Executive Directors as chief operating decision makers in order to allocate resources to segments and to assess their performances. For management purposes, the Group is organised into business segments based on their products and services provided.

The Group is organised into main operating segments as follows:

(a) Mobile applications

Provision of mobile application platforms for Short Message Services ("SMS") to mobile phone users.

(b) Wireless and multimedia related services

Consultations, sales, marketing and implementation of m-business solutions, management of content resources business and other related multimedia services.

For the purpose of making decisions about resource allocation, the Executive Directors assess the performance of the operating segments based on operating profits or losses which is measured differently from those disclosed in the financial statements.

Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the operating segments are presented under unallocated items.

Transfer prices between operating segments are at arm's length basis in a manner similar to transactions with third parties.

The Executive Directors are of the opinion that all inter-segment transactions are entered into in the normal course of business and are at arm's length basis in a manner similar to transactions with third parties. The effects of such inter-segment transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

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29. OPERATING SEGMENTS (CONT'D)

(i) Business Segments

	Mobile application RM	Wireless and multimedia related services RM	Others RM	Elimination RM	Total RM
<i>Group</i> 2021					
Revenue					
External revenue	4,861,732	16,376,812	–	–	21,238,544
Total revenue	4,861,732	16,376,812	–	–	21,238,544
Results					
Segment results	(4,254,164)	(14,330,214)	–	–	(18,584,378)
Interest income	342,819	1,154,791	–	–	1,497,610
Finance costs	(11,265)	(37,947)	–	–	(49,212)
Loss before taxation	(3,922,610)	(13,213,370)	–	–	(17,135,980)
Income tax expense	(146,574)	(493,738)	–	–	(640,312)
Loss after taxation	(4,069,184)	(13,707,108)	–	–	(17,776,292)
Assets					
Segment assets	23,609,004	79,527,268	–	–	103,136,272
Liabilities					
Segment liabilities	2,138,211	7,202,594	–	–	9,340,805
Unallocated liabilities	–	–	891,063	–	891,063
Total liabilities	2,138,211	7,202,594	891,063	–	10,231,868
Other information					
Capital expenditure	(1,652,940)	(5,567,950)	–	–	(7,220,890)
Amortisation	(418,121)	(1,408,446)	–	–	(1,826,567)
Depreciation	(168,788)	(568,566)	–	–	(737,354)
Loss on foreign exchange - realised	(182)	(615)	–	–	(797)
Impairment losses on - quoted shares	(328,017)	(1,104,930)	–	–	(1,432,947)
- trade receivables	(1,140)	(3,838)	–	–	(4,978)
Allowance of impairment on financial assets	(27,457)	(92,488)	–	–	(119,945)

NOTES TO THE FINANCIAL STATEMENTS

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29. OPERATING SEGMENTS (CONT'D)

(i) Business Segments (cont'd)

	Mobile application RM	Wireless and multimedia related services RM	Others RM	Elimination RM	Total RM
<i>Group 2020</i>					
Revenue					
External revenue	8,161,575	11,872,848	22,000	–	20,056,423
Total revenue	8,161,575	11,872,848	22,000	–	20,056,423
Results					
Segment results	(1,988,385)	(2,861,335)	(722,879)	–	(5,572,599)
Interest income	709,537	1,021,041	–	–	1,730,578
Finance costs	(18,507)	(26,631)	–	–	(45,138)
Loss before taxation	(1,297,355)	(1,866,925)	(722,879)	–	(3,887,159)
Income tax expense	(80,967)	(116,513)	–	–	(197,480)
Loss after taxation	(1,378,322)	(1,983,438)	(722,879)	–	(4,084,639)
Assets					
Segment assets	38,391,924	55,246,915	–	–	93,638,839
Liabilities					
Segment liabilities	4,983,131	7,170,848	–	–	12,153,979
Unallocated liabilities	–	–	901,628	–	901,628
Total liabilities	4,983,131	7,170,848	901,628	–	13,055,607
Other information					
Capital expenditure	(3,276,920)	(4,715,569)	–	–	(7,992,489)
Amortisation	(353,625)	(508,875)	–	–	(862,500)
Depreciation	(293,090)	(421,765)	–	–	(714,855)
Gain on foreign exchange - realised	28	42	–	–	70
Impairment losses on quoted shares	(933,978)	(1,361,199)	–	–	(2,295,177)
Reversal for impairment loss on trade receivable	1,013	1,476	–	–	2,489
Reversal of impairment on financial assets	2,468	3,598	–	–	6,066

No disclosure on geographical segment information as the Group's transactions outside Malaysia comprise less than 10% of the total revenue.

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29. OPERATING SEGMENTS (CONT'D)

Major Customers

The following are major customers with revenue equal to or more than 10% of the Group revenue:

	2021 RM	Revenue 2020 RM
Company A	3,535,601	7,348,376
Company B	–	990,283
Company C	–	1,121,706
Company D	5,979,505	–
Company E	3,767,500	–

30. RELATED PARTY DISCLOSURE

(a) Identities of related parties

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

(b) Related party transactions

In addition to the related party balances disclosed in *Note 11*, the Company had the following transactions with related parties during the financial year:

	2021 RM	Company 2020 RM
Management fees received from a subsidiary company	808,677	808,677

(c) Compensation of key management personnel

Remuneration of directors are as follows:

	2021 RM	Group and Company 2020 RM
Short term employee benefits	508,735	454,878

NOTES TO THE FINANCIAL STATEMENTS

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31. FINANCIAL INSTRUMENTS

The Group's and the Company's activities are exposed to a variety of market risks (foreign currency risk, interest rate risk and equity price risk), credit risk, liquidity and cash flow risks. The Group's and the Company's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's and on the Company's financial performance.

(a) Financial Risk Management Policies

The Group's and the Company's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's and of the Company's businesses whilst managing their market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity and cash flow risks. The Group's and the Company's policies in respect of the major areas of treasury activity are as follows:-

(i) Market Risk

(a) *Foreign Currency Risk*

The Group and the Company are exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the functional currencies of the Group and the Company. The currencies giving rise to this risk are primarily United States Dollar (USD). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The net unhedged financial assets and financial liabilities of the Group and of the Company not denominated in RM were as follows:-

	<i>Denominated in</i>
	USD
	RM
<i>Group and Company</i>	
2021	
Other receivables, deposits and prepayments	106,199
Trade payables	(241)
	105,958
2020	
Other receivables, deposits and prepayments	111,970

NOTES TO THE FINANCIAL STATEMENTS

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31. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(i) Market Risk (Cont'd)

(a) *Foreign Currency Risk (Cont'd)*Foreign Currency Risk Sensitivity Analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies as at the end of the reporting date, with all other variables held constant:-

	<i>Group and Company</i>	
	2021	2020
	RM	RM
	Increase/ (Decrease)	Increase/ (Decrease)
Effects on profit after tax/equity		
Strengthened by 10%		
- USD	10,596	11,197
Weakened by 10%		
- USD	(10,596)	(11,197)

(b) *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposures to interest rate risk arise mainly from their deposits placed with licensed banks and interest bearing financial liabilities. The Group's and the Company's policies are to obtain the most favourable interest rates available. Any surplus funds of the Group and of the Company will be placed with licensed financial institutions to generate interest income.

