AURELIUS TECHNOLOGIES BERHAD

(Registration No. 202101005015 (1405314-D))
(Incorporated in Malaysia under the Companies Act 2016)

ANNUAL REPORT

DRIVING SUSTAINABLE GROWTH

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CORPORATE OVERVIEW



Aurelius Technologies Berhad (the "**Company**") was incorporated in Malaysia on 9 February 2021 for Initial Public Offering ("**IPO**") purposes. On 16 December 2021, the Company was listed on the Main Market of Bursa Malaysia Securities Berhad ("**Bursa Securities**"). The Company's principal activity is investment holding whilst its subsidiary, BCM Electronics Corporation Sdn. Bhd. ("**BCM**") is principally a provider of Electronics Manufacturing Services ("**EMS**") with a focus on industrial electronic products (collectively referred to as "**ATech**" or the "**Group**" or the "**ATech Group**").

CORPORATE VISION MISSION AND VALUE

VISION

Be a world-class green manufacturing service provider.

MISSION

Deliver high-quality, cost-effective products & services.

Treat our stakeholders fairly & ethically.

VALUE

Committed to environmental, social, and governance best practices.

GROUP STRUCTURE

AURELIUS TECHNOLOGIES BERHAD
(Registration No. 202101005015 (1405314-D))

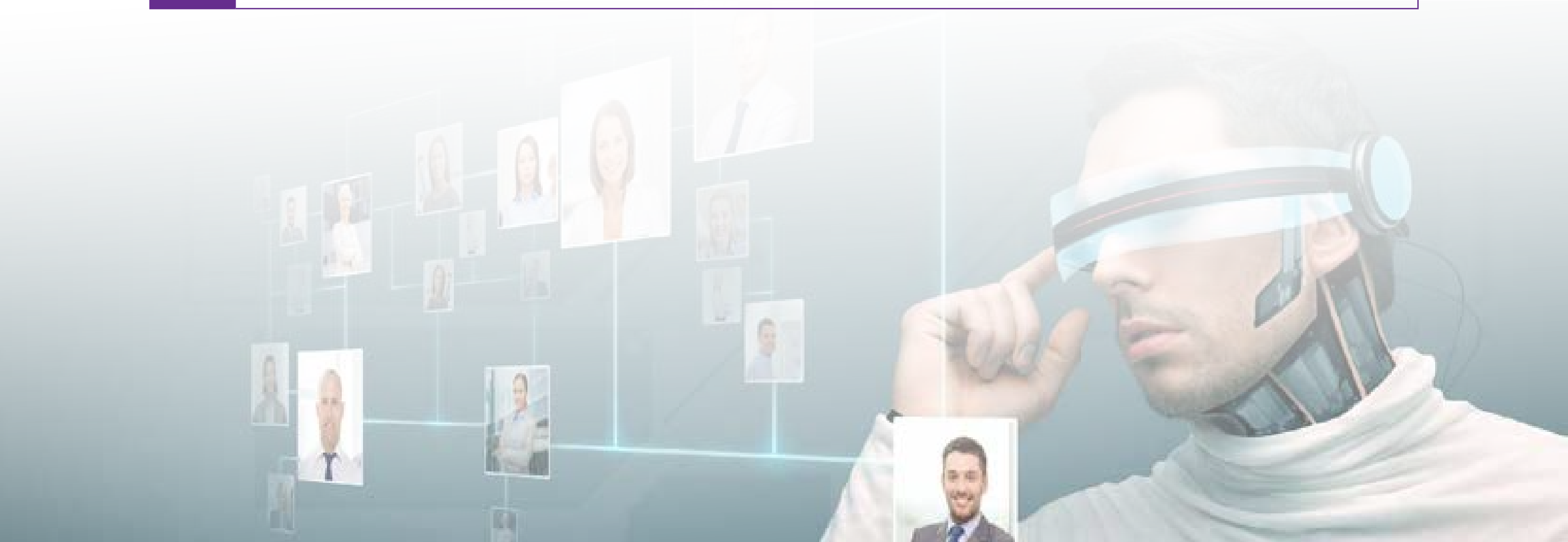
100%

BCM ELECTRONICS CORPORATION SDN. BHD.
(Registration No. 199301019234 (273972-P))

OUR MILESTONE

Corporate Key Event and Milestone

2023	• ATech had on 10 May 2023 executed the Sale and Purchase Agreement with Northern Technocity Sdn Bhd for the purchase of a vacant industrial land measuring approximately 301,874 sq. ft., located in Kulim High-Tech Park. • ATech signed an agreement to undertake the development and implementation of approximately 2,578.3kWp solar photovoltaic system on the rooftop (“**Rooftop Solar**”) of ATech’s premises on 24 March 2023. • The Company issued 35,818,000 new ordinary shares via private placement, and the ordinary shares were subsequently listed on the Main Market of Bursa Securities on 7 February 2023. • In January 2023, ATech made an investment in Backend Automation and Testing, specifically a Robotic Arm, to meet the requirements in Internet of Things (“**IoT**”) module manufacturing.
2022	• In 2022, ATech grew its EMS business by onboarding four new customers, one of which is a prominent industrial technology company that specializes in developing sensors, data computing technology, motherboards, and IoT-related devices. • In conjunction with an Anti-Corruption Seminar conducted by the Suruhanjaya Pencegahan Rasuah Malaysia, Kedah (SPRM Kedah) on 26 April 2022, every staff with the ranking of section managers and above proudly signed a “Corruption Free Pledge”. • ATech completed the construction of its manufacturing plant expansion and obtained the Certificate of Completion & Compliance (“**CCC**”) on 28 March 2022. • ATech continues its commitment to work in partnership with its local community with the signing of the certificate of collaboration with Politeknik Tuanku Sultanah Bahiyah on 8 March 2022 to kick-start an industrial internship programme.
2021	• ATech celebrated the listing of the 358,180,000 issued ordinary shares of the Company on the Main Market of Bursa Securities on 16 December 2021. • On 28 June 2021, ATech commenced the construction of the new manufacturing plant extension. • ATech continued to transcend towards Industrial 4.0 with the installation of two Surface Mount Technology (“**SMT**”) lines completed with four robotic backend automation and testing for multicomponent semiconductor modules.
2020	• ATech continued to expand its EMS business in the power control segment by securing two new customers: o Customer from France - to manufacture a power module used in marine and supercomputer applications with a fast-tracked full-scale production in October 2020. o Customer from China - to manufacture power control modules for DC-to-DC power supply.
2019	• ATech broaden its portfolio of services when an electronics manufacturing services agreement for semiconductor components in the form of a multicomponent Integrated Circuit (“**IC**”) for Machine to Machine IoT applications was secured. This marks a key milestone for ATech as its position in the value chain is strengthened by offering semiconductor components manufacturing services, while previously ATech focused on industrial electronics products manufacturing services.



Our Milestone (cont'd)

2018	• ATech expanded its manufacturing services into trains communication interface units that includes outboard assembly, testing, subassembly, and system calibration. This system allows products to integrate with other systems installed in train carriages to communicate and transmit information between the train and a remote central monitoring centre.
2016	• ATech expanded its EMS offering for LED lighting product by securing its first purchase order for the LED tunnel lighting. In the same year, ATech also commenced manufacturing of its own designed LED lighting for installation in warehouses.
2000-2010	• Between 2005 and 2010, ATech expanded its product offering to include the following: o IoT wireless asset tracking devices for vehicle tracking applications in 2007; o Printed Circuit Board Assembly ("**PCBA**") of instrumentation devices for the oil and gas industry in 2007 where we offered special engineering services including high melting point and gold soldering as part of the board assembly process; o PCBA of power control devices for lighting equipment in 2008 for a customer in the USA; and power control devices for alternative current (AC) to direct current (DC) power supply in 2009 for a customer in Australia. • Between 2000 and 2010, ATech increased its production capacity by investing in additional SMT lines. • In 2005, ATech participated in the design of an industrial wireless communication device, in a joint-design development exercise with a customer. • In 2003, ATech completed the construction of its factory expansion in Kulim Hi-Tech Park which increased production built-up area by an additional 89,638 sq ft. • In 2000, ATech moved from rented premises in Prai, Penang to the current production facility in Kulim Hi-Tech Park, Kedah with a total built-up area of 106,156 sq ft. with facilities comprised 7 SMT lines with 20 backend assembly lines. • In 2000, ATech expanded its EMS business to produce power control electronic devices namely direct current-direct current (DC-DC) converter modules.
1993-1999	• Incorporation of ATech's subsidiary, BCM, formerly known as Bakti Comintel Manufacturing Sdn. Bhd. before changing to its present name on 18 August 1997. This was due to a technology transfer agreement between Motorola Incorporated ("**Motorola Inc**") and Comintel Sdn. Bhd. to jointly develop manufacturing capabilities for communication devices in Malaysia through BCM. • In 1996, ATech expanded its portfolio of services by securing its first box-build supply contract for industrial communication devices. Box build assembly includes the sourcing and procurement of materials and components, board assembly, and carrying out mechanical box build assembly and testing of the finished product. This forms a key milestone in ATech's expansion as an EMS provider. • Commenced operations in 1993, initially as a provider of SMT and sub-assembly services for industrial communication devices with one manual assembly line specialising in functional testing of communication products at rented premises in Prai, Penang.

CORPORATE INFORMATION

DIRECTORS

Datin Normaliza Binti Kairon
(Independent Non-Executive Chairperson)

Loh Hock Chiang
(Executive Director and Group Chief Executive Officer)

Tan Chong Hin
(Executive Director and Group Chief Financial Officer)

Dato' F'ng Meow Cheng
(Independent Non-Executive Director)

Nor Shahmir Bin Nor Shahid
(Independent Non-Executive Director)

Yee Swee Meng
(Independent Non-Executive Director)

Jamie Hwe Ping Lee
(Non-Independent and Non-Executive Director)

Jonathan Ming Chian Lee
(Non-Independent and Non-Executive Director)-
(Alternate Director to Jamie Hwe Ping Lee)

AUDIT COMMITTEE

Nor Shahmir Bin Nor Shahid *(Chairperson)*
Dato' F'ng Meow Cheng
Yee Swee Meng

NOMINATION COMMITTEE

Dato' F'ng Meow Cheng *(Chairperson)*
Nor Shahmir Bin Nor Shahid
Yee Swee Meng

REMUNERATION COMMITTEE

Yee Swee Meng *(Chairperson)*
Dato' F'ng Meow Cheng
Nor Shahmir Bin Nor Shahid

RISK MANAGEMENT COMMITTEE

Nor Shahmir Bin Nor Shahid *(Chairperson)*
Loh Hock Chiang
Yee Swee Meng

EMPLOYEES' SHARE SCHEME COMMITTEE

Dato' F'ng Meow Cheng *(Chairperson)*
Nor Shahmir Bin Nor Shahid
Loh Hock Chiang
Lee Siang Tat

COMPANY SECRETARY

Tan Ai Peng (MAICSA 7018419)
(SSM PC No. 201908003179)

REGISTERED OFFICE

Level 13A-6 Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Wilayah Persekutuan
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Fax No. : +603 9212 0975

BUSINESS ADDRESS

Plot 21 Jalan Hi-Tech 4
Kulim Hi-Tech Park Phase 1
09090 Kulim
Kedah Darul Aman
Tel. No. : +604 403 3180
Fax No. : +604 403 3181
Email: info@atechgroup.com.my
Website: www.atechgroup.com.my

AUDITOR

Grant Thornton Malaysia PLT
Chartered Accountants
Tel. No.: +604 228 7828
Fax No.: +604 227 9828

PRINCIPAL BANKERS

Malayan Banking Berhad
CIMB Bank Berhad

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01 Level 32 Tower A
Vertical Business Suite, Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel. No. : +603 2783 9299
Fax No. : +603 2783 9222

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Sector: **Industrial Products & Services**
Stock Name: **ATECH**
Stock Code: **5302**

DIRECTORS' PROFILE

DATIN NORMALIZA BINTI KAIRON
Independent Non-Executive Chairperson

Datin Normaliza Kairon, a Malaysian aged 51, is our Independent Non-Executive Chairperson. She was appointed to our Board on 2 April 2021.

She graduated with a Bachelor of Accounting from University of Malaya in 1995 and in 2006, she obtained her Master of Business Administration (major in Finance) from Open University Malaysia. She is a Chartered Accountant (Malaysia) and a member of Malaysian Institute of Accountants ("**MIA**") since 1998, as well as a Certified Practising Accountant ("**CPA**") and a member of CPA Australia since 2014.

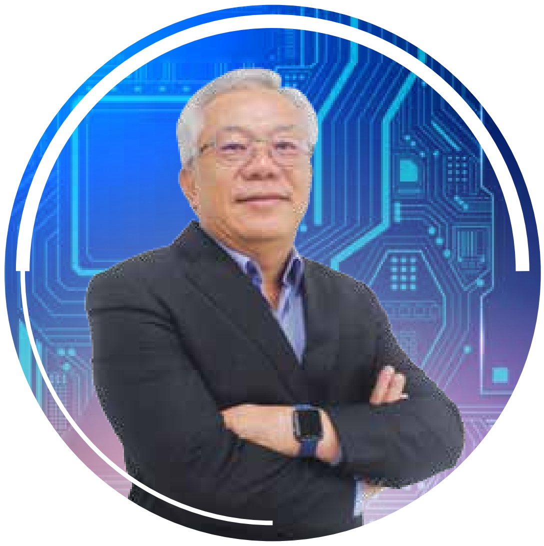
Datin Normaliza spent 10 years with the Securities Commission, joining in 1998 in a newly established team entrusted to enforce the Malaysian approved accounting standards and other corporate reporting requirements on public listed companies ("**PLCs**"). The same team was also assigned to monitor the PLCs' corporate governance practices when the first Malaysian Code of Corporate Governance ("**MCCG**") was introduced in 2000.

Her corporate experience includes her involvement in the preparation of financial and corporate reports, and transformation initiatives of Malaysian companies in the financial services & automotive industries.

Between 2011 and 2014, Datin Normaliza was attached with a government agency assigned to implement initiatives under the Economic Transformation Programme, which include her role in the establishment of Yayasan Peneraju Pendidikan Bumiputera ("**YPPB**") and programs with the economic corridors.

Datin Normaliza is an advocate of the sustainable development agenda and an alumna of the United Nations' SDG Academy.

She is currently an Independent Non-Executive Director of Datasonic Group Berhad ("a company listed on the Main Market of Bursa Securities").



LOH HOCK CHIANG
Executive Director and Group Chief Executive Officer

Loh Hock Chiang, 58, is our Executive Director and Group Chief Executive Officer. He was appointed to our Board on 9 February 2021. He is a member of the Risk Management Committee and the Employees' Share Scheme Committee.

As our Executive Director and Group Chief Executive Officer, he is responsible for overseeing the overall operational function of our Group.

He graduated with an honours degree in Management Studies from the University of Waikato, New Zealand, in April 1992. He has been a member of the New Zealand Institute of Chartered Accountants since November 1995 and in December 2014, he became a Chartered Accountant with the Chartered Accountants Australia and New Zealand after the amalgamation of the Institute of Chartered Accountants in Australia and the New Zealand Institute of Chartered Accountants. He has been a Registered Accountant with the MIA since Oct 1996 and a Chartered Accountant (Malaysia) ("**CA(M)**") of the MIA since June 2001.

He began his career with Russ Ooi & Associates (a member firm of RSM International then) in April 1992 as an audit assistant and his last position when he left in April 1994 was audit senior. In May 1994, he joined Comintel Sdn. Bhd. as an accountant where he was responsible for the overall management of accounting and finance function of the company and its subsidiaries, and held various positions in Comintel Corporation Berhad group of companies ("**Comintel Group**") including Chief Financial Officer and Deputy Chief Executive Officer where his last designation was Executive Director before he left in January 2018.

He assumed his current position as Executive Director of BCM in January 2018. He was appointed as our Group Chief Financial Officer on 25 March 2021 and subsequently as interim Group Chief Executive Officer on 24 January 2022. He was appointed as our Group Chief Executive Officer on 1 August 2022.

He does not hold any other directorship in public companies and listed issuers.

Directors' Profile (cont'd)

TAN CHONG HIN
Executive Director and Group Chief Financial Officer

Tan Chong Hin, a Malaysian aged 48, is our Non-Independent Executive Director and Group Chief Financial Officer of ATech Group. He was appointed to our Board on 30 March 2022. He was appointed as our Group Chief Financial Officer on 1 August 2022.

As our Executive Director and Group Chief Financial Officer, he is responsible for overseeing the overall accounting and financial management of ATech Group.

Chong spent over 20 years working for various financial services institutions in London, Kuala Lumpur, and Singapore specialising in real estate, corporate finance, and advisory.

He graduated with a First Class Honours in Bachelor of Engineering (Electronic Engineering) from the University of Hull as a Wilberforce Scholar in 1998 and completed his Postgraduate Diploma in Economics at the University of Cambridge, as a British Chevening Scholar in 1999. He is a qualified Chartered Accountant with the Institute of Chartered Accountants in England and Wales ("**ICAEW**") since 2003, and the MIA since 2022.

He is currently a Non-Executive Independent Director of Pacific & Orient Insurance Co. Berhad and holds other non-independent directorships in various private companies.

DATO' F'NG MEOW CHENG
Independent Non-Executive Director

Dato' F'ng Meow Cheng, a Malaysian female aged 57, is our Independent Non-Executive Director. She was appointed to our Board on 2 April 2021. She is the chairperson of the Nomination Committee and Employees' Share Scheme Committee, and also a member of the Audit Committee and Remuneration Committee.

