Market Overview

A Year of Strategic Groundwork to Seize Tomorrow's Digital Opportunities.

Shaping Malaysia's Digital Future:
Breaking barriers for a tech-driven transformation.

Market Overview

Laying the Groundwork for Malaysia's Digital Economy

As the global economy pivots towards digital dominance, Malaysia stands at a defining crossroad. Over 70% of future value is forecast to emerge from the digital economy, making this transition not just timely, but necessary. Against this backdrop, Pertama Digital continues to emerge as a strategic enabler of national digital infrastructure - grounded in purpose, innovation, and public value.

For too long, the public sector has grappled with legacy procurement models, delayed implementations, and systems that fail to serve their intended beneficiaries. Recognising these challenges, PDB took a fundamentally different approach to digital transformation - one that eliminates upfront risks for government agencies and delivers only when results are achieved. This outcome-based model allows for greater speed, accountability, and scalability, ensuring that every product launched is designed to deliver measurable impact from day one.

This approach is not hypothetical. It is rooted in a proven track record. PDB's digital bail payment platform, eJamin, has successfully processed over RM1 billion in bail transactions since its inception. This platform, which began as a response to inefficiencies in the court system, has since become a blueprint for how digital services can drive real change. Building on this momentum, PDB is now advancing its footprint into neo banking solutions. These include initiatives such as BizKecil, which empowers micro and small traders through simplified digital financial tools, and KOCEK Pintar, a child-centric gamified savings platform that promotes early financial literacy, particularly among underserved communities.

In delivering these products, PDB ensures more than just functionality. It guarantees adoption.

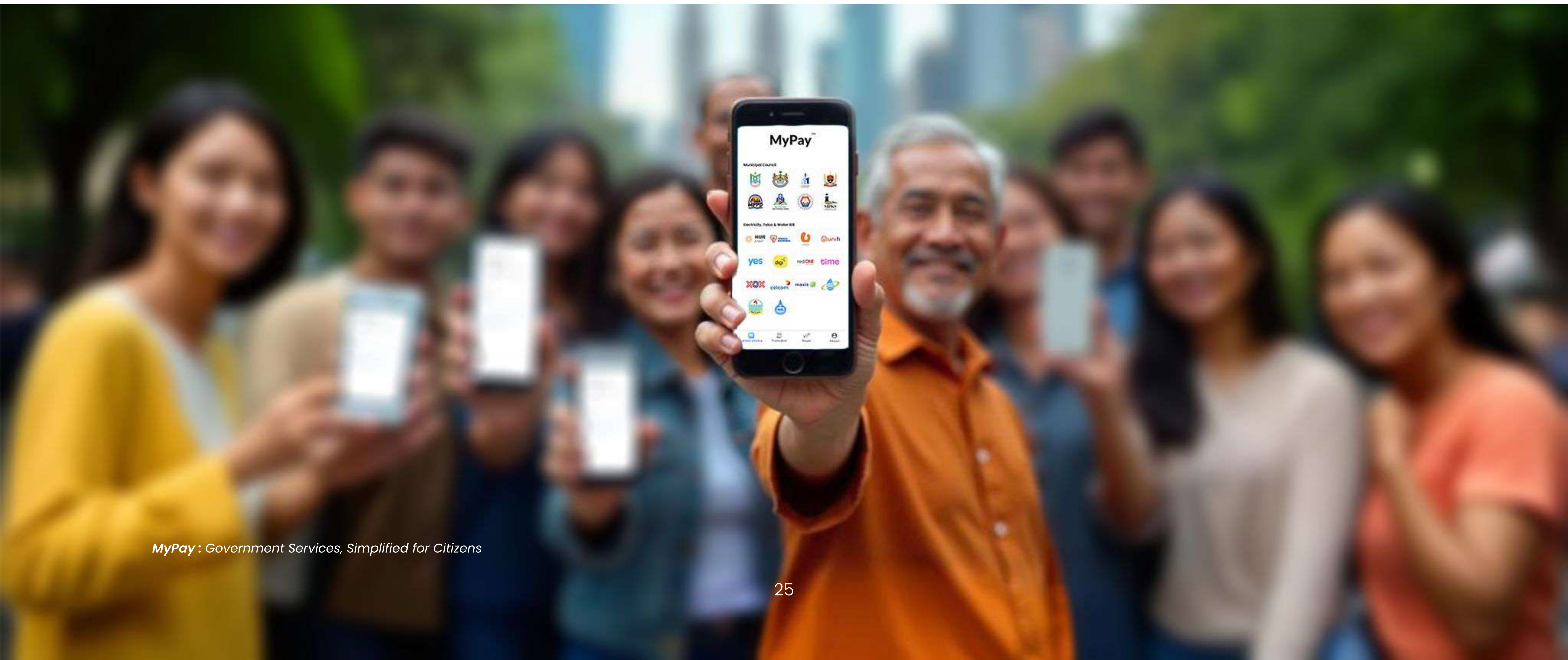
The company's development model emphasises speed and usability, with digital solutions designed to integrate seamlessly with existing payment infrastructures, government databases, and identity platforms. This lean, agile philosophy significantly reduces time-to-market, enabling PDB to respond swiftly to national needs and opportunities.

PDB's role extends far beyond technology development. The company is actively engaged in enabling adoption at scale through partnerships with financial institutions, regulatory bodies, and public agencies. Its exclusive collaboration with a global leader in Communications Platform as a Service (CPaaS), adds another layer of capability, empowering Malaysia's public sector with world-class communication tools that are real-time, secure, and built for resilience.

Behind every solution lies a deeper set of principles that guide the company's trajectory. These include a relentless drive to move faster, a human-first design ethos that prioritises inclusivity, and a commitment to ensuring that every initiative is sustainable, scalable, and grounded in public trust. Strategic alliances, responsible financial stewardship, and a deep understanding of national priorities continue to underpin PDB's growth journey.

> **Today, as Malaysia pushes forward with its ambition to become a digitally inclusive economy, PDB stands firmly aligned with this vision.**

With strategic acquisitions, secured funding, and a portfolio of products built for real-life adoption, the company is ready to scale its impact. Every solution, every partnership, and every decision is anchored in its core mission - to simplify lives and build a better digital nation, *for the rakyat, by the rakyat.*



MyPay : *Government Services, Simplified for Citizens*

Strategic Report: Our Products

Strategic Report: Our Products

Empowering Progress Through Innovative Core Business Lines

Core Focus Areas: Currency Circulation · Communications · Payments · Inclusive Applications

Pertama Digital's suite of platforms is built with purpose — solving real problems, improving access, and supporting Malaysia's digital transformation agenda.

Through deep collaboration with government agencies and strategic partners, our products deliver practical innovation at scale, with a focus on financial inclusion, justice accessibility, and microeconomic empowerment.

eJamin: Transforming Access to Justice

Simplifying the Bail Payment Process

eJamin, Malaysia's first and only online bail payment system, revolutionizes court processes by reducing the bail payment duration from three hours to just 15 minutes. Operational across 95.5% of civil courts and expanding to complete nationwide coverage, eJamin is enhancing access to justice.

In 2024, the **InfoHub feature** was conceptualized, introducing new capabilities to enhance user experience and accessibility. These features include a **Verified Lawyer Directory**, Legal **Knowledge Hub**, **Step-by-Step Legal Guides**, and **Access to Legal Aid**, ensuring comprehensive support for Malaysians navigating legal challenges.

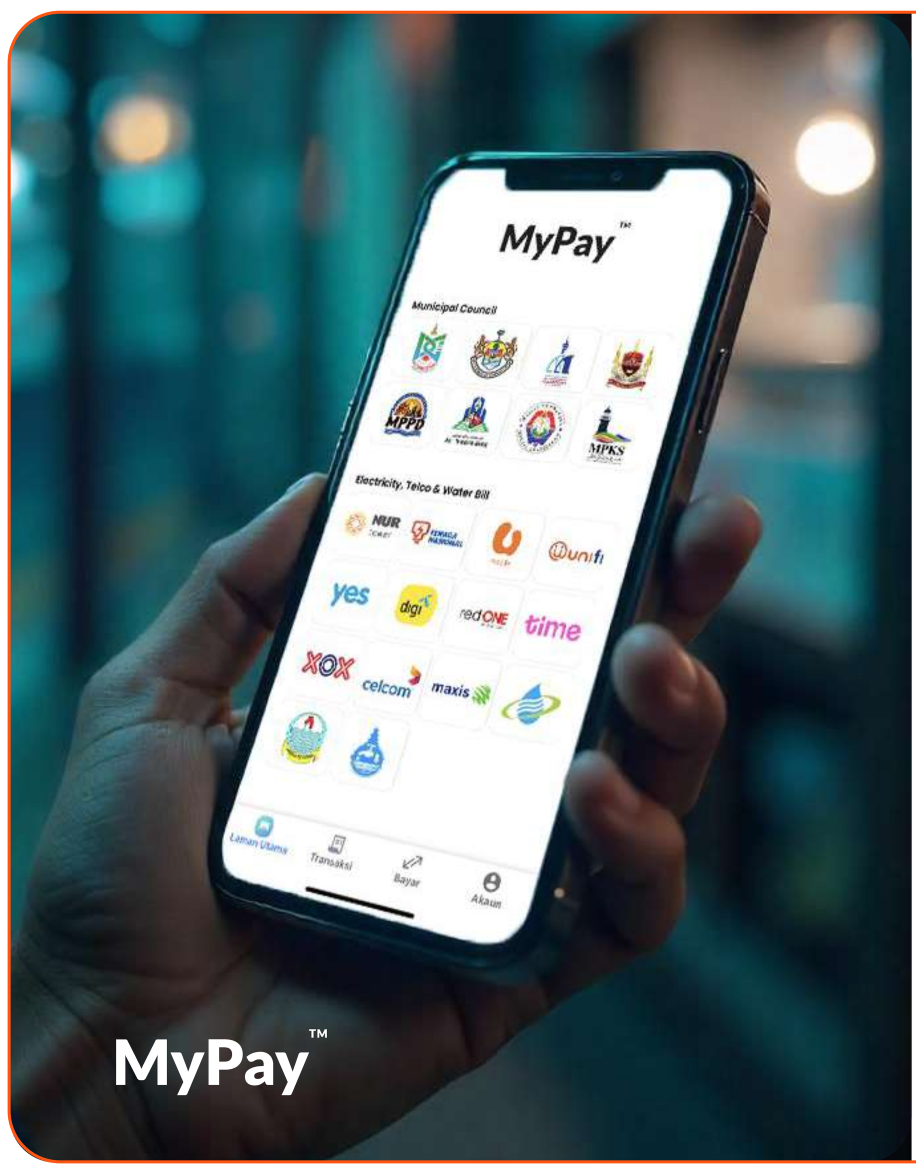
As a scalable solution, eJamin exemplifies how technology can streamline judicial systems and enable efficient case management while driving inclusivity and public trust in legal processes.

KOCEK: From Loose Change to Lifelong Habits

A Gamified Savings Platform Built on Real Coins and Real Lessons

KOCEK began as a nationwide initiative to support Bank Negara Malaysia's coin circulation agenda, enabling Malaysians to convert unused coins into digital value. But in 2024, KOCEK evolved into something much more: the foundation for **KOCEK Pintar** - a gamified savings platform designed to introduce children and youth to money management in a fun, engaging, and age-appropriate way.

Set for execution in 2025, KOCEK Pintar combines real coin collection with interactive features that encourage goal-setting, saving, and financial literacy.It empowers students to learn the value of money early - while supporting parents, schools, and government efforts to foster better financial habits across future generations.This evolution embodies Pertama Digital's mission to turn everyday behaviours into powerful, lifelong habits — and to spark a new culture of savings through simple, tangible action.



MyPay: A Unified Digital Gateway for Government Services

Simplifying Public-Sector Payments and Access

MyPay is a secure and streamlined platform connecting Malaysians to a growing range of government-linked services — offering convenient access to payments, status updates, and official records in one place.

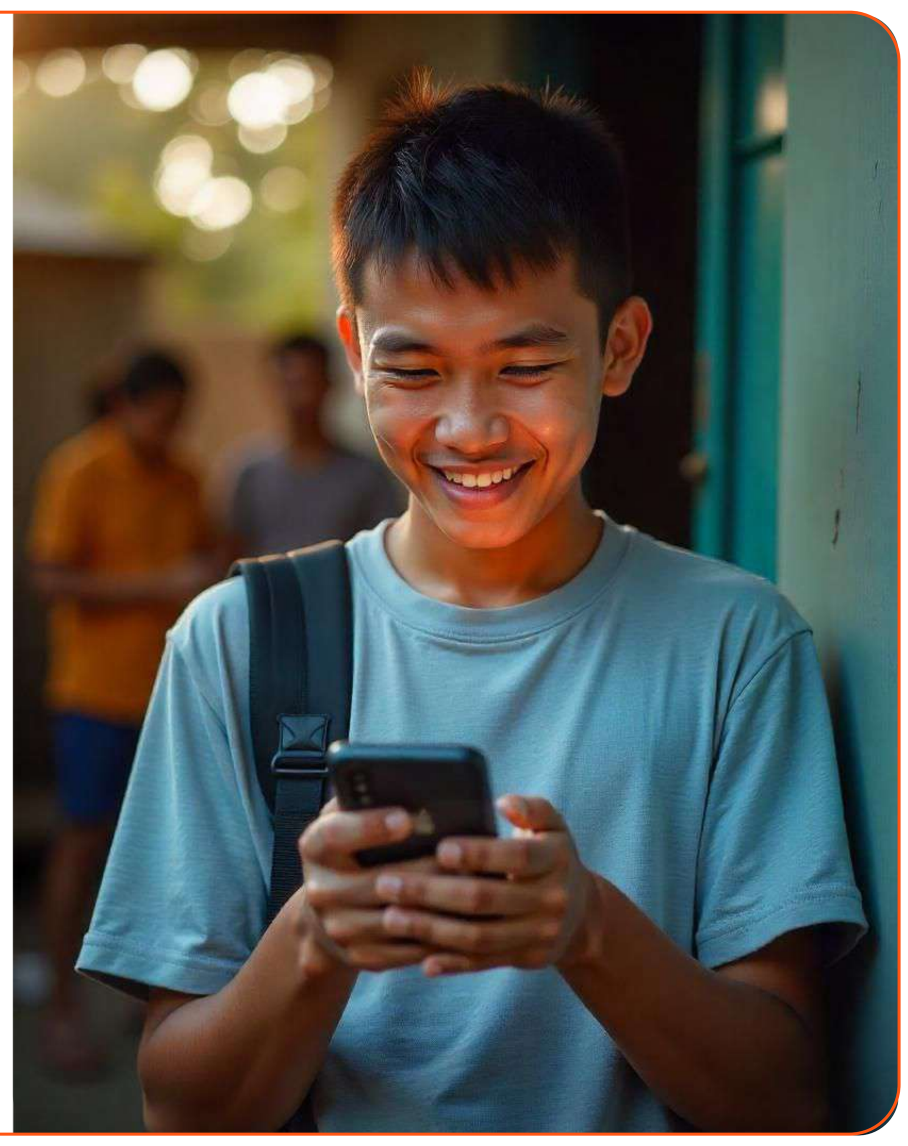
In 2024, MyPay underwent a major revamp focused on improving user experience, expanding payment options, and preparing for the phased rollout of new features. These enhancements - set for launch in 2025 - will elevate MyPay's role as a key digital bridge between the rakyat and government, supporting Malaysia's public-sector digitalisation agenda.

MySMS & MyWhatsApp: Powering Government-to-Citizen Communication

Reliable Messaging Infrastructure for National Reach

As the official gateway for Government SMS service 15888, MySMS remains a critical tool for secure, timely citizen outreach. From disaster alerts to public announcements, MySMS delivers vital communications across all segments of the population — especially in regions with limited digital access.

In a landscape shaped by changing digital habits, MySMS continues to provide a resilient and adaptable communications backbone for Malaysia's public institutions.



Strategic Growth Through Technology

Future-Proofing with Targeted Acquisitions

To further strengthen our platform capabilities, Pertama Digital is pursuing strategic acquisitions in high-impact areas such as DNA analysis, facial recognition, and cybersecurity infrastructure. These technologies will enhance the security, intelligence, and future relevance of our offerings - enabling us to meet the evolving needs of Malaysians and support national resilience in the digital age.

Looking Ahead

Pertama Digital's platforms are built on the belief that innovation must serve people.

In 2024, we focused on doing the work behind the scenes - strengthening systems, deepening partnerships, and preparing each product for greater execution in 2025.

From digital bail to student savings, from micro trader empowerment to centralised government access - our products aim to create meaningful impact across all layers of society.

Strategic Report: Our Infrastructure

From Quiet Progress to Visible Delivery:
Ready for the Next Leap

Scalable, Secure *and Built for the Future*

Strategic Report: Our Infrastructure

Building a Robust Digital Infrastructure for Malaysia

At Pertama Digital Berhad, we are not just building infrastructure

We are laying the foundation for a digital-first Malaysia. Imagine a farmer in rural Sabah, once forced to travel miles to receive government aid, now accessing funds instantly from his mobile phone. Picture a single mother in Kuala Lumpur seamlessly settling her bills in seconds without the burden of long queues. Our mission is to empower millions with fast, secure, and efficient digital ecosystems that revolutionise financial transactions, communications, and government services. With cutting-edge technology and an unwavering commitment to innovation, we are making digital accessibility a reality for all.

Payment Infrastructure: Powering Secure and Seamless Transactions

Every second, our systems process thousands of transactions, ensuring financial interactions are effortless and secure. The days of waiting in line for payments, manually submitting forms, or dealing with tedious bank processes are over. Our infrastructure provides the technology to make digital payments seamless and universally accessible.

Online Banking (FPX) & Card Payment

Integrated with major banks and financial institutions, our platform supports seamless debit/credit card transactions.

Self-Service Terminals (CDMs & ATMs)

Expanding accessibility through automated financial service points.

Payout Solutions

Enhancing fund disbursement for payroll, refunds, incentives, and welfare programmes with:

- **Faster Processing** – Cutting transaction wait times significantly.
- **Global Reach** – Supporting cross-border digital payments.
- **Simplified Financial Workflows** – Streamlining operational efficiency.
- **Enhanced User Experience** – Ensuring frictionless transactions for end-users.

Communication Infrastructure: Enabling Digital Connectivity

Imagine a farmer receiving an SMS confirming his loan approval, or a student in a remote area gaining real-time updates on university applications. We are redefining digital communications by ensuring no message is lost in the digital sphere.

SMS and Messaging Integration
Handling hundreds of thousands of messages monthly for critical public communications.

Mobile Network Operator (MNO) and Mobile Virtual Network Operator (MVNO) Partnerships
Extending network reach nationwide.

Automated Support Platforms
AI-driven chatbots efficiently managing 80-90% of inquiries across digital communication channels.

Security & Compliance: Ensuring Trust and Protection

In an era where data breaches and cyber threats are rampant, security is not just an option - it is a necessity. A business owner processing online payments, a government agency handling citizen data, or an individual transacting on a mobile platform all require confidence that their information is safe.

Vulnerability Assessment & Penetration Testing (VAPT)
Continuous evaluation to safeguard against cyber threats.

End-to-End Encryption
Ensuring secure data transmissions.

Regulatory Compliance
Adherence to global standards, including GDPR, PDPA, and local financial security regulations.

Digital Identity Integration
Enhancing digital identity verification and fraud prevention mechanisms.

eKYC & eKYB Solutions
Secure electronic verification processes for individual and business onboarding.

API-Driven Digital Ecosystem: Innovating for Scalability

Designed for the future, our infrastructure thrives on an API-first approach, enabling limitless integrations and ensuring Malaysia stays ahead in the digital age.

High-Volume API Processing
Handling hundreds of API requests per minute.

Seamless Third-Party Integrations
Connecting banks, enterprises, and fintech providers.

Real-Time Data Exchange
Powering digital transformation for the public and private sectors.

Future-Ready Expansion: Innovating for Tomorrow

We are not just adapting to change - we are driving it. Imagine a future where AI-powered analytics can predict fraud before it happens, or blockchain technology secures every financial transaction.

AI-Driven Automation
Further optimising digital service efficiency.

Blockchain Integration
Exploring secure and transparent transaction solutions.

Public & Private Sector Partnerships
Expanding digital adoption across key economic segments.

By investing in digital resilience, security, and innovation, Pertama Digital is not just shaping the future, we are defining it. Our infrastructure ensures operational excellence while empowering businesses, government agencies, and everyday Malaysians to embrace a fully digitised Malaysia. The journey has only begun, and we invite you to be part of this transformation.

Sustainability Statement

Responsible Growth for a Digital Nation

Sustainability Statement

At Pertama Digital, sustainability is not an afterthought - it is embedded into everything we do. As a digital-first organisation serving both public and private sectors, we understand that our growth must be inclusive, ethical, and resilient.

In 2024, we took our first bold steps into structured ESG reporting. While we are still early in this journey, our commitment is steadfast. We aim to integrate environmental stewardship, social empowerment, and good governance into every product, partnership, and internal policy. With technology as our core enabler, we are building a future where innovation and sustainability coexist - to serve the rakyat, protect our planet, and ensure long-term value for all stakeholders.

As we venture into ESG reporting, we understand the significance of establishing a strong foundation. Our initial focus will be on identifying key areas where we can make meaningful contributions to environmental conservation, social well-being, and governance standards. Through meticulous assessment and engagement with stakeholders, we aim to prioritise initiatives that align with our values and have a tangible impact on both our business and the communities we serve. With a spirit of learning and collaboration, we are committed to evolving our sustainability practices to meet the evolving needs of our stakeholders and create lasting value for generations to come.

Sustainability Report

Scope of the Report

The report covers Pertama Digital Berhad and its subsidiaries ("the Group"), detailing our primary endeavors in delivering mobile telecommunications services and alternative payment solutions services. Revenue generated from other business segments within the Group constitutes a negligible proportion of the total revenue and has minimal influence on the overall performance. Consequently, these segments are excluded from the scope of this report.