Interest Rate Risk Sensitivity AnalysisFixed Rate Instruments

The interest rate risk sensitivity analysis on the fixed rates financial instruments is not disclosed as the interest-bearing financial instruments carry fixed interest rates where the Group and the Company believe that no reasonably possible change in the risk variable could affect the results of the Group and of the Company materially.

(c) *Equity Price Risk*

The Group and the Company are exposed to equity price risk arising from their investment in quoted shares. The quoted shares in Malaysia are listed on Bursa Malaysia Securities Berhad. These instruments are classified as fair value through profit or loss. The Group and the Company do not have exposure to commodity price risk.

Equity Price Risk Sensitivity Analysis

A 10% increase in the market price of the quoted shares as at the end of the reporting period would have increased equity by RM426,043. A 10% decrease in market price would have had equal but opposite effect on equity.

NOTES TO THE FINANCIAL STATEMENTS

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31. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(ii) Credit Risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

The Group's and the Company's exposures to credit risk arise mainly from trade and other receivables. The maximum exposure to credit risk is represented by the carrying amount of these financial assets in the statements of financial position reduced by the effects of any netting arrangements with counterparties. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. The Company only provides advances to subsidiary companies. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties and financial institutions.

The Group and the Company establish an allowance for impairment that represents their estimate of incurred losses in respect of the trade and other receivables as appropriate. The main component of this allowance is a specific loss component that relates to individually significant exposures. Impairment is estimated by management based on prior experience and the current economic environment.

Credit Risk Concentration Profile

The Group and the Company have no significant concentration of credit risk that may arise from exposure to a single receivable or to groups of receivables.

Exposure to Credit Risk

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

Ageing Analysis

The ageing analysis of the Group's and the Company's trade receivables at the reporting date is as follows:-

	<i>Group</i>		<i>Company</i>	
	2021 RM	2020 RM	2021 RM	2020 RM
Not past due	3,238,065	3,045,242	957,716	1,124,132
Past due but not impaired:				
- less than 3 months	1,287,252	996,517	1,050,133	95,058
- 3 to 6 months	74,209	1,554,169	9,328	153,246
- more than 6 months	1,159,502	1,481,988	734,193	837,603
	2,520,963	4,032,674	1,793,654	1,085,907
Impaired	(98,271)	(93,293)	(89,601)	(84,623)
Expected credit loss	(205,111)	(85,166)	(163,084)	(30,401)
	5,455,646	6,899,457	2,498,685	2,095,015

Trade receivables that are neither past due nor impaired are regular customers of the Group and of the Company. The Group and the Company use ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due of more than 6 months, which are deemed to have higher credit risk, are monitored individually.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(ii) Credit Risk (Cont'd)

Ageing Analysis (Cont'd)

Trade receivables that are past due but not impaired are unsecured in nature. They are creditworthy receivables.

At the end of the reporting date, trade receivables that were individually impaired were those in financial difficulties and have defaulted in payments.

(iii) Liquidity and Cash Flow Risks

Liquidity and cash flow risks are the risks that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds.

The Group's and the Company's exposures to liquidity and cash flow risks arise mainly from general funding and business activities. The Group and the Company practise risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The following tables set out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting date):

	Weighted Average Effective Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 2 Years RM	2 - 5 Years RM	Over 5 Years RM
<i>Group</i>							
2021							
Trade payables	-	4,038,910	4,038,910	4,038,910	-	-	-
Other payables and accruals	-	4,226,922	4,226,922	4,226,922	-	-	-
Finance lease payables	2.34 - 2.64	931,365	1,001,570	310,920	310,920	379,730	-
		9,197,197	9,267,402	8,576,752	310,920	379,730	-
2020							
Trade payables	-	4,682,055	4,682,055	4,682,055	-	-	-
Other payables and accruals	-	6,245,579	6,245,579	6,245,579	-	-	-
Finance lease payables	2.34 - 2.64	1,193,073	1,312,490	310,920	310,920	598,534	92,116
		12,120,707	12,240,124	11,238,554	310,920	598,534	92,116

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial Risk Management Policies (Cont'd)

(iii) Liquidity and Cash Flow Risks (Cont'd)

	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 2 Years RM	2 - 5 Years RM	Over 5 Years RM
<i>Company</i>						
2021						
Trade payables	539,497	539,497	539,497	–	–	–
Other payables and accruals	3,240,436	3,240,436	3,240,436	–	–	–
	3,779,933	3,779,933	3,779,933	–	–	–
2020						
Trade payables	712,656	712,656	712,656	–	–	–
Other payables and accruals	4,974,577	4,974,577	4,974,577	–	–	–
	5,687,233	5,687,233	5,687,233	–	–	–

(b) Capital Risk Management

The Group and the Company manage their capital to ensure that the Group and the Company will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholders' value. To achieve this objective, the Company may make adjustments to the capital structure in view of changes in economic conditions, such as return the capital to shareholders and issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The debt-to-equity ratio is calculated as net debt divided by total equity. Net debt for the Group is calculated as term loans, finance lease payables, trade and other payables plus accruals less cash and cash equivalents. Net debt for the Company is calculated as term loans, trade and other payables and accruals plus amount owing to a subsidiary company less cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

(b) Capital Risk Management (Cont'd)

The debt-to-equity ratios of the Group and of the Company as at the end of the financial year were as follows:

	<i>Group</i>		<i>Company</i>	
	2021 RM	2020 RM	2021 RM	2020 RM
Trade payables	4,038,910	4,682,055	539,497	712,656
Other payables and accruals	4,226,922	6,245,579	3,240,436	4,974,577
Finance lease payables	931,365	1,193,073	–	–
	9,197,197	12,120,707	3,779,933	5,687,233
Less: Cash and cash equivalents	(61,540,097)	(64,392,970)	(61,171,157)	(62,914,775)
Net debt	(52,342,900)	(52,272,263)	(57,391,224)	(57,227,542)
Total equity	92,904,404	80,583,232	99,058,837	82,588,898
Debt-to-equity ratio	N/A	N/A	N/A	N/A

N/A: The cash and cash equivalents of the Group and of the Company are sufficient to settle all the debts of the Group and of the Company as at the financial year end.