She graduated with a Bachelor of Science in Business Administration from University of South-western Louisiana, USA in May 1991 and obtained her Master of Management from the Australian Institute of Business in November 2016. She has been a member of the Malaysian Institute of Certified Public Accountants and MIA since 1997 and 1998 respectively.

She began her career in November 1991 with Sony Electronics (M) Sdn Bhd, a company involved in the manufacturing of consumer electronic products, as System Planner where she assisted in organisational corporate planning as well as drafting of standard operating procedures to ensure compliance with the international standards of quality.

Subsequently, she left the company to join Russ Ooi & Associates (a member firm of RSM International then) in October 1992 as a junior auditor. She left Russ Ooi & Associates in September 1996 as Assistant Manager and joined another audit firm, H.B. Ooi & Co. as Manager in April 1997 where she was mainly involved in audit, taxation, and consultancy services.

She left in February 1998 and joined another audit firm, K.B. Tan & Co. as Manager in March 1998 where she was also mainly involved in audit, taxation, and consultancy services. She then left the main office in Klang, Selangor, and took on the responsibility to set up and manage a new branch office in Bukit Mertajam, Penang in November 1998. In November 2002, the firm name of K.B. Tan & Co was changed to MC F'ng & Associates and she has since become a sole practitioner at the accounting firm providing auditing, taxation, and consulting services.

She also sits on the Board of UWC Berhad and SNS Network Technology Berhad.

Directors' Profile (cont'd)

NOR SHAHMIR BIN NOR SHAHID
Independent Non-Executive Director

Nor Shahmir Bin Nor Shahid, a Malaysian male aged 52, is our Independent Non-Executive Director. He was appointed to our Board on 2 April 2021. He is the chairperson of the Audit Committee and Risk Management Committee, and a member of the Nomination Committee, Remuneration Committee, and Employees' Share Scheme Committee.

He graduated from the International Islamic University Malaysia in July 1995 and obtained his Bachelor of Accounting in August 1995. He has been a member of the MIA as a Chartered Accountant since April 2018.

He began his career in July 1995 as an executive with Malaysian International Merchant Bankers Berhad where he was involved in various corporate exercises including reverse take-overs, initial public offerings and fund raising. In October 1997, he left Malaysian International Merchant Bankers Berhad and subsequently joined KPMG Corporate Finance Sdn. Bhd. as a principal consultant where he was responsible for various engagements in corporate finance advisory, mergers and acquisitions, and project finance.

He left KPMG Corporate Finance Sdn. Bhd. in November 2003 and subsequently joined Bank Muamalat Malaysia Berhad as Associate Director of Investment Banking Department where he was mainly involved in islamic debt capital market transactions. He left Bank Muamalat Malaysia Berhad in December 2006 and joined Josor Capital Sdn. Bhd. in January 2007 as Senior Vice President of Private Equity and Investments responsible for providing full-scale investment banking solutions for the investment banking group catered specially for the Asian markets.

In October 2007, he went to Qatar and joined Al Khalij Commercial Bank ("**Al-Khaliji Bank**") as Head of Debt Capital Markets where he was responsible for loan syndications and debt capital market business of Al-Khaliji Bank in Qatar. In January 2009, he returned to Malaysia and continued his career with MIDF Amanah Investment Bank Berhad ("**MIDF Investment**") as Senior Vice President where he was responsible in originating and structuring islamic debt capital market issuances and project finance advisory transactions. He left MIDF Investment in June 2011 and joined Export Import Bank of Malaysia Berhad in July 2011 as Senior Vice President and Head of Banking until March 2018. In April 2018, he joined Ipmuda Berhad as Chief Operating Officer where his role was to oversee the corporate and business operations, human resources, finance and also oversee the transformation and acceleration programmes of the company. He left Ipmuda Berhad in August 2020 and was acting as a corporate consultant until February 2022. Subsequently, he joined Ireka Corporation Berhad in March 2022 as the Chief Strategy and Investment Officer, where he oversees the strategic direction of the company as well as the corporate finance functions for the group.

He has 23 years of experience in cross-border banking, financial advisory, international and regional project finance, corporate finance, islamic debt capital market, syndications, and investment banking where he held various senior management positions in development banks, investment banks, and commercial banks.

He does not hold any other directorship in public companies and listed issuers.

Directors' Profile (cont'd)

YEE SWEE MENG
Independent Non-Executive Director

Yee Swee Meng, a Malaysian male aged 64, is our Independent Non-Executive Director. He was appointed to our Board on 2 July 2021. He is the chairperson of the Remuneration Committee, and also a member of the Audit Committee, Risk Management Committee, and Nomination Committee.

He graduated with a Bachelor of Arts in Economics from the University of Guelph, Ontario, Canada in February 1984. He has been a fellow member of CPA Australia since May 2019 and obtained recognition as a Certified Practising Accountant Australia in August 2017. He is a CA(M) and a member of the MIA as a Chartered Accountant since March 2018 and is a member of the ASEAN Chartered Professional Accountants Coordinating Committee since August 2018.

He began his career in November 1985 with Metroplex Berhad as Finance Executive where he was responsible for financing transactions. He left the company in January 1989 and subsequently joined Supreme Finance (M) Berhad as Branch Executive and managed the branch operations. In May 1991, he left Supreme Finance (M) Berhad and joined MBF Finance Berhad as Head of Corporate Division where he was involved in the marketing of corporate loans. He left MBF Finance Berhad in March 1992 and joined Primework (M) Sdn Bhd as Financial Controller where he was responsible for the management of all finance and accounting operations including developing financial strategy and cash flow management. In May 1995, he left Primework (M) Sdn. Bhd. and joined STS Technic Bhd as Group Corporate Manager and was also appointed as executive director of a subsidiary of STS Technic Berhad where he oversaw the corporate development and investment activities of the group companies.

In September 2001, he left STS Technic Berhad and relocated to Indonesia. In December 2001, he joined RGM International Pte Ltd as Senior Financial Controller where his main role was to manage the financial aspects of the company.

In December 2003, he left RGM International Pte Ltd and returned to Malaysia. Upon his return to Malaysia, he took a career break for family reasons. He joined Unichamp Mineral Sdn. Bhd. in May 2004 as General Manager of Finance Administration where his main role was to advise the company's board of directors on all financial matters, management control, mergers, and acquisitions transactions, and other strategic issues.

He left Unichamp Mineral Sdn. Bhd. in September 2007 and joined V.S. Industry Berhad group of companies ("**V.S. Industry Group**") in February 2008. Between February 2008 and August 2017, he held three roles within the V.S. Industry Group, namely Finance Controller, Finance Director of VS Industry Vietnam Joint Stock Company, and General Director of VS Technology Pte Ltd, Vietnam. His responsibilities included, among others, advising the board of directors on all financial matters, management control, policies, mergers and acquisitions, and other strategic issues.

In August 2017, he left the V.S. Industry Group and took a career break before he joined Sunpro Capital Group Ltd, Vietnam as Finance Director Cum Executive Chairman Special Assistant in September 2018 where he managed the finance department and was responsible for all aspects of the company's business.

After he left Sunpro Capital Group Ltd, Vietnam in June 2019, he focuses on financial advisory work where he provides financial advice such as investment management and tax planning. He was appointed as Chief Executive Officer ("**CEO**") for SHH Resources Holdings Bhd with effect from 20 April 2023.

He does not hold any other directorship in public companies and listed issuers.

Directors' Profile (cont'd)

JAMIE HWE PING LEE

Non-Independent and Non-Executive Director

Jamie Hwe Ping Lee, an Australian female aged 44, is our Non-Independent and Non-Executive Director. She was appointed to our Board on 29 June 2022.

She graduated from Curtin University, Australia with Bachelor of Commerce (Finance) and Bachelor of Arts (Asian Studies) in December 2000 and later obtained her Master of Accounting from Central Queensland University in November 2007. She has been a member of CPA Australia since June 2011.

She began her career in accounting with a boutique chartered accounting firm and was involved in many facets of financial reporting, taxation, and audit. She has since spent over 15 years working in various accountant & analyst roles in industries including petrochemical, personal and healthcare, energy management, gift card, and most recently in asset financing across Australia, New Zealand, Singapore, Japan, Korea, Hong Kong and China.

She does not hold any other directorship in public companies and listed issuers.

Jamie is the daughter of the late Mr Lee Chong Yeow @ Lee Chong Yan, the Company's substantial shareholder.

JONATHAN MING CHIAN LEE

Non-Independent and Non-Executive Director
(Alternate Director to Jamie Hwe Ping Lee)

Jonathan Ming Chian Lee, an Australian male aged 39, is Jamie Hwe Ping Lee's alternate Non-Independent and Non-Executive Director. He was appointed to our Board on 29 June 2022.

He graduated from The University of Western Australia in 2007 with a Bachelor's in Engineering (Mechatronics Engineering).

He is a professional engineer in Australia, primarily in the maritime and ship construction industry. He has held positions in several fields including mechanical and hydraulic engineering, electrical and control systems engineering, as well as project engineering. His projects have included systems for various commercial and military vessels including the Independence Class Littoral Combat Ship and Spearhead Class Expeditionary Fast Transport vessel for the US Navy, and patrol vessels for the Australian Border Force.

Jonathan is also an experienced Project Manager, delivering successful projects such as the construction and handover of the first of class 118m trimaran ferry, Bajamar Express, for Fred. Olsen Express in the Canary Islands.

He is also a director of a private Australian company.

Jonathan is the son of the late Mr Lee Chong Yeow @ Lee Chong Yan, the Company's substantial shareholder.

KEY SENIOR MANAGEMENT PROFILE

LEE SIANG TAT
Chief Operating Officer ("COO")

Lee Siang Tat ("**Michael**"), a Malaysian male aged 49, is the COO of BCM. He is a member of the Employees' Share Scheme Committee.

He is responsible for overseeing the day-to-day operational functions of the Group. He has more than 25 years of working experience in the electronics manufacturing industry and is familiar with the various operational processes including process and product engineering, equipment and maintenance engineering, cost management, production, and operational quality.

He obtained a Higher Diploma in Electrical & Electronic Engineering from Workers Institute of Technologies in 1995.

He first joined BCM in 2005 and progressed quickly to his last role as the Director of Surface Mount Technology, Maintenance & Facilities. He was subsequently appointed Chief Operating Officer of EG Industries Berhad in 2020 where he played a vital role steering the group's overall manufacturing operations, including engineering, production planning and operational quality, to enable the group to achieve its strategic goals.

In February 2022, he re-joined BCM and was appointed as COO where he assumed his current responsibilities.

He does not hold any other directorship in public companies and listed issuers.

Notes:-

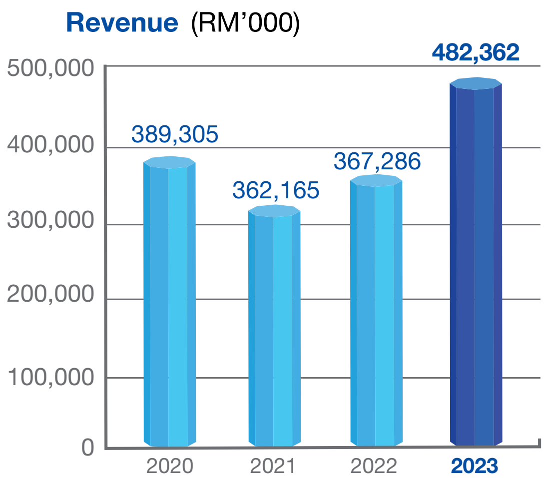
Saved as disclosed, none of the Directors or Key Senior Management has:

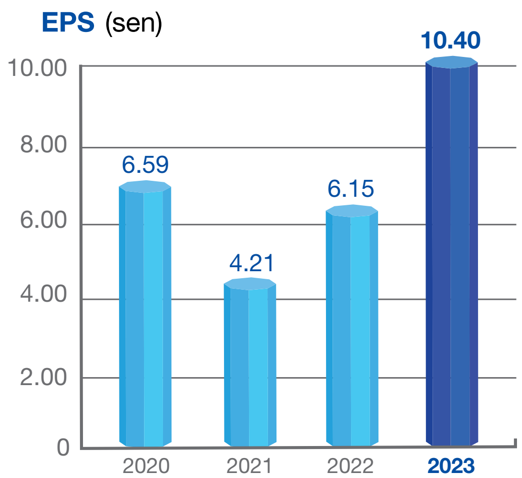
1) any family relationship with any Director and/or major shareholder of the Company;
2) any conflict of interest with the Company; and
3) any conviction for offences within the past 5 years or any public sanction or penalty imposed by the relevant regulatory bodies during the financial period ended 31 January 2023, other than traffic offences.

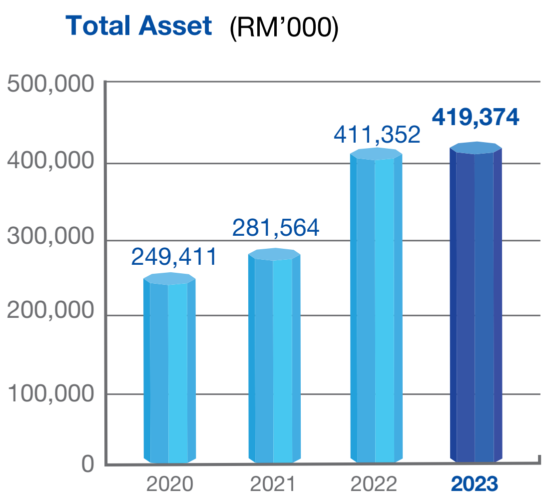
FINANCIAL HIGHLIGHTS

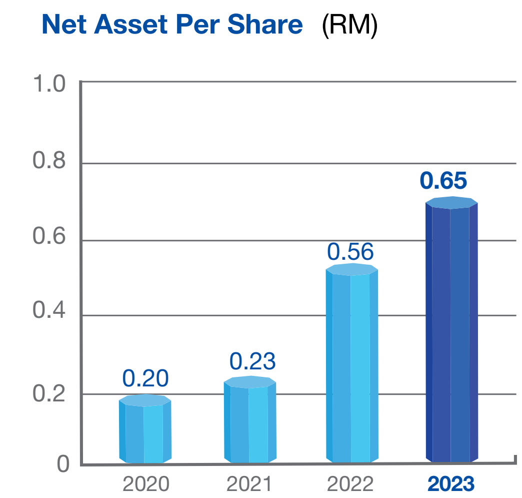
Financial Year Ended 31 January		2020	2021	2022	2023
Revenue	***RM'000***	389,305	362,165	367,286	482,362
Profit Attributable to					
Owners of the Company	***RM'000***	23,596	15,096	22,033	37,245
Basic Earning per Share ("EPS")	***sen***	6.59	4.21	6.15	10.40
Total Assets	***RM'000***	249,411	281,564	411,352	419,374
Total Equity	***RM'000***	72,330	84,077	201,418	231,595
Net Assets per Shares	***RM***	0.20	0.23	0.56	0.65
Number of Shares Post IPO	***'000***	358,180	358,180	358,180	358,180

Notes:
EPS - For illustration purposes only based on the Company's number of ordinary shares post IPO, 358,180,000. The number of ordinary shares does not include the Company's new issuance of 35,818,000 ordinary shares on 2 February 2023.









CHAIRPERSON'S STATEMENT

Dear Valued Shareholders,

On behalf of the Board of Directors (the "**Board**"), it is with great pleasure that I present to you the Annual Report and Audited Financial Statements of the Group for the financial year ended 31 January 2023 ("**FYE 2023**").

The Group has been a pioneer in electronics manufacturing across a broad range of industries and leading technology customers. Our mission and vision have expanded over the years, along with our capabilities, enabling us to positively impact life by solving complex challenges with our customers and creating significant milestones. Today, customers turn to ATech for comprehensive solutions across the entire product life cycle with world-class technology, engineering, design, and manufacturing services. I am extremely proud of the services we provide and the lasting customer connections we continue to make in support of our mission.

The Year Under Review

During FYE 2023, we continued to adapt and evolve in a dynamic environment while we advanced on our strategic initiatives. The Covid-19 pandemic continued to pose challenges across our operations. Our teams responded with a safety-first mindset to protect our employees while delivering high-quality engineering support and manufacturing services for our customers. At the same time, we navigated the pressures of an unprecedented supply chain environment where our operations and supply chain teams continued to rally to meet the elevated demand for products against a backdrop of limited supply. I am truly grateful for the efforts of our team, who represented the greatest strengths within the Group and continued to drive positive results across the entire organization.

Despite the challenges in the past year, we made significant progress on our FYE 2023 strategic initiatives to grow revenue, invest in sustainable infrastructure and talent, and improve the bottom line.

Business Performance

As we look back on FYE 2023, we made progress on our top priority of "Growing Revenue" where we posted a revenue growth of 31.3% as compared to FYE 2022. We continued to make incremental investments in our production of semiconductor components and IoT products to support surging demand for digitalization from our customers who are leaders in the respective industries. Our FYE 2023 growth was also supported by improving demand from existing customers and incremental product ramps from new customer win.

We appreciate that developing, rewarding, and retaining our talent is critical to our long-term sustainable growth. This is a key focus of our initiatives around investing in "Sustainable Infrastructure and Talent". Throughout the year, we made investments in our human capital development, talent enhancement programs, and collaboration with local institutes. These investments helped to strengthen the foundation needed to scale our business, fulfil our mission, and achieve our financial targets.