The Report is prepared in reference to the principles of:

- Bursa Malaysia Securities Berhad's Sustainability Reporting Guide (2nd Edition);
- Listing Requirements of Bursa Malaysia Securities Berhad [Paragraph (30) of Appendix 9C of the Main Market Listing Requirements (supplemented by Guidance Note 11)]; and
- Sustainability Reporting Standards ("GRI Standards") core option published by Global Reporting Initiative ("GRI").

Key Areas of Sustainability

Governance

Corporate Governance

Sustainability at Pertama Digital is embedded in operations and led by the Board, CEO, and Senior Management. The Board integrates ESG into strategy and decision-making, with the Audit Committee overseeing risk management, sustainability performance, and internal controls.

The Board also oversees stakeholder engagement, materiality assessments, and ESG risks. Senior Management is responsible for implementing sustainability initiatives through the Company's SOPs and policies.

Furthermore, the Board acknowledges the critical importance of risk management and internal controls within the Company's corporate governance framework. It is tasked with establishing a robust risk management framework and internal control system, ensuring their adequacy and effectiveness. Oversight of the adequacy and effectiveness of these systems is delegated to the Audit Committee.

The Audit Committee also plays a vital role in tracking the Company's performance, including its approach to addressing material sustainability risks and opportunities. It oversees processes related to producing financial data, developing investment packages, and ensuring competitive remuneration packages to foster the Group's growth.

The responsibility of promoting and embedding sustainability within the Company falls squarely on the shoulders of the Board. This encompasses overseeing stakeholder engagement, conducting materiality assessments, managing sustainability risks and opportunities, and communicating sustainability strategies and performance to internal and external stakeholders. The Board delegates the management of sustainability initiatives to Senior Management, who ensures sustainability considerations are integrated into the Company's Standard Operating Procedures ("SOPs") and policies.

Ethical Business Practices and Anti-Bribery & Anti-Corruption Policy

The Board recognises the paramount importance of fostering ethical business practices throughout our organisation to maintain the trust of our stakeholders. The Company is committed to upholding the highest standards of integrity in all facets of its operations, as delineated in the Group's Code of Ethics and Conduct.

Demonstrating our firm stance against bribery and corruption, the Group has instituted and embraced an Anti-Bribery & Anti-Corruption Policy. The Company commits to maintain a zero-tolerance stance against all forms of bribery and corruption, conducting our business ethically and in full compliance with relevant laws. This policy extends its applicability to the Board, our esteemed employees, and any affiliated third parties.

The Company demonstrates its commitment to ethical conduct from the outset, ensuring that all employees undergo comprehensive training on the Company's Anti-Bribery & Anti-Corruption Policy, alongside the Code of Ethics and Conducts, on an annual basis. Notably, there were no reported complaints of bribery or corruption throughout the fiscal year ended 2024.

"Agenda 2030," adopted by all 193 United Nations member states in September 2015, presents a comprehensive plan to address the world's most pressing economic, environmental, and social ("EES") challenges over the next 15 years. Comprising 17 goals and 169 targets, this agenda encompasses a wide array of issues ranging from economic inclusion and geopolitical stability to environmental conservation and climate change mitigation. Malaysia has committed itself to the pursuit of "Agenda 2030" through its Sustainable Development Goals ("SDG") Roadmap.

We fully endorse the SDGs and recognize their profound significance, both for our business and for the global community. Consequently, we are steadfast in our determination to contribute to their realisation. The Group aims to form robust initiatives aimed at fostering sustainable and responsible operations, aligning with our enduring commitment to ethical corporate citizenship and sustainability promotion across all facets of our activities. While all SDGs bear relevance to our operations to varying degrees, we prioritise our efforts towards goals where we can maximise our impact and effect meaningful change. Through focused action and strategic alignment with the SDGs, we strive to play our part in advancing sustainable development and creating a better world for all. Our key focus will be on:

A. Ethical Business Practices and Anti-Bribery & Anti-Corruption Policy

A clear way for the Company to achieve the SDGs is by growing its business. The Company aims to ensure the growth does not harm the planet or the people of Malaysia, especially its employees.

The Company aims to create a lively and successful organisation by hiring and supporting talented individuals, providing employees with opportunities to excel, improving our leadership, and promoting a culture of high performance. The Company is committed to providing a safe and fair workplace, offering equal chances for all employees to grow and succeed, regardless of gender, ethnicity, or physical ability. The goal is to build a diverse workforce with thorough training and plans for future leaders, ensuring everyone feels included and driving sustainable growth for the Company.

B. Ethical Business Practices and Anti-Bribery & Anti-Corruption Policy

In the competitive business environment, delivering exceptional customer service is crucial for maintaining a competitive edge. Customer satisfaction plays a pivotal role in determining business success. The Company is dedicated to adopting a customer-centric approach, continuously expanding its offerings to meet evolving customer needs and enhance satisfaction. Furthermore, the Company's business practices adhere to the guidelines outlined in the Malaysian Personal Data Protection Act 2010 ("PDPA"), ensuring responsible handling of personal data in collection, utilisation, and disclosure processes.

C. Minimise Inequality within the Company

Having a diverse Board and Senior Management team offers numerous advantages to a company, including a broader range of perspectives, enhanced decision-making, and increased performance in a dynamic business environment. Gender diversity, in particular, is crucial, as it brings unique viewpoints and skillsets to the forefront.

To promote gender diversity, companies should actively seek out and recruit qualified women candidates for Board and Senior Management roles. This can involve targeted outreach efforts, unbiased recruitment procedures, and mentorship and sponsorship programs aimed at supporting the growth and advancement of female leaders. By cultivating a more diverse and inclusive leadership team, companies can nurture a culture of innovation and drive sustainable business success.

D. Sustainable Consumption and Production

Our Company is committed to responsible consumption and production, exemplified by our unique operational model. Operating on a hybrid basis and utilising shared workspaces, we prioritise efficiency and resource optimisation. With our primary products and services being digital, we significantly reduce our carbon footprint compared to traditional business models. By embracing digital solutions, we minimise waste and environmental impact while maximising accessibility and convenience for our customers. Through these initiatives, we demonstrate our dedication to sustainable practices and contribute to a greener, more environmentally conscious future.

Throughout the fiscal year, the Company's commitment to actively engaging with its stakeholders has remained crucial as part of its sustainability assessment process. By fostering dialogue with the stakeholders, the Company is able to enhance its understanding on material issues and concerns, and to address them effectively. This engagement also enables the Company to capture the significant aspects and impacts of its sustainability journey.

The table below outlines the Company's key stakeholder groups, their areas of interest, and the methods employed by the Board to engage with them:

Stakeholders	Engagement Methods	Engagement Areas
Shareholders	• Annual & Extraordinary General Meetings • Press releases • Bursa announcements • Quarterly report • Annual report • Timely update on corporate website	• Financial and operational performance • Return on investments • Corporate governance
Government	• Compliances to laws and regulations • Operation regulations • Bursa listing requirements • Companies Act • Labour law • Taxations	• Operation regulations • Bursa listing requirements • Companies Act • Labour law • Taxations • Anti-Bribery and Corruption
Board of directors	• Board meetings • Corporate strategy	• Corporate strategy • Corporate governance
Employees	• Technical and skills trainings • Performance appraisal • Team building activities • Remuneration policy • Career development	• Performance appraisal • Team building activities • Remuneration policy • Career development • Performance review
Financial Matters	• Bursa announcements • Quarterly report • Annual report • Timely update on corporate website	• Financial and operational performance • Funding requirement
Customers (Dealers & Subscribers)	• Website • Social media • Company events	• After-sales services • Customer satisfactions • Quality assurance
Analyst/Media	• Annual & Extraordinary General Meetings • Press conferences and media releases • Timely update on corporate website	• Financial and operational performance • General announcements

Sustainability Risks and Responses

The Board acknowledges the critical importance of addressing sustainability risks and opportunities in an integrated and strategic manner to uphold the Company's long-term strategy and success. Proactively considering sustainability issues, the Board oversees the planning, performance, and long-term strategy of the Company to ensure resilience, deliver enduring and sustainable value, and maintain stakeholder confidence.

1. Cybersecurity Threats

Cyber threats such as hacking, malware, phishing, and ransomware pose a significant risk to the Company's Information Technology ("IT") infrastructure, potentially resulting in data breaches, system downtime, and financial losses.

To mitigate these risks, the Company has formulated comprehensive cybersecurity policies and procedures, including password guidelines, incident response protocols, and data backup and recovery plans. The Company regularly conducts security audits to ensure compliance with data protection standards.

2. Competitive Risk

The telecommunications sector, particularly mobile connectivity, is highly competitive. Digital technology adoption is increasing among consumers and businesses, presenting both opportunities and challenges.

To address competitive challenges, we are realigning our focus to become a technology solutions provider. This involves forming strategic partnerships to enhance our digital offerings. Our goal is to leverage advancements in digital technology to drive revenue growth and stay ahead in the industry.

3. Loss or Corruption of Data

IT infrastructure risks, including hardware failures, software bugs, and human errors, pose a threat to data integrity and accessibility. Hardware failures can disrupt data access, while software bugs and human errors may compromise data accuracy and system stability.

To mitigate data loss or corruption risks, the Group implements routine data backup measures, and deploys system monitoring solutions to proactively identify abnormalities and prevent downtime.

4. Unscheduled Downtime

Unscheduled downtime resulting from hardware and software failures can lead to productivity loss, customer dissatisfaction, and revenue setbacks.

To minimise unplanned downtime, the Group implements measures such as routine system monitoring, regular updates to standard operating procedures, and designing an active-active distributed system architecture to enhance system uptime.

5. Staff Engagement

Maintaining staff engagement and supporting employee well-being while managing limited resources poses a challenge.

As such, the Group focuses on cultivating a high-performance culture, fostering workplace wellness, and providing robust training and succession plans to support staff engagement and adapt to evolving needs.

6. Workplace Communication and Health

The expectation for work-life balance and workplace health and safety has increased, particularly after the pandemic.

To address workplace wellness concerns, the Group prioritizes work-life balance initiatives such as hybrid working arrangement which promotes health and safety measures and supports employee well-being initiatives to create a dynamic and supportive workplace environment.

Economic

As the ultimate proprietors of the Company, our shareholders' interests are paramount. Therefore, ensuring a robust and sustainable financial performance and position is a significant sustainability concern for the Company. We are dedicated to achieving economic growth that benefits our shareholders in the long term.

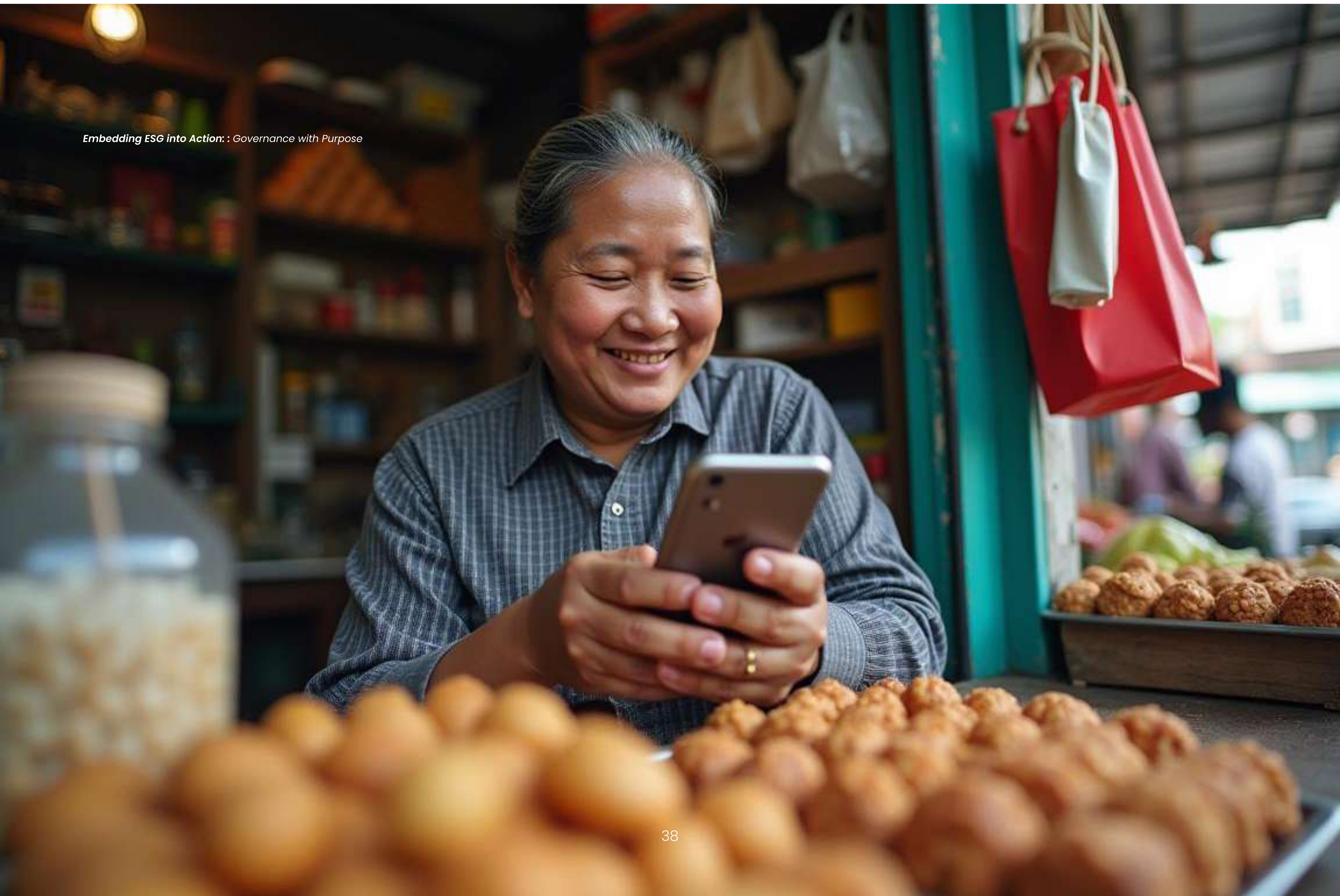
The Company acknowledges the importance of prioritising financial sustainability and views it as a crucial aspect of its operations. Our guiding principle is that long-term profitability and shareholder value are best achieved by considering the interests of all stakeholders, including shareholders, employees, suppliers, and the broader community. By adopting a holistic approach that addresses the needs of all stakeholders, we aim to create sustainable value for our shareholders over time.

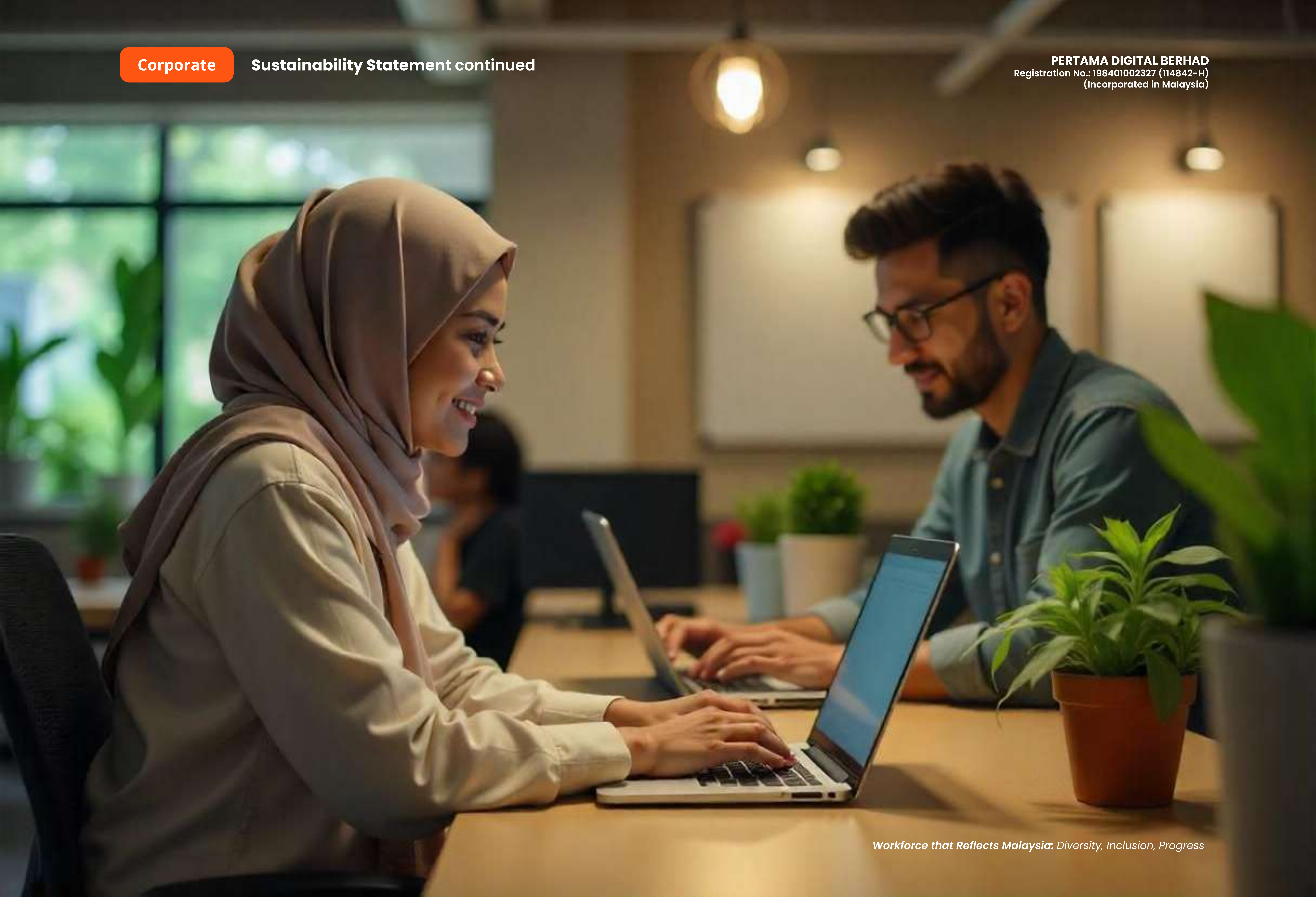
To promote transparency, shareholders have access to timely and high-quality information regarding the company's financial performance and position. In addition to the Annual General Meeting, where shareholders can engage with the Board and Senior Management on business operations and financial matters, the Company's corporate website provides a dedicated investor relations section. Here, matters pertaining to the Company's corporate governance and industrial relation matters such as the Company's policies, annual reports, and other relevant information are regularly updated to ensure shareholders are well-informed.

The Company is deeply committed to ensuring the well-being and satisfaction of both its shareholders and customers. The Company's pledge to serve the Malaysian citizens by providing products and services that helps ease some processes in their lives through innovative technological improvements.

In the dynamic landscape of modern business, providing exceptional customer service is paramount for sustaining competitiveness. Customer satisfaction serves as a cornerstone of success, and the Company is committed to upholding a customer-centric approach in all its endeavors. The Company aims to continuously diversify its range of products and services to meet the evolving needs and expectations of its clientele.

To optimise the customer support process, the Company have implemented streamlined procedures, assigned dedicated support agents to address specific categories of issues. This ensures prompt responses and specialised assistance for various customer concerns. Furthermore, recognising the critical importance of safeguarding customer data, the Company places emphasis to prioritise its cybersecurity measures. The Company aims to invest in comprehensive training programs for its IT professionals, equipping them with the necessary skills to address cybersecurity concerns effectively. This commitment underscores our dedication to protecting customer data and proactively preventing cyber threats.





***Workforce that Reflects Malaysia:** Diversity, Inclusion, Progress*

Environment

Reduced Energy Consumption

In alignment with the Company's commitment to sustainability, the Company operates on a hybrid working arrangement and shares office space with other organisations provided by WORQ. This collaborative environment allows the Company to optimise energy consumption and minimise its environmental impact. By sharing resources with other companies, including energy usage, the Company contributes to lower overall energy consumption levels. As a result, our company continues to prioritise energy efficiency, fostering cleaner and more sustainable growth within our shared workspace environment.

Improved Waste Management

The Company operates primarily in a digital environment, significantly reducing the need for paper consumption. The Company actively promotes electronic methods for document sharing and storage, prioritising digital alternatives over traditional printing or photocopying methods. This digital transition not only enhances efficiency but also significantly minimises paper waste, aligning with its commitment to sustainable consumption and production patterns.

Furthermore, emphasis is placed on digital operations extending to internal processes such as leave applications and access to payslips, eliminating the necessity for physical copies and further reducing paper usage. By embracing a paperless approach in board meetings through the utilisation of tablets and electronic document distribution methods, the Company continues to minimise our environmental footprint while fostering efficiency.

Moreover, the focus on digitalisation translates into less waste generation, as the reduction in paper consumption directly contributes to the Company's sustainability efforts.

Additionally, the Company actively promotes recycling and waste segregation practices within the shared workspace, further reinforcing its commitment to responsible resource management. Through these initiatives, the Company strives to uphold environmental stewardship and contribute positively to the sustainability cause.

Social

Compliance with Standard Labor Practices

Respecting fundamental human rights and ensuring a safe, non-discriminatory workplace is integral to our values. We uphold the freedom of employees to unionise in accordance with local laws and practices, and we are committed to preventing any violations of human rights or unfair treatment.

In addition, our employee benefits exceed minimum statutory requirements and include comprehensive healthcare and insurance coverage, leaves, statutory payments, and career development opportunities. Remuneration packages are determined based on factors such as experience, qualifications, and job grade, ensuring fair and competitive compensation for all employees.

Talent Development

The Company recognises that its employees are its greatest assets and are dedicated to nurturing their growth and development. The Company's holistic approach to talent development includes individualised development plans, career growth opportunities, and the promotion of its organisational culture and values.