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

(c) Classification of Financial Instruments

The Group and the Company financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The significant accounting policies in *Note 3* describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

(c) Classification of Financial Instruments (Cont'd)

The table below provides an analysis of financial instruments categorised under MFRS 9 as follows:

- (i) Amortised cost ("AC"); and
(ii) Fair value through profit or loss ("FVTPL")

	Carrying amount RM	AC RM	FVTPL RM
Financial assets			
2021			
Group			
Other investments	4,260,425	–	4,260,425
Trade and other receivables (excluding prepayments)	17,237,411	17,237,411	–
Fixed deposits	60,467,366	60,467,366	–
Cash and bank balances	1,072,731	1,072,731	–
Company			
Other investments	4,260,425	–	4,260,425
Trade and other receivables (excluding prepayments)	14,093,491	14,093,491	–
Amount owing by subsidiary companies	9,088,861	9,088,861	–
Fixed deposits	60,354,423	60,354,423	–
Cash and bank balances	816,734	816,734	–
		Carrying amount RM	AC RM
Financial liabilities			
2021			
Group			
Trade and other payables		8,265,832	8,265,832
Finance lease liabilities		931,365	931,365
Company			
Trade and other payables		3,779,933	3,779,933

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

(c) Classification of Financial Instruments (Cont'd)

The table below provides an analysis of financial instruments categorised under MFRS 9 as follows (cont'd):

	Carrying amount RM	AC RM	FVTPL RM
Financial assets			
2020			
Group			
Other investments	3,482,024	–	3,482,024
Trade and other receivables (excluding prepayments)	10,307,136	10,307,136	–
Fixed deposits	62,771,709	62,771,709	–
Cash and bank balances	1,621,261	1,621,261	–
Company			
Other investments	3,482,024	–	3,482,024
Trade and other receivables (excluding prepayments)	5,427,589	5,427,589	–
Amount owing by subsidiary companies	3,907,252	3,907,252	–
Fixed deposits	62,662,171	62,662,171	–
Cash and bank balances	252,604	252,604	–
		Carrying amount RM	AC RM
Financial liabilities			
2020			
Group			
Trade and other payables		10,927,634	10,927,634
Finance lease liabilities		1,193,073	1,193,073
Company			
Trade and other payables		5,687,233	5,687,233

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

(d) Fair Values of Financial Instruments

The carrying amounts of the financial assets and financial liabilities of the Group and of the Company reported in the financial statements approximated their fair values due to the short-term nature, except for:

(i) Quoted shares in other investments

Quoted shares in other investments are carried at fair value by reference to their quoted closing prices at the end of the reporting period.

(ii) Unquoted shares in other investments

It was not practicable to estimate the fair value of investment in unquoted shares due to the lack of comparable quoted prices in an active market and the fair value cannot be reliably measured.

(iii) Non-current portion of term loans

The non-current portion of term loans are reasonably approximate fair value as they are floating rate instruments that are repriced to market interest rates on or near the reporting date.

(iv) Financial instruments that are not approximately fair value are as follows:

	Carrying amount RM	Fair value RM
<i>Group</i>		
2021		
<u>Finance liabilities</u>		
Finance lease payables (non-current portion)	656,547	653,378
2020		
<u>Finance liabilities</u>		
Finance lease payables (non-current portion)	931,365	928,196

The fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at market rate of interest at the end of the financial year.

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instruments. These estimates are subjective in nature, involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

31. FINANCIAL INSTRUMENTS (CONT'D)

(e) Fair Value Hierarchy

The fair value measurement hierarchies used to measure assets and liabilities carried at fair value in the statements of financial position as at 30 April 2021 are as follows:

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

	<i>Group and Company</i>	
	RM	RM
	2021	2020
<u>Level 1</u>		
Quoted shares	4,260,425	3,482,024

The Group and the Company do not have any financial liabilities carried at fair value nor any financial instruments classified as Level 2 and Level 3 as at 30 April 2021.

32. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

- (a) On 21 August 2020, the Company announced that it has mutually agreed with Monfils Pictures Ltd. to terminate the Memorandum of Understanding ("MOU") entered between the companies for the purpose of forming an equity joint venture company in order to produce and market a movie on the biography of Tim Page, as there is no further material development of the MOU.
- (b) On 9 March 2021, the Company announced that it has undertaken a proposed private placement of up to 527,642,000 new ordinary shares in the Company to independent third-party investor(s) and a proposed ESOS involving up to 30% of the total number of issued shares of the Company.

On 19 March 2021, Bursa Securities has approved the Proposed Private Placement and Proposed ESOS.

The Proposed Private Placement and Proposed ESOS has been circulated to the shareholders on 25 March 2021 and further approved at Extraordinary General Meeting ("EGM") on 9 April 2021. The Company has yet to complete the implementation of ESOS as at the reporting date.

33. SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR

- (a) As of 29 July 2021, there are no material development on the status of the following MOUs:
 - i) MOU with Sanichi Property Sdn. Bhd. for the purpose of providing online leasing or short-term luxury rental service for 120 units at Marina Point, Melaka.
 - ii) MOU with Vision Works (M) Sdn. Bhd. for the purpose of establishing a close collaborative partnership in producing industry desired, high quality, relevant and cutting edge feature films for both the local and international markets.

NOTES TO THE FINANCIAL STATEMENTS

(CONT'D)

33. SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR (CONT'D)

- (b) On 17 August 2021, the Company announced that it has mutually agreed with M3 Technologies (Asia) Bhd to terminate the MOU entered between the companies for the purpose of collaboration on the development of an inclusive e-commerce platform with integrated payment gateway solutions and end-to-end logistics support, to operate in the Malaysia Digital Free Trade Zone, as there is no further material development of the MOU.
- (c) The World Health Organisation declared the 2019 Novel Coronavirus infection ("COVID-19") as a pandemic on 11 March 2020. The Government of Malaysia imposed the Movement Control Order ("MCO") on 18 March 2020 and has subsequently entered into various phases of the MCO, which has been further extended until the conditions set by the Government of Malaysia for the various phases of the National Recovery Plan are achieved.

Nevertheless, the Group has implemented measures to minimise business impact and maintain good service levels offered to its clients. As of the reporting date, measures were taken to re-evaluate the credit risks of its receivables and further combined with strict credit controls to manage credit loss. The Group will continue to monitor the COVID-19 pandemic, and ensure relevant measures are in place to ensure the safety of its employee and business partners.

The Directors and Management of the Group are unaware of any uncertainties beyond the end of the financial year that may adversely affect the present financial statements, including the financial continuity and sustainability of the Group as a going concern for the subsequent twelve (12) months.

34. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of current financial year:-

	As restated RM	Group As previously reported RM
Statement of profit or loss and other comprehensive income (Extract):-		
Other operating income	1,845,473	1,906,304
Administrative expenses	(11,052,906)	(11,107,671)
Net reversal of impairment on financial assets	6,066	-

35. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were authorised for issue on 20 August 2021 by the Board of Directors.