Chairperson's Statement (cont'd)

Sustainability

We strive to incorporate Economic, Environmental, and Social ("**EES**") considerations as well as Governance for sustainability into our business strategy and operations. As demonstrated in the Group's FYE 2023 Sustainability Statement, we have improved the quality of our sustainability disclosures by integrating additional Material Sustainability Matters that have an impact on the operations. Moreover, we highlight the key initiatives that have been identified to address these aspects. Our Sustainability Statement encompasses measurements of greenhouse gas emissions, energy usage, total customer satisfaction, supply chain management, and human resources metrics as baseline indicators. It also emphasizes and expands on our strategy and programs for human capital development. Our aim is to adopt a comprehensive approach to sustainability and EES initiatives that are regarded as a strategic imperative for the Group.

Business Outlook

We are confident in our strategy and the growth in revenue and earnings for FYE 2024. We are in the process of developing our new integrated manufacturing facilities to take our business to a new dimension. This space is projected to be ready by FYE 2025 and will serve multiple potential new automotive component customers of the Group.

Looking ahead, we remain optimistic about the Group's long-term prospects under the stewardship of the experienced Board members and management team.

Appreciation

I sincerely thank the Board for their strategic guidance and oversight, and to the management team led by Mr Loh Hock Chiang, the Group Chief Executive Officer / Executive Director, who had proven their relentless efforts and commitment to the Group. I deeply appreciate our shareholders for their unwavering trust and support for the Group. I extend my profound appreciation to our employees for their invaluable contribution to our business operations; and to our customers, suppliers, bankers, advisors, auditors, lawyers, vendors, and authorities in the various forms of support and assistance, each representing an important role throughout the journey of the Group during the year. I look forward to working together to drive the success and growth of the Group, which will benefit and bring sustainable values to our shareholders and all stakeholders.

Datin Normaliza Binti Kairon
Independent Non-Executive Chairperson

19 May 2023

MANAGEMENT DISCUSSION AND ANALYSIS

1. Overview of ATech Group

The Company was incorporated in Malaysia as a private limited company. The principal activity of the Company is investment holding whilst its subsidiary BCM continues to operate as an EMS focusing on manufacturing solutions for industrial electronic products namely communications and IoT products, electronic devices, and semiconductor components.

2. Plant & Infrastructure

During the financial year, the Group:

(a) completed the construction of its new 61,039 sq.ft. factory extension ("**P3**") on 28 March 2022, and leased a 46,320 sq.ft. space for warehousing and light assembly ("**P4**") effective 1 November 2022 to support the Group's growing business activities and volume;

(b) rolled out additional automation and SMT lines comprising of (i) 1 SMT line for general use, and (ii) 3 SMT lines dedicated to its semiconductor components business, resulting in the Group having a total of 14 SMT lines, including the current operating SMT lines.

The introduction of the new infrastructure and ramping-up of production volume of the Group's semiconductor components business has accelerated the Group's aspiration to diversify from being solely a high-mix-low-volume EMS manufacturer, to introduce additional complimentary medium-mix-medium-volume EMS business for the Group.

On the 13 January 2023, the Group signed the acceptance of the letter of offer issued by Northern Technocity Sdn. Bhd. for the purchase of a vacant freehold industrial land measuring approximately 301,874 sq.ft., located within Kulim High-Tech Park, for a total cash consideration of RM13.6 million to develop a new integrated manufacturing plant to enable the Group to achieve its aspiration to introduce advance electronics manufacturing for the automotive industry, low-mix-high-volume business segment and in due course, outsourced semiconductor assembly and test ("**OSAT**") activities ("**P5**"). P5 is targeted to be operationally ready in the calendar year 2024.

Management Discussion and Analysis (cont'd)

3. Financial Performance Review

	FYE 2023	FYE 2022	Changes Amount	%
Revenue (RM'000)	482,362	367,286	115,076	31.3
Gross Profit (RM'000)	60,243	40,530	19,713	48.6
Profit Before Tax (RM'000)	40,279	25,905	14,374	55.5
Profit After Tax/ Net Profit (RM'000)	37,245	22,033	15,212	69.0
GP margin (%)	12.5	11.0	1.5	13.6
PBT margin (%)	8.4	7.1	1.3	18.3
Net profit margin (%)	7.7	6.0	1.7	28.3
Basic EPS (sen)	10.40	6.15	4.25	69.1
Number of shares ('000)	358,180	358,180	0.0	0.0

The Group registered **its highest total revenue** since its inception, and a relatively stronger business revenue across all business segments for FYE 2023 compared to the preceding year.

For the FYE 2023, the Group recorded total revenue of RM482.4 million, of which RM402.2 million and RM53.0 million or 83.4% and 11.0% were derived from communication and IoT products, and electronic devices, while the semiconductor components contributed the remaining RM27.2 million or 5.6%. As compared to the revenue of RM367.3 million recorded in the preceding year, the communication and IoT products, electronics devices respectively contributed RM317.3 million and RM38.9 million or 86.4% and 10.6% and the balance of semiconductor components contributed RM11.1 million or 3.0%.

The Group recorded a profit before tax of RM40.3 million for the FYE 2023, an increase of RM14.4 million as compared to a profit before tax of RM25.9 million for the preceding year. This was mainly contributed by the higher revenue and improved product mix profit margin.

Total expenses for the FYE 2023 which consist of administrative, selling and distribution, and finance costs, increased by RM6.3 million to RM21.4 million as compared to the preceding year's RM15.1 million. The higher expenses were mainly attributed to the higher foreign exchange translation losses and higher total utility costs.

The Group registered the highest profit after tax since inception of RM37.2 million an increase of RM15.2 million or 69.0% from RM22.0 million in the financial year ended 31 January 2022 ("**FYE 2022**").

Group Revenue Analysis

The revenue analysis by product segments is illustrated in the table below:

	FYE 2023 RM'000	FYE 2022 RM'000	Changes RM'000	%
Communication and IoT products	402,231	317,256	84,975	26.8
Electronics devices	52,956	38,885	14,071	36.2
Semiconductor components	27,175	11,145	16,030	143.8
Total	**482,362**	**367,286**	**115,076**	**31.3**

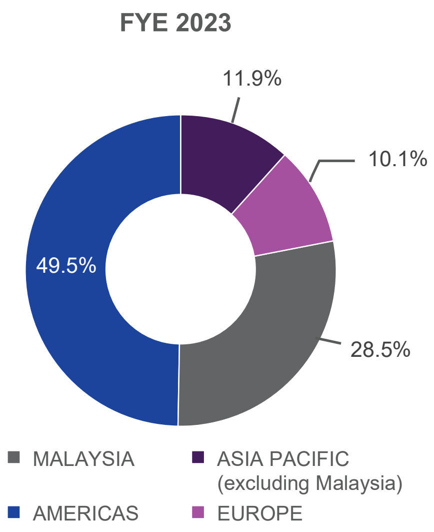
The Group's overall revenue has increased by RM115.1 million or 31.3% from RM367.3 million in the FYE 2022 to RM482.4 million in the FYE 2023.

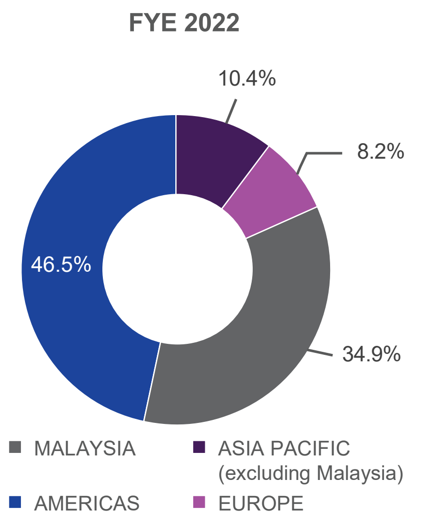
The stronger revenue reported signifies the Group's priority in executing the plan to ramp up utilization of the Group's recent investments in new production infrastructures and new manufacturing and warehouse spaces. Additionally, the Group also responded well to the recovery in the global supply chain – stepping out of the slowdowns caused by the Covid-19 pandemic in calendar year 2022.

Management Discussion and Analysis (cont'd)

3. Financial Performance Review (cont'd)

Revenue Breakdown by Geographical Market





In terms of revenue contribution by geographical markets, United States of America ("**Americas**") remained as the main contributor to the Group, generating 49.5% of the total group turnover, followed by Malaysia (28.5%), Asia Pacific (11.9%) and Europe (10.1%) for the FYE 2023.

Compared to the preceding year, the revenue from Americas grew by 3.0% whilst contributions from Malaysia shrunk most significantly by 6.4%. The Group will continue to strive towards a more balanced geographical contribution by targeting to increase revenue contributions from Asia Pacific (excluding Malaysia) customers, facilitated by the continued growth in the semiconductor components and electronic devices segment.

Communication and IoT Products Segment

Revenue from the manufacturing of communication and IoT product segment has increased by RM84.9 million or 26.8% from RM317.3 million in the FYE 2022 to RM402.2 million in the FYE 2023, which was mainly due to the recovery of the global shortage of certain raw components and catching-up of back-logged orders. The Group onboarded new customers for its IoT products in the second half of the FYE 2023 with minimal initial orders to manufacture their pilot products for field testing and qualification prior to mass production.

Electronics Devices Segment

Revenue from the electronics devices segment has increased by RM14.1 million or 36.2% from RM38.9 million in the FYE 2022 to RM53.0 million in the FYE 2023. This increase was mainly due to higher orders from the recovery of the energy sector and onboarding of new customers.

Semiconductor Components Segment

Revenue from the semiconductor components segment has increased by RM16.0 million or 143.8% from RM11.1 million in the FYE 2022 to RM27.2 million in the FYE 2023. The increase is predominantly from the scaling-up of production volumes via the installation of a total of 6 SMT lines, complete with its 12 automated robotic backend automated and testing lines.

Management Discussion and Analysis (cont'd)

4. Financial Position Review

4.1 Financial Position Analysis

	FYE 2023 RM'000	FYE 2022 RM'000	Changes RM'000	%
Non-current assets	117,223	83,963	33,260	39.6
Current assets	302,151	327,389	(25,238)	(7.7)
Total assets	**419,374**	**411,352**	**8,022**	**2.0**
Non-current liabilities	(30,706)	(23,743)	(6,963)	29.3
Current liabilities	(157,072)	(186,191)	29,119	(15.6)
Total liabilities	**(187,778)**	**(209,934)**	**22,156**	**(10.6)**
Net assets	**231,596**	**201,418**	**30,178**	**15.0**
Current ratio (times)	**1.9**	**1.8**	**0.1**	**5.6**

Assets

The Group's non-current assets increased by RM33.3 million or 39.6% from RM83.9 million (FYE 2022) to RM117.2 million (FYE 2023), mainly due to capital expenditure ("**CAPEX**") amounting to RM39.6 million comprising of the following items:

(a) the investment of various machinery and equipment of RM33.6 million;

(b) final construction stage of P3 amounting to RM1.8 million;

(c) right-of-use asset arising from the lease of P4 amounting to RM2.1 million; and

(d) miscellaneous furniture, fixtures, and fittings.

The Group's current assets have decreased by RM25.2 million or 7.7% from RM327.4 million (FYE 2022) to RM302.1 million (FYE 2023), mainly due to the following factors:

(a) decrease in cash and bank balances by RM27.9 million from the utilization of IPO proceeds for the purchases of new machinery and equipment;

(b) decrease in inventories by RM31.7 million due to the improvement in the global supply chain and initiatives to move towards "just-in-time"; and

(c) increase in trade receivables by RM41.2 million due to significant pick-up in revenue for the second half of FYE 2023.

Liabilities

The Group's non-current liabilities increased by RM7.0 million or 29.3% from RM23.7 million (FYE 2022) to RM30.7 million (FYE 2023), largely due to the new term financing drawdown to fund P3's construction.

The Group's current liabilities decreased by RM29.1 million or 15.6% from RM186.2 million (FYE 2022) to RM157.1 million (FYE 2023), mainly contributed to the following factors:

(a) repayments of bank facilities of RM25.7 million; and

(b) decrease in trade payables of RM6.4 million as order book move towards "just-in-time".

Management Discussion and Analysis (cont'd)

4. Financial Position Review (cont'd)

4.2 Cash Flow Analysis

	FYE 2023	FYE 2022	Changes	
	RM'000	RM'000	RM'000	%
Net cash generated from operating activities	40,994	11,138	29,856	268.1
Net cash used in investing activities	(40,947)	(34,567)	(6,380)	18.5
Net cash (used in)/generated from financing activities	(26,651)	75,966	(102,617)	(135.1)
Net change in cash and cash equivalents	(26,604)	52,537	(79,141)	(150.6)
Effect of exchange rate fluctuations	(1,324)	(11)	(1,313)	11,936.4
Cash and cash equivalents at the beginning of the financial year	69,635	17,109	52,526	307.0
Cash and cash equivalents at the end of the financial year	**41,707**	**69,635**	**(27,928)**	**(40.1)**

The Group's net cash from operating activities increased by RM29.9 million or 268.1% from RM11.1 million in the FYE 2022 to RM41.0 million in the FYE 2023, mainly due to higher operating profit and customer repayments within their credit terms.

The Group's net cash used in investing activities increased by RM6.4 million or 18.5% from RM34.6 million (FYE 2022) to RM40.9 million (FYE 2023) mainly due to payments for the new investments in P3, machinery and equipment, fixtures and fittings, and money market funds.

The Group recorded a reduction of net cash generated from financing activities by RM102.6 million. This is mainly due to a combination of the following factors:

(a) there were no IPO proceeds in FYE 2023 as compared to RM104.7 million in FYE 2022;

(b) interim dividend payments of RM7.2 million;

(c) partial repayment of machinery's term financing of RM2.7 million;

(d) partial repayment of trade facilities and revolving credit totaling RM25.9 million; and

(e) partial offset by the drawdown of a new term financing of RM9.5 million for P3's construction.

4.3 Liquidity & Capital Structure

Taking into the consideration of the following factors, the Group believes that it shall maintain sufficient working capital for the Group's existing and foreseeable future requirements:

(a) current ratio improved from 1.8 times (FYE 2022) and to 1.9 times (FYE 2023) indicating the Group's ability to meet short-term obligations;

(b) cash and cash equivalents of RM41.7 million as at 31 January 2023; and

(c) expected cash flows to be collected from the trade receivables amounting to RM131.8 million as at 31 January 2023 and future business operations of the Group;

The Group maintained a conservative debt-to-equity ratio and debt (less cash equivalent)-to-equity of 0.41x and 0.19x respectively as at 31 January 2023. The Group's gearing ratio will be further improved by the private placement proceeds amounting to RM77.7 million received on 7 February 2023 ("**Private Placement**").

Management Discussion and Analysis (cont'd)

5. Capital Expenditure Requirements

The Group will continue to allocate necessary financial resources to fund its CAPEX over the forthcoming financial years to facilitate business growth comprising of the following key planned CAPEX:

(a) purchase of 3 SMT lines amounting to approximately RM25.0 million;

(b) installation of Rooftop Solar amounting to approximately RM7.7 million;

(c) warehouse extension and clean room facilities amounting to approximately RM5.5 million;

(d) information technology infrastructure enhancements of approximately RM2.0 million;

(e) purchase of land for the development of P5 amounting to RM13.6 million; and

(f) construction of P5 of which the construction cost which is yet to be finalized;

The CAPEX requirements are expected to be funded by a combination of the following financial sources:

(a) partial proceeds from the Private Placement amounting to approximately RM47.0 million;

(b) bank financing; and

(c) internally generated funds.

6. Business Risk and Operations Outlook

The Group continues to face challenges from industry-wide and global issues including but not limited to the following trends:

(a) potential natural disasters – both local and global;

(b) growing manpower, material and utility costs,

(c) recurring constraints of the global supply chain;

(d) shortages of specific semiconductor components,

(e) rising financing costs;

(f) volatility in USD/MYR exchange rates including effects of potential de-dollarization;

(g) persisting inflationary effects;

(h) trending recessionary sentiments;

(i) ongoing prolonged Ukraine-Russia and other geo-political conflicts;

(j) heightening in the US-China trade and technology tension;

(k) migration of the Chinese supply chain out of China causing new disruptions; and

(l) brewing global market contagions or fallouts.

Such concerns and lack of market confidence may disrupt and abruptly dampen global demand for EMS products.

To manage and overcome these challenges, the Group continues to remain prudent and cautiously optimistic in navigating through such unpredictable markets as it strives to diversify its customer base, scale up its manufacturing capacity and technology capabilities whilst actively optimizing cost and capital structures.

Management Discussion and Analysis (cont'd)

6. Business Risk and Operations Outlook (cont'd)

The Group intends to continue investing in its planned CAPEX requirements in preparation for future growth. However, the Group may have to reprioritize CAPEX spendings should the global market trends affecting the EMS sector further deteriorates.

Barring any unforeseen circumstances in executing our (a) business plans, (b) existing order book and (c) subsequent new orders, we continue to be cautiously positive about the Group's performance for the financial year ending 31 January 2024.

7. Dividends

The Group targets its dividend payout ratio of up to 50% of our profit after tax attributable to owners of our Group of each financial year on a consolidated basis after taking into account the Group's working capital requirements, subject to any applicable law and contractual obligations and provided that such distribution will not be detrimental to the Group's cash requirements or any plans approved by our Board.

For the FYE 2023, the Group declared its first and second dividends post IPO as follows:

- **29 September 2022:** the first interim single-tier dividend of RM0.02 per ordinary share amounting to RM7,163,600 for the FYE 2023 which was paid on 26 October 2022 to the shareholders of the Company whose names appear in the Record of Depositors on 14 October 2022.