In response to the demands of the modern workplace, the Company actively encourages its employees to participate in training programs to enhance their skills and knowledge. The Company's commitment to talent development reflects its belief in continuous learning and growth for all members of the Company.

This is reflected in the training hours put in by our employees in order to develop their skills and knowledge in their respective fields.

In FYE 2024, the total training hours for external and internal training total to 212 hours. This is a significant step moving forward with implementation of ESG practices.

Roles	Total Hours
Management	7
Executive	175
Non-executive/Technical Staff	30
Total	212

Employee training plays a crucial role in ESG initiatives within our Company. By investing in the development of our workforce, we not only enhance their skills and knowledge but also align our practices with sustainable and ethical principles.

From an environmental perspective, training can foster awareness of sustainable practices, such as energy conservation, waste reduction, and eco-friendly operations. Through targeted training programs, employees can learn to minimise their environmental footprint, contributing to the Company's overall sustainability efforts.

On the social front, training promotes inclusivity, diversity, and employee well-being. By providing equal access to training opportunities and addressing unconscious biases, we create a more equitable workplace. Furthermore, training on topics like diversity, harassment prevention, and mental health awareness fosters a supportive and respectful corporate culture.

From a governance standpoint, training ensures compliance with laws, regulations, and ethical standards. By educating employees on corporate governance practices, data privacy, and ethical decision-making, we strengthen our commitment to transparency, integrity, and accountability.

As part of our commitment to ESG, we aim to increase the number of training hours for our employees. By dedicating more resources to training initiatives, we empower our workforce to drive positive change within the Company and contribute meaningfully to our ESG goals. Through continuous learning and development, we strive to build a more sustainable, responsible, and resilient organisation.

Social (cont'd)

Diversity and Inclusion

We are committed to fostering an inclusive and diverse workplace culture, starting from our hiring practices. We recognise that diversity is not only essential for driving innovation and creativity but also reflects our values of equality and respect for all individuals.

In our hiring process, we actively seek candidates from diverse backgrounds, including different age groups, genders, and racial or ethnic identities. We believe that embracing diversity enriches our team's perspectives and enhances our ability to meet the diverse needs of our customers and stakeholders.

When it comes to age diversity, we value the unique experiences and perspectives that individuals from different generations bring to the table. By welcoming employees of all ages, we create a dynamic and inclusive work environment where knowledge-sharing and collaboration thrive.

Gender diversity is another key focus area for us. We strive to achieve gender balance across all levels of our organization, from entry-level positions to leadership roles. By promoting gender equality and providing equal opportunities for advancement, we empower all employees to reach their full potential.

Furthermore, we are committed to racial and ethnic diversity within our workforce. We recognise the importance of representing diverse communities within our organization and ensuring that all employees feel valued and respected regardless of their racial or ethnic background.

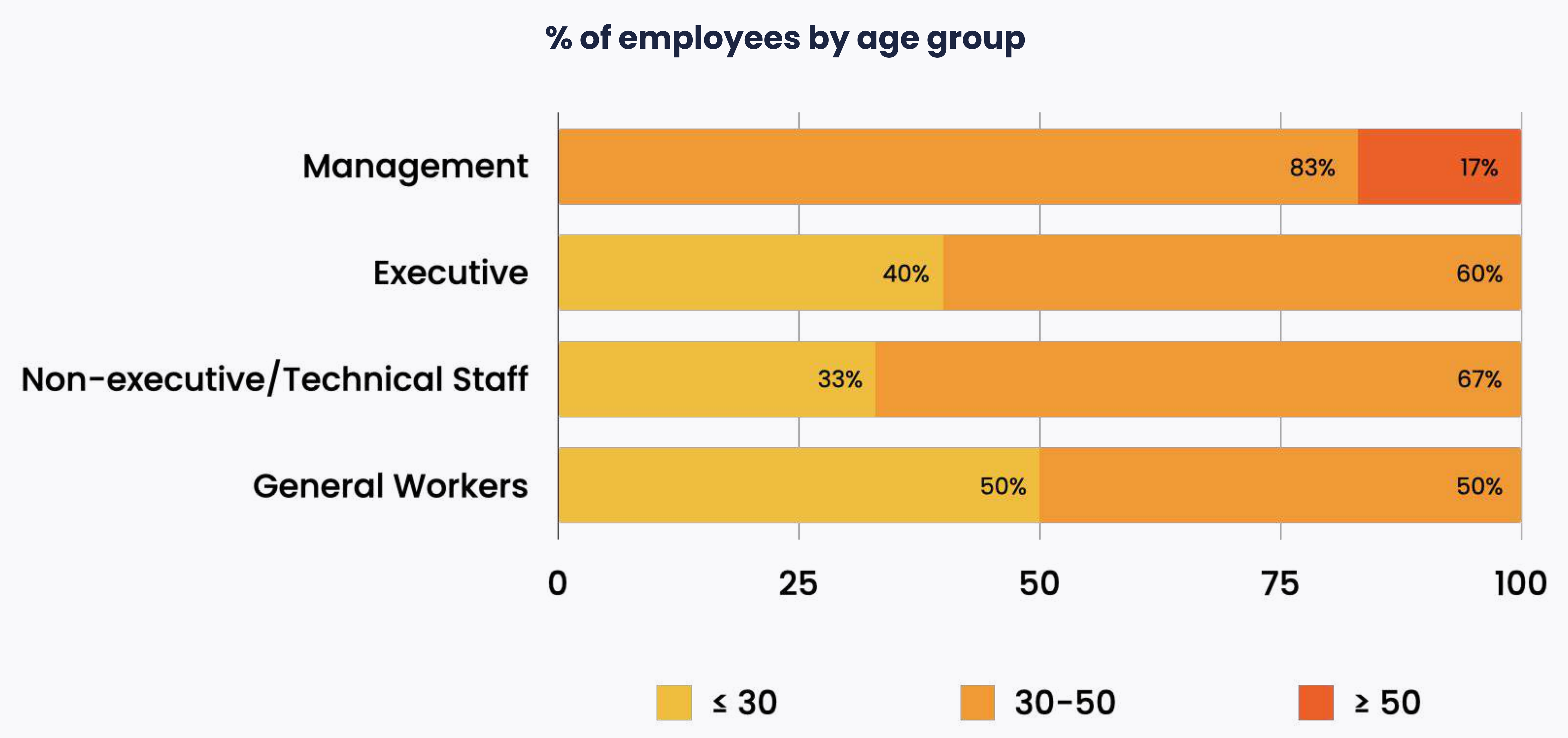
While we have made progress in building an inclusive and diverse workforce, we acknowledge that there is always room for improvement. As part of our ongoing efforts, we are dedicated to further diversifying our team and creating an environment where everyone feels welcome and included. We embrace individuals from all backgrounds and perspectives, and we are committed to fostering a culture of acceptance, respect, and belonging for all.

In FYE 2024, our commitment to diversity and inclusion is evident through the composition of our workforce, as reflected in the table below. We have made significant strides in achieving representation across various demographic groups, including age, gender, and race.

Moving forward, we remain dedicated to further enhancing diversity and inclusion within our organization. As per the Malaysian Code on Corporate Governance ("MCCG") guidelines, we aspire to meet the recommended percentages for diversity in our workforce.

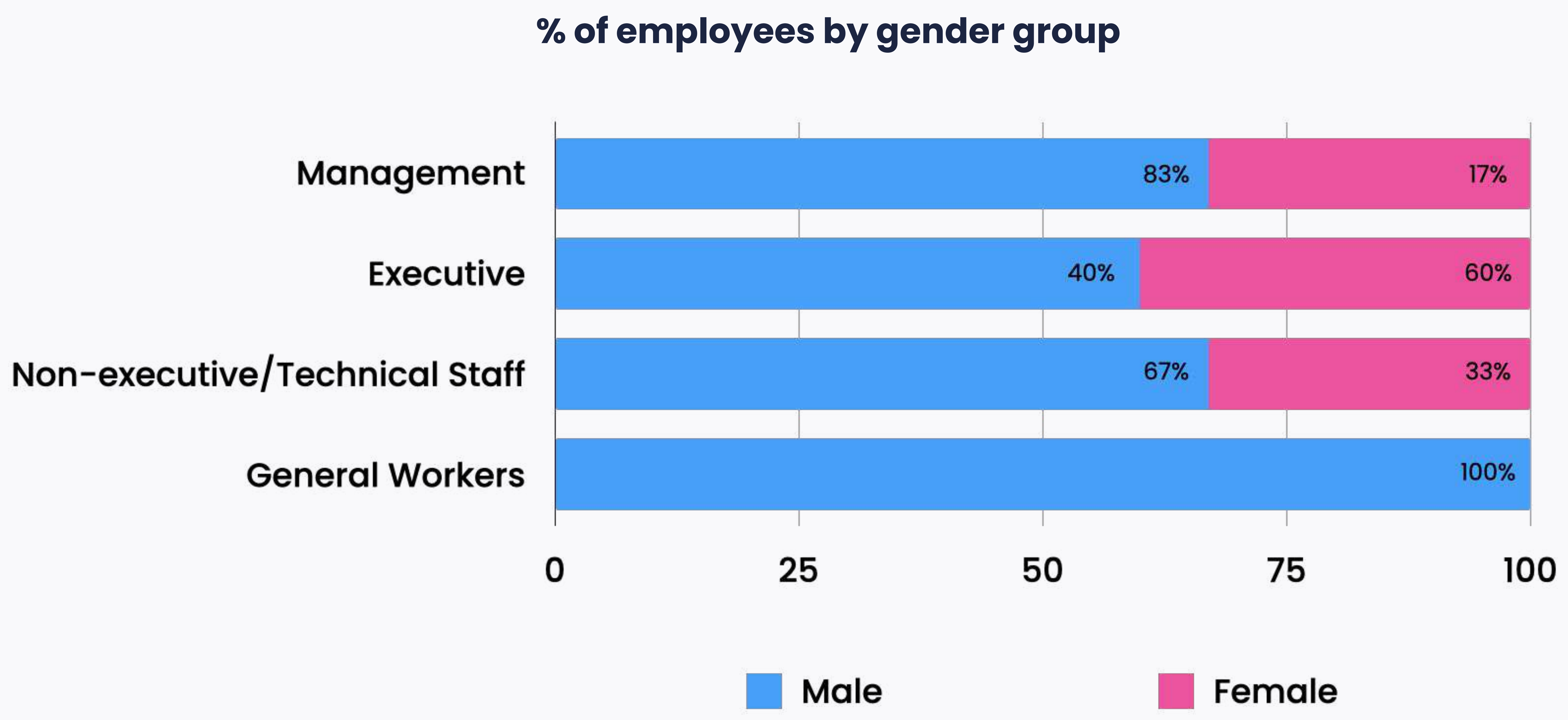
By continually striving to meet these benchmarks, we reaffirm our commitment to fostering an inclusive and equitable workplace where every individual is valued and empowered to succeed.

Age Group by Employee Category

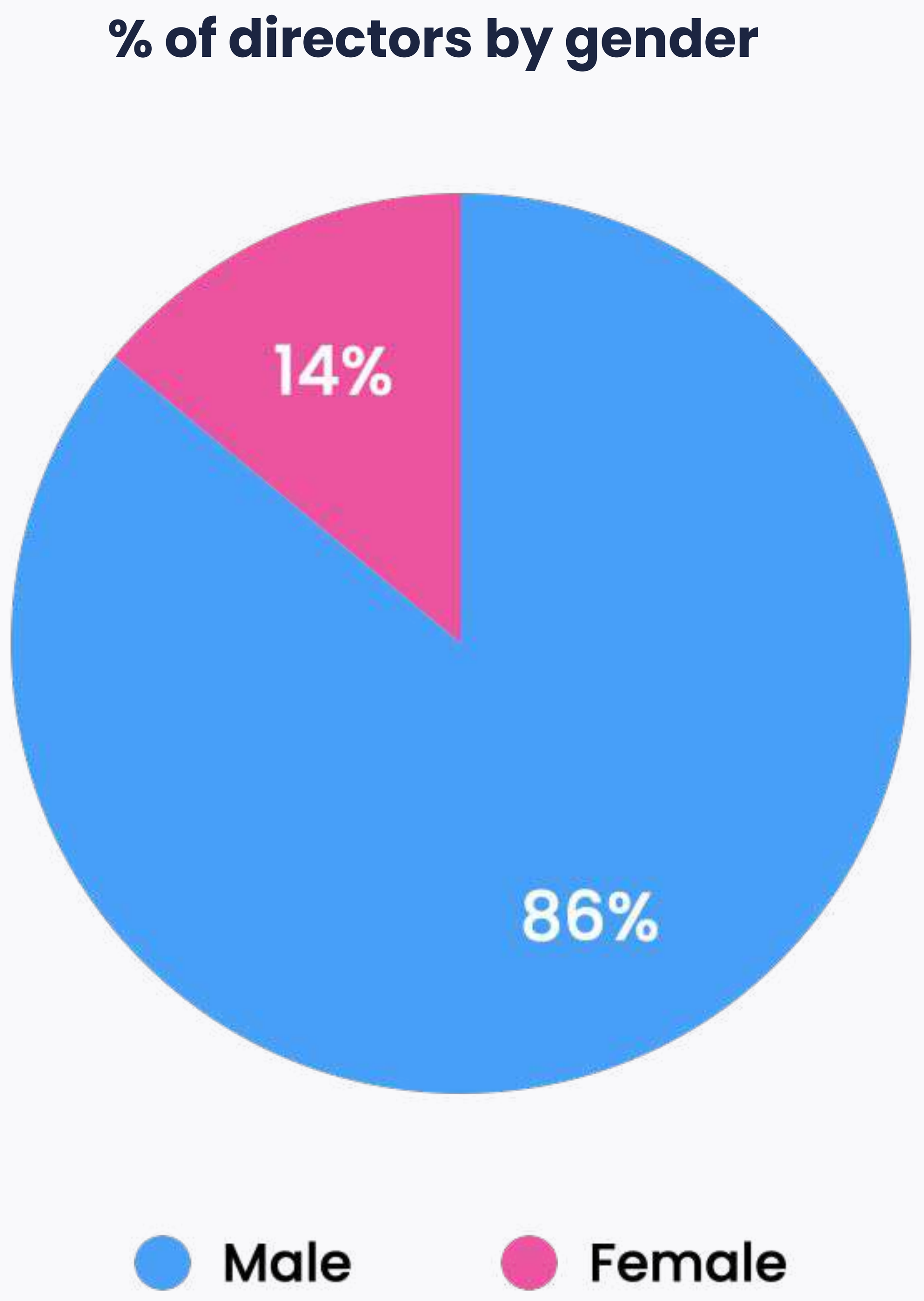


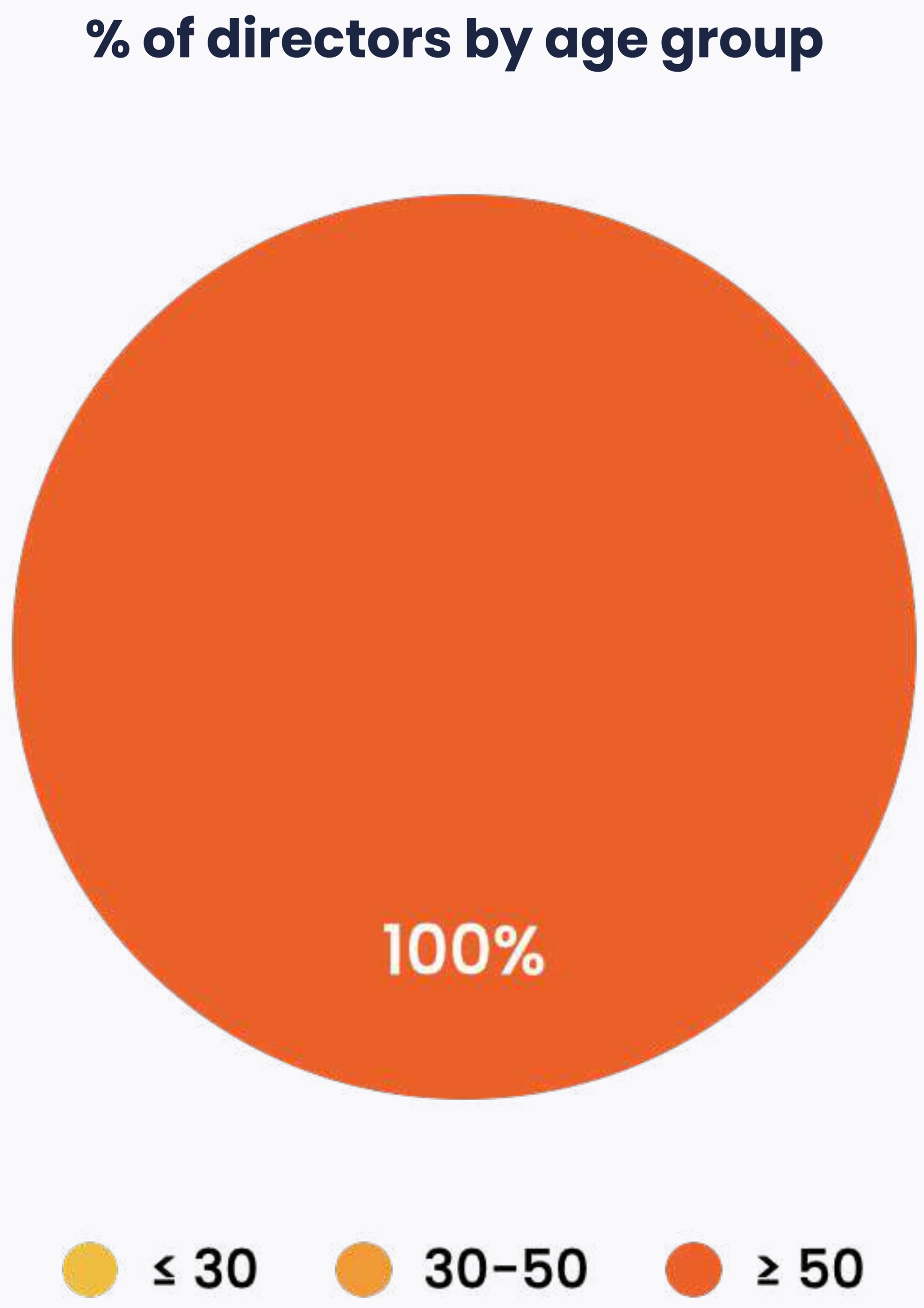
Social (cont'd)

Gender Group by Employee Category



Percentage of Directors by Gender and Age Group





In conclusion, we are laying the groundwork for a digital future that is not only fast and functional - but fair, inclusive, and resilient. From how we design systems to how we treat our people, Pertama Digital is committed to responsible growth.

This is not just about ESG compliance. It is about doing what's right - for the rakyat, for the planet, and for the generations to come.

By integrating sustainability into our business operations, we ensure that our growth is not at the expense of future generations.

Furthermore, our dedication to environmental stewardship underscores our role in mitigating climate change and preserving natural resources for the well-being of our planet.

Additionally, our focus on social responsibility underscores our commitment to creating positive impacts on communities, fostering inclusivity, and upholding ethical standards. Together, these efforts solidify our position as a conscientious corporate citizen, driving meaningful change and contributing to a more sustainable and equitable future for all.

Sustainability Performance Report

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive/Technical Staff	Percentage	100.00
General Workers	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	0.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	83.00
Management Above 50	Percentage	17.00
Executive Under 30	Percentage	40.00
Executive Between 30-50	Percentage	60.00
Executive Above 50	Percentage	0.00
Non-executive/Technical Staff Under 30	Percentage	33.00
Non-executive/Technical Staff Between 30-50	Percentage	67.00
Non-executive/Technical Staff Above 50	Percentage	0.00
General Workers Under 30	Percentage	50.00
General Workers Between 30-50	Percentage	50.00
General Workers Above 50	Percentage	0.00

Sustainability Performance Report (cont'd.)

Indicator	Measurement Unit	2024
Bursa (Diversity) (cont'd.)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category (cont'd.)		
Gender Group by Employee Category		
Management Male	Percentage	67.00
Management Female	Percentage	33.00
Executive Male	Percentage	60.00
Executive Female	Percentage	40.00
Non-executive/Technical Staff Male	Percentage	67.00
Non-executive/Technical Staff Female	Percentage	33.00
General Workers Male	Percentage	100.00
General Workers Female	Percentage	0.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	86.00
Female	Percentage	14.00
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	0.00
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	0

Sustainability Performance Report (cont'd.)

Indicator	Measurement Unit	2024
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	7
Executive	Hours	175
Non-executive/Technical Staff	Hours	30
General Workers	Hours	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	10
Executive	Number	28
Non-executive/Technical Staff	Number	3
General Workers	Number	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water use	Megalitres	0.000000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	0.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	0.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	0.00
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	0.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	0.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.00

Corporate Governance Overview Statement

Our Corporate Values in Practice:
Governance as a Daily Discipline

Corporate Governance Overview Statement

The Board of Directors ("**Board**") recognises the importance of having and continuing to comply with high standards and requirements of good corporate governance practices in the Company and its subsidiaries ("**Group**"). A well-preserved corporate governance environment is instrumental in safeguarding its stakeholders' interests and enhancing its shareholders' value. The Board is aware of and strives to incorporate values of recommended corporate governance practices in the Group.

This Corporate Governance Overview Statement (**"Statement"**) provides an overview of Pertama Digital's application of the principles and practices set out in the following guidelines in relation to corporate governance aspects during the financial year ended 31 December 2024 and up to the date of this Statement:

i) Main Market Listing Requirements ("**MMLR**"), issued by Bursa Malaysia Securities Berhad (**"Bursa Securities"**);
ii) Corporate Governance Guide (Fourth Edition) ("**CG Guide**"), issued by Bursa Securities; and
iii) Malaysian Code on Corporate Governance ("**MCCG**"), issued by Securities Commission Malaysia ("**SC**").