LIST OF PROPERTIES

AS AT 30 APRIL 2021

No.	Location	Description / Existing Use	Tenure	Date of Revaluation	Land Area (Square meter)	Age of Building	Net Carrying Value as at 30.04.2021 RM
1.	100-5.011, 129 Offices, Jaya One, No. 72A, Jalan Profesor Diraja Ungku Aziz, 46200 Petaling Jaya, Selangor Darul Ehsan.	Office Suites / Rented	Leasehold (99 years end 28 May 2105)	30 August 2018	245	7 years	RM2,568,587
2.	100-3.011, 129 Offices, Jaya One, No. 72A, Jalan Profesor Diraja Ungku Aziz, 46200 Petaling Jaya, Selangor Darul Ehsan.	Office Suites / M N C Wireless Berhad's corporate office	Leasehold (99 years end 28 May 2105)	30 August 2018	245	7 years	RM2,568,587
3.	100-3.013, 129 Offices, Jaya One, No. 72A, Jalan Profesor Diraja Ungku Aziz, 46200 Petaling Jaya, Selangor Darul Ehsan.	Office Suites / M N C Wireless Berhad's corporate office	Leasehold (99 years end 28 May 2105)	30 August 2018	204.2	7 years	RM2,132,411

ANALYSIS OF SHAREHOLDINGS

AS AT 3 AUGUST 2021

Total Number of Issued Shares	:	1,758,807,413 ordinary shares
Class of Shares	:	Ordinary shares
Voting Rights	:	One (1) vote per ordinary share
Number of Shareholders	:	3,560

DISTRIBUTION SCHEDULE OF SHAREHOLDERS

Size of Holdings	No. of Holders	Percentage (%)	No. of Shares	Percentage (%)
1-99	15	0.42	444	0.00
100-1,000	584	16.40	156,855	0.01
1,001-10,000	462	12.98	3,232,333	0.18
10,001-100,000	1,526	42.87	84,505,800	4.80
100,001-87,940,369*	968	27.19	1,052,451,949	59.84
87,940,370 and above**	5	0.14	618,460,032	35.16
TOTAL	3,560	100.00	1,758,807,413	100.00

Notes:

* Less than 5% of issued holdings

** 5% and above of issued holdings

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

(According to the Register of Substantial Shareholders as at 3 August 2021)

Name of Substantial Shareholder	<-----Direct----->		<-----Indirect----->	
	No of Shares	%	No of Shares	%
Metronic Global Berhad	137,356,400	7.81	—	—
Tan Chor How Christopher	133,383,333	7.58	—	—
UBS AG London	90,000,000	5.12	—	—
UBS Group AG	—	—	90,000,000	5.12
UBS AG	—	—	90,000,000	5.12

DIRECTORS' SHAREHOLDINGS

(According to the Register of Directors' Shareholdings as at 3 August 2021)

Name of Directors	<-----Direct Interest----->		<-----Indirect Interest----->	
	No. of shares	%	No. of shares	%
Datuk Tan Chor How Christopher	133,383,333	7.58	—	—
Dato' Kua Khai Shyuan	—	—	—	—
Wong Kok Seong	—	—	—	—
Thu Soon Shien	—	—	—	—
Pang Siaw Sian	—	—	—	—
Dato' Muhammad Shuib Bin Md Hashim	—	—	—	—

ANALYSIS OF SHAREHOLDINGS AS AT 3 AUGUST 2021

(CONT'D)

LIST OF THIRTY LARGEST SHAREHOLDERS AS AT 3 AUGUST 2021

(Without aggregating securities from different securities accounts belonging to the same person)

No	Investor Name	No. of Shares Held	%
1.	CGS-CIMB Nominees (Asing) Sdn Bhd <i>Exempt an for CGS-CIMB Securities (Hong Kong) Limited (Foreign Client)</i>	196,118,700	11.15
2.	TA Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Metronic Global Berhad</i>	137,356,400	7.81
3.	Sanichi Technology Berhad	106,651,599	6.06
4.	Citigroup Nominees (Asing) Sdn Bhd <i>UBS AG for Maybank Kim Eng Securities Pte Ltd</i>	90,000,000	5.12
5.	Datuk Tan Chor How Christopher	88,333,333	5.02
6.	Cartaban Nominees (Asing) Sdn Bhd <i>Barclays Bank PLC (Re Equities)</i>	72,785,300	4.14
7.	Cartaban Nominees (Asing) Sdn Bhd <i>Exempt an for Standard Chartered Bank Singapore (EFGBHK-ASING)</i>	52,000,000	2.96
8.	TA Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Datuk Tan Chor How Christopher</i>	45,050,000	2.56
9.	DB (Malaysia) Nominee (Asing) Sdn Bhd <i>Exempt an for Nomura PB Nominees Ltd</i>	39,756,300	2.26
10.	HSBC Nominees (Asing) Sdn Bhd <i>Exempt an for Credit Suisse AG (DUB CLT N-TREAT)</i>	26,301,500	1.50
11.	TA Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Pang Chow Huat</i>	23,650,000	1.34
12.	Pang Chow Huat	20,528,666	1.17
13.	MIDF Amanah Investment Nominees (Asing) Sdn Bhd <i>for Lazarus Securities PTY Ltd for Members One Ventures Fund</i>	20,000,000	1.14
14.	Sun Chee Liang	17,908,500	1.02
15.	Wong Wee Fong	16,750,000	0.95
16.	Lai Yee Voon	16,000,000	0.91
17.	Cita Realiti Sdn Bhd	15,561,700	0.88
18.	Chan Chen Kit	15,500,000	0.88
19.	TA Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Cita Realiti Sdn Bhd</i>	14,200,000	0.81
20.	Lai Yee Ling	11,000,000	0.63
21.	Ken Resources Sdn Bhd	10,300,000	0.59
22.	Lim Chee Sing	10,000,000	0.57
23.	TA Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Sun Ping</i>	10,000,000	0.57
24.	Lee Guan Hooi	9,495,000	0.54
25.	Cita Realiti Sdn Bhd	8,500,000	0.48
26.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tay Chai Gnoh</i>	8,300,000	0.47
27.	Robbie Hari Krishnan Tatparanandam	8,000,000	0.45
28.	Tan Seng Chee	8,000,000	0.45
29.	Lim Chee Cheng	7,600,000	0.43
30.	Lim Chee Meng	7,500,000	0.43

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES (“ICPS”) HOLDINGS

AS AT 3 AUGUST 2021

No of ICPS 2019/2024 Issued	:	210,491,300
Exercise/Conversion Price	:	RM0.06
No. of ICPS Holders	:	288
Maturity Date	:	5 September 2029

DISTRIBUTION SCHEDULE OF ICPS HOLDERS

Size of Holdings	No. of ICPS Holders	Percentage (%)	No. of ICPS Held	Percentage (%)
1 – 99	0	0.00	0	0.00
100 – 1,000	10	3.47	4,100	0.00
1,001 – 10,000	16	5.56	91,000	0.04
10,001 – 100,000	89	30.90	5,744,900	2.73
100,001 – 10,524,564 (*)	168	58.33	92,632,000	44.01
10,524,565 and above (**)	5	1.74	112,019,300	53.22
TOTAL	288	100.00	210,491,300	100.00

Notes:

* Less than 5% of Issued ICPS

** 5% and above of Issued ICPS

DIRECTORS' ICPS HOLDINGS

(According to the Register of Directors' ICPS Holdings as at 3 August 2021)