- **28 March 2023:** the final single-tier dividend of RM0.02 per ordinary share amounting to RM7,879,960 for the FYE 2023 which was paid on 9 May 2023 to the shareholders of the Company whose names appear in the Record of Depositors on 18 April 2023.

8. Material Litigation

Save as disclosed below, the Group is not engaged in any material litigation, claim and/or arbitration, whether as plaintiff or defendant, which might materially and adversely affect the financial or business position of our Group:

(1) BCM vs Mimos Berhad ("Mimos")

BCM had, on 13 October 2015, filed a lawsuit against Mimos at the High Court of Malaya at Kuala Lumpur ("**High Court**") to claim a sum of RM1,672,789 plus interest ("**Mimos Suit**"). The High Court judge had, on 6 May 2019, allowed BCM claim with costs amounting to RM1,694,734.75. Mimos had on 9 May 2019 filed an appeal against the decision at the Court of Appeal of Malaysia. On 3 August 2021, the Court of Appeal of Malaysia allowed the appeal filed by Mimos with cost and BCM repaid the claim amounting of RM1,731,134.75 (including costs) to Mimos on 14 September 2021. The leave application to the Federal Court of Malaysia by BCM was heard on 16 August 2022 and the application was dismissed.

BCM has exhausted all the legal avenues for the Mimos Suit.

(2) BCM vs JR Joint Resources Holdings Sdn. Bhd. ("JR")

BCM had, on 6 January 2021, received and disputed a writ of summon originated by JR for a total claim of RM267,428.26 for the purported sum owed to JR for the supply of foreign workers to BCM ("**JR Suit**"). On 7 October 2021, the Session Court allowed BCM to strike out the JR Suit. Upon appeal by JR, the High Court on 21 March 2022 affirmed the Session Court's decision in favour of BCM. JR subsequently filed a further appeal to the Court of Appeal on 20 April 2022. The leave application to the Court of Appeal of Malaysia by JR was heard on 30 March 2023, and the application was struck out by the Court of Appeal without claim.

JR has exhausted all the legal avenues for bringing further action against BCM.

SUSTAINABILITY STATEMENT

For illustration purpose only

ABOUT THIS STATEMENT

Our Group is committed to being a world-class green manufacturing service provider, and therefore, the Group has a responsibility to and is pledged to driving EES practices throughout our business operation by instilling a culture of sustainability at ATech. Adopting sustainability intends to future-proof ATech's business to carry on growing into the future-balanced by risk mitigation, whilst observing environmental and social responsibilities.

This sustainability statement ("**Statement**") demonstrates how the Group progressively adopted the best practices and principles of sustainability in our business operations, and strives towards our Group's vision, mission, and value. We also detailed our sustainability activities and the progress on our sustainability journey comprehensively disclosing key issues and performance metrics.

FORWARD-LOOKING STATEMENT

Any forward-looking statements mentioned in the Statement are based on ATech's current anticipations, beliefs, and assumptions and therefore do not guarantee future performance. Such statements may be implicitly liable to uncertainties, risks, trends, or factors that are difficult to predict and beyond our control. Global economic crisis, changes in government policies and regulations, and growing customers demand, among others, are the determinants affecting the actual performance, results, or materiality indicated in this Statement.

REPORTING PERIOD AND BOUNDARY

This Statement covers information on the Group's sustainability performance for our sole business operation located in Plot 21, Phase 1, Kulim Industrial Hi-Tech Park, 09090 Kulim, and reports the financial period from 1 Feb 2022 to 31 January 2023. We have included information from the last reporting period, which forms the initial baseline for our material sustainability matters ("**Initial Baseline**") where it's possible to show data comparison.

REPORTING FRAMEWORK AND STANDARDS

During the first year of Sustainability Reporting, the Group identified important areas of sustainability ("**Material Sustainability Matters**") in the organization that have an impact on the operation. This is ATech's second statement, prepared in compliance with the Main Market Listing Requirement ("**MMLR**") issued by Bursa Securities and refers to Bursa Malaysia's Sustainability Reporting Guide 3rd edition and toolkits ("**Bursa Sustainability Guidelines**").

Sustainability Statement (cont'd)

SUSTAINABILITY GOVERNANCE STRUCTURE

We adopted a top-down approach in our sustainability governance, whereby the Board holds ultimate responsibility for our sustainability matters. To support our approach, we enhanced our sustainability governance in the third quarter ("**Q3**") of 2022 by establishing the (1) Sustainability Management Committee and (2) Sustainability Working Team as follows:

Governance Structure	Who	Roles & Responsibilities	Meeting
The Board	• Independent Non-Executive Directors • Non-Independent Non-Executive Directors • Executive Directors	• Oversight Strategy • Direction Setting • Performance Monitoring	Quarterly
Sustainability Management Committee	• Chief Financial Officer • Senior Directors & Directors • Selected Head of Departments ("**HODs**")	• Planning • Initiative Identification • Materiality Assessment • Monitoring Implementation • Group Data Gathering & Tracking	Monthly
Sustainability Working Team	• HODs • Team Members	• Implementation • Department Data Gathering and Tracking	Bi-weekly

ATECH'S SUSTAINABILITY MILESTONES

FYE 2024

- Commence the installation of 2,578.3kWp Rooftop Solar.

FYE 2023

- Published ATech's second Statement on 30 May 2023.
- Established the (a) Sustainability Management Committee and (b) Sustainability Working Team to further strengthened ATech's Sustainability and Corporate Governance Structure.
- Promote Sustainability awareness to employees via sustainability-themed posters displayed on our main notice/communication board at our premise.
- Collated and published first performance metrics based on the Targets for selected Material Sustainability Matters (including additional baselines to the **Initial Baseline**).
- Developed associated targets for the Material Sustainability Matters ("**Targets**").
- Performed stakeholder engagements and materiality assessment exercises to re-evaluate, revalidate, and reprioritize Material Sustainability Matters.
- Established a dedicated Sustainability and Governance department.

FYE 2022

- Published ATech's first inaugural Sustainability Statement on 31 May 2022.
- Collated and published the first Initial Baseline for selective Material Sustainability Matters.
- Established our first initial Material Sustainability Matters.
- Established our first Sustainability Governance Structure with the Board leading the strategic direction and monitoring of the Group's overall sustainability initiatives with the support of the Group's management team.
- ATech was listed on the Main Market of Bursa Securities on 16 December 2021.



OUR APPROACH

SUSTAINABILITY STRATEGY FRAMEWORK

Our sustainability strategy is reinforced through three (3) pillars, namely (i) Economic; (ii) Environment; and (iii) Social. The Group is committed towards sustainable development by cultivating each pillar within our business value chain.

ECONOMIC

ATech is committed to growing and expanding its business sustainably, delivering quality products and services, promoting total customer satisfaction, and ensuring good corporate governance and ethics.

Material Sustainability Matters:

- Business Growth
- Quality Products and Services
- Total Customer Satisfaction
- Supply Chain Management
- Corporate Governance

ENVIRONMENT

ATech will continue to promote environmental sustainability within the workplace, manage and minimize environmental impacts, and ensure to comply with regulatory requirements.

Material Sustainability Matters:

- Environmental Sustainability
- Material Management
- Pollution and Waste Management
- Greenhouse Gas ("**GHG**") Emission

SOCIAL

ATech will continue to improve employees' well-being, retain talents through training and development, bring untoward accidents to zero at the workplace and assure contribution to local communities.

Material Sustainability Matters:

- Workforce Diversity
- Occupational Safety and Health
- Employee Training and Development
- Employee Well-Being
- Corporate Social Responsibility ("**CSR**") Activities

OUR SUSTAINABILITY GOALS

Sustainability Strategy	Sustainability Goals	Targets
Economic • **Business Growth** • **Quality Products & Services** • **Total Customer Satisfaction** • **Supply Chain Management** • **Corporate Governance**  	• To grow and expand our business in a sustainable way. • To deliver quality products and services. • To promote total customer satisfaction. • To ensure good Corporate Governance and Ethics.	1) Business growth - To achieve a gross profit margin of 20% by FYE 2025. 2) Deliver Quality Products and Services - To meet customers' quality goals. 3) Meet Customer Requirements - To achieve the overall survey rating of more than 85%. 4) Promote Local Suppliers - To increase spending on local suppliers by having the local content proportion of more than 30% of our annual purchases. 5) Practice good corporate governance & ethics – Zero cases of non-compliance and ethical issues.

Sustainability Statement (cont'd)

Sustainability Strategy	Sustainability Goals	Targets
Environment • **Environmental Sustainability** • **Material Management** • **Pollution and Waste Management** • **GHG Emission**	• To promote environmental sustainability within the workplace. • To manage and minimize environmental impacts. • Regulatory compliance.	1) Comply with government regulations -100% compliance. 2) Compliance with environmentally friendly materials - 100% compliance with regulatory requirements. 3) Minimize waste and the environmental impact - To comply with ISO14001:2015 standard and 100% compliance with environmental and regulatory requirements. 4) Reduce GHG Emission – Rooftop Solar – To achieve 35% of electricity savings by FYE 2024.
Social • **Workforce Diversity** • **Occupational Safety and Health** • **Employee Training and Development** • **Employee Well-Being** • **CSR Activities**	• Employee health is our priority. • Zero accidents at the workplace. • No discrimination at the workplace.	1) Diversity and Equal Opportunities - 100% compliance with regulatory requirements. 2) Zero workplace accidents. 3) Retain talent and succession planning - Turnover rate less than 2%. 4) Promote employee well-being by organizing five (5) activities annually. 5) Contribute to local communities by organizing five (5) activities & programs.

STAKEHOLDER ENGAGEMENT

ATech recognizes that building a sustainable business requires us to foster a strong connection with stakeholders in order to establish as a credible and ethical entity with sound corporate practices. To this end, we employ various means of engagement to actively seek out and comprehend our stakeholders' perspectives and needs. The following table provides an overview of ATech's stakeholders, the engagement approaches, and the sustainability areas that important to them.

Stakeholders	Engagement Approaches	Area of Sustainability Priorities & Importance
Customer	- Customer site visit - Online meeting - Business performance review - Corporate website	- Product quality - On-time delivery (OTD) - Competitive pricing - Customer service and satisfaction
Supplier	- Phone calls - Emails - Face-to-face communication - Supplier evaluation	- Fair and transparent procurement procedure - Supplier selection and evaluation - Credit terms and timely payments
Government /Regulators	- Compliance audit - Phone calls - Emails - Bursa Announcement - Corporate website	- Regulatory compliances - Good corporate governance practices

Sustainability Statement (cont'd)

Stakeholders	Engagement Approaches	Area of Sustainability Priorities & Importance
Employees	- Townhall meetings - Corporate organized event - Training & Development program - Communication boards - Emails - Employee performance appraisal - Social media	- Safe and healthy working environment - Competitive and fair remuneration - Equal opportunity for career advancement - Continuous training and development
Local Communities	- CSR activities - Group website for job application - Social media	- Employment opportunities - Local economic support - Contribution to communities' well-being
Shareholders/ Investors	- Corporate website - Investor Relation channel - Annual Report - Annual General Meeting - Regular meetings and correspondence - Quarterly reports - Bursa Announcement	- Group direction and strategy - Corporate governance - Risk management and internal controls - Interest of various stakeholders
Financiers	- Corporate website - Physical meeting - Online meeting - Emails - Phone calls - Bursa Announcement - Annual Report	- Group direction and strategy - Corporate governance - Financial performance

MATERIALITY ASSESSMENT

ATech's revised Material Sustainability Matters for FYE 2023 were determined based on the following approach:

(a) Undertook the annual review and enhanced the Material Sustainability Matters to be aligned with the most current and anticipated future priorities of (i) the Group, (ii) the Group's stakeholders, and (iii) the environment;

(b) Undertook the annual review of the revised Material Sustainability Matters to be aligned (where required and where possible) with the Bursa Sustainability Guidelines;

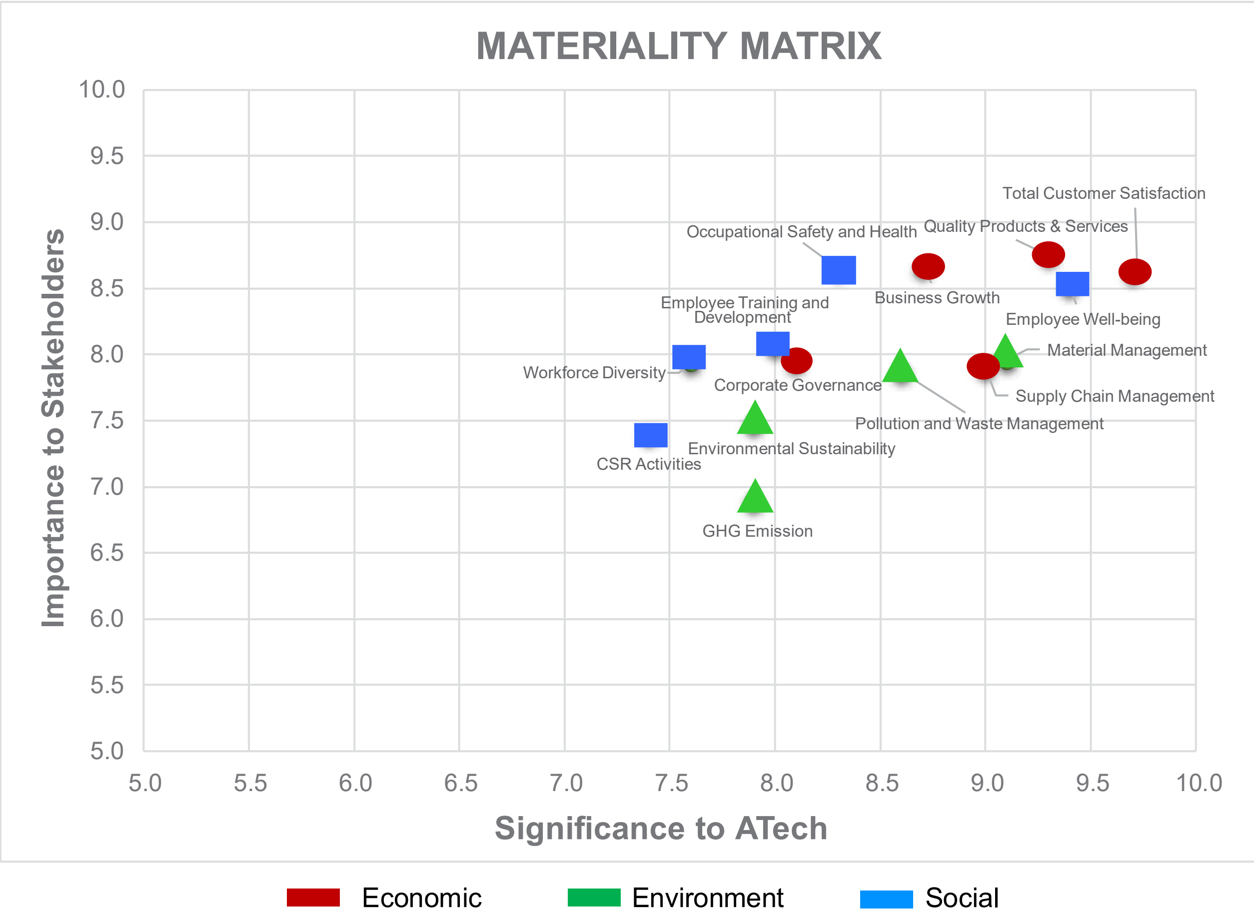
(c) Undertook a survey with the Group's stakeholders to establish, verify, and prioritize the importance of the potential material sustainability matters for the Group; and

(d) The analysis of the survey results was further analyzed and moderated with the feedback from the Group's Board and management team.

Sustainability Statement (cont'd)

The outcome of our materiality assessment is shown in the diagram below.

Total Customer Satisfaction, Employee Well-being, Quality Products and Services, Business Growth, and Material Management are the top five (5) material sustainability matters which are highly significant to ATech and our stakeholders. The results of the materiality assessment are portrayed in the Materiality Matrix.



The revised Material Sustainability Matters are as follows:

Economic	Environment	Social
1. Business Growth	6. Environmental Sustainability	10. Workforce Diversity
2. Quality Products and Services	7. Material Management	11. Occupational Safety and Health
3. Total Customer Satisfaction	8. Pollution and Waste Management	12. Employee Training and Development
4. Supply Chain Management	9. GHG Emission*	13. Employee Well-being
5. Corporate Governance		14. CSR Activities*

* New Material Sustainability Matters added for FYE 2023

ECONOMIC

1. Business Growth

The Group has recorded a revenue growth of approximately RM115.1 million or 31.3% from RM367.3 million in FYE 2022 to RM482.4 million in FYE 2023.

The Group signed the sales and purchase agreement to acquire a new industrial land on 10 May 2023 to construct P5 to enable the Group's continued business growth and diversification so that the Group can achieve (a) greater economies of scale, and (b) our targeted gross profit margin of 20% by FYE 2025.

In order to drive growth volumes, ATech intends to transform its manufacturing facilities and capabilities by introducing clean room facilities, new automation technologies, and lean processes to support (a) low-mix-high-volume manufacturing businesses, and (b) advance electronics manufacturing for the automotive industry.


Expansion of SMT lines and Backend Automation & Testing

2. Quality Products and Services

The Group is committed to quality excellence and meeting our customers' expectations at all-time via our comprehensive Quality Policy and Quality Management System ("**QMS**"). Our QMS is based on ISO 9001:2015, and audited/accredited annually by TÜV Rheinland Malaysia.