Details on how Pertama Digital has applied each of the practices during the financial year under review are disclosed in the Corporate Governance Report, which is accessible for viewing on the Investor Relation page of Pertama Digital's website at www.pertamadigital.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

(i) BOARD FUNCTIONS AND RESPONSIBILITIES

The principal duties and responsibilities of the Board encompass performing its fiduciary duties of acting in good faith and in the interest of the Group, setting strategic direction for the Group, ensuring effective leadership functions through overseeing the management of the Group and monitoring the activities and performance of the Group. In managing and directing the business and affairs of the Group, the Board must exercise its duty of reasonable care, skill and diligence, and endeavour to exercise its power for a proper purpose, avoid conflict and self-dealing.

The roles and responsibilities of the Board are set out in the Board Charter, which serves as a reference point for the Board activities. The Board Charter provides guidance for the directors and management personnel regarding the responsibilities of the Board, Board Chairman and management, the requirements of directors in carrying out their stewardship role and in discharging their duties towards the Company as well as boardroom activities. This Board Charter is periodically reviewed by the Board to be in line with regulatory changes. The Board Charter is accessible at www.pertamadigital.com.

The Board has also established the following policies, which are accessible at www.pertamadigital.com:

(a) Code of Business Conduct, to maintain a corporate culture which promotes ethical conduct with the objective to enhance the confidence of shareholders, other stakeholders and public towards the Group's commitment of maintaining integrity, objectivity and fairness in conducting business.
(b) Whistleblowing Policy, to provide avenues specifically for the Group employees to raise any concerns relating to possible breach of business conduct, non-compliance with laws and regulatory requirements as well as other malpractices.
(c) Anti-Corruption Policy, to provide guiding principles to the Group employee on the procedures to deal with solicitation, bribery and corruption that could possibly arise on the business dealings and operation activities.

(ii) BOARD COMMITTEES

The Board committees are established to assist the Board in the discharge of its steward role. Currently there are two (2) Board committees being established, namely the Audit Committee ("**AC**") and Nomination and Remuneration Committee ("**NRC**") (collectively referred to as "**Committees**").

The Committees are granted with full authority to examine and investigate any matter within their scope of responsibility that are within the terms of reference of each Committee, and report to the Board with their recommendations. The ultimate responsibility for decision making, however, lies with the Board. The Committees are entitled to engage independent professionals to advise them in the course of discharging their duties whereby the engagement cost is to be borne by the Group.

The functions, roles and responsibilities of the AC are presented in the Audit Committee Report while NRC's roles and responsibilities are detailed in this Statement. Respective terms of references of each Committees are also available at www.pertamadigital.com, which details out the governing terms which regulate the functions and performance of duties of each Committee.

(iii) BOARD INDEPENDENCE

A Board's independence is essential in promoting the Board's effectiveness in discharging its duties, and a clear separation of delegated functions between the Board and Management is essential in enhancing the accountabilities. These promote adequate check and balance mechanisms in assessing and implementing the strategic plans tabled by the Management (which may include the Executive Directors) to the Board.

Throughout the financial year under review, the roles of the Board Chairman and Chief Executive Director (currently held by the newly appointed Chief Executive Officer, Designate) are held by separate individuals, with clear division of responsibilities and authorities. In line with the MCCG recommendations, the Chairman is also a Non-Executive member of the Board and not a member of any of the Committees; this is to ensure checks and balance as well as objectivity of the Committees in discharging their functions.

With the recent appointments, the Management is currently led by the Chief Executive Officer, Designate; who is responsible to the Board in accordance with his respective roles, positions, functions and responsibilities which includes the achievement of the Group's goals and observance of management of authorities delegated by the Board, developing the business plans which are aligned to the Group's requirements for growth, profitability and return of capital, overseeing the cost effectiveness in business operations, overseeing the development of human capital and ensuring the Board members have the information necessary to discharge their fiduciary duties and other governance responsibilities.

The Board is currently composed of four (4) Non-Executive Directors (Independent and Non-Independent), which is more than half of the Board size, who are responsible for providing insights, unbiased and independent views, advice and judgment to the Board. This is an effective Board structure that ensures there are sufficient check and balance mechanisms in place for any decision making and protects the interest of shareholders.

(iv) COMPANY SECRETARY

The Directors have unrestricted access to the Company Secretary to enable them to discharge their duties effectively. The Board is regularly updated and advised by the Company Secretary, who are qualified in accordance with the provisions of the Companies Act 2016 and principally plays the following roles, among others:

(a) maintain the statutory records and registers of the Group.
(b) ensure all Board meetings are properly convened and that accurate and proper records of the proceedings and resolutions passed are recorded.
(c) ensure that any change in the Group's statutory information should be duly completed in the relevant prescribed forms and lodged with the Registrar of Companies within the required period of time.
(d) update the Board on corporate governance requirements and the actual practices that meet the compliance requirements.
(e) advise the Board and Committees on the requirements to issue announcements to Bursa pertaining to any compliance to MMLR, corporate developments and/or transactions that entail such announcements.

(v) BOARD AND COMMITTEES MEETINGS

In order to discharge their responsibilities effectively, the Directors allocated sufficient time to attend Board and Committees meetings, which are the main avenue for the Directors to gather and deliberate on any strategic direction, business plan, financial results, significant transactions and internal control issues relating to the Group and any other matter under their purview.

The meeting schedule of the Board, Committees and Annual General Meeting for each financial year is fixed in advance for the whole year, and the Board and Committees members are provided with the requisite notice, agenda and board papers prior to the convening of each meeting. There were nine (9) Board meetings held during the financial period under review, with the Company Secretary in attendance at every meeting while the Management and appointed auditors attended the Board and Committees meetings upon invitation, as and when necessary. In line with good governance, Pertama Digital leveraged on technology by conducting the meetings on virtual or hybrid basis, enabling the participants to participate off-site for robust discussions.

The summary of attendance of each Director is as follows:

Directors	Number of Meetings Attended
Datuk Ahmad Nazri Bin Abdullah	6/9
Sabri Bin Ab Rahman	8/9
Chan Kah Hong	8/8
Tun Dato' Seri Zaki Bin Tun Azmi	9/9
Yang Teramat Mulia Tunku Syed Razman Bin Tunku Syed Idrus	8/9
Dato' Dr. Suhazimah Binti Dzazali	8/9
Wong Yoke Nyen *(Resigned on 7 March 2025)*	9/9
Mohd Reza Bin Mohd Hatta *(Appointed on 1 February 2024)* *(Resigned on 30 September 2024)*	6/6
Tan Sri Dr. Nik Norzrul Thani Bin Nik Hassan Thani *(Resigned on 27 September 2024)*	6/7
Datuk Wira Shahrul Nazri Bin Abdul Rahim *(Resigned on 27 May 2024)*	4/9
Dato' Faisal Zelman Bin Abdul Malik *(Resigned on 20 January 2025)*	9/9

(vi) DIRECTORS' TRAINING

The Directors are mindful of the requirement to keep themselves abreast of the relevant development on corporate governance, statutory and regulatory requirements and industrial knowledge that relate to the Group. Besides distributing the relevant articles and guidelines on the development and requirements from time to time for the Board's reference, the Company Secretary has also explained to the Board the implications of such development and requirements on the Directors.

During the financial period under review, the Directors have attended the following trainings, briefings, seminar, workshops and conferences conducted by the relevant regulatory authorities and professional bodies:

Directors	Details of Training Attended
Datuk Ahmad Nazri Bin Abdullah	-
Sabri Bin Ab Rahman	-
Chan Kah Hong	-
Tun Dato' Seri Zaki Bin Tun Azmi	-
Yang Teramat Mulia Tunku Syed Razman Bin Tunku Syed Idrus	-
Dato' Dr. Suhazimah Binti Dzazali	-
Wong Yoke Nyen *(Resigned on 7 March 2025)*	-

The Board endeavours to ensure all Directors strive to consistently ensure their participation in such training recommendations in the upcoming financial period.

(vii) BOARD COMPOSITION

The Board presently consists of seven (7) Directors, comprising two (2) Executive Directors, a Non-Independent Non-Executive Directors and four (4) Independent Non-Executive Directors. Such composition complies to the MMLR which stipulates that at least two (2) Directors or 1/3 of the Board (whichever is higher) are independent directors.

The Group is helmed by a Board comprising members of different backgrounds and specialisations, collectively bringing with them a wide range of experience and expertise in areas such as entrepreneurship, finance, taxation, audit, legal, corporate finance, operations as well as corporate governance. The profiles of the Directors are set out in the section of the Board of Directors' profile of this Annual Report.

NRC Functions: The NRC is delegated with the responsibility to assess the adequacy and appropriateness of the Board composition, identify and recommend suitable candidates for the Board membership and also to assess the performance of the Directors, succession plans and Board diversity. The NRC comprises three (3) Independent Non-Executive Directors to ensure unbiased and objective decision-making:

Directors	Membership	Directorship
Dato' Faisal Zelman Bin Abdul Malik	Chairman *(Resigned on 20 January 2025)*	Independent Non-Executive Director
Dato' Dr. Suhazimah Binti Dzazali	Member	Independent Non-Executive Director
Yang Teramat Mulia Tunku Syed Razman Tunku Syed Idrus	Member	Independent Non-Executive Director
Wong Yoke Nyen	Member *(Resigned on 7 May 2025)*	Independent Non-Executive Director
Datuk Wira Shahrul Nazri Bin Abdul Rahim	Member *(Resigned on 27 May 2024)*	Independent Non-Executive Director

Nomination of any new candidate of Director will go through NRC's evaluation, assessment and interview process before the issuance of any recommendation by the NRC to the Board for approval on the appointment of new Director.

The NRC will focus on assessing the candidate(s) suitability from different aspects, including but not limited to professional background, industry exposure and track record on competency. This is in line with the criteria listed out in the Directors' Fit and Proper Policy adopted by the Group, which is accessible at www.pertamadigital.com. After going through all due consideration and deliberations, the NRC will put forth its recommendation to the Board for deliberation and approval.

Summary of NRC Activities: During the financial period under review, the NRC has performed its roles in a summary as follows:

(a) Assessed the proposed appointment of Mr. Lim, Nasrul Halim as Chief Executive Officer, Designate.
(b) Assessed the proposed appointment of Mohd Reza Bin Mohd Hatta as the Executive Director cum Chief Strategy Officer and Acting Chief Executive Officer, as well as Chan Kah Hong as the Executive Director cum Chief Financial Officer.
(c) Reviewed the size, composition, diversity and other qualities of the Board;
(d) Reviewed the annual assessment of the Board's performance and effectiveness.
(e) Reviewed the annual assessment of the Independent Non-Executive Directors' independence.
(f) Reviewed and recommended the Directors' retirement and re-election by rotation for the shareholders' approval, which motion was tabled and passed during the 40th Annual General Meeting on 26th June 2024.

Tenure of Independent Director: Under the amended MMLR issued by Bursa Securities via its 19 January 2022 letter, a twelve (12) years limit is imposed on the tenure of an independent director. Pertama Digital is in compliance with this requirement as at the date of the Annual Report.

Assessment: The NRC has also assessed the independence of all Independent Non-Executive Directors for the financial period under review based on the criteria set in the MMLR and concluded that all Independent Non-Executive Directors have satisfied the independence criteria and each of them is able to provide independent judgement and act in the best interest of Pertama Digital.

Pertama Digital is also adopting the self-evaluation and assessment method, by using a self and peer assessment approach, in evaluating the performance of the Board and Committees. Based on evaluation and assessment results, the NRC is satisfied that the Directors have the relevant set of skills and due care has been exercised by the Board and Committees members in carrying out their fiduciary duties.

Gender Diversity: While Pertama Digital supports the MMLR requirements and MCCG recommendations on gender diversity in the Board and senior management composition, it places emphasis and priority on the suitability, merit and experience of any candidates for directorship and senior management posts. As at the Annual Report date, one (1) woman Director has been appointed into the Board; Pertama Digital is in compliance with the amended MMLR which requires all listed issuers to have at least one (1) woman Director in the Board. This is however currently a departure from the recommended 30% composition under MCCG (i.e. at least three (3) women Directors, based on the current Board size).

(viii) BOARD REMUNERATION

The NRC is also responsible to ensure the remuneration packages for the Directors and Management are fair and adequate based on their performance of the roles and duties assigned. In line with the MCCG practice recommendation, the Board has established a Group Directors' Remuneration Policy as a guideline for the NRC in determining remuneration packages for the Directors, which is accessible at www.pertamadigital.com. Some key elements that need to be taken into consideration before making any remuneration-related decisions includes:

(a) Scope of the Director's responsibilities in accordance with their roles assumed in the Group and the degree of complexity of these duties.
(b) Expertise, professional and industrial background of the Director.
(c) Management experience of the Director and availability of any similar talents as prospective candidates for directorship.
(d) Performance and contribution of the Director towards achievement of the Group; and
(e) Market rates of Director's salary or fees and market practices of other benefits such as payment of allowances, bonuses and benefits-in-kind.

Details of remuneration for each Director are set out in the Corporate Governance Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

(i) AUDIT COMMITTEE

The AC is responsible for assisting the Board to review the adequacy and integrity of the Group's financial reporting, risk management and internal control systems in accordance with the applicable financial reporting standards and other requirements. The AC reviews all financial statements before recommending the Board for approval. The detailed roles, functions and responsibilities of the AC can be found on the Terms of Reference of Audit Committee accessible at www.pertamadigital.com.

Further details of the AC composition and a summary of its activities during the financial period under review is provided under the Audit Committee Report.

(ii) RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges it is crucial for the Group to maintain a sound system of risk management and internal control ("**RMIC**"), which is capable of providing reasonable assurance that the Group's assets and shareholders' investments in the Group are safeguarded. Nonetheless, due its inherent nature, the Group's RMIC system can only provide reasonable but not absolute assurance against material misstatements, fraud or wilful circumvention of rules and procedures.

Pertama Digital sets up an RMIC framework to outline in an orderly manner the identified risk factors and measures to manage these risks. The RMIC framework is a structured and organised approach to identify and manage appropriately risk factors affecting the Group. The Board also works hand-in-hand with the appointed Internal Auditor to monitor and review the existing risk management process in place within the various business operations, with the aim of establishing the risk management functions across the Group. This function also acts as a source to assist the AC and Board to strengthen and improve current management and reporting style in pursuit of best practices. The information on the Group's risk management and internal controls is represented in the Statement on Risk Management and Internal Control in this Annual Report.

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

(i) COMMUNICATION WITH STAKEHOLDERS

The Board recognises the need for transparency and accountability to Pertama Digital's shareholders as well as regular communications with its shareholders, stakeholders and investors on the performance and major developments in the Group. The Group submits and announces its quarterly financial statements in accordance with the MMLR requirements, whereby the Board is assisted by the AC in ensuring quality and timely release of financial statements. The Board is responsible to ensure that the financial statements conform to the applicable rules, regulations and accounting standards.

The Group also ensures its press releases and corporate announcements are made to the shareholders and investors with clear, accurate, sufficient and relevant information. Various channels or platforms are used for this purpose such as the Bursa website, the Group's corporate website, annual reports, and general meetings. The Group has also dedicated an electronic mail address (ir@pertamadigital.com) to which stakeholders can direct their queries or concerns.

The Group has outlined a Shareholders Communication Policy as the guidelines on how it disseminates information to its stakeholders. This policy is accessible at www.pertamadigital.com.

(ii) CONDUCT OF GENERAL MEETINGS

The Annual General Meeting ("**AGM**") is the principal forum for shareholders' dialogue which allows the shareholders to review the Group's performance and ask questions to the Board. As per the MCCG recommendation, the AGM notice is dispatched to the shareholders and published in the major local newspaper at least twenty-eight (28) days before to allow the shareholders ample time to go through the annual report and make the necessary arrangements for voting and attendance.

Pertama Digital's 39th AGM was conducted on a hybrid basis, which allowed all shareholders to directly interact with the present Directors, Management and external auditor, no matter where their locations are. The AGM began by the Chairman informing the shareholders of their rights to a poll voting (which was made available online). Separate resolutions were proposed for separate agendas during the AGM and following the voting, the outcome results were announced and submitted to Bursa Securities on the same day.

A specific question-and-answer session was allocated for any clarifications needed by the shareholders and immediate replies were given by the Directors or Management during the AGM. The shareholders were also given the opportunity to submit any question earlier prior to the AGM. Minutes of the AGM were made available on the Group's corporate website within thirty (30) days after the AGM.

Audit Committee Report

Strengthening Governance, Safeguarding Trust:
A transparent approach to oversight, risk management, and accountability.

Audit Committee Report

(i) COMPOSITION

As at the date of the Annual Report, the Audit Committee ("AC") comprises the following Directors:

Directors	Membership	Directorship
Wong Yoke Nyen *(Resigned on 7 March 2025)*	Chairman	Independent Non-Executive Director
Dato' Dr. Suhazimah Binti Dzazali	Member	Independent Non-Executive Director
Tun Dato' Seri Zaki Bin Tun Azmi	Member	Non-Independent Non-Executive Director

The Chairman of the AC is not the Chairman of the Board, and the AC comprises only Non-Executive Directors, with a majority of Independent Directors. Qualifications and experiences of the AC members are disclosed in the Our Board Profile page of the Annual Report.

The Board and AC recognises the importance in upholding the independence of its external auditors and that no possible conflict of interest should arise. Currently, none of the members of the Board or the AC was former key audit partners of the external auditors appointed by the Group. As recommended by MCCG, the Group will observe a cooling period of at least three (3) years in the event of any potential candidate to be appointed as a member of the AC or a key audit partner of the external auditors of the Group.

(ii) MEETINGS

Five (5) meetings were held during the financial period under review. Summary of attendance of each member is as follows:

Members	Number of Meetings Attended
Wong Yoke Nyen *(Resigned on 7 March 2025)*	5/5
Dato' Dr. Suhazimah Binti Dzazali	5/5
Tun Dato' Seri Zaki Bin Tun Azmi	4/5

The AC meetings are held for the AC members to review and deliberate matters under its purview. The relevant meeting papers are distributed to the members prior to the meeting to enable them to study the items on agenda and provide them the opportunity to seek additional information or clarification from the Management. The Management usually participates in the AC meetings upon invitation of the AC to facilitate the discussion. Representatives of external and internal auditors also attend the scheduled meetings to table their annual audit plan and consider the final audited financial statements, whichever relevant.

(iii) SUMMARY OF WORK FOR THE FINANCIAL YEAR

In line with the AC's Terms of Reference, the following work were carried out by the AC during the financial period under review:

(a) Matters relating to financial reporting

(i) Reviewed the quarterly unaudited financial results of the Group before recommending the same to the Board for approval to release the quarterly financial results to Bursa Securities.

(ii) Reviewed the annual audited financial statements of the Group before recommending the same to the Board for approval to release the annual audited financial statements to Bursa Securities.

(b) Matters relating to external audit

(i) Reviewed the audit plan and scope of work presented by the external auditors for the statutory audit of the Group for the financial period under review.

(ii) Conducted private discussion sessions with the external auditors, without the presence of the Management in order to provide the external auditors with an avenue to candidly express any concerns they may have, including those relating to their ability to perform their work without restraint or interference.

(iii) Reviewed the external audit fees and scope proposals and recommended the same to the Board for approval.

(iv) Reviewed and discussed with the external auditors on the audit reports.

(v) Discussed with the Management on the areas for improvement following the audit findings.

(vi) Reviewed and discussed the performance of the external auditors, before recommending for their services renewal.

(vii) Obtained from the external auditors written representation of their professional independence as auditors.

(c) Matters relating to internal audit

(i) Reviewed the engagement proposal from a new independent professional internal audit services firm, GovernAce Advisory & Solutions Sdn. Bhd. which had provided the internal audit function to the Group for the financial year ended 31 December 2024.

(ii) Reviewed and discussed with the internal auditors on the audit reports.

(iii) Discussed with the Management on the areas for improvement following the audit findings.

(iv) Conducted private discussion sessions with the internal auditors, without the presence of the Management in order to provide the internal auditors with an avenue to candidly express any concerns they may have, including those relating to their ability to perform their work without restraint or interference.

(v) Reviewed and discussed the performance of the internal auditors, before recommending for their services renewal.

(d) Matters relating to risk management and internal control

(i) Reviewed the Statement on Risk Management and Internal Control before recommending the same to the Board for approval.

(e) Matters relating to related party transaction

(i) Reviewed on quarterly basis the summary of related party transactions, trade receivables and ageing analysis of the Group.

(f) Other matters

(i) Reported to the Board on matters discussed and addressed at the AC meetings.

(ii) Prior to approving the appointment of the external auditors to provide non-audit services to the Group, reviewed to ensure that their independence and objectivity as external auditors would not be impaired by the performance of such non-audit services.

(iii) Reviewed and recommended to the Board for approval and inclusion in the Annual Report 2024 the Statement on Risk Management and Internal Control, the Corporate Governance Report and the Corporate Governance Overview Statement.

(iv) Reviewed on an annual basis the Board Charter and Code of Business Conduct.

(iv) SUMMARY OF WORKS OF INTERNAL AUDIT FUNCTION

The Group recognises the importance of an independent review and assessment on the adequacy, integrity and operating effectiveness of the Group's system of governance, risk management and internal control.

The internal auditors are directed to report directly to the AC on any observations and findings of their annual internal audit review on selected operational aspects, which has been agreed upon with the AC and Management.

During the financial period under review, GovernAce Advisory & Solutions Sdn. Bhd. ("GovernAce") was appointed as the outsourced internal auditor, to review the Group's corporate governance practices' compliance with the MCCG. Summary of the works carried out by GovernAce is as follows:

(a) Formulated and agreed with the AC on the annual internal audit plan, strategy and scope of work.
(b) Reviewed the adequacy and effectiveness of internal controls within the Group.
(c) Conducted sessions with the Management or company representative for any clarification on audit aspects.
(d) Reported audit findings and made recommendations for improvement to the Management.
(e) Presented the audit findings and recommendation to the AC.