No.	Name of Directors	<----Direct Interest---->		<----Indirect Interest---->	
		No. of ICPS	%	No. of ICPS	%
1.	Datuk Tan Chor How Christopher	–	–	–	–
2.	Dato' Kua Khai Shyuan	–	–	–	–
3.	Wong Kok Seong	–	–	–	–
4.	Thu Soon Shien	–	–	–	–
5.	Pang Siaw Sian	–	–	–	–
6.	Dato' Muhammad Shuib Bin Md Hashim	–	–	–	–

ANALYSIS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS") HOLDINGS AS AT 3 AUGUST 2021

(CONT'D)

LIST OF THIRTY LARGEST ICPS HOLDERS

(Without aggregating securities from different securities accounts belonging to the same person)

No.	Investor Name	No. of ICPS Held	%
1.	Cartaban Nominees (Asing) Sdn Bhd <i>Barclays Bank PLC (Re Equities)</i>	30,000,000	14.25
2.	TA Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Sun Ping</i>	25,000,000	11.88
3.	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Ing Kiong</i>	22,180,000	10.54
4.	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Sun Ping</i>	17,723,000	8.42
5.	Kong Kok Keong	17,116,300	8.13
6.	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Kong Yau Leng (E-SS2)</i>	7,073,000	3.36
7.	Tan Wee Chong	4,300,000	2.04
8.	Maybank Nominees (Tempatan) Sdn Bhd <i>Wong Fock Wah</i>	4,000,000	1.90
9.	Maybank Nominees (Tempatan) Sdn Bhd <i>Tho Kwai Kuan</i>	3,666,000	1.74
10.	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Chuan Dyi (6000364)</i>	2,433,000	1.16
11.	Kong Yau Leng	2,427,000	1.15
12.	HLIB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Boon Kim Yu (CCTS)</i>	2,255,500	1.07
13.	Teoh Wah Chuan	2,000,000	0.95
14.	Tok Boon Seong	1,985,200	0.94
15.	Hian Bee Geok	1,590,500	0.76
16.	Chua Lee Guan	1,500,000	0.71
17.	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ong Kok San</i>	1,500,000	0.71
18.	Tan Chin Kok	1,500,000	0.71
19.	Maybank Nominees (Tempatan) Sdn Bhd <i>Wong Yee Ling</i>	1,030,000	0.49
20.	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Lee Soon Heng (100580)</i>	1,000,000	0.48
21.	Chia Ong Leong	1,000,000	0.48
22.	Chia Song Swa	1,000,000	0.48
23.	Goh Seng Huat	1,000,000	0.48
24.	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Mah Wee Hian @ Mah Siew Kung (6000173)</i>	950,000	0.45
25.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Chai Nam Fah</i>	930,000	0.44
26.	Tho Kwai Kuan	900,000	0.43
27.	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tee Hiap Loon (E-BPJ)</i>	800,000	0.38
28.	Wong Ming Choo	780,600	0.37
29.	Loh Yoo Ming	762,400	0.36
30.	CGS-CIMB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Koay Phaik Suan (DRB Hicom-C L)</i>	750,000	0.36

ANALYSIS OF WARRANTS A HOLDINGS

AS AT 3 AUGUST 2021

No. of Warrants Issued	:	188,946,927
Exercise Price	:	RM0.10
No. of Warrants Holders	:	838
Exercise Period	:	7 November 2016 to 5 November 2021

Size of Holdings	No. of Warrants Holders	Percentage (%)	No. of Warrants	Percentage (%)
1-99	85	10.14	4,187	0.00
100-1,000	34	4.06	16,479	0.01
1,001-10,000	94	11.22	662,967	0.35
10,001-100,000	345	41.17	19,223,997	10.17
100,001-9,447,345*	280	33.41	169,039,297	89.46
9,447,346 and above**	0	0.00	0	0.00
TOTAL	838	100.00	188,946,927	100.00

Notes:

* Less than 5% of issued Warrants A

** 5% and above of issued Warrants A

DIRECTORS' WARRANTS A HOLDINGS

(According to the Register of Directors' Warrants A Holdings as at 3 August 2021)

Name of Directors	<-----Direct----->		<-----Indirect----->	
	No. of Warrants	%	No. of Warrants	%
Datuk Tan Chor How Christopher	—	—	—	—
Dato' Kua Khai Shyuan	—	—	—	—
Wong Kok Seong	—	—	—	—
Thu Soon Shien	—	—	—	—
Pang Siaw Sian	—	—	—	—
Dato' Muhammad Shuib Bin Md Hashim	—	—	—	—

ANALYSIS OF WARRANTS A HOLDINGS AS AT 3 AUGUST 2021

(CONT'D)

LIST OF THIRTY LARGEST WARRANTS A HOLDERS AS AT 3 AUGUST 2021

(Without aggregating securities from different securities accounts belonging to the same person)

No.	Investor Name	No. of Warrants Held	%
1.	Tan Pow Choo @ Wong Seng Eng	8,861,000	4.69
2.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tay Chai Gnoh</i>	4,500,000	2.38
3.	Hew Chee Kong	3,750,066	1.98
4.	Chew Ming Chai	3,500,000	1.85
5.	Lam Ah Choi	3,446,300	1.82
6.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Lee Suh Mun</i>	3,355,700	1.78
7.	HLIB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Lim Loon Yeow (CCTS)</i>	3,300,000	1.75
8.	Maybank Securities Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Khor Ooi Hong (REM 167)</i>	3,070,000	1.62
9.	Wong Chen Peng	3,018,000	1.60
10.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Koh Boon Poh (008)</i>	3,000,066	1.59
11.	Wong Kook Chee	2,800,000	1.48
12.	Wai Chung Yin	2,539,700	1.34
13.	Ong Le Chu	2,430,000	1.29
14.	Lam Yih Zhen	2,381,000	1.26
15.	Lee Chan Pang	2,100,000	1.11
16.	Haryati Binti Mohd Sarkawi	2,030,000	1.07
17.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Rakuten Trade Sdn Bhd for Chooi Chung Chih</i>	2,000,000	1.06
18.	Lim Jin Jun	2,000,000	1.06
19.	Mohd Radzi Bin Mat Piah	2,000,000	1.06
20.	Robert Tan	2,000,000	1.06
21.	Tan Jia Juen	2,000,000	1.06
22.	Abd Rahim Bin Abd Rahman	1,878,000	0.99
23.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Rakuten Trade Sdn Bhd for Yu Ong Ching</i>	1,828,800	0.97
24.	Song Han Leong	1,800,000	0.95
25.	Teh Yee Liang	1,757,000	0.93
26.	Muhammad Azam Bin Ali Anual	1,360,000	0.72
27.	Bon Siong Lee	1,300,000	0.69
28.	Mohamad Fuad Bin Abdul Rahman	1,289,800	0.68
29.	Mohammed Bin Abdul Karim	1,254,000	0.66
30.	HLIB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Boon Kim Yu (CCTS)</i>	1,210,000	0.64