We also pursue quality excellence by (a) conducting scheduled audits of compliance to QMS, (b) consistently undertaking In Process Quality Assurance ("**IPQA**"), (c) communicating our Quality Policy as well as promoting a Zero Defect mindset/culture across our organization, and (d) provide quality-related trainings to employees.

As part of our quest to raise our quality performance, we are stepping-up our efforts to further automate our manufacturing and test processes (where possible) to enhance our quality controls. We established a dedicated Digitalization and Automation ("**DNA**") department to accelerate our quality and automation ambitions with the mandate to:

(1) further expand our Manufacturing Execution System ("**MES**");
(2) streamline and automate our product testing procedures;
(3) developing the next-generation software test system; and
(4) generate and collate more traceable manufacturing data for failure analysis and operational optimization.

Sustainability Statement (cont'd)

Quality Five Pillars

Our quality certifications comprise of:

ISO 9001:2015	Quality Management System
ISO 14001:2015	Environmental Management System
ISO 45001:2018	Occupational Health and Safety Management System
EN ISO 13485:2016	Medical Devices Quality Management System
IATF 16949: 2016	Automotive Quality Management System
ANSI/ESD S20.20:2014	Electrostatic Discharge Control

Our Group has met all customers' quality goals in FYE 2023.

3. Total Customer Satisfaction

The Group understand that Total Customer Satisfaction is critical to the success of our business. As a customer-centric company, we continuously strive to create value for all our customers. Our program management team leads our customers' engagement and ensures high levels of total customer satisfaction.

We typically kick start our onboarding process by meticulously engaging with all of our customers at the early stage of product development - whereby we will work very closely with the customers on all aspects of material selection, manufacturing approach, testing requirements, quality controls, and warehousing plans. Our engineering teams are also ever-ready to provide technical support to our customers on customized upgrading, modification, and rework. Our program management team, together with our engineering and supply chain management teams, also periodically update our customers on the latest new materials, manufacturing processes, and technologies to enable our customers to (a) improve product quality and (b) produce at a competitive cost. In our daily work, our program management team ensures timely deliveries of goods to our customers, and strives to respond to all customer enquiries within two (2) business days.

ATech's key customers regularly provide ratings for delivery, cost, quality, and strategic partnerships. The Group's average customers' rating for FYE 2023 is 91.4%, above the target rating of 85%.

4. Supply Chain Management

At ATech, sustainability is a top priority in supply chain management. We recognized the critical role that a robust supply chain management system and team play in supporting our manufacturing process. As an EMS provider, we adhere to our customers' Approved Manufacturer List ("**AML**") to ensure the quality of raw materials and services provided by our suppliers.

The Group conducts annual supplier evaluations and audits to assess quality, workmanship, and cost, particularly for the materials we approve and require to be outsourced. Our Approved Supplier Listing ("**ASL**") is continuously monitored, with monthly measurements covering delivery time and quality. Suppliers who consistently fail to meet our requirements are removed from our ASL.

In addition, our commitment to localization not only supports local suppliers but also gives us a competitive advantage through cost reduction. To uphold this dedication, we actively promote localization projects, specifically by sourcing packaging items and labels from local suppliers. This approach not only strengthens the local economy but also aligns with our sustainable supply chain management objectives.

Metrics	FYE 2023	FYE 2022
Proportion of spending on local suppliers	30%	31%

5. Corporate Governance

ATech recognizes the importance of good corporate governance, and high business ethics and conduct to drive the sustainable development of the Group. We continuously strive to comply with and adopt, where applicable, the Malaysian Code on Corporate Governance ("**MCCG**"), 2021.

Our corporate governance activities, initiatives, and practices are detailed in the (a) Corporate Governance Overview Statement of this Annual Report, and our (b) Corporate Governance Report.

The Group has since established its Anti-Bribery and Anti-Corruption Policy ("**ABAC Policy**") and Code of Business Conduct and Ethics Policy ("**CBCE Policy**") in March 2021 and March 2023 respectively. The Group communicates its ABAC and CBCE policies at length to its employees during employment orientation. The Group also organizes anti-bribery and anti-corruption training annually since 2022 to ensure that our employees are regularly reminded of (a) ABAC Policy and (b) the latest regulatory updates and case studies. Every Board member, senior management, and managers of ATech group have formally signed and accepted the Group's "Corruption Free Pledge" since April 2022. The Group via its subsidiary has also extended ABAC Policy compliance acknowledgement to all our suppliers and vendors.

In addition to introducing the Whistleblowing Policy ("**WBP**"), the Group has also made it available on our websites:

(1) Providing guidelines to employees and external parties on how to report alleged unethical behavior, improper business conduct, any violation or suspected violation of any law or regulation, including breach of business ethics; and
(2) Providing Whistleblowing Portal as a channel to report any misconduct and unethical activities.

The Group has recorded zero incidences of non-compliance with the ABAC and CBCE policies in FYE 2023. The Group has also zero tolerance for the non-compliance with the ABAC and CBCE policies.

Anti-Bribery and Anti-Corruption Talk by Malaysian Anti-Corruption Commission

Sustainability Statement (cont'd)

ENVIRONMENT

6. Environmental Sustainability

Environmental sustainability continues to be a very important agenda for the Group. The Group is committed to minimize our environmental impact by striving towards 100% compliance with all relevant environmental regulatory requirements and best practices including but not limited to the Environmental Quality Act 1974 (Amended 2022) ("**EQA**") and ISO 14001: 2015: Environmental Management System (collectively "**Environmental Guides**").

The Group undertakes (a) a semi-annual review of the Environmental Guides to establish new environmental parameters monitoring mechanism, environmental controls, and/or mitigating programmes, and (b) annual environmental impact ("**EASIL**") assessment across the operations.

The Group is also annually audited by TÜV Rheinland Malaysia for ISO 14001:2015 compliance. BCM obtained its ISO 14001: 2015 re-certification on 15 August 2022.

The Group did not record any non-compliance with the Environmental Guides during FYE 2023.

7. Material Management

The Group is committed to use safe and environmental-friendly materials in our products that we manufacture. Our supply chain management team, together with our quality team, strives to comply with the global standards of material management such as Conflict Material Reporting Template ("**CMRT**"), Registration, Evaluation, Authorization, and Restriction of Chemicals ("**REACH**") and Restriction on Hazardous Substance ("**RoHS**"). We are also working towards onboarding compliances to International Material Data System ("**IMDS**") as we prepare ourselves towards automotive component manufacturing.

The Group is working towards developing a monitoring and compliance framework in order to achieve a 100% compliance with the requisite global standards going forward.

8. Pollution and Waste Management

ATech is dedicated to manage waste responsibly via proper disposal and regular monitoring of our waste generation to drive effective waste management. Our management approach is in compliance with EQA. Our pollution and waste management activities are led by our Safety Officer - who is also a Certified Environmental Professional in Scheduled Waste ("**CePSWaM**").

In managing our waste, we have implemented a rigorous mechanism to manage both hazardous and non-hazardous wastes which emphasize on (a) a stringent and standardized waste disposal process, (b) a dedicated location for waste storage with adequate safety features and distance from operational areas, (c) scheduled inspection of waste volume and storage, (d) annual evaluation of the waste management impact, and (e) scheduled training to our employees who are responsible in managing the waste.

The Group via its subsidiary works closely with the Department of Environment ("**DOE**") on our scheduled waste management including notifying and declaring a total of ten (10) types of scheduled waste to the DOE.

We have not recorded any non-compliances with the EQA pertaining to pollution and waste management during FYE 2023.

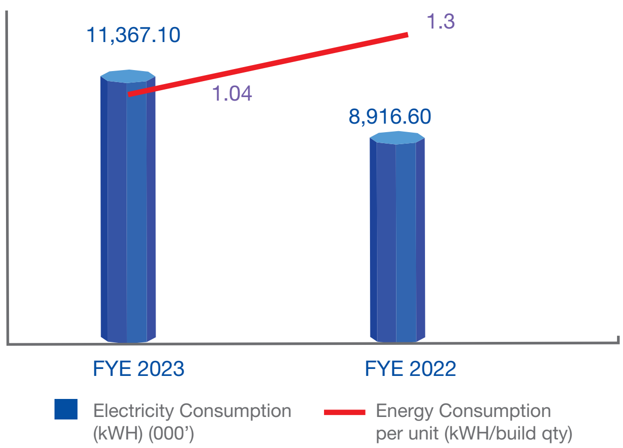
9. GHG Emission

ATech is aware that our manufacturing operations are not excluded from causing GHG emission. However, our GHG emission assessment indicates that the impact of our operations is largely confined to Scope 2. Our electricity consumption is primarily derived from the usage of (a) air-conditioning systems, and (b) production machinery and equipment.

Our energy-optimization initiatives during FYE 2023 are listed as follows:

Energy-optimization Initiatives	Purpose	Status
- Conversion of T8 lighting to LED in office space and production area	- To optimize the energy consumption as LED lights produce higher lumens with lower heat generation	- Completed
- Installation of the latest automated machinery that is energy efficient	- To minimize energy consumption	- Completed
- Application of automatic power-off timer and sensor in air-conditioning at air handling unit (AHU) - at office space only	- To minimize energy consumption	- Completed
- Displayed signage switching off unused lighting and electronic equipment	- To minimize energy consumption	- Completed
- Centralized air-conditioning for office space	- To minimize energy consumption	- Completed
- Scheduled preventive maintenance on the air compressor and cooling unit	- To minimize energy consumption	- On-going (monthly basis)
- Timer-controlled switching LED street lighting	- To minimize energy consumption	- Completed
- Installation of solar PV System on our buildings' rooftop	- To commence the usage of renewable energy	- On-going (to be installed completely in Q3 of 2023)

Our electricity and energy consumption are measured and disclosed below.



Sustainability Statement (cont'd)

Our GHG emissions are measured and disclosed below.

Scope	Definition	Emission Type	Status
Scope 2	GHG emissions from the consumption of electricity	Indirect	Measured and disclosed

GHG emission[1]	Unit	FYE 2023	FYE 2022
Scope 2[2]	tCO_2e	7581.84	5947.34
GHG emission intensity	tCO_2e/unit	0.001	0.001

1. *ATech only calculates GHG emissions for CO_2. CO_2 has a global warming potential ("**GWP**") of 1*
2. *The emission factor used is the 2017 CDM Electricity Baseline for Malaysia Prepared by Malaysian Green Technology Corporation, Baseline CO_2 for Peninsular of 0.667 kCO_2/kWH*

In FYE 2023, our GHG emissions recorded a total of 7581.84 tonnes of carbon dioxide equivalent ("**tCO_2e**") Scope 2 emissions. The increase in Scope 2 emission, as compared to FYE 2022 of 5947.34 tCO_2e was mainly due to the higher manufacturing activities and expansion of the manufacturing floor space, thus increasing GHG emissions. However, the GHG emission intensity is still maintained at 0.001 tCO_2e/unit for FYE 2023 and will foresee the improvement after the installation and operation of Rooftop Solar in FYE 2024.

The Group is optimistic to achieve our target of electricity savings by replacing up to 35% of electricity consumption with renewable energy by FYE 2024.

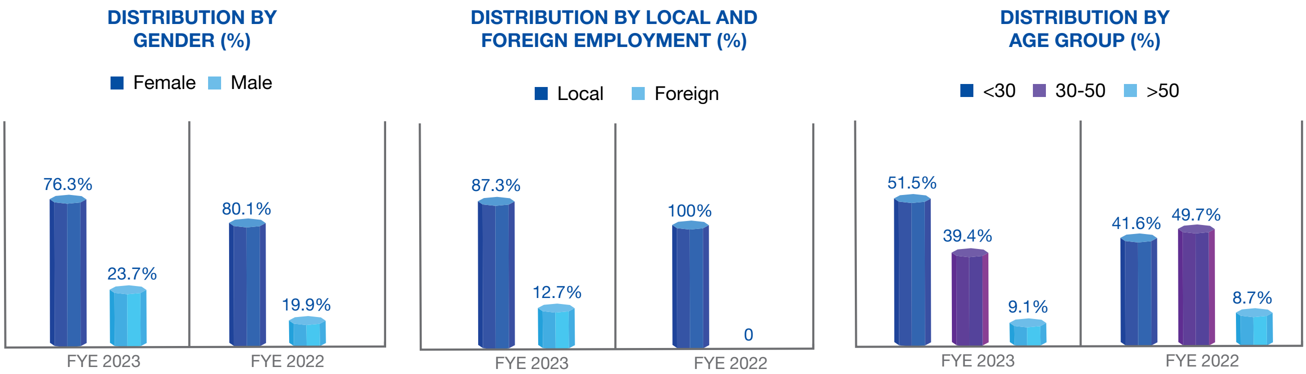
2,578.3kWp Rooftop Solar Installation

SOCIAL

10. Workforce Diversity

As part of our business culture, workforce diversity continues to be one of our top strategic priorities of our organization. We believe encouraging equal opportunities, diversity, inclusion, and performance oriented advancement culture will create a more attractive working environment, and thus alleviate the marginal utility, quality, and commitment of our human capital.

Employee Statistics:



Employees Distribution (Headcount)		
Indicator	**FYE 2023**	**FYE 2022**
By Gender		
Female	981	869
Male	305	216
Total	**1286**	**1085**
By Nationality		
Local	1123	1085
Foreign	163	0
By Age Group		
<30	662	451
30-50	507	539
>50	117	95
Employees With Disabilities	3	3

Turnover Rate		
Indicator	**FYE 2023**	**FYE 2022**
Overall Employee Turnover Rates (%)	4.3	4.6

Sustainability Statement (cont'd)

11. Occupational Safety and Health

At ATech, we do not compromise our employees' safety and health. We have established the Occupational Safety and Health ("**OSH**") management system to monitor and continually improve our performance in order to create and achieve a safe and healthy working environment for our employees. The OSH activities are led and managed by our (a) Environmental Safety & Health Committee, and (b) Emergency Response Team ("**ERT**"). Whilst we organize various OSH activities to promote greater awareness of OSH amongst our employees, we enforce compliance by carrying out the following:

(1) compulsory OSH training and briefing for new employees;
(2) scheduled monthly OSH audits; and
(3) scheduled quarterly assessment of workplace hazards.

Whilst the Group continues to adopt a **Zero Workplace Accident** target, we recorded a total of six (6) minor non-fatal accident cases for the FYE 2023 (compared to zero accidents in FYE 2022) contributing to 19.2 lost time injuries for every one million man hours worked. These accidents were reported and recorded in accordance to (a) the Notification of Accident, Dangerous Occurrence, Occupational Poisoning, and Occupational Disease ("**NADOPOD**") Guideline by the Department of Occupational Safety and Health Malaysia ("**DOSH Malaysia**") and (b) our Group Incident Reporting procedures.

The Group has responded to the increased incidents by (a) increasing the frequency of OSH reminders and awareness campaigns, and (b) increased the number of selected employees to be trained on OSH Standards by 83 employees for the FYE 2023.

12. Employee Training and Development

ATech conducts customized training and development programmes based on the feedback obtained via (a) our annual training needs analysis, and (b) our employee performance appraisal engagements.

For the period over the FYE 2023, we had conducted a total of 4,469.5 hours of training, with an average of 8.0 training hours per employee.

	FYE 2023	FYE 2022
Average training hours per employees(a)	8.0	6.8
Total hours of training	4,469.5	1,394.0

(a) Total training hours/ total number of employees who attended trainings

13. Employee Well-Being

The Group consistently place great emphasize on the well-being of our *Keluarga BCM* community. With the receding of the Covid-19 pandemic, the Group was able to organize many more social events for employees to encourage employees to gather and meet in a different setting and socialize in a more relaxed atmosphere beyond work and deadlines.

Our various *Keluarga BCM* social and engagement activities during the FYE 2023 includes the following:

- Employee Wellness Program - AIA Health Program: Zumba & K-Pop Fit;
- ATech Health Program (Blood Donation, Pap Smear Test, and Health Screening);
- Bowling Tournament;
- Nature Hike and Trails Clean-up at Bukit Besar, Kulim, Kedah;
- Employee Wellness Program: Free Health Screening under PEKA B40 and SIHAT PERKESO;
- "Cupcake Day";
- "Ice-cream Day";
- Chairperson's open discussion with senior management and production team;
- *Hari Raya* and Chinese New Year Dinner;
- Thermos Flask Giveaway in conjunction with P3 opening; and
- Motorbike Safety Event.

Sustainability Statement (cont'd)


Employee Wellness Program - Zumba & K-Pop Fit


Bowling Tournament


Cupcake Day


Ice-Cream Day


Chinese New Year Dinner


Thermos Flask Giveaway

Sustainability Statement (cont'd)

14. CSR Activities

ATech believes CSR begins with our local communities. Other than giving prioritized employment opportunities to our local communities, the Group is intensifying our internship programme with neighboring institutions of higher learning. We aspire for our internships to give the students a paid-practical experience, and also an opportunity to be exposed to the latest manufacturing processes and technologies. Additionally, the student interns have the opportunity to interact and receive mentorship from our leaders. The Group has since March 2021 trained 109 student interns.