Statement on Risk Management & Internal Control

Built to Withstand, Designed to Adapt

Statement on Risk Management & Internal Control

1. INTRODUCTION

This Statement on Risk Management and Internal Control ("SORMIC") is prepared in compliance with **Paragraph 15.26(b)** of the **Bursa Malaysia Main Market Listing Requirements (MMLR)** and the **Malaysian Code on Corporate Governance (MCCG) 2021.** The Board of Directors ("the Board") acknowledges its responsibility for ensuring an effective risk management and internal control system that safeguards shareholders' investments, the company's assets, and stakeholders' interests.

This SORMIC follows the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("SRMIC Guidelines") and provides an overview of Pertama Digital Berhad's ("PDB" or "the Group") risk management and internal control framework for the financial year under review.

2. BOARD'S RESPONSIBILITIES

The Board has overall responsibility for maintaining a sound system of risk management and internal control. This responsibility includes:

- **Identifying key risks** affecting the Group's business operations;
- **Reviewing and approving** the risk management framework and internal control processes;
- **Monitoring the adequacy and effectiveness** of implemented controls;
- **Ensuring timely and appropriate actions** are taken by Management in addressing risks and control issues;
- **Promoting a risk-aware culture** throughout the organization.

The Board is assisted by the **Audit Committee (AC)**, the Group's Legal Team and an independent internal auditor in discharging these duties. Regular meetings are held to discuss risk-related matters and assess the internal control framework's effectiveness.

3. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

3.1 Risk Management Process

The Group has a **Risk Management Framework** that sets out policies and procedures to identify, assess, monitor, and mitigate risks. Risk management is embedded into the Group's strategic decision-making process and day-to-day operations.

Key elements of the risk management process include:

- **Risk Identification & Assessment:** Management identifies risks affecting business operations, including financial, operational, compliance, and strategic risks. Risks are categorized into high, medium, and low severity levels based on their potential impact and likelihood.
- **Risk Mitigation Strategies:** Appropriate controls and risk treatment measures are implemented to mitigate identified risks. These include internal policies, operational controls, and training programs.
- **Continuous Monitoring & Reporting:** Regular risk assessment updates are provided to the Board and its committees. Risk incidents and emerging risks are escalated promptly.
- **Annual Risk Review:** The Board reviews the risk management framework annually to ensure its effectiveness and relevance to current business conditions.

3.2 Internal Control System

The Group's internal control system comprises policies, processes, and procedures designed to ensure effective and efficient business operations. Key features include:

a) Governance and Oversight

- **The Audit Committee (AC)** oversees the adequacy and effectiveness of risk management and internal control systems. It meets at least quarterly to discuss financial and operational risks.
- The **Legal Team** and **independent internal auditor** assists in identifying and managing risks within the Group, providing independent oversight of the risk management framework.
- **The Board Committees (AC, Nomination and Remuneration Committee and Sustainability Committee)** ensure structured decision-making processes and accountability in governance matters.

b) Policies and Standard Operating Procedures (SOPs)

- The Group has developed SOPs for **critical operational areas**, including finance, procurement, and compliance, to standardize processes and ensure accountability.
- Policies such as the **Anti-Bribery & Corruption Policy, Whistleblowing Policy, and Code of Business Conduct** reinforce governance and ethical business practices. Employees receive mandatory training on these policies. The policies are made available to the public at https://pertamadigital.com/governance.

c) Internal Audit Function

- The **Internal Audit (IA) function** is outsourced to **GovernAce Advisory & Solutions Sdn. Bhd.**, an independent professional firm engaged by the **Audit Committee** of PDB.
- An **annual internal audit review** was conducted to assess the adequacy and effectiveness of the Group's risk management and internal control system.
- The **Internal Auditor** presents findings and recommendations to the **Audit Committee,** which then monitors the implementation of corrective actions.

The Internal Audit carried out for 2024 covers the overview of internal controls for the Company. The **detailed areas of audit focus** include:

- **Reporting lines and limits of authority**
- **KPI/Performance/Objectives setting**
- **Risk identification, evaluation, treatment, reporting, and monitoring**
- **Standard operating procedures (SOPs) for eJamin, MyPay, and MySMS**
- **Segregation of duties**
- **Data protection and cybersecurity**
- **IT and communication policies**
- **Management and department meetings oversight**

4. INTERNAL AUDIT REVIEW & KEY FINDINGS

GovernAce Advisory & Solutions Sdn. Bhd. conducted the **internal audit fieldwork on 12th December 2024**, with an exit meeting held on 14th February 2025 to communicate audit observations. The overall rating was "**Requires Improvement**", indicating gaps in certain areas. The key findings and recommendations include:

No	Findings	Risk Level	Status & Action Plan
1	**Anti-Bribery & Corruption Policy** not communicated to associates	Medium	Policy to be circulated and included in training programs within 3 months
2	**Risk assessments for MyPay & MySMS** not conducted	Medium	Risk assessments to be completed within 3 months
3	**PayHub balance threshold** differs from SOP	Medium	SOP to be updated for consistency within 1 month
4	**Ticket resolution turnaround time** not met	Low	Reminder to employees & monitoring of ticketing system within 1 month
5	**Approval for Bring Your Own Device (BYOD) not documented**	Medium	Implement formal BYOD registration & approval process within 3 months
6	**Lack of periodic inspections on employees' notebooks**	Medium	IT department to conduct regular inspections within 3 months
7	**Business Continuity Planning (BCP) test not carried out**	Medium	BCP testing to be scheduled in the next quarter

5. LIMITATIONS OF INTERNAL CONTROL SYSTEM

The Board acknowledges that **risk management and internal controls cannot eliminate risks entirely**. The system is designed to manage risks within acceptable levels rather than eliminate all risks. Limitations include:

- **Unforeseen circumstances or external factors beyond control;**
- **Human error and potential non-compliance with policies; and**
- **Collusion, fraud, or management override of controls.**

We also take into consideration those observations and recommendations highlighted by the external auditors and formulated our action plans to mitigate the risks of any non-compliance.

6. CONCLUSION

The risk management and internal control mechanisms delineated above have been operational throughout the financial year under consideration, extending up to the endorsement of this statement for inclusion in the annual report. A letter of assurance has been procured from the Executive Director of Pertama Digital Berhad.

The Board remains committed to upholding robust internal controls, ethical business practices, and risk management processes to safeguard the Group's long-term sustainability.

The Board acknowledges that risk management is a dynamic process within a fluid business environment and is dedicated to ongoing monitoring of adequacy and effectiveness. Additionally, the Board is prepared to enhance the Group's risk management framework and internal control system as needed.

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This statement is made in accordance with a Board resolution dated **24 April 2025**.

Other Disclosure Requirements

The Board confirms that the Group has made significant effort to maintain high standard of corporate governance throughout the year under review. The Board acknowledges that achieving excellence in corporate governance is a continuous process and is committed to play a pro-active role in steering the Group towards the highest level of integrity and ethical standard.

Other Disclosure Requirement

The following is provided in compliance with the MMLR of Bursa Malaysia:-

- **Utilisation of Proceeds**
  There were no proceeds raised from any corporate exercises during the financial year ended 31 December 2024.

- **Share Buyback**
  There was no share buyback exercise undertaken by the Company during the financial year ended 31 December 2024.

- **Audit and Non-Audit Fees**
  The amount of audit fees and non-audit fees paid or payable to the Company's external auditors and their affiliated companies by the Company and the Group in respect of the audit carried out for the financial period ended 31 December 2024 are as follows:-

	Company (RM)	Group (RM)
Audit fees	92,000	206,750
Non-audit fees	4,800	13,200
Total	96,800	219,950

- **Profit Guarantee**
  The Company did not provide any profit guarantee during the financial year ended 31 December 2024.

- **Variation in results**
  The Audited Financial Statements of the Company for the financial year ended 31 December 2024 contained in this Annual Report do not have material variance compared with the Quarterly Results of the Group that was announced to Bursa Malaysia on 28 February 2025.

- **Material Contracts Involving Directors and Substantial Shareholders**
  The Company and its subsidiaries did not entered into any material contracts involving Directors and Substantial Shareholders during the financial year ended 31 December 2024.

- **Recurrent Related Party Transactions**
  The Group did not have any recurrent related party transactions of revenue or trading nature during the financial year under review, which exceeded the materiality threshold stipulated in Rule 10.09 (2)(b) of the MMLR of Bursa Malaysia.

Analysis of Shareholdings

Strengthening Governance Through Shareholder Action

ANALYSIS OF SHAREHOLDINGS

ANALYSIS OF SHAREHOLDINGS

as at 26 March 2025

Issued and Fully Paid-Up Capital	:	RM 50,261,382.14
No. of shares issued and paid-up	:	438,210,812
Class of Equity Securities	:	Ordinary shares
Voting Rights	:	One (1) vote per ordinary share held

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of Holding	%
1 – 99	639	13.37	29,687	0.01
100 – 1,000	841	17.58	390,544	0.09
1,001 – 10,000	1,529	31.97	8,520,326	1.95
10,001 – 100,000	1,401	29.30	52,831,800	12.5
100,001 – 25,534,429 (*)	370	7.74	247,327,609	56.44
25,534,430 and above (**)	2	0.04	129,100,836	29.6
Total	4,782	100	438,210,812	100

Notes * Less than 5% of the issued holdings
** 5% and above of the issued holdings

DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct Interest		Indirect Interest	
	No. of Holding	%	No. of Holding	%
Datuk Ahmad Nazri Bin Abdullah	31,902,600	7.28	9,253,500@	2.11
Sabri Bin Ab. Rahman	10,226,438	2.33	44,000,000#	10.04
Chan Kah Hong	-	-	-	-
Dato' Dr. Suhazimah Binti Dzazali	-	-	-	-
Yang Teramat Mulia Tunku Syed Razman Bin Tunku Syed Idrus	-	-	-	-
Tun Dato' Seri Zaki Bin Tun Azmi	-	-	54,326,600	12.40

DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Name of Substantial Shareholders	Direct Interest		Indirect Interest	
	No. of Holding	%	No. of Holding	%
Perfect Hexagon Commodity & Investment Bank Limited	49,845,400	11.38	-	-
Perfect Hexagon Limited	-	-	99,845,400*	22.78
Sim Tze Shiong	-	-	99,845,400*	22.78
Datuk Ahmad Nazri Bin Abdullah	31,902,600	7.28	9,253,500@	2.11
MyPay Capital Sdn. Bhd.	44,000,000	10.07	-	-
Sabri Bin Ab. Rahman	10,226,438	2.33	44,000,000#	10.04
Tun Dato' Seri Zaki bin Tun Azmi	-	-	54,326,600&	12.40
Datuk Seri Dr Nik Norzrul Thani bin Nik Hassan Thani	50,125,000	11.57	-	-

ANALYSIS OF SHAREHOLDINGS

as at 26 March 2025

THIRTY (30) LARGEST SHAREHOLDERS

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name	No. of Shares Held	%
1.	CITIGROUP NOMINEES (TEMPATAN)SDN BHD Exempt AN for Kenanga Investors Bhd	76,610,836	17.48
2.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. Pledged Securities Account for Perfect Hexagon Commodity & Investment Bank Limited	52,500,000	11.98
3.	MAYBANK NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Ahmad Nazri Bin Abdullah	20,909,600	4.77
4.	AHMAD NAZRI BIN ABDULLAH	10,993,000	2.51
5.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. Perfect Hexagon Commodity & Investment Bank Limited for Sabri Bin Ab Rahman	9,900,000	2.26
6.	NIK SAZLINA BINTI MOHD ZAIN	9,326,600	2.13
7.	AMIR FAZLY BIN AHMAD NAZRI	9,220,500	2.10
8.	RHB NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Koon Poh Tat	8,000,000	1.83
9.	MALACCA SECURITIES SDN BHD IVT(005) Team MK01	7,834,000	1.79
10.	CHE UMAR BIN YATIM	6,900,000	1.57
11.	CARTABAN NOMINEES (TEMPATAN) SDN BHD RHB Trustees Berhad for Kenanga Islamic Absolout Return Fund	5,001,724	1.14
12.	DION TAN YONG CHIEN	4,860,000	1.11
13.	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD Exempt AN for Maybank Securities Pte Ltd	4,479,500	1.02
14.	ARKWOOD TRUSTEE (M) BERHAD	4,000,000	0.91
15.	ARKWOOD TRUSTEE (M) BERHAD	3,010,500	0.69
16.	LOH YU MENG	3,000,000	0.68
17.	CHING HONG TAT	2,788,000	0.64
18.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Yap Chee Kheng (8055840)	2,500,000	0.57
19.	MIDF AMANAH INVESTMENT NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Chew Hian Tat (MGN-CHT0002M)	2,499,500	0.57
20.	AMSEC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Ching Hong Tat	2,497,300	0.57
21.	MUTHUKUMAR A/L AYARPADDE	2,210,000	0.50
22.	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Quek Soon Tiang	1,993,300	0.45
23.	GOH HONG LIM	1,935,000	0.44
24.	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Lai Yee Ling	1,934,500	0.44
25.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Ahmad Faris Bin Abdul Halim (STF)	1,854,500	0.42
26.	PUBLIC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Soon Chok Hoong (E-MLB/PSG)	1,710,000	0.39
27.	CHE GHANI BIN CHE AMBAK	1,698,700	0.39
28.	CARTABAN NOMINEES (ASING) SDN BHD Exempt AN for Interactive Brokers (U.K.) Limited (Client)	1,680,000	0.38
29.	CHEN ZHILUNN	1,600,000	0.37
30.	PUBMIC NOMINEES (TEMPATAN) SDN BHD Pledged Securities Account for Lim Soon Meng (E-BMM/TBM)	1,500,000	0.34
		264,947,460	60.46

* Deemed interested through Perfect Hexagon Commodity & Investment Bank Limited by virtue of Section 8 of the Companies Act 2016.

Deemed interested through MyPay Capital Sdn. Bhd. by virtue of Section 8 of the Companies Act 2016.

& Deemed interested through MyPay Capital Sdn. Bhd. by virtue of Section 8 of the Companies Act 2016 and through spouse's shareholding by virtue of Section 59(1) of the Companies Act 2016.

@ Deemed interested by virtue of his son, pursuant to Section 8 of the Companies Act 2016.

Notice of Annual General Meeting

PERTAMA DIGITAL BERHAD
[Registration No. 198401002327 (114842-H)]
(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN that the Fortieth Annual General Meeting of PERTAMA DIGITAL BERHAD Registration No.: 198401002327 (114842-H) will be conducted on a hybrid basis with the physical venue at Unit 6.06, Tower 2, Menara Suezcap, Jalan Kerinchi, Pantai Dalam, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur and through live streaming and online remote voting using Remote Participation and Voting facilities via https://web.vote2u.my (Domain Registration No. D6A471702) provided by Agmo Digital Solutions Sdn. Bhd. on Tuesday, 24 June 2025 at 10.00 a.m for the following purposes: -

ORDINARY BUSINESS:-

1. To receive the Audited Financial Statements for the year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon. — Please refer to Note 1

2. To approve the payment of Directors' fees and benefits of up to and amount of RM522,000.00 for the period from 25 June 2025 until the next Annual General Meeting of the Company. — *Resolution 1*

3. To re-elect the following Directors, who are retiring in accordance with the Company's Constitution, being eligible, have offered themselves for re-election: -

   i) Yang Teramat Mulia Tunku Syed Razman Bin Tunku Syed Idrus (Article 107(1)(b)) — Resolution 2

   ii) Tun Dato' Seri Zaki Bin Tun Azmi (Article 107(1)(b)) — *Resolution 3*

4. To re-appoint Messrs. Forvis Mazars PLT (formerly known as Mazars PLT) as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. — *Resolution 4*

SPECIAL BUSINESS:-

To consider and, if thought fit, pass with or without modifications, the following Ordinary Resolutions-

5. **ORDINARY RESOLUTION** — *Resolution 5*
   Authority for Directors to allot and issue shares pursuant to Section 75 & 76 of the Companies Act, 2016 and Waiver of Pre-Emptive Rights
   The ordinary resolution set out below shall be proposed to the Members for approval: -

   "**THAT** pursuant to Section 75 & 76 of the Companies Act, 2016 and subject always to the approvals of the relevant authorities, the Directors be and are hereby authorised to allot and issue shares in the Company from time to time at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being **AND THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

   AND FURTHER THAT pursuant to Section 85 of the Companies Act, 2016 read together with Clause 54 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer new shares arising from the issuance and allotment of the new shares pursuant to Sections 75 and 76 of the Companies Act 2016 **AND THAT** the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company."

ANY OTHER BUSINESS: -

6. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

BY ORDER OF THE BOARD

WONG YOUN KIM
SSM PC No.: 201908000410
(MAICSA 7018778)
Company Secretary

Kuala Lumpur
Date: 30 April 2025

Notes:-

1. *This Agenda item is meant for discussion only as the provision of Section 248(2) of the Companies Act, 2016 does not require a formal approval of the shareholders and hence, is not put forward for voting.*

2. *A member of the Company shall not be entitled to appoint more than two (2) proxies to attend, participate, speak and vote at the same meeting and where the member appoints two (2) proxies to attend, participate, speak and vote at the same meeting, such appointment shall be invalid unless the member specifies the proportion of his/her holdings to be represented by each proxy.*

3. *The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or executed must be deposited at the Company's Registered Office at Unit 11.07, Amcorp Tower, Amcorp Trade Centre, 18, Jalan Persiaran Barat, 46050 Petaling Jaya, Selangor not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof.*

4. *Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.*

5. *In respect of deposited securities, only members whose names appear on the Record of Depositors on 17 June 2025 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.*

***Explanatory Notes*:**

Agenda Item 1

Audited Financial Statements for the Financial year ended 31 December 2024

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

Agenda Item 2

Section 230(1) of the Act provides amongst others, that the fees of the Directors and any beneûts payable to the Directors of a listed Company and its subsidiaries shall be approved at a general meeting. In this respect, the Board of Directors ("Board") agreed that shareholders' approval shall be sought at the 40th AGM for payment of Directors' fees and benfitts (meeting allowance).

Ordinary Resolution 1

Payment of Directors' Fees and Benefits of up to an amount of RM522,000.00 for the period from 25 June 2025 until the next AGM of the Company ("Applicable Period")

The Ordinary Resolution 1 is to seek shareholders' approval for the payment of the Directors' fees and benefits of up to an amount of up to RM522,000.00 ("2025 Mandate Limit") for the period from 25 June 2025 until the next AGM of the Company. The proposed payment of Directors' fees and benefits, if approved by the shareholders, will empower the Board to pay the Directors' fees and benefits to the Non-Executive Directors of the Company on a monthly basis and/or as and when incurred for services rendered by the Non-Executive Directors throughout the Applicable Period.

The Board will seek shareholders' approval at the next AGM in the event the 2025 Mandate Limit is insufficient to pay the Non-Executive Directors for their services for the Applicable Period.

Agenda Item 3

Ordinary Resolutions 2 to 3 Re-election of Directors

The Nomination and Remuneration Committee ("NRC"), guided by the requirements of Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, had recommended the re-election of the following Directors pursuant to Article 107(1)(b) of the Constitution of the Company ("Retiring Directors"):-

a) Yang Teramat Mulia Tunku Syed Razman Bin Tunku Syed Idrus (Article 107(1)(b)); and
b) Tun Dato' Seri Zaki Bin Tun Azmi (Article 107(1)(b))

The Board has conducted a separate assessment and being satisûed with the performance/contribution of the Retiring Directors.

Each of the Directors who are standing for re-election had provided his declaration on his or her ûtness and propriety to continue acting as Director of the Company pursuant to the Directors' Fit and Proper Policy of the Company.

The Board recommended the same be tabled to the shareholders for approval at the forthcoming 40th AGM of the Company under Ordinary Resolutions 2 to 3 respectively. The evaluation criteria adopted as well as the process of assessment by the Board have been duly elaborated in the Corporate Governance Overview Statement of the Annual Report 2024 of the Company. All the Retiring Directors have consented to their re-election and abstained from deliberations and voting in relation to their individual re-election at the NRC and Board Meetings, respectively.

Agenda Item 5

Ordinary Resolution 5

Authority to Allot and Issue Shares pursuant to the Act and Waiver of Pre-Emptive Rights

The Company had been granted a general mandate by its shareholders at the 39th AGM of the Company held on 27 June 2024 ("Previous Mandate").

As at the date of this Notice of 39th AGM, the Company did not implement any proposal for new allotment of shares under the Previous Mandate. Therefore, no proceeds have been raised under the Previous Mandate.

The Company wishes to obtain the mandate on the authority to issue shares pursuant to the Act at the forthcoming 40th AGM (hereinafter referred to as the ("General Mandate").

Pursuant to Section 85 of the Companies Act 2016 be read together with Article 56 of the Company's Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company or other convertible securities.

The General Mandate, if approved, will empower the Directors of the Company pursuant to the Act, from the date of the 39th AGM of the Company, to issue and allot shares in the Company 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 ten percent (10%) of the total number of issued shares of the Company for the time being. The general mandate, unless revoked or varied at general meeting, will expire at the next AGM of the Company.

The General Mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to placement of shares for the purpose of funding future investment(s), project(s), working capital and/or acquisition(s).

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. ***Details of individuals who are standing for election as Directors***
   There is no individual standing for election as Director at the 40th AGM of the Company.

2. ***Statement relating to General Mandate for Issue of Securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad***

   Details on the authority to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in the Explanatory Notes of the Notice of the 40th AGM.