ANALYSIS OF WARRANTS B HOLDINGS

AS AT 3 AUGUST 2021

No. of Warrant Issued	:	29,959,264
Exercise Price	:	RM0.06
No. of Warrants Holders	:	232
Exercise Period	:	6 September 2019 to 5 September 2024

Size of Holdings	No. of Warrants Holders	Percentage (%)	No. of Warrants	Percentage (%)
1-99	8	3.45	304	0.00
100-1,000	20	8.62	14,757	0.05
1,001-10,000	74	31.90	356,470	1.19
10,001-100,000	88	37.93	3,576,060	11.94
100,001-1,497,962*	37	15.95	13,560,240	45.26
1,497,963 and above**	5	2.16	12,451,433	41.56
TOTAL	232	100.00	29,959,264	100.00

Notes:

* Less than 5% of issued Warrants B

** 5% and above of issued Warrants B

DIRECTORS' WARRANTS B HOLDINGS

(According to the Register of Directors' Warrants B Holdings as at 3 August 2021)

Name of Directors	<-----Direct----->		<-----Indirect----->	
	No. of Warrants	%	No. of Warrants	%
Datuk Tan Chor How Christopher	5,333,333	17.80	—	—
Dato' Kua Khai Shyuan	—	—	—	—
Wong Kok Seong	—	—	—	—
Thu Soon Shien	—	—	—	—
Pang Siaw Sian	—	—	—	—
Dato' Muhammad Shuib Bin Md Hashim	—	—	—	—

ANALYSIS OF WARRANTS B HOLDINGS AS AT 3 AUGUST 2021

(CONT'D)

LIST OF THIRTY LARGEST WARRANTS B HOLDERS AS AT 3 AUGUST 2021

(Without aggregating securities from different securities accounts belonging to the same person)

No.	Investor Name	No. of Warrants Held	%
1.	Datuk Tan Chor How Christopher	5,333,333	17.80
2.	Gan Keng Meng	2,100,000	7.01
3.	Rohazifah Binti Samsudin	1,800,000	6.01
4.	HLIB Nominees (Tempatan) Sdn Bhd <i>Hong Leong Bank Bhd for Choo Chin Hoong</i>	1,693,000	5.65
5.	Chan Lee Peng	1,525,100	5.09
6.	Lee Fook On	1,400,000	4.67
7.	Gan Hoo Sun	1,000,000	3.34
8.	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Ching Kean Lam</i>	867,900	2.90
9.	Kenanga Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Liew Yoon Peck</i>	800,000	2.67
10.	Sim Chee Teong	600,000	2.00
11.	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Yeow Thiam Hooi (E-KLG)</i>	595,500	1.99
12.	Arthur Chai Choong Ch'ng	500,000	1.67
13.	Sofiah Binti Sapiai	500,000	1.67
14.	TA Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Sun Ping</i>	500,000	1.67
15.	CGS-CIMB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Lai Yee Woon (MY4097)</i>	450,000	1.50
16.	Ang Tian Fu	390,000	1.30
17.	JF Apex Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Lim Soo Yee (STA 1)</i>	381,400	1.27
18.	Ewe Hong Khoon	354,840	1.18
19.	Foong Wai Chee	354,500	1.18
20.	Chern Ah Hoon	300,000	1.00
21.	HLIB Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Hai Yiew (CCTS)</i>	300,000	1.00
22.	Lam Ah Choi	300,000	1.00
23.	So Siang Chen	300,000	1.00
24.	Abdul Halim Bin Ismail	268,500	0.90
25.	Chan Huan Chai	264,500	0.88
26.	Mohd Syukri Bin Mohd Bakri	263,100	0.88
27.	Sahrolanuar Bin Samin	260,000	0.87
28.	Liew Yoon Peck	250,000	0.83
29.	Quek Kiah Song	246,000	0.82
30.	Cheng Boon Sheng	200,000	0.67

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Seventeenth Annual General Meeting (“17th AGM” or “the Meeting”) of M N C WIRELESS BERHAD (“MNC” or “the Company”) will be held on a fully virtual basis and entirely via remote participation and voting through an online meeting platform hosted on Securities Services e-Portal at <https://sshsb.net.my/> (MYNIC Domain Registration Number D4A004360) provided by SS E Solutions Sdn. Bhd. on Friday, 29 October 2021 at 10:00 a.m. or at any adjournment thereof, to transact the following businesses:

A G E N D A

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 30 April 2021 together with the Reports of the Directors and Auditors thereon. ***Please refer to Explanatory Note 1***
2. To approve the payment of Directors’ fees and benefits of up to RM252,000.00 for the period from 30 October 2021 until the next Annual General Meeting (“AGM”) of the Company. ***Ordinary Resolution 1***
3. To re-elect the following Directors who retire by rotation in accordance with Clause 91 of the Company’s Constitution:-
 - i. Dato’ Kua Khai Shyuan; and ***Ordinary Resolution 2***
 - ii. Ms. Pang Siaw Sian ***Ordinary Resolution 3***
4. To re-appoint Messrs. Ong & Wong Chartered Accountants as Auditors of the Company until the conclusion of the next AGM and to authorise the Directors to fix their remuneration. ***Ordinary Resolution 4***

AS SPECIAL BUSINESS:

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

5. **GENERAL AUTHORITY FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** ***Ordinary Resolution 5***

“THAT subject always to the Constitution of the Company, the Companies Act 2016 (“Act”), the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the Company to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed twenty per centum (20%) of the total number of issued shares of the Company (excluding treasury shares) at any point of time AND THAT the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue in force until the conclusion of the next Annual General Meeting (“AGM”) of the Company held next after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is the earlier.”

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

6. PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

Special Resolution

"THAT the proposed amendments to the Constitution of the Company as set out in the "Appendix A", be approved and adopted with immediate effect AND THAT the Directors and/or Secretary of the Company be authorised to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the said proposed amendments for and on behalf of the Company."

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

By order of the Board

TEA SOR HUA (MACS 01324)
(SSM PC No.: 201908001272)
Company Secretary

Petaling Jaya, Selangor Darul Ehsan
30 August 2021

Notes:

- (a) A member who is entitled to attend and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- (b) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- (c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- (d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- (f) To be valid, the instrument appointing a proxy must be deposited at the office of the Share Registrar Office of the Company situated at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, or submitted electronically via Securities Services e-Portal at <https://sshsb.net.my/>, not less than forty-eight (48) hours before the time for holding the Meeting or adjourned meeting.
- (g) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 67(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 22 October 2021. Only members whose names appear in the General Meeting Record of Depositors as at 22 October 2021 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
- (h) All the resolutions set out in this Notice of the Meeting will be put to vote by poll.
- (i) The members are advised to refer to the Administrative Notes on the registration process for the Meeting.
- (j) In view of the constant evolving COVID-19 situation in Malaysia, we may be required to change the arrangements of our Meeting at short notice. Kindly check Bursa Securities' and the Company's website at www.mnc.com.my for the latest updates on the status of the Meeting.