The Group also continued our charity initiatives as follows:

Nos	Type of CSR Activities	Objective	Number of Beneficiaries
1	Hari Raya Charity for Orphanage House	To support the well-being of these children in need and to give them hope and love, especially during the *Hari Raya* celebration.	30 orphans
2	Baling Flood Donation	To support and help the affected victims to ease the burden and suffering of all those affected by the flood.	3 employees' families
3	Deepavali Charity for Student	To support the well-being of the students and to give them hope and love, especially during the Deepavali celebration.	12 students
4	Nature Hike and Trails Clean-up of Bukit Besar, Kulim	To develop good working relationships with all ERT, Environment, Health & Safety (EHS), and ATech employees and be able to act sustainably towards nature by cleaning trash along the hiking trail.	22 workers and 10 hikers group members joined the program

Nature Hike and Trails Clean-up of Bukit Besar, Kulim, Kedah

Hari Raya Charity for Orphanage House


Baling Flood Donation


Deepavali Charity for Student

EXTERNAL ASSURANCE

At this juncture, there is no external assurance obtained for this statement. The Group's statement is reviewed and approved by the Board and Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board is committed to ensure good corporate governance practices ("**CG Practices**") are observed and practiced throughout the Group for business growth and enhancement of shareholders' value.

The purpose of the Corporate Governance Overview Statement ("**Statement**") is to narrate the CG Practices of the Company in accordance with Paragraph 15.25 of MMLR and with reference to the MCCG. This Statement should be read together with the Corporate Governance Report 2023 ("**CG Report**") of the Company, which is available at www.atechgroup.com.my as well as Bursa Securities's website.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Board Charter

The purpose of the Board Charter is to promote high standards of corporate governance within the Group and to clarify, among others, the roles and responsibilities of the Board, Board Committees, Chairperson of the Board, Group Chief Executive Officer ("**Group CEO**"), Group Chief Financial Officer ("**Group CFO**"), Independent Directors and Non-Independent Non-Executive Directors. The Board Charter serves not only as a reminder of the Board's roles and responsibilities but also as a general statement of intent and expectation as to how the Board discharges its duties and responsibilities. The Board Committees are additionally guided by the respective Terms of Reference on their scope of activities.

The Board Charter is reviewed periodically to ensure that it remains consistent with the vision and mission, and the strategic direction of the Group, is in compliance with governance and regulatory changes.

Roles and Responsibilities of the Board

The Board's responsibilities in respect of the stewardship of the Group include providing strategic leadership and business direction, development and control of the Group, management oversight, initiatives to embrace the responsibilities listed in the MCCG as well as integration of sustainability consideration in the Group's corporate strategy, governance, and decision-making in order to achieve the Group's long-term objectives, enhance shareholders' value and safeguard the interests of stakeholders. While the Board sets the strategic plan and policies, the Group CEO and Group CFO who are supported and assisted by the senior management of the Group are responsible for making and implementing operational and corporate decisions, while the Independent Non-Executive Directors ensure corporate accountability by providing unbiased and independent views, advice, judgement, including conducting relevant checks and balances, challenging management's assumptions and projections to safeguard the interests of the shareholders. Independent Non-Executive Directors contributed to the Group's decision-making by bringing in the quality of detached impartiality with their vast knowledge and experiences.

To ensure the orderly and effective discharge of the functions and responsibilities of the Board, the Board has established the following Board Committees and delegated specific responsibilities to each of them:

- Audit Committee
- Nomination Committee
- Remuneration Committee
- Risk Management Committee
- Employees' Share Scheme Committee

The Board Committees shall deal with matters within their respective terms of reference and authority delegated by the Board.

Corporate Governance Overview Statement (cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Chairperson and Group CEO

There is a clear division of responsibilities between the Independent Non-Executive Chairperson and Group CEO, where the position of Chairperson and the Group CEO are held by different individuals to ensure an appropriate balance of role, responsibility, and accountability. The Chairperson is responsible for the effective functioning of the Board as well as inculcating positive culture by leading the Board in the adoption and implementation of good corporate governance practices in the Group. The Chairperson also ensures that decisions are taken on a sound and well-informed basis, with all strategic and critical issues considered by the Board.

The Group CEO is responsible for the effective management of the day-to-day management, operation, and administration of the Group. The Group CEO together with the members of the Board, would formulate general Company policies and make strategic business decisions. He would also ensure that the policies and strategies as approved by the Board are effectively implemented.

Company Secretary

The Board is supported by a suitably qualified, experienced, and competent Company Secretary. The Company Secretary advises the Board and Board Committees on issues relating to compliance with laws, rules, procedures, and regulations affecting the Company and the Group, as well as best practices of governance.

Access to Information and Advice

The Board has unrestricted access to all information within the Group and has the authority to seek any information they require from any employee of the Group and employees should provide accurate and complete information to the Board in a timely manner. Management is also invited to brief and provide additional information or clarification in meetings of the Board and Board committees.

All Board members have direct and unrestricted access to the advice of the Company Secretary, particularly on all matters concerning governance and regulatory requirements. The Board is constantly kept abreast of requirements and updates issued by various regulatory authorities. In addition, the Board may obtain independent professional advice in furtherance of their duties whenever necessary at the Group's expense through an agreed procedure.

Meetings

Board meetings for the ensuing financial year are scheduled in advance so that Directors are able to plan ahead and ensure full attendance. Board meetings are structured with pre-determined agendas approved by the Chairperson. Notification on Board meetings is sufficiently given to enable full attendance at Board meetings. Board papers are prepared and circulated prior to each Board meeting for their review. Board members may request for further information and explanation, if necessary. The Directors have unfettered access to all information within the Group in furtherance of their duties.

The Chairperson ensures that Board Committee meetings are not combined with the Board meetings. Board committee meetings are conducted separately from the Board meetings to enable objective and independent discussion for each meeting.

The deliberations and decisions at Board and Board Committee meetings are documented in the minutes and are circulated for review by the Board members and Board Committee members on accuracy and completeness. The Company Secretary will thereafter, table the minutes for confirmation in subsequent meetings.

Corporate Governance Overview Statement (cont'd)

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

I. BOARD RESPONSIBILITIES (CONT'D)

Meetings (cont'd)

The Board is scheduled to meet at least four (4) times a year. Any additional meetings may be convened as and when necessary to consider urgent proposals or matters that require Board's expeditious review or consideration. The Board met six (6) times during FYE 2023. The attendance of the Directors at the Board meetings held during the FYE 2023 is set out below:

Name	Total Meeting Attended
Datin Normaliza Binti Kairon	6 of 6
Loh Hock Chiang	6 of 6
Dato' F'ng Meow Cheng	6 of 6
Nor Shahmir Bin Nor Shahid	6 of 6
Yee Swee Meng	6 of 6
Tan Chong Hin *Appointed on 30 March 2022*	4 of 4
Jamie Hwe Ping Lee *(Alternate Director: Jonathan Ming Chian Lee)* *Appointed on 29 June 2022*	2 of 2

Anti-Bribery and Anti-Corruption Policy

The Board advocates a business environment that is free of corruption. An Anti-Bribery and Anti-Corruption Policy sets out the Group's commitment toward its ethical business practices complying with the Malaysian Anti-Corruption Commission Act 2009 and any of its amendments or re-enactments that may be made by the relevant authority from time to time. The reporting procedure and process are set out in the ABAC Policy.

Whistleblowing Policy

Employees and stakeholders are encouraged to raise any serious concerns they have on any suspected misconduct or malpractices without fear of victimisation in a responsible manner rather than avoiding or overlooking them. The Group has in place a Whistleblowing Policy that sets out the disclosure procedures and protection for whistle blowers to meet the Group's ethical obligations.

Fit and Proper Policy

The Board had on 29 June 2022 adopted the Fit and Proper Policy ("**FPP**") in line with the new rule of the MMLR to ensure a formal, rigorous, and transparent process for the appointment of directors and senior management of the Group as well as directors who are seeking for re-election, to ensure that the Group is led by persons of integrity, creditability, and competency.

The Board Charter, Board Committees' Terms of Reference, the ABAC Policy, WBP and FPP are reviewed periodically, and can be found at Company's website, www.atechgroup.com.my.

Corporate Governance Overview Statement (cont'd)

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

II. BOARD COMPOSITION

The Board has seven (7) members comprising two (2) Executive Directors, four (4) Independent Non-Executive Directors (including the Chairperson) and one (1) Non-Independent Non-Executive Director as follows:

Name	Directorate
Datin Normaliza Binti Kairon	Independent Non-Executive Chairperson
Loh Hock Chiang	Executive Director/Group Chief Executive Officer
Tan Chong Hin	Executive Director/Group Chief Financial Officer
Dato' F'ng Meow Cheng	Independent Non-Executive Director
Nor Shahmir Bin Nor Shahid	Independent Non-Executive Director
Yee Swee Meng	Independent Non-Executive Director
Jamie Hwe Ping Lee *(Alternate Director: Jonathan Ming Chian Lee)*	Non-Independent Non-Executive Director

The composition of the Board fulfils the requirements as set out in the MMLR which require at least two (2) directors or one third (1/3) of the Board, whichever is higher, to be independent directors. The current Board composition also fulfills the requirement of MCCG, whereby the Board comprises a majority of independent directors.

Currently, the Board has three (3) female Directors and four (4) male Directors that constitutes 43% female representation on the Board.

The Board is of the view that the current mix of skills, competence, knowledge and experience and qualities of the current Board members are appropriate to enable the Board to carry out its responsibilities effectively.

All the Directors of the Company do not hold more than five (5) directorships in listed issuers as required under Paragraph 15.06 of the MMLR. The profile of each Director is set out in pages 7 to 11 of this Annual Report.

Tenure of Independent Director

Having listed on the Main Market of Bursa Securities on 16 December 2021, none of the Independent Directors has served beyond the tenure of nine (9) years as of the date of this Annual Report. Based on the independence assessment carried out during the financial year under review, the Board is satisfied with the level of independence demonstrated by all the Independent Directors and their abilities to act in the best interest of the Company.

The Board adopted the concept of independence in tandem with the definition of Independent Directors under Paragraph 1.01 and Practice Note 13 of the MMLR.

Appointment of New Directors

All appointments of the new director to the Board are properly made with an established and transparent procedure and in compliance with the relevant rules of the relevant authorities. The Board does not set specific criteria for the assessment and selection of director candidates. The Board nomination process is to facilitate and provide a guide for the Nomination Committee ("**NC**") to identify, evaluate, select, and recommend to the Board the candidate to be appointed as a director of the Company.

Any appointment of additional director will be made as and when it is deemed necessary by the existing Board with due consideration given to the individual's educational and professional background, employment record, whether the individual has any special experience in a relevant area, possession of the required skill and qualification, personal accomplishments, the mix and range of expertise and experience required and the criteria of the newly adopted fit and proper policy for an effective Board and the need to meet the regulatory requirement such as Companies Act 2016 and MMLR.

Corporate Governance Overview Statement (cont'd)

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

II. BOARD COMPOSITION (CONT'D)

Appointment of New Directors (cont'd)

The NC is responsible for assessing and recommending a suitable candidate for directorship to the Board and would leverage on several sources such as a recommendation from existing Board Members, senior management, substantial shareholders, business associates, and referrals from third party consultants and independent sources such as professional bodies and organisation to gain access to a wide pool of potential candidates, based on the profile and background of the candidates.

The NC is mindful of the importance of succession planning for the members of the Board and senior management including formalising its stand and approach to boardroom diversity. NC will, where practicable, maintain a database of suitable and potential candidates for meeting the roles identified.

Re-election of Directors

Clause 91 of the Company's Constitution provides that at the first annual general meeting ("**AGM**") of the Company, all the Directors shall retire from office and at the AGM in every subsequent year one-third (1/3) of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election.

The Director who is subject to re-election and/or re-appointment at the AGM shall be assessed by the NC before the recommendation is made to the Board and shareholders for re-election. Appropriate assessment and recommendation by the NC would be based on the yearly assessment conducted.

The composition of the NC, its roles, functions, responsibilities, and activities carried out by the NC are as set out in the NC Report in this Annual Report.

Board Diversity

The Board acknowledges the importance of diversity to ensure the mix and profiles of the Board members, in terms of age, ethnicity, and gender, ability to provide the necessary range of perspectives, experiences, and expertise required are well balanced in order to achieve effective board stewardship.

The Board presently does not have any gender diversity policies in its evaluation of candidacy and assessment of the performance of the Board as a whole or the Directors individually for Board appointments, and performance as a director is on integrity, skills, and experience as well as contribution to the Group.

The Board is aware of the recommendations set out in the MCCG and will evaluate the policies from time to time, and if found suitable and necessary, adopts as the Group's policies.

Training and Development of Directors

The Board recognises that it is imperative that Directors devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes to remain abreast with new developments and changes within the regulatory sphere or in terms of the business operations and the industries in which the Group operates.

The Directors are encouraged to evaluate their own training needs on a continuous basis to determine and attend the relevant training programmes, seminars, briefings, or dialogues to further enhance their skills and knowledge in the latest statutory and regulatory requirements as well as to keep abreast with the business development to assist them in discharging their duties and responsibilities more effectively.

The newly appointed Board members during FYE 2023, Jamie Hwe Ping Lee and Tan Chong Hin have attended the Mandatory Accreditation Programme as prescribed by the MMLR.

Corporate Governance Overview Statement (cont'd)

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

II. BOARD COMPOSITION (CONT'D)

Training and Development of Directors (cont'd)

Below were the training programmes and seminars attended by the Directors during the FYE 2023:

Name of Director	Date	Title of the Training Programmes/ Seminars
Datin Normaliza Binti Kairon	23 February 2022	Investor Relations On-Boarding Workshop
	24 March 2022	Keys to Effective Shareholders Engagement Via Annual General Meeting
	12-14 April 2022	Bursa Malaysia's Directors Mandatory Accreditation Programme
	30-31 May 2022	MIA Virtual Conference Series: Corporate Board Leadership Symposium 2022: "Mastering Governance in the Era of ESG"
	8-9 June 2022	MIA Virtual Conference: International Accountants Conference 2022: "Leading ESG, Charting Sustainability"
	27 July 2022	ICDM Powertalk ESG Series #4: ESG Disclosure at a Glance: Key Developments and Future Trends
	11 August 2022	ICDM Powertalk ESG Series #6: Characteristics of ESG & Sustainability Leadership
	1 September 2022	ICDM Masterclass/Virtual Classroom: Chair Masterclass
	12 September 2022	MIA Webinar Series: Sustainability and Climate Change Disclosure Requirements
	7 December 2022	FMM Entrepreneurship Conference 2022
	24 January 2023	International Sustainability Standards Board ("**ISSB**") Corporate Reporting Webinar Series – Part 1: Better Information for Better Decisions – Introduction to Investor-focused Sustainability Disclosure
	31 January 2023	ISSB Corporate Reporting Webinar Series – Part 2: Any Size or Stage – Getting Started on Climate Disclosure
Loh Hock Chiang	23 February 2022	Investor Relations On-Boarding Workshop
	22 April 2022	Briefing on Economic and Monetary Review in the Northern Region
	26 April 2022	Malaysian Anti-Corruption Commission on "Anti-Corruption Act"
	11 May 2022	Creating Competitive Advantage Through Sustainability
	8-9 June 2022	MIA International Accountants Conference 2022
	13 September 2022	Bursa Malaysia's Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuers
	7 December 2022	FMM Entrepreneurship Conference 2022

Corporate Governance Overview Statement (cont'd)

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

II. BOARD COMPOSITION (CONT'D)

Training and Development of Directors (cont'd)

Below were the training programmes and seminars attended by the Directors during the FYE 2023: (cont'd)

Name of Director	Date	Title of the Training Programmes/ Seminars
Tan Chong Hin	24 March 2022	EY Parthenon: Creating long term value with ESG Strategy
	26 April 2022	EY Parthenon: Changing the game with digital ecosystem
	2 June 2022	Institute of Chartered Accountants in England and Wales ("**ICAEW**") Economic Q2 Forum
	21-23 June 2022	Bursa Malaysia's Directors Mandatory Accreditation Programme
	28 June 2022	ICAEW 2022 Restructuring & Insolvency Conference
	13 September 2022	Bursa Malaysia's Advocacy Sessions for Directors and Senior Management of Main Market Listed Issuers
	29 November 2022	Star ESG Academy: Solar Advancements Webinar
	1 December 2022	ICAEW SEA Economic Insight Forum Q4
	7 December 2022	FMM Entrepreneurship Conference 2022
Dato' F'ng Meow Cheng	23 February 2022	Investor Relations On-Boarding Workshop
	24 March 2022	Keys to Effective Shareholders Engagement Via Annual General Meeting
	7 April 2022	Audit Oversight Board's Conversation with Audit Committees
	9 May 2022	3rd Virtual Tax Conference 2021 – Tackling Practical Problems Faced by Taxpayers
	2 September 2022	Webinar Series: Modern Meetings
	19-20 September 2022	MIA Webinar Series: Auditing in Inventories and Production Costs
	20 December 2022	Webinar Series: Corporate Governance Case Studies
	21 December 2022	MIA Blended Learning Series: How Compliance with IFRS/MFRS Influences Obtaining Sufficient and Appropriate Audit Evidence
Nor Shahmir Bin Nor Shahid	23 February 2022	Investor Relations On-Boarding Workshop
	12-14 April 2022	Bursa Malaysia's Directors Mandatory Accreditation Programme
Yee Swee Meng	23 February 2022	Investor Relations On-Boarding Workshop
	24 March 2022	Keys to Effective Shareholders Engagement Via Annual General Meeting
	12-14 April 2022	Bursa Malaysia's Directors Mandatory Accreditation Programme
	11 November 2022	ESG and Tax – a governance point of view
Jamie Hwe Ping Lee	27 July 2022	CPA Australia Webinar: Preparing Yourself for a Board Position
	23-25 August 2022	Bursa Malaysia's Directors Mandatory Accreditation Programme
	24 August 2022	CPA Australia Webinar: My Firm My Future – ESG and Business Strategy
	19-21 October 2022	CPA Australia: Virtual Congress 2022

Corporate Governance Overview Statement (cont'd)

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

III. REMUNERATION

Remuneration Policy & Procedure

The Board believes in a remuneration policy that fairly supports the Directors' responsibilities and fiduciary duties in steering the Group to achieve its long-term objectives and enhance shareholders' value. The primary objective of the Remuneration Committee ("**RC**") is to assist the Board in developing and establishing competitive remuneration policies and packages for directors and senior management of the Group.