3. The details of the Fortieth Annual General Meeting are as follows:

Date of Meeting	Time of Meeting	Place of Meeting
Tuesday, 24/06/2025	10.00 a.m.	Unit 6.06, Tower 2, Menara Suezcap, Jalan Kerinchi, Pantai Dalam, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur and through live streaming and online remote voting using Remote Participation and Voting facilities via https://web.vote2u.my (Domain Registration No. D6A471702) provided by Agmo Digital Solutions Sdn. Bhd

Personal Data Privacy

By submitting form(s) of proxy appointing proxy(ies) or corporate representative(s) or attorney(s) to attend, participate (including to pose questions to the Board of the Company) and vote at the 40th AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies or representatives appointed for the 39th AGM and the preparation and compilation of the attendance lists, minutes and other documents relating to the 40th AGM, and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) or corporate representative(s) or attorney(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) or corporate representative(s) or attorney(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) or corporate representative(s) or attorney(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PERTAMA DIGITAL BERHAD
Company No.: 198401002327 (114842-H)
(Incorporated in Malaysia)

FORM OF PROXY

*I/We, ______________________________
(FULL NAME IN BLOCK LETTERS)

of ______________________________
(ADDRESS)

being a member(s) of PERTAMA DIGITAL BERHAD, hereby appoint ______________________________
(FULL NAME)

of ______________________________
(ADDRESS)

or failing him/her, ______________________________
(FULL NAME)

of ______________________________
(ADDRESS)

or failing him/her, the Chairman of the Meeting as *my/our proxy(ies) to vote for *me/us on *my/our behalf at the Fortieth Annual General Meeting of the Company to be conducted on a hybrid basis with the physical venue at Unit 6.06, Tower 2, Menara Suezcap, Jalan Kerinchi, Pantai Dalam, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur and through live streaming and online remote voting using Remote Participation and Voting facilities via https://web.vote2u.my (Domain Registration No. D6A471702) provided by Agmo Digital Solutions Sdn. Bhd. on Tuesday, 24th of June 2025 at 10.00 a.m. or at any adjournment thereof and to vote as indicated below:

*(*Strike out whichever is not desired)*

(Should you desire to direct your Proxy as to how to vote on the Resolution set out in the Notice of Meeting, please indicate an "X" in the appropriate space. Unless otherwise instructed, the proxy may vote or abstain from voting at his discretion.)

Resolutions		**FOR**	**AGAINST**
ORDINARY BUSINESS			
1.	To approve the payment of Directors' fees and benefits of up to and amount of RM522,000.00 for the period from 25 June 2025 until the next Annual General Meeting of the Company.		
2.	Re-election of Director – Yang Teramat Mulia Tunku Syed Razman Bin Tunku Syed Idrus		
3.	Re-election of Director – Tun Dato' Seri Zaki Bin Tun Azmi		
4.	To re-appoint Messrs. Forvis Mazars PLT (formerly known as Mazars PLT) as the Auditors of the Company and to authorise the Board of Directors to fix their remuneration.		
SPECIAL BUSINESS			
5.	Authority to Issue Shares Pursuant to Section 75 & 76 of the Companies Act, 2016 and Waiver of Pre-Emptive Rights		

Dated this ______________ day of ______________ 2025

No of Ordinary Shares Held:	
CDS Account No.:	
Tel No. (during office hours):	

____
Signature/Common Seal of Shareholder
[* Delete if not applicable]

For appointment of two proxies, percentage of shareholding to be represented by the proxies:-

	No. of Shares	**Percentage**
Proxy 1		%
Proxy 2		%
Total		100%

Notes:-

1. *A member of the Company shall not be entitled to appoint more than two (2) proxies to attend, participate, speak and vote at the same meeting and where the member appoints two (2) proxies to attend, participate, speak and vote at the same meeting, such appointment shall be invalid unless the member specifies the proportion of his/her holdings to be represented by each proxy.*

2. *The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or executed must be deposited at the Company's Registered Office at Unit 11.07, Amcorp Tower, Amcorp Trade Centre, 18, Jalan Persiaran Barat, 46050 Petaling Jaya, Selangor not less than 24 hours before the time appointed for holding the meeting or any adjournment thereof.*

3. *Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.*

4. *In respect of deposited securities, only members whose names appear on the Record of Depositors on 17 June 2025 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.*

5. *A member of the Company shall not be entitled to appoint more than two (2) proxies to attend, participate, speak and vote at the same meeting and where the member appoints two (2) proxies to attend, participate, speak and vote at the same meeting, such appointment shall be invalid unless the member specifies the proportion of his/her holdings to be represented by each proxy.*

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PERTAMA DIGITAL BERHAD
[Registration No. 198401002327 (114842-H)]
UNIT 11.07, AMCORP TOWER
AMCORP TRADE CENTR
18, JALAN PERSIARAN BARAT
46050 PETALING JAYA, SELANGOR

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Group Financial Highlights

Charting a Steady Path Through Transition

Reports and Financial Statements for the Financial Year Ended 31 December 2024

PERTAMA DIGITAL BERHAD
(Incorporated in Malaysia)

CORPORATE INFORMATION

Domicile	:	Malaysia
Legal Form and Place of Incorporation	:	Public company limited by way of shares incorporated in Malaysia
Registered Office	:	Unit 11.07, Amcorp Tower Amcorp Trade Centre 18, Persiaran Barat 46050 Petaling Jaya Selangor
Principal Place of Business	:	Unit E-06-06 & E-06-07, Level 6, Tower 2, Menara Suezcap, KL Gateway, No. 2, Jalan Kerinchi, Gerbang Kerinchi Lestari, 59200 Kuala Lumpur Wilayah Persekutuan

Directors' Report for the Financial Year Ended 31 December 2024

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are disclosed in note 7 to the financial statements.

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

RESULTS

	Group	Company
	RM'000	RM'000
(Loss)/Profit for the financial year:	(1,197)	88
	=========	=========
(Loss)/Profit for the financial year attributable to:		
Owners of the Company	(528)	88
Non-controlling interests	(669)	-
	------------	------------
	(1,197)	88
	=========	=========

DIVIDEND

No dividend was paid or declared by the Company since the end of the previous financial period.

ISSUE OF SHARES AND DEBENTURES

There were no issuance of shares or debentures during the financial year.

SHARE OPTIONS

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

RESERVES AND PROVISIONS

All material transfers, if any, to or from reserves and provisions during the financial year are disclosed in the financial statements.

SUBSIDIARIES

Details of the subsidiaries are set out in note 7 to the financial statements.

There is no qualified auditors' report on the financial statements of any subsidiary for the financial year in which this report is made.

At the end of the financial year, none of the subsidiaries held any shares in the Company.

DIRECTORS

The directors in office during the period commencing from the beginning of the financial year to the date of this report are:

Tun Dato' Seri Zaki Bin Tun Azmi	
Sabri Bin Ab. Rahman	
Dato' Dr Suhazimah Binti Dzazali	
YTM Tunku Syed Razman Bin Tunku Syed Idrus	
Datuk Ahmad Nazri Bin Abdullah	
Chan Kah Hong	(Appointed on 1 February 2024)
Mohd Reza Bin Mohd Hatta	(Appointed on 1 February 2024 and resigned on 30 September 2024)
Dato' Faisal Zelman Bin Abdul Malik	(Resigned on 20 January 2025)
Datuk Wira Shahrul Nazri Bin Abdul Rahim	(Resigned on 27 May 2024)
Tan Sri Dr Nik Norzrul Thani Bin Nik Hassan Thani	(Resigned on 27 September 2024)
Wong Yoke Nyen	(Resigned on 7 March 2025)

LIST OF DIRECTORS OF SUBSIDIARIES

The directors in office of the subsidiaries during the period commencing from the beginning of the financial year to the date of this report are:

Datuk Ng Bee Ken	
Khairul Amanda Binti Sabri	
Tun Dato' Seri Zaki Bin Tun Azmi	
Sabri Bin Ab. Rahman	
Chan Kah Hong	
Mohd Reza Bin Mohd Hatta	
Ahmad Jefri Bin Abdul Rashid	(Resigned on 31 January 2024)

DIRECTORS' INTERESTS IN SHARES

The following directors, who held office at the end of the financial year, had interests in shares as follows:

	At 1.1.2024	Acquisition	Disposal	At 31.12.2024
The Company				
Sabri Bin Ab. Rahman				
- *direct interest*	10,226,438	1,000,000	(1,000,000)	10,226,438
- *indirect interest* #1	44,000,000	-	-	44,000,000
Tun Dato' Seri Zaki Bin Tun Azmi				
- *indirect interest* #	9,847,000	550,000	(70,400)	10,326,600
- *indirect interest* #1	44,000,000	-	-	44,000,000
Datuk Ahmad Nazri Bin Abdullah				
- *direct interest*	21,909,600	10,993,000	(1,000,000)	31,902,600
- *indirect interest* #2	9,253,500	-	-	9,253,500

\# *Deemed interest by virtue of his spouse's shareholdings in the Company*
#1 *Deemed interest by virtue of their shareholdings in Mypay Capital Sdn. Bhd.*
#2 *Deemed interest by virtue of his son's shareholdings in the Company*

By virtue of their interests in shares in the Company, Sabri Bin Ab. Rahman, Tun Dato' Seri Zaki Bin Tun Azmi and Datuk Ahmad Nazri Bin Abdullah are deemed to have interests in shares of all the subsidiaries to the extent that the Company has an interest.

Other than as disclosed above, none of the other directors in office at the end of the financial year held any interests in shares in the Company during the financial year.

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no director of the Company has received nor become entitled to receive any benefits, other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors shown in the notes to the financial statements or the fixed salary of full-time employee of the Company, by reason of a contract made by the Company or a related corporation with any 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.

Remuneration of the directors of the Company during the financial year are as follows:

	Group RM'000	Company RM'000
Other emoluments (salaries, allowances, bonuses and benefit-in-kind)	847	350
Defined contribution benefits	91	38
	--------	--------
	938	388
	======	======

INDEMNITY AND INSURANCE COST

Effective from 1 February 2024 to 13 February 2025, the total amount of insurance coverage for the directors of the Company is RM5,000,000. The directors of the Company are covered under QBE Insurance (Malaysia) Berhad, and such insurance premium paid for the directors of the Company amounting to RM18,000. There was no indemnity paid during the year.

OTHER INFORMATION

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

(i) to ascertain that appropriate 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 there were no known bad debts to be written off and that adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business including the values 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:

(i) which would render it necessary to write off any debt of the Group or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

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

(iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

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

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

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

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

In the opinion of the directors:

(i) except for the impairment loss on development costs recognised in the current financial year as disclosed in note 6 to financial statements, the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material or unusual nature; and

(ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

EVENT OCCURRED SINCE PREVIOUS FINANCIAL YEAR

Event occurred since the previous financial year is disclosed in note 26 to the financial statements.

EVENT OCCURRED AFTER THE FINANCIAL YEAR

Event occurred after the financial year is disclosed in note 27 to the financial statements.

AUDITORS

To the extent permitted by laws, the Company has agreed to indemnify its auditors, as part of the terms of its audit engagement, against claims arising from the audit. No payment has been made to indemnify the auditors for the current financial year.

The total amount paid to or receivable by the auditors of the Group and of the Company as remuneration for their services as auditors for the current financial year are as follows:

	Group RM'000	Company RM'000
Statutory audit:		
- Auditors of the Company	207	92
Other assurance engagements:		
- Auditors of the Company	10	10
Non-assurance engagements:		
- Auditors of the Company	5	-
	222	102

The auditors, Forvis Mazars PLT (formerly known as Mazars PLT), Chartered Accountants, have expressed their willingness to accept re-appointment.

APPROVAL OF THE DIRECTORS' REPORT

This report is approved by the board of directors, and signed on behalf of the board of directors in accordance with a directors' resolution.

SABRI BIN AB. RAHMAN
Director

TUN DATO' SERI ZAKI BIN TUN AZMI
Director

PERTAMA DIGITAL BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
Pursuant to Section 251(2) of the Companies Act 2016

We, Sabri bin Ab. Rahman and Tun Dato' Seri Zaki Bin Tun Azmi, being two of the directors of Pertama Digital Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the board of directors in accordance with a directors' resolution.

SABRI BIN AB. RAHMAN
Director

TUN DATO' SERI ZAKI BIN TUN AZMI
Director

PERTAMA DIGITAL BERHAD
(Incorporated in Malaysia)

STATUTORY DECLARATION
Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Sabri bin Ab. Rahman (NRIC No. 590730-03-5567), being the director primarily responsible for the financial management of Pertama Digital Berhad, do solemnly and sincerely declare that, to the best of my knowledge and belief, the accompanying financial statements are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared
by the abovenamed
Sabri bin Ab. Rahman
at Kuala Lumpur
in the Federal Territory
this

SABRI BIN AB. RAHMAN

Before me:
SOLLEHAN SHAFURA BINTI
ZAINUDDIN
Commissioner for Oath

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
PERTAMA DIGITAL BERHAD
Registration No.: 198401002327 (114842-H)
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Pertama Digital Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of total comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 84 to 125.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Independent Auditors' Report
Pertama Digital Berhad
Registration No.: 198401002327 (114842-H)

Group

Measurement of Intangible Assets

Refer to "Intangible Assets" and "Significant Accounting Judgements and Estimates" in notes 6 and 4(iii and iv) to the financial statements respectively.

The risk

The Group is involved in the development of new mobile and digital solutions or the improvement of existing mobile and digital solutions. As at 31 December 2024, the carrying amount of development costs amounted to RM9,154,000. These include both capitalised development costs available for use and development costs work-in-progress as at the financial year end.

The capitalised development costs available for use are amortised on a straight-line method over its useful life and reviewed annually by the management for indicators of impairment. The development costs work-in-progress are subject to impairment assessment, irrespective of whether there is any indication of impairment. In determining the recoverable amount of the cash-generating unit, management estimates the value in use of the assets. Management assessed the value in use based on approved cash flow projections and business plans and applied a suitable discount rate to calculate the net present value of those estimated cash flows.

As a result, in the current financial year, the Company recognised an impairment loss of RM205,000 in profit or loss due to lower assessed recoverable amount of the development cost as compared to its carrying amount at the end of reporting period.

This is considered a key audit matter, due to the significance of the carrying amount of development costs at the end of financial year and use of significant management's estimates and judgements required for the preparation of underlying key assumptions in the impairment assessment.

Our response

In addressing the risk, we performed, amongst others, the following procedures:

- Reviewed management's basis and assumptions in the determination of useful lives to amortise capitalised development costs available for use.
- Updated our understanding on management's internal process for amortisation and impairment assessment and reviewed the design and implementation of key controls implemented by management.
- Obtained value-in-use calculations prepared by management for the development costs available for use and tested the reasonableness of key assumptions used in the calculations, including reviewing the appropriateness of the input data in deriving the discount rate with the involvement of our internal valuation experts.
- Performed sensitivity analysis to test the reasonable possible changes to the key assumptions in the cash flow projections.

Company

There is no key audit matter identified in the context of our audit of the financial statements of the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

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

Independent Auditors' Report
Pertama Digital Berhad
Registration No.: 198401002327 (114842-H)

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 MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the 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 not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditors' Report
Pertama Digital Berhad
Registration No.: 198401002327 (114842-H)

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

Forvis Mazars PLT
(formerly known as Mazars PLT)
201706000496 (LLP0010622-LCA)
AF 001954
Chartered Accountants

Rajvinderjit Singh A/L Savinder Singh
03400/11/2026 J
Chartered Accountant

Kuala Lumpur

ID_6265

PERTAMA DIGITAL BERHAD
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	5	115	199	3	4
Intangible assets	6	9,154	8,274	-	-
Investments in subsidiaries	7	-	-	3,000	3,000
Other receivables	10	-	-	20,304	11,340
		9,269	8,473	23,307	14,344
CURRENT ASSETS					
Trade receivables	8	267	209	-	-
Contract assets	9	-	41	-	-
Other receivables, deposits and prepayments	10	8,990	10,085	4,649	5,423
Current tax asset		26	22	-	-
Islamic trustee funds	11	130,840	102,709	-	-
Fixed deposits with licensed banks	11	263	8,148	250	8,140
Cash and bank balances	11	62,659	55,954	168	32
		203,045	177,168	5,067	13,595
TOTAL ASSETS		212,314	185,641	28,374	27,939
EQUITY AND LIABILITIES					
EQUITY					
Share capital	12	59,107	59,107	59,107	59,107
Reserves		(40,819)	(40,291)	(31,630)	(31,718)
Equity attributable to owners of the Company		18,288	18,816	27,477	27,389
Non-controlling interests		(3,774)	(3,105)	-	-
TOTAL EQUITY		14,514	15,711	27,477	27,389
CURRENT LIABILITIES					
Trade payables	13	163	346	-	-
Other payables and accruals	14	197,624	161,566	897	532
Contract liabilities	9	13	18	-	18
Bank borrowing	15	-	8,000	-	-
TOTAL LIABILITIES		197,800	169,930	897	550
TOTAL EQUITY AND LIABILITIES		212,314	185,641	28,374	27,939

The accompanying notes form an integral part of the financial statements

PERTAMA DIGITAL BERHAD
(Incorporated in Malaysia)

STATEMENTS OF TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	16	7,786	6,182	3,662	6,728
Cost of sales		(4,590)	(3,687)	(950)	-
Gross profit		3,196	2,495	2,712	6,728
Other income and gains		17	6	1	3
Selling and distribution expenses		(287)	(648)	-	-
Administrative and general expenses		(3,407)	(11,781)	(2,342)	(9,865)
Reversal/(Addition) of loss allowance on trade receivables		30	(32)	-	-
Other expenses		(488)	(136)	(283)	(15,482)
Finance costs		(254)	(437)	-	-
(Loss)/Profit before tax	17	(1,193)	(10,533)	88	(18,616)
Taxation	18	(4)	12	-	-
Total (loss)/profit for the financial year		(1,197)	(10,521)	88	(18,616)
Other comprehensive income		-	-	-	-
Total comprehensive (loss)/ income for the financial year		(1,197)	(10,521)	88	(18,616)

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Total comprehensive (loss)/ income for the financial year attributable to:					
Owners of the Company		(528)	(6,357)	88	(18,616)
Non-controlling interests		(669)	(4,164)	-	-
		(1,197)	(10,521)	88	(18,616)
Loss per share attributable to the owners of the Company (sen)					
- Basic and diluted	19	(0.12)	(1.46)		

The accompanying notes form an integral part of the financial statements

PERTAMA DIGITAL BERHAD
(Incorporated in Malaysia)

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

		Attributable to Owners of the Company				
		Non-Distributable	*Distributable*			
		Share capital	Accumulated losses	Total	Non-controlling interests	Total equity
Group	Note	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023		48,816	(33,934)	14,882	1,059	15,941
Loss for the financial year		-	(6,357)	(6,357)	(4,164)	(10,521)
Total comprehensive loss for the financial year		-	(6,357)	(6,357)	(4,164)	(10,521)
Issuance of shares	12	10,291	-	10,291	-	10,291
At 31 December 2023		59,107	(40,291)	18,816	(3,105)	15,711
Loss for the financial year		-	(528)	(528)	(669)	(1,197)
Total comprehensive loss for the financial year		-	(528)	(528)	(669)	(1,197)
At 31 December 2024		59,107	(40,819)	18,288	(3,774)	14,514

		Share capital	Accumulated losses	Total equity
Company	Note	RM'000	RM'000	RM'000
At 1 January 2023		48,816	(13,102)	35,714
Total comprehensive loss for the financial year		-	(18,616)	(18,616)
Issuance of shares	12	10,291	-	10,291
At 31 December 2023		59,107	(31,718)	27,389
Total comprehensive income for the financial year		-	88	88
At 31 December 2024		59,107	(31,630)	27,477

The accompanying notes form an integral part of the financial statements

PERTAMA DIGITAL BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
OPERATING ACTIVITIES					
(Loss)/Profit before tax		(1,193)	(10,533)	88	(18,616)
Adjustments for:					
Amortisation of development costs		975	474	-	-
Impairment loss on development costs		205	-	-	-
Depreciation of property, plant and equipment		53	58	1	-
Addition of impairment loss on investment in a subsidiary		-	-	-	15,346
Interest expense		254	437	-	-
Interest income		(123)	(217)	(1,184)	(933)
Loss on disposal of property, plant and equipment		7	-	-	-
(Reversal)/Addition of loss allowance on trade receivables		(30)	32	-	-
Operating profit/(loss) before working capital changes		148	(9,749)	(1,095)	(4,203)
Changes in receivables		591	(495)	(7,129)	(5,411)
Changes in payables		(535)	(683)	347	(1,496)
Cash generated from/(used in) operations		204	(10,927)	(7,877)	(11,110)
Interest received		123	217	123	217
Tax (paid)/received, net		(8)	2	-	-
Net cash generated from/(used in) operating activities		319	(10,708)	(7,754)	(10,893)

PERTAMA DIGITAL BERHAD
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group		Company	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
INVESTING ACTIVITIES					
Addition of development costs		(2,060)	(3,426)	-	-
Acquisition of property, plant and equipment		-	(105)	-	(4)
Proceeds from disposal of property, plant and equipment		24	-	-	-
Receipt of profit guarantee refund		512	1,398	-	-
Net cash used in investing activities		(1,524)	(2,133)	-	(4)
FINANCING ACTIVITIES					
Uplift in pledged deposit, net		7,994	23	8,000	-
Repayment of bank borrowing		(8,000)	-	-	-
Proceed from issuance of shares		-	10,291	-	10,291
Interest paid		(254)	(437)	-	-
Net cash (used in)/generated from financing activities		(260)	9,877	8,000	10,291
NET CHANGES IN CASH AND CASH EQUIVALENTS		(1,465)	(2,964)	246	(606)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		(404)	2,560	172	778
CASH AND CASH EQUIVALENTS CARRIED FORWARD	11	1,869	(404)	418	172

The accompanying notes form an integral part of the financial statements

PERTAMA DIGITAL BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

Pertama Digital Berhad is a public company limited by way of shares and is incorporated and domiciled in Malaysia. The Company is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are disclosed in page 73.

The consolidated financial statements of the Company comprise the Company and its subsidiaries (collectively referred to as the "Group").

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are disclosed in note 7. There have been no significant changes in the nature of these activities during the financial year.

2. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Company. All amounts in the financial statements are rounded to the nearest thousand, unless otherwise stated.

The financial statements have been prepared on the historical cost basis, except for other measurement bases applied, including fair value, as stated in the material accounting policies which are set out in note 3.