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

EXPLANATORY NOTES TO ORDINARY BUSINESS AND SPECIAL BUSINESS

1. Item 1 of the Agenda – Audited Financial Statements for the financial year ended 30 April 2021

This Agenda 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 shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

2. Item 2 of the Agenda – Directors' Fees and Benefits

The estimated Directors' fees and benefits were calculated based on the current Board size and number of scheduled Board and Committee meetings to be held. This resolution is to facilitate payment of Directors' fees and benefit for the period from 30 October 2021 until the next AGM of the Company to be held in year 2022. In the event the proposed amount is insufficient due to more meetings or enlarged Board size, approval will be sought at the next AGM for such shortfall.

3. Item 5 of the Agenda – General Authority for the Directors to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Company had at its Sixteenth AGM held on 25 September 2020 ("16th AGM"), obtained a general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 from its shareholders, to empower the Directors to issue and allot shares in the Company to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed 20% of the total number of issued shares of the Company (excluding treasury shares) at any point of time ("20% General Mandate"). This 20% General Mandate will expire at the conclusion of this 17th AGM.

As at the date of this Notice, no new ordinary shares were issued and allotted by the Company via private placement pursuant to the 20% General Mandate granted to the Directors at the 16th AGM.

The Ordinary Resolution 5 proposed under item 5 of the Agenda, is to seek a general mandate to empower the Directors of the Company pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot ordinary shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed 20% of the total number of issued shares of the Company (excluding treasury shares) at any point of time ("20% General Mandate"). This 20% General Mandate may be utilised by the Company to issue and allot new ordinary shares until 31 December 2021 and thereafter, unless extended by Bursa Securities, the 10% limit under Rule 6.04(1) of the Listing Requirements of Bursa Securities will be reinstated. This authority, unless revoked or varied at general meeting, will expire at the next AGM.

In view of the challenging time due to the COVID-19 pandemic, Bursa Securities had on 16 April 2020 introduced this 20% General Mandate as an interim relief measure to allow a listed issuer to seek a higher general mandate under Rule 6.04 of the Listing Requirements of Bursa Securities of not more than twenty per centum (20%) of the total number of issued shares (excluding treasury shares) for issue of new securities.

NOTICE OF ANNUAL GENERAL MEETING

(CONT'D)

3. **Item 5 of the Agenda – General Authority for the Directors to Allot and Issue Shares pursuant to Sections 75 and 76 of the Companies Act 2016 (Cont'd)**

The Board of Directors' Statement

The Board of Directors of MNC ("Board"), after due consideration, is of the opinion that in the face of unprecedented challenges brought by COVID-19, this 20% General Mandate is the most appropriate avenue of fund raising at this juncture. This 20% General Mandate will enable the Company to raise funds expeditiously without having to incur interest costs as compared to bank borrowings, thereby allowing the Company to preserve its cash flow. The funds raised will be used to finance the day-to-day operational expenses, working capital for the on-going projects or future projects/investments to ensure the long-term sustainability of the Company.

The Board, having considered the current and prospective financial position, needs and capacity of the Company, is of the opinion that the 20% General Mandate is in the best interest of the Company and its shareholders.

4. **Item 6 of the Agenda – Proposed Amendments to the Constitution of the Company**

The Special Resolution proposed under item 6 of the Agenda in relation to the proposed amendments to the existing Constitution of the Company ("Proposed Amendments"), are made mainly for the following purposes:

- (a) to align the Company's Constitution with the Companies (Amendment) Act 2019 which came into operation on 15 January 2020 in relation to the alteration of share capital; and
- (b) to enhance administrative efficiency.

The Proposed Amendments to the Constitution of the Company shall take effect once the special resolution has been passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the Meeting.

NOTICE OF APPENDIX A

PROPOSED AMENDMENTS TO THE CONSTITUTION OF M N C WIRELESS BERHAD ("THE COMPANY")

This is the Appendix A referred to in Agenda 6 of the Notice of Seventeenth Annual General Meeting ("17th AGM") of the Company dated 30 August 2021.

Day, Date and time of 17th AGM	:	Friday, 29 October 2021 at 10:00 a.m. or at any adjournment thereof
Online Meeting Platform	:	Fully virtual basis and entirely via remote participation and voting through an online meeting platform hosted on Securities Services e-Portal at https://sshsb.net.my/ (MYNIC Domain Registration Number D4A004360) provided by SS E Solutions Sdn. Bhd.

Clause No.	Existing Clause	Proposed Clause
58 Power to alter capital	<p>Subject to the provisions of this Constitution and the Act, the Company may by special resolution:</p> <p>(i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</p> <p>(ii) subdivide its share capital or any part thereof into shares of smaller amounts by subdivision of its existing shares or any of them subject nevertheless to the provisions of the Act;</p> <p>(iii) convert and/or re-classify any class of shares into any other class of shares; or</p> <p>(iv) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.</p>	<p>Subject to the provisions of this Constitution and the Act, the Company may by special ordinary resolution:</p> <p>(i) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</p> <p>(ii) subdivide its share capital or any part thereof into shares of smaller amounts by subdivision of its existing shares or any of them subject nevertheless to the provisions of the Act;</p> <p>(iii) convert and/or re-classify any class of shares into any other class of shares; or</p> <p>(iv) cancel shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the amount of the shares so cancelled.</p>

NOTICE OF APPENDIX A

(CONT'D)

Clause No.	Existing Clause	Proposed Clause
115 Meeting of Directors	<p>(a) The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Any Director may at any time and the Secretary shall on the requisition of any of the Directors, summon a meeting of the Directors.</p> <p>(b) A member of the Board may participate in a meeting of the Board by means of a telephone conference or any other audio, or audio visual, communication means which allows all persons participating in the meeting to hear and speak with each other and such Director shall be regarded for all purposes as personally attending such a meeting and shall be counted in a quorum and be entitled to vote on the resolution tabled at a meeting of the Board.</p> <p>(c) Any meeting held in such manner shall be deemed to be held at such place as shall be agreed upon by the Directors attending the meeting PROVIDED that at least one (1) of the Directors present at the meeting was at such place for the duration of that meeting.</p>	<p>(a) The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Any Director may at any time and the Secretary shall on the requisition of any of the Directors, summon a meeting of the Directors.</p> <p>(b) The meeting of the Directors may be held by fully virtual or hybrid at more than one venue using any technology or method. A member of the Board or any invitees may participate in the meeting by means of a telephone conference, or any other audio, or audio visual, or communication means which allows all persons participating in the meeting to hear and speak with each other and such Director or person shall be regarded for all purposes as personally attended such a meeting and such Director shall be counted in a quorum and be entitled to vote on the resolutions tabled at the meeting.</p>

NOTICE OF APPENDIX A

(CONT'D)