The RC carries out an annual review of the remuneration packages for directors and senior management of the Group whereupon the recommendation will be submitted to the Board for approval. Such an annual review shall ensure that the remuneration packages for the directors and senior management remain sufficiently attractive to attract and retain them.

The Board has put in place a Directors Remuneration Policy & Procedure to facilitate the RC in reviewing, considering, and recommending to the Board the remuneration packages for the directors and senior management of the Group.

The Directors' Remuneration Policy & Procedure is to be reviewed from time to time to ensure its competitiveness to attract, develop and retain directors to provide the necessary skills and experience to commensurate with the responsibilities of an effective Board.

The composition of the RC, its roles, functions, responsibilities, and activities carried out by the RC are as set out in the RC Report in this Annual Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

The Audit Committee ("**AC**") comprises three (3) Independent Non-Executive Directors. All AC members are members of the MIA.

The AC primarily assists the Board in the review of financial reporting, internal control framework, risk management assessment and mitigation, and evaluation of the performance and audit independence of the external independent auditors ("**External Auditors**"). In addition, the AC is to ensure that the financial statements have been made out in accordance with the provisions of the Companies Act 2016 and applicable accounting standards and provide a balanced and fair view of the financial state and performance of the Group.

In addition, the AC must comprise exclusively Non-Executive Directors. The AC has included in its Terms of Reference that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC. None of the current members of the AC is a former key audit partner of the Group.

The composition of the AC, its roles, functions, responsibilities, and activities carried out by the AC are as set out in the AC Report in this Annual Report.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its responsibility for establishing a sound risk management framework and system of internal control to safeguard shareholders' investment and the Group's assets, and to provide reasonable assurances on the reliability of the financial statements. In addition, equal priority is given to financial controls, operational and compliance controls as well as risk management. While the internal control system is devised to cater to the particular needs of the Group and the risk, such controls by their nature can only provide reasonable assurance but not absolute assurance against unintended material misstatement or loss.

The Group has in place an on-going process and has established a framework for identifying, evaluating, monitoring, and managing the significant risks affecting the Group. The Board reviews the adequacy and integrity of the Group's system of internal controls on a continuous basis. The Risk Management Committee ("**RMC**") and AC assist the Board in discharging its roles and responsibilities to oversee the effectiveness and adequacy of the risk management and internal control system of the Group.

Corporate Governance Overview Statement (cont'd)

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

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

To maintain total independence in the management of the Group's internal control environment and ensure compliance with the MMLR, the Group's risk management, and its internal audit function are outsourced to an independent professional service firm, Talent League, who reports and assists the RMC and AC in managing the risks and establishment of the internal control system and processes of the Group by providing an independent assessment on the adequacy, efficiency, and effectiveness of the Group's risk management and internal control system and processes.

Please refer to the Statement on Risk Management & Internal Control on pages 52 to 55 of this Annual Report, on the state of the Company's risk management and internal control system in FYE 2023.

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

I. ENGAGEMENT WITH STAKEHOLDERS

The Board recognises the importance of communications with its stakeholders and is committed to upholding high standards of transparency and promotion of investor confidence through the provision of comprehensive, accurate, and quality information on a timely basis.

The Group has established a website at www.atechgroup.com.my which provides the shareholders and public access to information in relation to the Group, corporate matters, announcements, and financial reports released to Bursa Securities and other investors' relations matters. Further, shareholders and the public may submit an inquiry with questions or comments on its website.

II. CONDUCT OF GENERAL MEETINGS

AGM is the principal forum for dialogue and interaction with shareholders as it provides a platform for shareholders to participate in questions and answers sessions with Directors and Management on the Group's business activities. The Chairperson together with other Directors and External Auditors will be present at the forthcoming AGM to respond to any enquiries from the shareholders as well as to have a discussion with shareholders, if required. Shareholders who are unable to attend are allowed to appoint proxies to attend and vote on their behalf.

The Notice of AGM will be issued at least 28 days before the AGM to ensure that shareholders are given sufficient time to consider the resolutions that will be discussed and decided at the AGM.

Pursuant to Paragraph 8.29A(1) of the MMLR, all resolutions set out in the Notice of AGM will be put to vote by way of poll. The Board will make an announcement on the detailed results showing the number of votes cast for and against each resolution at the AGM.

COMPLIANCE WITH MCCG

The Board strives to ensure that the Group complies with the principles and practices of the MCCG. The Board will endeavor to improve and enhance procedures in the Group to ensure compliance from time to time. The application of the principles and practices of the MCCG is set out in the CG Report of the Company, which is available on the Company's website, www.atechgroup.com.my.

This Statement was approved by the Board on 19 May 2023.

REMUNERATION COMMITTEE REPORT

The Board is pleased to present the Remuneration Committee Report comprising information on composition and activities of the RC in discharging its duties for the FYE 2023.

Composition and Meeting Attendance

The composition and meeting attendance of RC comprise the following:

Name	Designation	Meeting Attendance
Yee Swee Meng	Chairperson/Independent Non-Executive Director	1/1
Dato' F'ng Meow Cheng	Member/Independent Non-Executive Director	1/1
Nor Shahmir Bin Nor Shahid	Member/Independent Non-Executive Director	1/1

The RC was established with the role of reviewing and determining the framework or board policy for the remuneration, in all forms, of the executive directors and senior management.

The RC meets as and when required to determine and recommend to the Board any performance related pay schemes for the executive directors and senior management and/or other persons as the RC is designated to consider by the Board and to determine the policy for and scope of service agreements for the executive and non-executive directors, termination payment and compensation commitments.

Summary of RC Activities

(a) Reviewed the annual remuneration package of the Executive Directors, senior management and Independent Directors;
(b) Reviewed the Directors' meeting allowances; and
(c) Reviewed the amendment to the RC's Terms of Reference.

The details of the remuneration and benefits paid to the Directors and Senior Management of the Company and the Group for services rendered in all capacities for FYE 2023 are tabulated under Practices 8.1 and 8.3 of the CG Report respectively.

All proceedings of the RC meeting were duly recorded in the minutes and are properly kept at the Registered Office of the Company.

The Terms of Reference for RC are available at www.atechgroup.com.my.

NOMINATION COMMITTEE REPORT

The Board is pleased to present the Nomination Committee Report comprising information on the composition and activities of the NC in discharging its duties for the FYE 2023.

Composition and Meeting Attendance

The composition and meeting attendance of the NC as shown below comply with Paragraph 15.08A(1) of the MMLR, which comprises exclusively of Independent Non-Executive Directors:

Name	Designation	Meeting Attendance
Dato' F'ng Meow Cheng	Chairperson/Independent Non-Executive Director	3/3
Nor Shahmir Bin Nor Shahid	Member/Independent Non-Executive Director	3/3
Yee Swee Meng	Member/Independent Non-Executive Director	3/3

The NC is responsible for reviewing the Board's composition and balance, assessing the term of office and the performance of the Board and board members, the performance of the AC and the AC members, as well as considering the Board's succession planning and making recommendations for new appointment of Directors.

The NC meets at least once a year or as and when required. The decision on a new appointment shall be the responsibility of the Board after considering the recommendation of the NC.

Summary of NC Activities

(a) Reviewed the appointment of new Directors of the Company;
(b) Reviewed the mix of skill and experience and other qualities of the Board;
(c) Reviewed the performance and effectiveness of the Board members, individually and collectively as a Board;
(d) Reviewed the performance and effectiveness of the AC members, individually and collectively as a committee;
(e) Reviewed and assessed the directors standing for re-election at the next Annual General Meeting;
(f) Reviewed the independence of Independent Directors;
(g) Reviewed the amendment to the NC's Terms of Reference; and
(h) Reviewed the NC report.

The NC is satisfied that the Board as a whole, and the individual Board members have fulfilled their duties and responsibilities effectively and are suitably qualified in their respective positions. The NC also concluded that the AC had carried out its functions and responsibilities effectively in accordance with its Terms of Reference.

All proceedings of the NC meeting were duly recorded in the minutes and are properly kept at the Registered Office of the Company.

The Terms of Reference of NC are available at www.atechgroup.com.my.

AUDIT COMMITTEE REPORT

The Board is pleased to present the report of the AC for the FYE 2023. The primary objective of the AC is to assist the Board in discharging its statutory duties and responsibilities relating to the corporate accounting and practices for the Company and its subsidiary and to ensure the adequacy and effectiveness of the Group's internal control measures.

The AC is guided by its Terms of Reference which sets out the composition, authority, duties and responsibilities. The Terms of Reference for the AC are available at www.atechgroup.com.my.

MEMBERSHIP AND ATTENDANCE

During FYE 2023, a total of five (5) AC meetings were held. The composition of the AC and the details of the AC members are as follows:

Name	Designation	No. of Meeting Attendance
Nor Shahmir bin Nor Shahid	Chairperson/Independent Non-Executive Director	5/5
Dato' F'ng Meow Cheng	Member/Independent Non-Executive Director	5/5
Yee Swee Meng	Member/Independent Non-Executive Director	5/5

Collectively, the AC members have vast experience and wide range of necessary skills, knowledge and experience, especially in accounting and financials in discharging their roles, duties and responsibilities. All AC members are members of the MIA.

The Board through the Nomination Committee reviews the terms of office of the AC members and assesses the performance of the AC and its members through an annual Board's Committee evaluation. The Board was satisfied that the AC and its members had discharged their functions, duties and responsibilities in accordance with its Terms of Reference.

The Group CFO and the Director of Sustainability & Governance of BCM ("**DSG**"), a wholly owned subsidiary of the Company, were invited to attend all AC meetings to facilitate direct communication and interaction as well as provide clarifications on audit, financial and operational issues. Both the Group CFO and DSG had briefed the AC on specific issues and areas arising from the quarterly and audit reports.

SUMMARY OF ACTIVITIES

The following summary of activities had been carried out during the FYE 2023:

- Reviewed annual financial statements and quarterly financial results of the Group.

- Reviewed budget of the Group.

- Internal audit
  - Reviewed internal audit plan for the Group.
  - Reviewed audit findings presented by Internal Auditors.
  - Conducted assessment on the suitability and performance of the Internal Auditors.

- External audit
  - Reviewed external audit plan for the Company and the Group.
  - Reviewed audit findings presented by External Auditors.
  - Conducted private session with External Auditors.
  - Conducted assessment on the suitability, performance and independence of the External Auditors.
  - Reviewed External Auditors fees.

Audit Committee Report (cont'd)

SUMMARY OF ACTIVITIES (CONT'D)

- Reviewed the amendment to the terms of reference of the Company.

- Reviewed Statement of Risk Management and Internal Control for inclusion in the Audit Report.

INTERNAL AUDIT FUNCTION

The internal audit function of the Group is outsourced to Talent League. The Talent League is tasked to evaluate selected processes of the Group and identify opportunities for improvement where applicable.

The review of the internal audit activities in FYE 2023 was conducted on BCM, focused on the following areas:

- Supply chain management
- Warehouse management

The Talent League will follow-up on the implementation of the recommendations and management action plans and report to the AC on the status of the implementation.

The total costs incurred for Talent League in FYE 2023 were RM 34,318.25.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

1. Introduction

The Board acknowledges the importance of maintaining good risk management and internal control system within the Group and is pleased to present the Statement on Risk Management and Internal Control ("**SORMIC**") which outlines the nature and scope of risk management and internal control system of the Group for the FYE 2023 and up to the date of approval of this SORMIC disclosed pursuant to Chapter 15.26(b) of the MMLR of Bursa Securities and the MCCG. This SORMIC was prepared by taking into account the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("**Guidelines**") pursuant to Practice Note 9 of MMLR. The scope of this SORMIC includes ATech Group.

2. Board Responsibilities

The Board acknowledges the significance of preserving a risk management and internal control system to protect the Group's assets, shareholders' investments, and stakeholders' interests, such as customers, regulators, and employees. The Board is devoted to sustaining appropriate risk management and internal control systems to assure the Group's objectives are met, and reviews their adequacy and effectiveness. Nonetheless, since no risk management system can eliminate all risks, it is designed to manage them. Therefore, it can only provide reasonable assurance, not absolute, against losses, fraud, or material misstatement.

The Board has assigned the Risk Management Committee ("**RMC**"), which comprises a majority of Independent Non-Executive Directors, the responsibility of overseeing risk management, and the AC, which comprises solely of Independent Non-Executive Directors, the responsibility of internal control function. The Board, via the RMC and AC, periodically assesses the sufficiency and operating efficiency of the risk management and internal control system and, if necessary, directs the Management to implement appropriate controls to address emerging issues or areas of control deficiencies. This procedure has been in place for the financial year under review and until the date of approval of this SORMIC for inclusion in this Annual Report of the Company.

3. Risk Management Framework

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

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

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

Risk management of the Group is driven by the Risk Management Executive Committee which is responsible for identifying, evaluating, and monitoring of risks and taking appropriate and timely actions to manage risk and assisted by the Respective Risk Owners. These processes are embedded and carried out as part of the operating and business management processes of the Group. External and relevant professionals would be drawn on to assist and provide advice to the management team when necessary.

In conducting its review, the process is periodically reviewed by the Board via the RMC at the Board meeting with the assistance of the outsourced independent consulting professionals when necessary to further review and improve the existing internal control processes within the Group. The Group will continue to focus on the key risks and corresponding controls to ensure that they are able to respond effectively to the business changes and competitive environment.

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

4. **Internal Audit Function**

The Group has outsourced its internal audit function to an independent professional firm, Talent League Sdn. Bhd. ("**Talent League**" or "**Internal Auditors**"), which assists both the Board and AC by conducting an independent assessment of the adequacy and operating effectiveness of the internal control system of the Group. To ensure independence from the management, the Internal Auditors report directly to the AC through the execution of internal audit work based on a risk-based annual internal audit plan reviewed and approved by the AC before the commencement of work.

Talent League uses the Committee of Sponsoring Organisation of the Treadway Commission - Internal Control ("**COSO – IC**") Integrated Framework as a basis for evaluating the effectiveness of the internal control system. Talent League also makes reference to the International Professional Practices Framework during the course of the assignments. The internal audit function shall highlight any key areas of weaknesses in the risks and internal control management system of the Group to the AC and include in their report the recommendations on the remedial actions to be taken to address the areas of weaknesses as highlighted for the reviews and recommendations of AC to the Board for implementation. In addition, Talent League shall perform follow-up reviews on previously reported issues and provide an update to the AC on the status of the implementations.

5. **Other Internal Control Processes**

Apart from risk management and internal audit, the system of internal controls of the Group also comprises the following key elements:

a. Organisation Structure and Delegation of Authority

The Group has an organisational structure that well defines lines of responsibility, a delegation of authority, segregation of duties, and flow of information, aligned to the operational requirements of the business of the Group within management, which provides the levels of accountability and responsibility of the respective job functions of management.

b. Policies and Procedures

Standard Operating Procedures and various policies are formalised to serve as a guiding principle to all employees within the Group for their day-to-day activities to ensure compliance with financial and operational controls, the applicable laws and regulations, and are subjected to review and enhancement as and when necessary. The Group undertakes rigorous efforts in monitoring and measuring the continuous effectiveness of quality management systems and focused on acting opportunities for continual improvement. Applicable statutory and regulatory requirements are determined including safety and health regulations, environmental controls, and all other relevant legislation that have been considered and complied with. The Group has also documented policies and procedures to regulate relevant key processes in compliance with the following:

- ISO 9001:2015 – QUALITY MANAGEMENT SYSTEM
- ISO14001:2015 – ENVIRONMENTAL MANAGEMENT SYSTEM
- ISO 45001:2018 – OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM
- EN ISO 13485:2016 – MEDICAL DEVICES QUALITY MANAGEMENT SYSTEM
- IATF 16949: 2016 – AUTOMOTIVE QUALITY MANAGEMENT SYSTEM
- ANSI/ESD S20.20:2014 – ELECTROSTATIC DISCHARGE CONTROL

c. Integrity and Ethical Value

The Board has established the Code of Business Conduct and Ethics for the Directors and Employees of the Group in accordance with Practice 3.1 of the MCCG. This Code set out to reflect the Board's commitment to maintaining a high standard of ethical conduct and practices in relation to all aspects of the organization's operations and interactions with stakeholders.

In line with Section 17A of the Malaysian Anti-Corruption Commission Act 2009, a formal Anti-Bribery and Anti-Corruption Policy had been put in place to prevent the risk of bribery and conflict of interest within the Group with Whistleblowing Policy and procedures implemented to provide appropriate communication and feedback channels which facilitate whistleblowing in a transparent and confidential manner to enable employees and stakeholders to raise genuine concerns about possible improprieties, improper conduct or other malpractices within the Group in an appropriate way.