Application of new amendments

In the current financial year, the Group and the Company have applied a number of amendments to MFRS that become effective mandatorily for the financial periods beginning on or after 1 January 2024. The adoption of the new amendments to MFRS did not have significant impact on the financial statements of the Group and the Company.

The Group and the Company adopted amendments to MFRS 101, Presentation of Financial Statements since 1 January 2024. The amendments require the disclosure of material accounting policy information rather than significant accounting policies. Nevertheless, the amendments do not result in changes to the Group's and the Company's accounting policies.

Amendments issued that are not yet effective

The Group and the Company have not applied the following amendments and new standards that have been issued by the MASB, which may be relevant to the Group and the Company, but not yet effective:

		Effective Date
Amendments to MFRS 121	Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual improvements to MFRS Accounting Standards – Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature - dependent Electricity	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced by MASB

The adoption of the above amendments and new standards are not expected to have material impact on the financial position and financial performance of the Group and of the Company upon their initial applications. The adoption of MFRS 18 will change certain presentation and disclosure in the financial statements. The Group and the Company are evaluating their impact and plans to adopt MFRS 18 when it is effectively mandatory.

3. MATERIAL ACCOUNTING POLICIES

(i) Basis of consolidation

Subsidiaries are entities (including structured entities, if any) controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

(a) Business combinations

Acquisitions of businesses are accounted for using the acquisition method.

(b) Non-controlling interests

Non-controlling interests are presented within equity in the consolidated statement of financial position, separately from the equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(ii) Financial instruments

Financial assets and financial liabilities are recognised in the statements of financial position when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definitions in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument (with the exception of trade receivables that do not contain a significant financing component) is recognised initially at its fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss. Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

(a) Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value (through profit or loss, or other comprehensive income), depending on the classification of the financial assets.

Debt instruments

(i) Amortised cost

The financial asset is held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset. When the asset has subsequently become credit-impaired, the interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), excluding expected credit losses, through the expected life of the financial asset or a shorter period (where appropriate).

(ii) Fair value through profit or loss

All other financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

The Group reclassifies debt instruments when and only when its business model for managing those assets change.

(b) Financial liabilities at amortised cost

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or a shorter period (where appropriate).

(c) Equity instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

Ordinary shares are classified as equity and recorded at the proceeds received, net of directly attributable transaction costs.

(d) 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 payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued are initially measured at their fair values and, if not designated as at fair value through profit or loss and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the loss allowance determined in accordance with MFRS 9; and
- the amount recognised initially less, where appropriate, cumulative amount of income recognised.

(e) 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 when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the carrying amount of the asset and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity to profit or loss.

In contrast, there is no subsequent reclassification of the fair value reserve to profit or loss following the derecognition of an equity investment.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. 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.

(iii) Investments in subsidiaries

Investments in subsidiaries are stated at cost in the statement of financial position of the Company, and are reviewed for impairment at the end of the reporting year if events or changes in circumstances indicate that the carrying values may not be recoverable. The cost of the investments includes transaction costs.

(iv) Property, plant and equipment

Property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

Subsequent to initial recognition, property, plant and equipment, is stated at cost less accumulated depreciation and any impairment losses.

Depreciation is charged to profit or loss on a straight-line method to write off the depreciable amount of the assets net of the estimated residual values over their estimated useful lives. The useful lives of property, plant and equipment are as follows:

Computer	5 years
Furniture and fittings	5 years
Motor vehicles	5 years
Office equipment	5 years

Property, plant and equipment are not depreciated upon classified as held for sale.

The depreciation method, useful lives and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of the property, plant and equipment. Any changes are accounted for as a change in estimate.

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

(v) Intangible assets

Intangible asset - development costs

Costs incurred during the development phase are capitalised as assets when the following criteria are fulfilled:

- it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the intangible asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefits;
- availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the expenditure during development phases can be reliably measured.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses. The development costs are amortised on a straight-line basis over its useful life from the point at which the asset is ready for sale or use. The amortisation period and the amortisation method are reviewed at each reporting date.

The estimated useful lives for development costs available for use are 10 years.

Development costs that do not meet these criteria are recognised as an expense when incurred. Development costs initially recognised as an expense is not recognised as an asset in the subsequent periods.

(vi) Contract asset and contract liability

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment requirements of MFRS 9 Financial Instruments.

A contract liability is stated at cost and represents the obligation of the Group to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

(vii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank balances, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with average maturity periods of three months or less.

For the purpose of the statement of cash flows, cash and cash equivalents are presented net of fixed deposits with tenure more than three months, pledged fixed deposits and restricted bank balances and deposits.

(viii) Impairment

(a) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, receivables and contract assets.

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables and contract assets using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition.

However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to twelve months expected credit losses.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information. In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor;
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations;
- An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating; or
- Significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group considers a financial instrument to have low credit risk if:

- The financial instrument has a low risk of default;
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term;
- The financial asset has an external credit rating of 'investment grade' in accordance with the globally understood definition.

Definition of default

The Group considers a financial asset to be in default when contractual payments are more than 90 days past due, unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group also considers a financial asset is in default when there is a breach of financial covenants by the debtor; or when there is indication that the debtor is unlikely to settle its indebtedness to the Group in full, without considering any collaterals held by the Group.

Credit-impaired financial asset

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or being more than 90 days past due;
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for that financial asset because of financial difficulties.

(b) Impairment of non-financial assets

The carrying values of non-financial assets are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash flows from continuing use that are largely independent of the cash inflows of other assets or cash generating-units ("CGU"). Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, CGU to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a CGU that are expected to benefit from the synergies of the combination.

The recoverable amount for an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGU are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of CGUs) on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(ix) Employee benefits

(a) Short-term benefits

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees of the Group.

(b) Defined contribution plans

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

(c) Termination benefits

Termination benefits are those benefits which are payable when employment is terminated before the contractual periods, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

Termination benefits are expensed to profit or loss at earlier when the Group can no longer withdraw the offer of those benefits to affected employees or in the event the Group recognised costs for a restructuring.

(x) Income taxes

(a) Current tax

Current tax assets and liabilities are expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and 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).

(b) Deferred tax

Deferred tax is recognised using the liability method for all temporary differences other than those that arise from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

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

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill or negative goodwill.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority.

(xi) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues 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 maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

(xii) Earnings per ordinary shares

Basic earnings per ordinary share is calculated by dividing the consolidated profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the reporting year, adjusted for own shares held.

Diluted earnings per ordinary share is determined by adjusting the consolidated profit or loss attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

(xiii) Fair value measurements

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, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement 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.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

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

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

(xiv) Revenue from contracts with customers

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time. The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Rendering of services

Revenue from providing mobile and digital solutions services is recognised at a point in time when the relevant services are rendered or is recognised over time using the effective interest method.

Income from other sources

Interest income

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

(xv) Leases

The Group as lessee

When the lease commences, the lessee will recognise the right-of-use of asset and a lease liability, except for short-term leases and leases of low value assets.

For short-term leases (i.e., leases with a lease term of 12 months or less) and leases of low value assets, lease payment are recognised as an expense on a straight-line basis over the lease term.

The lease liabilities is measured at present value for lease payment that have not been paid at date. The lease shall be discounted using the interest rate implicit in the lease. If the rate is unable to be determined, the incremental borrowing rate will be used.

The right-of-use assets comprise the corresponding lease liability, lease payments made at or before the lease commencement date and initial direct costs. Whenever there is an obligation to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the agreed condition, a provision is recognised. These costs are included in the related right-of-use assets.

Right-of-use assets are measured at cost less accumulated depreciation and impairment losses. They are depreciated over the shorter period of lease term and useful life of the underlying assets. The depreciation starts on the lease commencement date. The depreciation periods and depreciation method are reviewed, and adjusted if appropriate, at each reporting date.

(xvi) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, when it is probably that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, a provision represents the present value of those estimated future cash flows.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

When some or all of the cash flows required to settle a provision are expected to be recovered from a third party, an asset is recognised if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(xvii) Borrowing costs

All borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing cost may include interest expense, interest in respect of lease liability and interest cost arising from foreign currency borrowings.

Borrowing cost can be included as part of the cost of asset if it is related to the acquisition cost. An entity can capitalise the borrowing cost when it incurs expenditure for the asset, incurs borrowing costs and undertakes activities that are necessary to prepare the asset for its intended use or sale.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATIONS

The preparation of the financial statements requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported assets, liabilities, income and expenses.

Although these estimates are based on management's best knowledge of current events and actions, historical experiences and various other factors (including expectations for future events that are believed to be reasonable under the circumstances), actual results may ultimately differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised and in any future financial periods affected.

<u>Judgement made in applying accounting policies</u>

The significant judgement made by management in the process of applying the Group's accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities is as follows:

Capitalisation of development costs

The management monitors progress of research and development projects on an ongoing basis in accordance with the Group's research and development policy. Significant judgement is involved in distinguishing the research and the development phases of a project and are dependent on expectations of future events.

The management capitalises qualifying costs incurred in development phase of a product development project in accordance with the Group's accounting policy. Capitalised development costs are measured at cost less accumulated amortisation and impairment losses, if any. The capitalisation of development costs is based on the management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to the Group's research and development policy. In determining the amounts to be capitalised, the management estimates the future cash flows of the projects, useful lives of the development costs and discount rates.

<u>Key Estimation and Assumption</u>

The key assumptions concerning the future and other key sources associated with estimated uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are as follows:

(i) Determining the loss allowance for trade receivables and contract assets

Management assesses the expected credit losses ("ECL") for trade receivables and contract assets at each reporting date. Credit losses are the difference between the contractual cash flows that are due to the Group and the cash flows that it actually expects to receive. Management applies simplified approach in assessing the impairment of trade receivables and contract assets.

In determining the ECL, management uses historical credit loss experience for trade receivables and contract assets to estimate the ECL. Management is not only required to consider historical information that is adjusted to reflect the effects of current conditions and information that provides objective evidence that trade receivables and contract assets are impaired in relation to incurred losses, but management is also considering, when applicable, reasonable and supportable information that may include forecasts of future economic conditions when estimating the ECL, on an individual and collective basis. The need to consider forward-looking information means that management exercises considerable judgement as to how changes in macroeconomic factors will affect the ECL on trade receivables and contract assets. The ECL on trade receivables and contract assets is primarily based upon the historical credit loss experience.

(ii) Determining the loss allowance for non-trade receivables

Management assesses the ECL of receivables (other than trade receivables and lease receivables) at each reporting date. Credit losses are the difference between the contractual cash flows that are due to the entity and the cash flows that it actually expects to receive.

In determining the ECL, management assesses whether there has been any significant increase in credit risk since initial recognition of a receivable. Where there has not been a significant increase in credit risk since initial recognition, management determines the loss allowance by estimating an amount equal to 12-month ECL of that receivable. For those credit exposures for which there has been a significant increase in the likelihood or risk of a default occurring since initial recognition (instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring), management measures a loss allowance for credit losses expected over the remaining life of that receivable. Management exercises considerable judgement in these estimations, using historical credit loss experience as well as reasonable and supportable information that may include forecasts of future economic conditions when estimating the ECL.

(iii) Amortisation of development costs

The Group's management determines the estimated useful lives and residual values for its development costs based on the historical experience of the actual useful lives of the assets commercial factors which could change significantly as a result of technical innovations and competitor's actions in response to the current market conditions.

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 amortisation charges could be revised. Management will increase the amortisation charge where useful lives are less than previously estimated lives.

(iv) Impairment of non-financial assets

The management performed impairment testing for other non-financial assets, and if there is indication of possible impairment identified at the reporting date.

The Group determines whether their non-financial assets are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, including financial performance and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates.

(v) Impairment of investments in subsidiaries

Investments in subsidiaries are stated at cost less impairment losses in the Company's statement of financial position. The management performed its assessment as to whether at the reporting date, there is any indication of impairment has occurred. In making the estimation, the management evaluate, among other factors, the current financial performance and financial position of the subsidiaries.

The management performed the impairment testing on the carrying amount of investments in subsidiaries based on the assessment of recoverable amount compared with their carrying values.

(vi) Income taxes

Significant judgement is involved in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are certain transactions during the ordinary course of business and computations for which the ultimate tax determination is uncertain.

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

5. PROPERTY, PLANT AND EQUIPMENT

	Computer	Furniture and Fittings	Motor Vehicles	Office Equipment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
Cost					
As at 1 January 2024	423	5	146	10	584
Disposal	(42)	-	-	-	(42)
As at 31 December 2024	381	5	146	10	542
Accumulated depreciation					
As at 1 January 2024	224	5	146	10	385
Depreciation for the financial year	53	-	-	-	53
Disposal	(11)	-	-	-	(11)
As at 31 December 2024	266	5	146	10	427
Carrying amount					
As at 31 December 2024	115	-	-	-	115

	Computer	Furniture and Fittings	Motor Vehicles	Office Equipment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
Cost					
As at 1 January 2023	318	5	146	10	479
Additions	105	-	-	-	105
As at 31 December 2023	423	5	146	10	584
Accumulated depreciation					
As at 1 January 2023	166	5	146	10	327
Depreciation for the financial year	58	-	-	-	58
As at 31 December 2023	224	5	146	10	385
Carrying amount					
As at 31 December 2023	199	-	-	-	199

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

Computer Company	2024 RM'000	2023 RM'000
Cost		
As at 1 January	4	-
Additions	-	4
As at 31 December	4	4
Accumulated depreciation		
As at 1 January	-	-
Charge for the financial year	1	-
As at 31 December	1	-
Carrying amount		
As at 31 December 2024	3	4

6. INTANGIBLE ASSETS

Development Costs	Available for use RM'000	Work-in-progress RM'000	Total RM'000
Group			
Cost			
At 1 January 2023	2,443	3,698	6,141
Addition	-	3,426	3,426
Transfer from/(to)	3,614	(3,614)	-
As at 31 December 2023	6,057	3,510	9,567
Addition	1,926	134	2,060
Transfer from/(to)	3,426	(3,426)	-
As at 31 December 2024	11,409	218	11,627
Accumulated amortisation			
At 1 January 2023	819	-	819
Charge for the financial year	474	-	474
As at 31 December 2023	1,293	-	1,293
Charge for the financial year	975	-	975
As at 31 December 2024	2,268	-	2,268

6. INTANGIBLE ASSETS (CONT'D)

Development Costs	Available for use RM'000	Work-in-progress RM'000	Total RM'000
Accumulated impairment			
At 1 January 2023/31 December 2023	-	-	-
Charge for the financial year	205	-	205
At 31 December 2024	205	-	205
Carrying amount			
At 31 December 2024	8,936	218	9,154
At 31 December 2023	4,764	3,510	8,274

The development costs during the financial year include the following:

	2024 RM'000	2023 RM'000
Employee benefit expenses	1,701	2,755
Directors remuneration	25	-
	1,726	2,755

Development costs of the Group relates to expenditure incurred for the development of various mobile and digital solutions of the Group.

Development costs are amortised for 10 years, and is recognised as expenses in the "cost of sales". At the end of reporting year, the development costs available for use and development cost work-in-progress were tested for impairment.

In current financial year, an impairment loss on development costs available for use amounting to RM205,000 (2023: Nil) was recognised in "other expense" in consolidated profit or loss of the Group based on the estimated recoverable amount of the CGU derived from cash flow projections which is lower than its carrying amount.

The value in use is determined using a discounted cash flow model, based on approved cash flow projections and business plans.

The value in use computation is based on the following key assumptions:

- The anticipated compound annual revenue growth rate included in the cash flow projects is around 51.37% (2023: 8.59%) during the forecasted periods based on current available data adjusted for expected growth. This expected growth rate of 51.37% reflects a strategic change in the business approach, where the Group has begun targeting a new customer segment expected to drive increased demand and revenue expansion in the near term. This change in growth outlook is based on management's updated projections supported by independent statistical data, market analysis and early commercial traction.
- Despite the change in revenue assumptions, the composition of the CGU remains unchanged, as the underlying assets and operations continue to support the same group of income-generating activities.
- The discount rate of 10.40% (2023: 12.77%) is used, which is the management's estimation that reflects the current market assessment applicable to the industry.

6. INTANGIBLE ASSETS (CONT'D)

Sensitivity analysis

The sensitivity of the impairment assessment to a reasonably possible change in each of the key inputs is as follows:

Group	Change in assumption, holding other inputs constant	Additional potential impairment loss RM'000
2024		
Pre-tax discount rate	Increased by 2 percentage point	341
Revenue growth rate	Decreased by 10 percentage point	328

In prior year, management was of the view that no reasonably foreseeable changes in any of the above key assumptions were expected to cause the carrying value of intangible assets to materially exceed its recoverable amount. As such, no sensitivity analysis was disclosed.

7. INVESTMENTS IN SUBSIDIARIES

Company	Note	2024 RM'000	2023 RM'000
Unquoted shares in Malaysia			
At cost		18,346	18,346
Accumulated impairment loss	(a)	(15,346)	(15,346)
		3,000	3,000

The details of the subsidiaries are as follows:

Name of subsidiaries	Equity Interest Direct 2024 %	Equity Interest Direct 2023 %	Equity Interest Indirect 2024 %	Equity Interest Indirect 2023 %	Principal place of business and place of incorporation	Principal activities
Television Airtime Services Sdn Bhd ("TAS") *	51	51	-	-	Malaysia	Investment holding
Pertama Digital Corporate Sdn Bhd ("PDC") *	100	-	-	-	Malaysia	Business activities of holding companies
Held through TAS DAPAT Vista (M) Sdn Bhd ("DVSB") *	-	-	40.8	40.8	Malaysia	Business of mobile application and payment gateways
Held through PDC *Pertama Digital* Intellectual Property Sdn Bhd ("PDIP") *	-	-	100	-	Malaysia	Provision of other management consultancy services

* Audited by Forvis Mazars PLT

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Impairment losses

Movement in impairment of investments in subsidiaries are as follows:

Company	2024 RM'000	2023 RM'000
At 1 January	15,346	-
Addition of impairment loss	-	15,346
As at 31 December	15,346	15,346

In assessing and performing impairment testing, the Group assessed the recoverability of its investment based on latest financial position and performance of the subsidiaries, availability of future cash flow and business plans.

No impairment loss was recognised during the financial year as the recoverable amount of the CGU derived from cash flow projections exceeded its carrying amount.

In previous financial year, an impairment loss on cost of investment in a subsidiary amounting to RM15,346,000 was recognised in "other expenses" in profit or loss of the Company based on the estimated recoverable amount of the CGU derived from cash flow projections which is lower than its carrying amount.

Value in use was determined by discounting the future cash flows projections based on the following key assumptions:

(i) Revenue growth rate

The anticipated compound annual revenue growth rate included in the cash flow projects is around 7.75% (2023: 8.59%) during the forecasted periods based on the average growth achieved in previous years adjusted for expected growth.

(ii) Discount rate

Discount rate used by management for discounting purpose is the Company's weighted average cost of capital adjusted. The discount rate used was pre-tax at 7.79% (2023: 16.46%).

The above key assumptions are based on management's knowledge of the industry and current available data. In assessing the value-in-use, management is of the view that no reasonably foreseeable changes in any of the above key assumptions are expected to cause the carrying value of cost of investment in a subsidiary to materially exceed its recoverable amount. As such, no sensitivity analysis was disclosed.

(b) Material non-controlling interests in a subsidiary

The Group's subsidiary that has material non-controlling interests at the end of the reporting period is as follows:

Name of subsidiary	Equity interest by non-controlling interest		Loss allocated to non-controlling interests*		Carrying amount of non-controlling interests	
	2024	2023	2024	2023	2024	2023
	%	%	RM'000	RM'000	RM'000	RM'000
DVSB	59.20	59.20	(258)	(3,591)	(4,440)	(4,182)

* Amounts before intra-group elimination

7. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Summarised financial information of the Group's subsidiary that has material non-controlling interests (amounts before intra-group elimination) are as follows:

DVSB	2024 RM'000	2023 RM'000
Non-current assets	9,298	8,484
Current assets	203,424	169,329
Current liabilities	(205,050)	(169,706)
Equity attributable to the owners	(7,672)	(8,107)
	=======	=======
Revenue	6,650	5,965
Loss for the year	(435)	(6,066)
	=======	=======

(c) Newly incorporated subsidiaries

i) On 7 May 2024, the Company subscribed two (2) ordinary shares representing 100% of the issued of paid-up share capital in PDC for total cash consideration of RM2. The financial effect to the Group and the Company is insignificant.

ii) On 15 May 2024, the wholly owned subsidiary of the Company, PDC subscribed two (2) ordinary shares representing 100% of the issued of paid-up share capital in PDIP for total cash consideration of RM2. The financial effect to the Group is insignificant.

8. TRADE RECEIVABLES

Group	2024 RM'000	2023 RM'000
Receivables from contracts with customers	267	209
	========	========

Customers are granted a credit period between 30 to 120 (2023: 30 to 120) days. Other credit terms are assessed and approved on a case-by-case basis.

9. CONTRACT (LIABILITIES)/ASSETS

		Group		Company	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Group					
Contract asset	(a)	-	41	-	-
Contract liabilities	(b)	(13)	(18)	-	(18)
Contract (liabilities) /asset, net		(13)	23	-	(18)

(a) The contract assets relates to Group's right to consideration for services rendered to customers but not yet billed as at reporting date. The amount will be invoiced within the next twelve months.

(b) The contract liabilities are recognised upon collection of transaction price and being recognised as revenue over the service period.

(c) The movement is summarised as below:

	2024	2023	2024	2023
Group	RM'000	RM'000	RM'000	RM'000
At 1 January	23	22	(18)	-
Revenue recognised	1,229	1,343	18	-
Invoiced to customers	(1,265)	(1,342)	-	(18)
At 31 December	(13)	23	-	(18)

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

		2024 RM'000	2023 RM'000
Group	Note		
Current assets			
Other receivables		44	623
Amount owing by a director	(a)	8,724	9,236
Deposits		138	133
Prepayments		84	93
		8,990	10,085
Company			
Non-current assets			
Amount owing by a subsidiary	(b)	20,304	11,340
Current assets			
Amounts owing by subsidiaries	(c)	4,540	5,326
Other receivables		1	7
Deposits		93	88
Prepayments		15	2
		4,649	5,423

(a) The amount owing by a director represents profit guarantee refund receivable related to acquisition of DVSB and expected to be settled in cash.