Clause No.	Existing Clause	Proposed Clause
132 Participation at Committee Meeting by way of telephone and video conference	<p>(a) Notwithstanding any provisions to the contrary contained in this Constitution, any member of a committee may participate at a committee meeting by means of a telephone conference or any other audio, or audio visual, communication means which allows all persons participating in the meeting to hear and speak with each other and such committee member shall be regarded for all purposes as personally attending such a meeting and shall be counted in a quorum and be entitled to vote on the resolution tabled at a meeting of the committee.</p> <p>(b) Any meeting held in such manner shall be deemed to be held at such place as shall be agreed upon by the committee members attending the meeting PROVIDED that at least one (1) of the members present at the meeting was at such place for the duration of that meeting.</p>	The committee meeting may be held by fully virtual or hybrid at more than one venue using any technology or method. A committee member or any invitees may participate in the meeting by means of a telephone conference, or any other audio, or audio visual, or communication means which allows all persons participating in the meeting to hear and speak with each other and such committee member or person shall be regarded for all purposes as personally attended such a meeting and such committee member shall be counted in a quorum and be entitled to vote on the resolutions tabled at the committee meeting.

NOTICE OF APPENDIX A

(CONT'D)

Clause No.	Existing Clause	Proposed Clause
144 Preparation, and circulation and publication of audited financial statements and reports of directors and auditors thereon	<p>(a) The Directors shall cause to be prepared, sent to every Member and laid before the Company in its annual general meeting, the audited financial statements and the reports of directors and auditors thereon in accordance to the Act. The interval between the close of a financial year of the Company and the issue of such reports shall not exceed four (4) months or such other period as may be allowed by the Act and/or the provisions in the Listing Requirements.</p> <p>(b) A copy of each the audited financial statements and reports of directors and auditors thereon in printed form or in CD-ROM form or in such other form of electronic media or means or any combination thereof as permitted under the Act and the Listing Requirements, shall not less than twenty-one (21) days before the date of the meeting (or such shorter period as may be agreed by all Members entitled to attend and vote at the meeting), be sent to every Member of, and to every holder of debentures of the Company, the auditors of the Company and every person who is entitled to receive notices of general meeting under the provision of the Act or of this Constitution, provided that this Clause shall not require a copy of these documents to be sent to any person of whose address the Company is not aware (or to the several persons entitled thereto in consequence of the death or bankruptcy of the holder or otherwise) and which does not appear on the Record of Depositors or the Register as the case may be, but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy, free of charge on application at the Office.</p>	<p>(a) The Directors shall cause to be prepared and circulated, sent to every Member and laid before the Company in its annual general meeting, the audited financial statements and the reports of directors and auditors thereon in accordance to the Act. The interval between the close of a financial year of the Company and the issue of such reports shall not exceed four (4) months or such other period as may be allowed by the Act and/or the provisions in the Listing Requirements.</p> <p>(b) A copy of each the audited financial statements and reports of directors and auditors thereon in printed form or in CD-ROM form or in such other form of electronic media or means or any combination thereof as permitted under the Act and the Listing Requirements, shall not less than twenty-one (21) days before the date of the meeting (or such shorter period as may be agreed by all Members entitled to attend and vote at the meeting), be sent or circulated to every Member of the Company, and to every holder of debentures of the Company, the auditors of the Company and every person who is entitled to receive notices of general meeting under the provision of the Act or of this Constitution, provided that this Clause shall not require a copy of these documents to be sent to any person of whose address the Company is not aware (or to the several persons entitled thereto in consequence of the death or bankruptcy of the holder or otherwise) and which does not appear on the Record of Depositors or the Register as the case may be, but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy, free of charge on application at the Office.</p>

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M N C WIRELESS BERHAD
Registration No.: 200301033463 (635884-T)
(Incorporated in Malaysia)

PROXY FORM

I/We* NRIC/Registration No.*
(full name in capital letters)

of
(full address)

Email Address Mobile Phone No.

being (a) member(s) of M N C WIRELESS BERHAD [200301033463 (635884-T)] ("the Company") hereby appoint

..... NRIC No.
(full name in capital letters)

of
(full address)

and/or*, NRIC No.
(full name in capital letters)

of
(full address)

or failing him/her*, the Chairman of the Meeting as my/our* proxy to vote for me/us* on my/our* behalf at the Seventeenth Annual General Meeting ("Meeting") of the Company to be held on a fully virtual basis and entirely via remote participation and voting through an online meeting platform hosted on Securities Services e-Portal at <https://sshsb.net.my/> (MYNIC Domain Registration Number D4A004360) provided by SS E Solutions Sdn. Bhd. on Friday, 29 October 2021 at 10:00 a.m. or at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her* discretion.

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors' fees and benefits of up to RM252,000.00 for the period from 30 October 2021 until the next Annual General Meeting of the Company.		
2.	To re-elect Dato' Kua Khai Shyuan as a Director who retires by rotation in accordance with Clause 91 of the Company's Constitution.		
3.	To re-elect Ms. Pang Siaw Sian as a Director who retires by rotation in accordance with Clause 91 of the Company's Constitution.		
4.	To re-appoint Messrs. Ong & Wong Chartered Accountants as Auditors of the Company.		
5.	To approve the authority for the Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.		

No.	Special Resolution	For	Against
1.	To approve the proposed amendments to the Constitution of the Company.		

*delete whichever not applicable

Dated this day of, 2021.

CDS Account No.	
No. of Shares Held	

Percentage of shareholdings to be represented by the proxies:		
	No. of shares	%
Proxy 1		
Proxy 2		
TOTAL		100

.....
Signature of Member(s)/ Common Seal



Notes:

- (a) A member who is entitled to attend and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.*
- (b) A proxy may but need not be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.*
- (c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.*
- (d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.*
- (f) To be valid, the instrument appointing a proxy must be deposited at the office of the Share Registrar Office of the Company situated at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, or submitted electronically via Securities Services e-Portal at <https://sshsb.net.my/>, not less than forty-eight (48) hours before the time for holding the Meeting or adjourned meeting.*
- (g) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 67(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 22 October 2021. Only members whose names appear in the General Meeting Record of Depositors as at 22 October 2021 shall be regarded as members and entitled to attend, speak and vote at the Meeting.*
- (h) All the resolutions set out in this Notice of the Meeting will be put to vote by poll.*
- (i) The members are advised to refer to the Administrative Notes on the registration process for the Meeting.*
- (j) In view of the constant evolving COVID-19 situation in Malaysia, we may be required to change the arrangements of our Meeting at short notice. Kindly check Bursa Securities' and the Company's website at www.mnc.com.my for the latest updates on the status of the Meeting.*

Fold this flap for sealing

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AFFIX
STAMP

The Share Registrar
M N C Wireless Berhad
Registration No.: 200301033463 (635884-T)
c/o Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Wilayah Persekutuan.

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M N C Wireless Berhad

Registration No: 200301033463 (635884-T)

100-3.011, 129 Offices, Jaya One,
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46200 Petaling Jaya, Selangor Darul Ehsan.

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