(b) Amount owing by a subsidiary under non-current assets

	2024 RM'000	2023 RM'000
Unsecured interest bearing advances of 8% (2023: 8%)	8,950	8,950
Unsecured interest bearing advances of 5% (2023: 5%)	11,354	2,390
	20,304	11,340

The amount owing by a subsidiary under non-current assets is non-trade advances for working capital, not expected to be received within the next 12 months and expected to be received in cash.

(c) The amounts owing by subsidiaries under current asset are non-trade advances for working capital, unsecured and receivable on demand and expected to be received in cash.

11. CASH AND CASH EQUIVALENTS

	2024 RM'000	2023 RM'000
Group		
Islamic trustee funds	130,840	102,709
Fixed deposits	263	8,148
Bank balances	62,659	55,954
Subtotal	193,762	166,811
Less: Restricted Islamic trustee funds	(159,150)	(100,750)
Less: Pledged fixed deposits	(13)	(8,007)
Less: Restricted bank balances	(36,468)	(58,458)
Total cash and cash equivalents	(1,869)	(404)
Company		
Fixed deposits	250	8,140
Bank balances	168	32
Less: Pledged fixed deposits	418	8,172
	-	(8,000)
Total cash and cash equivalents	418	172

As at reporting date, Group's fixed deposits of RM13,000 (2023: RM8,007,000) is pledged for project performance bond purpose (2023: pledged in exchange for project financing for the credit facilities of subsidiary as disclosed in note 15). The fixed deposits with licensed banks of the Group's and of the Company's bore effective interest rates of 2.3% per annum (2023: 2.60%) respectively. These deposits have an average maturity period of one month (2023: one month). Accordingly, these are not available for general use by the Group.

Restricted bank balances and restricted Islamic trustee funds represent balances that cannot be withdrawn without the permission of third parties and are subject for refundable as disclosed in note 14 to the financial statements. Accordingly, these are not available for general use by the Group.

12. SHARE CAPITAL

	Number of ordinary shares *(no par value)*		Amount	
	2024	2023	2024	2023
Group and Company	'000	'000	RM'000	RM'000
At 1 January	438,211	433,361	59,107	48,816
Issuance of shares	-	4,850	-	10,291
At 31 December	438,211	438,211	59,107	59,107

In prior financial year, the Company issued 4,850,000 placement ordinary shares under the placement, raising net proceeds of RM10.3 million.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company.

13. TRADE PAYABLES

The credit periods granted by trade payables ranged between 30 to 90 (2023: 30 to 90) days.

14. OTHER PAYABLES AND ACCRUALS

		2024	2023
		RM'000	RM'000
Group	Note		
Other payables		926	1,066
Restricted balances	(a)	195,618	159,208
Amount owing to a director	(c)	500	-
Accruals		580	1,292
		197,624	161,566
Company			
Amount owing to a subsidiary	(b)	18	-
Amount owing to a director	(c)	500	-
Accruals		379	532
		897	532

(a) Restricted balances are refundable and arose from restricted bank balances and restricted Islamic trustee funds as disclosed in note 11 to the financial statements.

(b) The amount owing to a subsidiary is non-trade in nature, unsecured, interest- free, repayable on demand and to be settled in cash. The settlement of amount owing to a subsidiary forms part of the working capital management of the Company.

(c) The amount owing to a director is non-trade in nature, unsecured, interest-free , repayable on demand and to be settled in cash. The settlement of amount owing to a director forms part of the working capital management of the Group and the Company.

15. BANK BORROWING

	2024	2023
	RM'000	RM'000
Group		
Revolving credit	-	8,000

The interest rate of revolving credit of the Group was at cost of fund plus 2% (2023: cost of fund plus 2%) per annum. The Group's borrowing was secured by way of the followings:

i) Fixed deposit as disclosed in note 11;
ii) Personal guarantee by a director of the Company; and
iii) Corporate guarantee from the Company.

Reconciliation of liabilities from financing activities to the statements of cash flows are as follows:

	2024	2023
Group	RM'000	RM'000
At 1 January	8,000	8,000
Cash flow:		
Interest paid	254	(437)
Repayment	(8,000)	-
Non-cash:		
Interest expenses	(254)	437
At 31 December	-	8,000

16. REVENUE

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Revenue from contracts with customers				
Rendering of services	7,663	5,965	2,478	5,795
Revenue from other sources				
Interest income	123	217	1,184	933
	7,786	6,182	3,662	6,728
Analysis of revenue				
Geographical Areas				
Domestic	6,773	6,182	2,649	6,728
Singapore	1,013	-	1,013	-
	7,786	6,182	3,662	6,728
Timing of Revenue Recognition				
At a point in time	6,217	5,164	-	-
Over time	1,446	801	2,478	5,795

The Group has applied practical expedient to not disclose the unsatisfied performance obligations for revenue to be recognised in the future for those recognised over time as the performance obligations are expected to be completed within the next 12 months.

17. (LOSS)/PROFIT BEFORE TAX

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before tax is stated after charging/(crediting):				
Auditors' remuneration:				
- statutory audit:				
- auditors of the Company	207	180	92	71
- other assurance and non-assurance engagements:				
- auditors of the Company	15	15	10	10
Amortisation of development costs	975	474	-	-
Depreciation of property, plant and equipment	53	58	1	-
Impairment loss on development costs	205	-	-	-
Addition of impairment loss on investment in a subsidiary	-	-	-	15,346
Interest income	(123)	(217)	(1,184)	(933)
(Reversal)/Addition of loss allowance on trade receivables	(30)	32	-	-
Rental of short-term assets	107	381	82	287
Loss on disposal of property, plant and equipment	7	-	-	-
Net realised (gain)/loss on foreign exchange	-	(7)	-	(7)
Staff costs (including directors remuneration):				
- short-term employee benefits	3,469	7,908	1,447	6,338
- defined contribution benefits	478	798	183	681
	===========	===========	===========	===========

The Group's and the Company's total staff costs (including employee benefit expenses which capitalised in intangible assets) incurred during the financial year are RM5,673,000 and RM1,630,000 (2023: RM11,461,000 and RM7,041,000) respectively.

18. TAXATION

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current tax				
- current financial year	4	-	-	-
- prior financial year	-	(12)	-	-
Total	4	(12)	-	-

The corporation income tax rate (the "applicable tax rate") in Malaysia is 24% (2023: 24%).

The difference between tax expense/(income) and the amount of tax determined by multiplying the (loss)/profit before tax to the applicable tax rate, is analysed as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit before tax	(1,193)	(10,533)	88	(18,616)
Tax calculated at the applicable tax rate	(286)	(2,528)	21	(4,468)
Non-deductible expenses	174	919	103	4,468
Changes in unrecognised deferred tax assets	116	1,609	(124)	-
Over estimated in prior years	-	(12)	-	-
	4	(12)	-	-

The Group and the Company have not recognised deferred tax assets arising from the following temporary differences in the financial statements as it is not probable that future taxable profits will be available against which the assets can be utilised:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Unabsorbed capital allowances	4,586	1,514	-	3
Unutilised tax losses	15,070	14,744	13	526
Others	(4,082)	(1,169)	1	1
	15,574	15,089	14	530

18. TAXATION (CONT'D)

The availability of unutilised tax losses for offsetting against future taxable profits of entities in Malaysia are subject to requirements and guideline issued by the tax authority and will expire in the following year:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Expire in 2028	3,919	3,919	-	-
Expire in 2030	2,420	2,420	-	-
Expire in 2031	2,004	2,004	-	-
Expire in 2033	5,888	6,401	13	526
Expire in 2034	839	-	-	-
	15,070	14,744	13	526

19. LOSS PER SHARE

Group	2024	2023
Loss for the financial year attributable to owners of the Company (RM'000)	(528)	(6,357)
Weighted average number of ordinary shares ('000)	438,211	435,873
Basic loss per share (sen)	(0.12)	(1.46)

The Group has not issued any dilutive potential ordinary shares and hence, the diluted earnings per share is equal to the basic earnings per share.

20. KEY MANAGEMENT PERSONNEL COMPENSATIONS

The key management personnel of the Group and of the Company includes executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensations during the financial year are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Directors of the Company				
Short-term employee benefits:				
- fees	-	98	-	98
- salaries, bonuses and other benefits	847	815	350	35
	847	913	350	133
Defined contribution benefits	91	31	38	-
	938	944	388	133
Other Key Management Personnel				
Short-term employee benefits:				
- fees	-	1,589	-	1,589
- salaries, bonuses and other benefits	616	2,798	-	2,688
Defined contribution benefits	72	333	-	319
	688	4,720	-	4,596

21. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control.

(b) Significant related party transactions

Other than those disclosed elsewhere in the financial statements, the Group also carried out the following significant transactions with the related parties during the financial year:

	2024 RM'000	2023 RM'000
Company		
Interest income received/ receivable from a subsidiary	1,061	716
Management fee charged to a subsidiary	1,465	5,795

22. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

	2024 RM'000	2023 RM'000
Group		
Financial assets at amortised cost		
Trade receivables	267	209
Other receivables and deposits	8,906	9,992
Fixed deposits with licensed banks	263	8,148
Cash and bank balances	62,659	55,954
	72,095	74,303
Financial asset at FVTPL		
Islamic trustee funds	130,840	102,709
Financial liabilities at amortised cost		
Trade payables	163	346
Other payables and accruals	197,624	161,566
Bank borrowing	-	8,000
	197,787	169,912

	2024 RM'000	2023 RM'000
Company		
Financial assets at amortised cost		
Other receivables and deposits	24,938	16,761
Fixed deposits with licensed banks	250	8,140
Cash and bank balances	168	32
	25,356	24,933
Financial liability at amortised cost		
Other payables and accruals	897	532

The above balances exclude prepayments and non-financial liabilities.

22. FINANCIAL INSTRUMENTS (CONT'D)

(b) Fair value of financial instruments

The fair values of all other financial assets and financial liabilities at the end of the reporting period approximate their carrying amounts mainly due to their short-term maturities or insignificant effect of discounting.

The following summarises the methods used in determining the fair value of the financial instruments:

Islamic trustee funds

Fair value of short term investments has been determined by reference to the net assets value of the managed funds at the end of the reporting period as quoted by the fund managers.

The fair value of short term investments is classified under Level 2 (2023: Level 2).

23. FINANCIAL RISK MANAGEMENT POLICIES

The Group's activities are exposed to following risks from interest rate risk, credit risk, and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The board of directors are responsible for planning and establishing Group's risk management structure, formulating policies and appropriate guidelines to manage the risks identified.

(a) Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables as well as contract assets. The Company's exposure to credit risk arises principally from receivables and financial guarantee given to a licensed bank for credit facilities granted to a subsidiary.

Trade receivables and contract assets

The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

The Group does not require collateral as security in respect of financial assets and considers the risk of material loss from the non-performance on the part of a financial counter-party to be negligible.

As at the end of the reporting period, the maximum exposure to credit risk by the Group is arising from trade receivables and contract assets are represented by the carrying amounts of the statements of financial position.

Loss allowance is measured at an amount equal to lifetime expected credit loss ("ECL") on trade receivables and contract assets. The ECL are estimated using a provision matrix by reference to a past default experience of the debtor and an analysis of the debtor's current position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the financial year.

23. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The ageing analysis of trade receivables at reporting date is as follows:

	Gross RM'000	Loss allowance RM'000	Net RM'000
Group			
2024			
Not past due	130	-	130
1 to 30 days past due	114	-	114
31 to 60 days past due	4	-	4
61 to 90 days past due	5	-	5
More than 90 days	16	(2)	14
	269	(2)	267
2023			
Not past due	131	-	131
1 to 30 days past due	47	-	47
31 to 60 days past due	2	-	2
61 to 90 days past due	3	-	3
More than 90 days	58	(32)	26
	241	(32)	209

The movement in the loss allowance of trade receivables are as follows:

	Group	
	2024 RM'000	2023 RM'000
At 1 January	32	-
(Reversal)/Addition of loss allowance for the year	(30)	32
At 31 December	2	32

23. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

Trade receivables

As at the end reporting period, the Group has no major concentration of credit risk relates to the amount owing by customers.

Contract assets

None of the contract assets at the reporting date is past due. Management does not expect any credit loss based on their assessment at the reporting date.

Amounts owing by subsidiaries and a director

The management assesses the credit risk of amounts owing by subsidiaries and a director with reference to their financial position in managing exposure to credit risk.

The amounts owing by subsidiaries is considered to have low credit risk as the Company has control over the operating, investing and financing activities of the subsidiary. The use of advances to assist with the subsidiary's cash flow needs and is in line with the Group's treasury management. There has been no significant increase in the credit risk of the balance since initial recognition. Management has assessed and concluded that any credit risk to be insignificant.

The amount owing by a director is considered to have low credit risk and is monitored on an ongoing basis.

Cash and cash equivalents

The cash and cash equivalents are held with approved and reputable licensed banks and financial institutions. As at the end of the reporting period, the maximum period to credit risk is represented by their carrying amounts in the statements of financial position.

The management assessed the credit risk to be insignificant and does not expect any losses arising from non-performance by the licensed banks and financial institutions.

Financial guarantees

In prior year, the Company provided secured financial guarantees to bank in respect of bank borrowing of a subsidiary. The Company monitored the ability of the subsidiary to service its borrowing at end of reporting period.

In prior year, the maximum exposure to credit risks amounts to RM8,000,000 represented the outstanding bank borrowing of the subsidiary.

The fair value of the corporate guarantee is estimated to be insignificant as the borrowing is fully collateralised by fixed deposit from the Company. As at the reporting date, management assessed that there was no indication that the subsidiary would default on its repayment as and when they are due for payment.

23. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Interest rate risk

The Group and Company are exposed to interest rate risk which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

Exposure to interest rate risk is primarily related to the Group's and Company fixed deposits (2023: fixed deposits and borrowing).

The Group's and Company's policy is to borrow using a mix of fixed and floating rates. The objective is to reduce the impact of a rise in interest rates and to enable savings to be enjoyed if interest rates fall.

Surplus funds are placed with licensed financial institutions to earn interest income based on prevailing market rates. The Group manages its interest rate risk by placing such funds on short tenures of twelve months or less.

A sensitivity analysis has been performed based on the outstanding floating rate fixed deposit (2023: fixed deposits and borrowings) of the Group and Company. If interest rates increase or decrease by 50 basis points with all other variable held constant, the Group's and the Company's (loss)/profit after tax and equity would decrease or increase by RM10,000 and RM10,000 (2023: RM6,000 and RM309,000), respectively, as a result of higher or lower interest/expense on these fixed deposits and borrowings.

The sensitivity analysis is unrepresentative of the inherent interest rate risk as the year-end exposure does not reflect the exposure during the financial year.

(c) Liquidity risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient fund and adequate working capital to meet its obligations as and when they fall due.

The Group's and the Company's financial liabilities as at the end of the reporting period are expected to be settled within 1 year (2023: 1 year).

24. CAPITAL MANAGEMENT

The Group manages its capital to ensure that business units within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders' value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders, obtain new borrowing or issuing new shares. No changes were made in the objectives, policies or processes since previous financial year.

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as total external debts from financial institutions divided by total equity attributable to owners of the Company. No changes in Group's approach to capital management during the year.

	2024 RM'000	2023 RM'000
Group		
Bank borrowing	-	8,000
Add: Deficit Cash and cash equivalents	1,869	404
Debts	1,869	8,404
Total equity attributable to owners of the Company	18,288	18,816
Gearing ratio	0.10	0.45

25. SEGMENT INFORMATION

Operating segments are prepared in a manner consistent with the internal reporting provided to management by chief operating decision maker ("CODM") in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is summarised into business units based on their products and services provided, and the executive directors of the Group have been identified as the CODM.

(a) Segments

The reportable segments are as follows:

(i) Mobile and digital solutions

Development, operations and maintenance of mobile messaging and mobile payment applications.

(ii) Investment

Investment holding and management services.

(b) Business segments

2024	Mobile and digital solutions RM'000	Investment RM'000	Consolidated RM'000
Revenue	7,663	123	7,786
Represented by: Revenue recognised at a point in time			
- rendering of services	6,217	-	6,217
Revenue recognised over time			
- rendering of services	1,446	-	1,446
- other sources	-	123	123
			7,786
Results			
Segment profit/(loss)	(1,211)	34	(1,177)
Consolidated adjustment	(16)	-	(16)
Consolidated loss before tax			(1,193)

2024	Mobile and digital solutions RM'000	Investment RM'000	Consolidated RM'000
Included in the measure of segment loss			
Amortisation of development costs	975	-	975
Depreciation of property, plant and equipment	52	1	53
Interest expense	254	-	254
Rental of short-term assets	25	82	107
Impairment loss on development costs	205	-	205
Loss on disposal of property, plant and equipment	7	-	7
2024	202,630	530	203,160
Segment assets	9,154	-	9,154
Development costs			212,314
Segment liabilities	196,921	879	197,800

25. SEGMENT INFORMATION (CONT'D)

2023	Mobile and digital solutions RM'000	Investment RM'000	Consolidated RM'000
Revenue	5,965	217	6,182
Represented by: Revenue recognised at a point in time			
- rendering of services	5,164	-	5,164
Revenue recognised over time			
- rendering of services	801	-	801
- other sources	-	217	217
			6,182
Results			
Segment loss	(7,235)	(12,070)	(19,305)
Consolidated adjustment			8,772
Consolidated loss before tax			(10,533)

2023	Mobile and digital solutions RM'000	Investment RM'000	Consolidated RM'000
Included in the measure of segment loss			
Amortisation of development costs	474	-	474
Depreciation of property, plant and equipment	58	-	58
Interest expense	437	-	437
Rental of short-term assets	94	287	381
2023			
Segment assets	169,093	8,274	177,367
Development costs	8,274	-	8,274
			185,641
Segment liabilities	169,380	550	169,930

25. SEGMENT INFORMATION (CONT'D)

The geographical information on the revenue of the Group based on geographical location of its customers is as follows:

	2024 RM'000	2023 RM'000
Malaysia	6,773	6,182
Singapore	1,013	-
	7,786	6,182

The information on the disaggregation of revenue based on geographical region is summarised below:

2024	At a point in time RM'000	Over time RM'000	Other sources RM'000	Total RM'000
Malaysia	6,217	433	123	6,773
Singapore	-	1,013	-	1,013
	6,217	1,446	123	7,786
2023				
Malaysia	5,164	801	217	6,182

Major customer

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

	Revenue 2024 RM'000	 2023 RM'000	Segment
Malaysia			
Customer A	4,956	2,828	Mobile and digital solutions

26. EVENT OCCURRED SINCE PREVIOUS FINANCIAL YEAR

On 10 August 2022, the Company announced that it has triggered Paragraph 8.03A(2)(a)(bb) of the Main Market Listing Requirements ("Main Market LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") immediately upon the completion of a major business disposal.

As such, the Company is classified as an Affected Listed Issuer under Paragraph 8.03A of the Main Market LR. Pursuant to Paragraph 8.04(3) of the Main Market LR, the Company is required to submit a regularisation plan to Bursa Securities within 12 months from the date it first announces that it is classified as an Affected Listed Issuer.

The Company failed to submit its regularisation plan to Bursa Securities for approval by the required deadline of 9 February 2025. In addition, the Company's application for an extension of time was rejected by Bursa Securities, as communicated to the Company on 7 March 2025.

In response, the Company has submitted written representations, supported by documentary evidence, to Bursa Securities. These representations explain why the suspension of trading in the Company's securities should not be imposed and provide reasons why the Company should not be de-listed from the Official List of Bursa Securities.

The Company is firmly committed to swiftly tackling and assessing effective solutions to rectify its status as an affected listed issuer. Presently, the Company and its appointed advisors are diligently evaluating streamlined solutions to craft a comprehensive regularisation plan for submission to Bursa Securities within the designated time frame.

The Company will continue to make further announcements in relation to any latest development in accordance with the requirements of the Main Market LR.

27. EVENT OCCURRED AFTER THE FINANCIAL YEAR

On 13 March 2025, the Company entered into a term sheet for an arrangement to acquire a 80% equity interest of each of D-Ron Singapore Pte Ltd ("D-Ron Sg") and D-Ron Malaysia Sdn Bhd ("D-Ron MY") for total purchase considerations of SGD30,406,510 (RM equivalent of 101,671,695) and RM4,996,482 respectively.

The proposed acquisitions are intended to be undertaken as a reverse take-over, in line with the Equity Guidelines issued by the Securities Commission Malaysia, and will form part of the Company's proposed regularisation plan.

At the date of this report, the directors are unable to present an estimation of the financial effects arising from the proposed acquisitions to the financial position and performance of the Group due to non-availability of data about the fair values of the assets and liabilities. The proposed acquisitions, if completed, will be accounted in the next financial statements of the Group.

28. CONTINGENT LIABILITY

During the financial year, a former employee ("claimant") of the Company has commenced a claim for unfair dismissal. The claimant is seeking reinstatement as a remedy. As the case is still on-going, the directors are unable to estimate the potential effect of the claim as the legal advice indicates the possibility of any settlement is remote at the date of this report. Accordingly, no provision for any liability made in this report.

In the opinion of the directors, disclosure of further details regarding this case may prejudice the interests of the Group.

29. AUTHORISATION FOR ISSUE OF THE FINANCIAL STATEMENTS

The financial statements were authorised for issue by the board of directors on 24 April 2025.

We Build for the Underserved. **We Deliver for the Nation.**

Pertama Digital Berhad

Company No.: 198401002327 (114842-H)
(Incorporated in Malaysia)

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