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

5. Other Internal Control Processes (cont'd)

d. Board of Directors/Board Committee Meetings

The role, functions, composition, operation, and processes of the Board are guided by Board Charter. Board committees, namely AC, Nomination Committee, Remuneration Committee, and RMC are established with terms of references clearly outlining their functions and duties delegated by the Board. AC and RMC assist the Board to review the effectiveness of the ongoing monitoring processes on risk and control matters for areas within their scope of work.

Meetings of the Board and respective Board committees are carried out on a scheduled basis to review the performance of the Group, from a financial and operational perspective.

e. Employee Handbook

Guidelines on human resource management are in place to ensure the ability of the Group to operate in an effective and efficient manner by employing and retaining adequate competent employees possessing the necessary knowledge, skill, and experience in order to carry out their duties and responsibilities assigned effectively and efficiently.

Performance evaluations are carried out for all levels of staff to identify performance gaps, training needs, and talent development.

Emphasis is placed on enhancing the quality and ability of employees through a wide variety of training programs and workshops to enhance their knowledge and expand the employees' competency level in executing daily jobs. Relevant training and development programs are conducted regularly to ensure that employees are kept up to date with the necessary competencies to carry out their respective duties toward achieving the Group's objectives.

f. Information and Communication

The Group has put in place effective and efficient information and communication infrastructures and channels, i.e., computerised systems, secured intranet, and electronic mail system, so that operation data and management information can be communicated timely and securely to dedicated personnel within the Group for decision making and for communication with relevant external stakeholders for execution and information collection. The management and board meetings are held for effective two-way communication of information at a different level of management and the Board.

g. Monitoring and Review Activities

The Group CEO, Group CFO, and COO are closely involved in the daily operations and regularly review the performance of the business units and department function by identifying, discussing, and resolving various matters covering operational, financial, business development, human resources, and key management issues. The Management team formulates and implements action plans to address the identified areas of concern.

h. Company Secretary

The Company Secretary plays a crucial role in providing guidance and advice on matters related to the Constitution of the Company, Board policies, and procedures, compliance with relevant regulatory requirements, codes, or guidance, and other key corporate governance functions. They ensure that the Board and its Committees comply with legal and regulatory requirements, maintain accurate records, and manage Board meetings effectively.

i. Insurance

Sufficient insurance coverage and physical safeguards on major assets are in place to ensure the Group's assets are adequately covered against any mishap that could result in material loss. The Group has Directors and officers ("**D&O**") liability insurance to protect the personal assets of corporate directors and officers, and their spouses, in the event they are personally sued by employees, vendors, competitors, investors, customers, or other parties, for actual or alleged wrongful acts in managing a company. The Group has regularly reviewed the insurance coverage where it is available on economically acceptable terms to minimise the related financial impacts.

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

5. Other Internal Control Processes (cont'd)

j. Cyber Security risks

The Group acknowledges the significance of managing cyber security risks due to its increasing reliance on digital technology and ICT equipment. They have implemented various measures to mitigate potential cyber threats and data breaches, such as antivirus protection, firewall gateway protection, routine data backups, and local disaster recovery solutions. The Group also enforces strong password policies, controls physical security access to server rooms, and limits employee access to critical data and sensitive information.

k. COVID-19 risks

The Group continuously emphasised the safety and health of employees and stakeholders by enforcing precautionary measures and guidelines in factory premises as stipulated by the relevant authorities since the breakout of the COVID-19 pandemic. The Group prioritizes the safety and well-being of employees and stakeholders by implementing precautionary measures and guidelines, including sharing information, providing personal protective equipment, performing temperature checks and saliva tests for visitors, and encouraging virtual meetings.

6. Review of the SORMIC by External Auditors

The External Auditors have reviewed this SORMIC pursuant to Chapter 15.23 of the MMLR and in accordance with the Audit and Assurance Practice Guide 3 ("**AAPG 3**"), Guidance for Auditors on Engagements to Report on the SORMIC included in this Annual Report, issued by the MIA for inclusion in this Annual Report of the Group for the financial year ended 31 January 2023 and reported to the Board that nothing has come to their attention that cause them to believe that this SORMIC intended to be included in the Annual Report of the Group, in all material respects:

a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers; or

b) is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the SORMIC covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the risk management and internal control system of the Group's risk management and internal control system including the assessment and opinion by the Board and management thereon. The External Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

7. Conclusion

The Group CEO and Group CFO have given the Board assurance that the risk management and internal control system adopted by the Group is operating adequately and effectively, based on their daily management observations. The Board believes that the risk management and internal control system are functioning satisfactorily to safeguard the interests of stakeholders and Group assets without resulting in any significant losses, contingencies, or uncertainties requiring disclosure in this Annual Report. The Board is taking measures to improve the risk management and internal control system to achieve the Group's strategic objectives and continuously review and enhance them. The Board remains committed to maintaining a robust internal control system and effective risk management throughout the Group.

This SORMIC was approved by the Board on 19 May 2023.

ADDITIONAL DISCLOSURE REQUIREMENTS

1. UTILISATION OF PROCEEDS RAISED FROM THE LISTING EXERCISE

The IPO proceeds of RM104.7 million was utilised in the following manner:

Details of IPO utilisation	Estimated timeframe for utilisation upon listing	Proposed utilisation RM	%	Fund utilised RM	Balance as at 30 April 2023 RM
Purchase of new machinery and equipment	within 24 months	40,000,000	38.2	34,311,337	5,688,663
Repayment of bank borrowings	within 6 months	29,520,000	28.2	29,520,000	0
Working capital	within 36 months	28,128,600	26.9	28,128,600	0
Listing expenses	within 6 months	7,085,000	6.7	7,085,000	0
Total		**104,733,600**	**100.0**	**99,044,937**	**5,688,663**

The purchases of new machinery and equipment have fully earmarked, the unutilised IPO proceeds as at 30 April 2023 are for the purpose of undue payment to suppliers.

2. UTILISATION OF PROCEEDS RAISED FROM THE PRIVATE PLACEMENT

ATech has undertaken a private placement exercise entailed an issuance of 35,818,000 new ordinary shares of the Company, representing up to 10% of the total number of issued shares of the Company (“**Placement Shares**”). The Placement Shares have been listed on 7 February 2023 with gross proceeds of approximately RM77,725,060.

The utilisation of the Private Placement proceeds as at the date of the notice is summarised as follows:

Details of Private Placement proceeds utilisation	Estimated timeframe for utilisation upon listing	Proposed utilisation RM	%	Fund utilised RM	Balance as at 30 April 2023 RM
Purchase of 3 additional surface mount technology lines	within 24 months	25,000,000	32.2	0	25,000,000
Installation of Rooftop Solar	within 12 months	2,000,000	2.6	755,000	1,245,000
Part repayment of bank facilities	within 3 months	29,925,060	38.5	29,925,060	0
Investment for new manufacturing plant	within 24 months	20,000,000	25.7	271,687	19,728,313
Expenses in relation to the Private Placement	within 6 months	800,000	1.0	800,000	0
Total		**77,725,060**	**100.0**	**31,751,747**	**45,973,313**

Additional Disclosure Requirements (cont'd)

3. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid or payable to the auditors, or a firm or corporation affiliated to the auditors' firm by the Company and the Group for the FYE 2023 were as follows:

	Company RM	Group RM
Audit fees	30,000.00	83,000.00
Assurance related and non-audit fees	8,000.00	26,000.00
Total	**38,000.00**	**109,000.00**

4. MATERIAL CONTRACTS INVOLVING THE INTEREST OF THE DIRECTORS, CHIEF EXECUTIVE AND MAJOR SHAREHOLDERS

Save as disclosed in the audited financial statements for FYE 2023, there were no material contracts entered into by the Group, involving the interest of the Directors, Chief Executive and major shareholders.

5. EMPLOYEES' SHARE SCHEME

The Employees' Share Scheme ("**ESS**") was implemented on 1 April 2022 and details of the ESS are as follows:

(a) The total number of performance shares granted, issued, lapsed/cancelled and outstanding under the ESS since its commencement up to the FYE 2023 are set out below:

	Number of Performance Shares	
	Grand Total	**Directors**
At 1 Feb 2022	0	0
Granted	325,000	0
Issued	0	0
Lapsed/Cancelled	0	0
At 31 January 2023	325,000	0

(b) Percentage of performance shares granted to the Directors and senior management under the ESS during the financial year and since its commencement up to the FYE 2023 are set out below:

Directors and Senior Management	During the financial year	Since commencement up to 31 January 2023
Aggregate maximum allocation	80%	80%
Actual performance shares granted	76.9%	76.9%

(c) No performance shares were granted to and issued in (if any) Non-Executive Directors of the Company pursuant to an ESS in respect of FYE 2023.

Other than the ESS, no other scheme was established by the Company.

6. RECURRENT RELATED PARTY TRANSACTIONS

There were no recurrent related party transactions entered into by the Group during the FYE 2023.

STATEMENT OF DIRECTORS' RESPONSIBILITY

In the course of preparing the annual financial statements of the Group and the Company, the Directors are collectively responsible for ensuring that the financial statements are drawn up in accordance with the requirements of the Malaysian Financial Reporting Standards, International Financial Reporting Standards, the provisions of the Companies Act 2016 ("**Act**") and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

In preparing the financial statements for the financial year/period ended 31 January 2023, the Directors have:

- considered the applicable approved accounting standards in Malaysia;
- applied appropriate accounting policies on a consistent basis;
- made judgements and estimates that are reasonable and prudent; and
- prepared the financial statements on a going concern basis.

It is the responsibility of the Directors to ensure that the financial reporting of the Group and the Company provides a true and fair view of the financial position of the Group and the Company as of the end of the reporting period and the financial performance and cash flows for the financial period then ended.

The Directors are responsible to ensure that the Group and the Company maintain proper accounting and such other records that disclose the financial position of the Group and of the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the Act.

The Directors are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

DIRECTORS' REPORT
For The Financial Year Ended 31 January 2023

The directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended **31 January 2023**.

PRINCIPAL ACTIVITIES

The principal activity of the Company consists of investment holding.

The principal activity of the subsidiary is principally involved as the provider of EMS which provides integrated manufacturing services that includes PCBA, sub-assembly and box build.

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

RESULTS

	GROUP RM	COMPANY RM
Profit for the financial year	37,244,586	8,590,817

In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended **31 January 2023** have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

Since the end of the previous financial year, the Company has declared and paid the following dividends in respect of financial year ended 31 January 2023:

(i) first interim single tier dividend of 2 sen per ordinary share amounting to RM7,163,600 declared on 29 September 2022 and paid on 26 October 2022; and

(ii) final single tier dividend of 2 sen per ordinary share amounting to RM7,879,960 declared on 28 March 2023 and paid on 9 May 2023.

RESERVES AND PROVISIONS

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

SHARE CAPITAL AND DEBENTURE

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

Directors' Report
For The Financial Year Ended 31 January 2023 (cont'd)

EMPLOYEES' SHARE SCHEME ("ESS")

The Company's ESS is established in conjunction with the listing on the Main Market of Bursa Securities on 15 December 2021. The ESS is to be in force for a period of 5 years from 1 April 2022. The Board will have the discretion upon the recommendation of the ESS Committee to extend the ESS for another 5 years or such shorter period as it deemed fit immediately from the expiry of the first 5 years, provided that the ESS does not exceed a maximum period of 10 years in its entirety. The establishment of an ESS of not more than 10% of the issued share capital of the Company is granted to eligible directors and employees of the Group.

The salient features and other terms of the ESS are disclosed in Note 34 to the financial statements.

As at 31 January 2023, the ESS offered to take up unissued ordinary shares are as follows:

	Number of ESS shares			
Grant date	**Balance at 1.2.2022**	**Granted**	**Issued**	**Balance at 31.1.2023**
4.11.2022	-	325,000	-	325,000

No ESS was granted to the directors of the Company.

DIRECTORS

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

Datin Normaliza Binti Kairon
* **Loh Hock Chiang**
* **Tan Chong Hin**
Dato' F'ng Meow Cheng
Nor Shahmir Bin Nor Shahid
Yee Swee Meng
Jamie Hwe Ping Lee (appointed on 29.6.2022)
Jonathan Ming Chian Lee (appointed on 29.6.2022)

* The directors are also directors of the Company's subsidiary.

DIRECTORS' INTERESTS IN SHARES

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

	Number of ordinary shares				
	Balance at 1.2.2022	**Bought**	**Sold**	**Transfer [4]**	**Balance at 31.1.2023**
The Company					
Direct Interest:					
Datin Normaliza Binti Kairon	260,000	-	-	-	260,000
Loh Hock Chiang	100,000	-	-	30,445,300	30,545,300
Dato' F'ng Meow Cheng	180,000	10,000	(150,000)	-	40,000
Yee Swee Meng	10,000	-	(10,000)	-	-

Directors' Report For The Financial Year Ended 31 January 2023 (cont'd)

DIRECTORS' INTERESTS IN SHARES (Cont'd)

	Number of ordinary shares				
	Balance at 1.2.2022	**Bought**	**Sold**	**Transfer [4]**	**Balance at 31.1.2023**
Deemed Interest:					
[1] Loh Hock Chiang	254,310,000	-	-	(99,037,100)	155,272,900
[2] Tan Chong Hin	-	-	-	25,431,000	25,431,000
[3] Jonathan Ming Chian Lee	-	-	-	(185,818,200)	185,818,200

Note:

1. Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of shares held through Main Stream Holdings Sdn. Bhd. and Main Stream Limited.
2. Deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of shares held through Pixel Advisers Pte. Ltd.
3. He is the Administrator of the Estate of Lee Chong Yeow @ Lee Chong Yan, as such he is deemed interest pursuant to Section 8 of the Companies Act 2016 by virtue of the late Lee Chong Yeow @ Lee Chong Yan's direct interest in the Company, Main Stream Holding Sdn. Bhd. and Main Stream Limited.
4. Distribution in-specie pursuant to a selective capital reduction and repayment exercise.

By virtue of his shareholdings in the Company, **Loh Hock Chiang** is also deemed interested in the shares of the subsidiary of the Company, to the extent that the Company has interests.

DIRECTORS' REMUNERATION AND BENEFITS

During the financial year, the fees and other benefits received and receivable by the directors of the Company are as follows:

	COMPANY RM	**SUBSIDIARY RM**	**GROUP RM**
Fees	**177,000**	**-**	**177,000**
Salaries, allowances and bonus	**42,400**	**780,028**	**822,428**
Defined contribution plan	**-**	**92,283**	**92,283**
Social security contribution	**-**	**1,682**	**1,682**
Benefits-in-kind	**-**	**25,328**	**25,328**
	219,400	**899,321**	**1,118,721**

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

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

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The amount of insurance premium paid for professional indemnity for the directors and officers of the Company during the financial year is RM10,080.

Directors' Report
For The Financial Year Ended 31 January 2023 (cont'd)

OTHER STATUTORY INFORMATION

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

(i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no bad debts to be written off and no provision for doubtful debts were required, and

(ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

(i) that would render it necessary to write off any bad debts or to make any for doubtful debts in the financial statements of the Group and of the Company; or

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

(iii) that have arisen which would render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

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

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 in respect of the Group and of the Company which has arisen since the end of the financial year.

In the opinion of the directors:

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

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

SIGNIFICANT EVENT

The details of the significant event are disclosed in Note 40 to the financial statements.

EVENT AFTER THE REPORTING PERIOD

The details of the event after the reporting period are disclosed in Note 41 to the financial statements.

Directors' Report For The Financial Year Ended 31 January 2023 (cont'd)

AUDITORS

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

The total amount of fees paid to or receivable by the auditors and its affiliate as remuneration for their services to the Group and the Company for the financial year ended 31 January 2023 are as follows:

	GROUP RM	COMPANY RM
Statutory audit	83,000	30,000
Assurance related and non-audit services	26,000	8,000
Total	109,000	38,000

The Company has agreed to indemnify the auditors to the extent permissible under the provisions of the Companies Act 2016 in Malaysia. However, no payment has been made under this indemnity for the financial year.

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

....
Datin Normaliza Binti Kairon

....
Loh Hock Chiang

Penang,

Date: 19 May 2023

DIRECTORS' STATEMENT

In the opinion of the directors, the financial statements set out on pages 70 to 122 are properly drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at **31 January 2023** and of their financial performance and cash flows for the financial year then ended.

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

....	....
Datin Normaliza Binti Kairon	**Loh Hock Chiang**

Date: 19 May 2023

STATUTORY DECLARATION

I, **Tan Chong Hin**, the director primarily responsible for the financial management of **Aurelius Technologies Berhad** do solemnly and sincerely declare that the financial statements set out on pages 70 to 122 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed at Penang, this **19th**)
day of **May 2023.**)

....
Tan Chong Hin
(MIA No. 50072)

Before me,

....
Liew Juan Leng (P162)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To The Members Of Aurelius Technologies Berhad
Registration No. 202101005015 (1405314-D)
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Aurelius Technologies Berhad**, which comprise the statements of financial position as at **31 January 2023** of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of accounting policies, as set out on pages 70 to 122.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at **31 January 2023** and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

To The Members Of Aurelius Technologies Berhad
Registration No. 202101005015 (1405314-D)
(Incorporated in Malaysia)

Key Audit Matters (Cont'd)

Key Audit Matters	How our audit addressed the Key Audit Matters
Valuation of inventories *(Note 7 to the financial statements)* The Group holds significant inventories as at 31 January 2023 which exposes the Group to a risk that the inventories may become slow moving or recorded above their realisable value. Besides, it is also exposed to risks of inaccurate valuation due to inaccurate physical or costing records. The Group measures inventories at the lower of cost and net realisable value. Identifying and determining the appropriate write down of the inventories to net realisable value required judgement by the Group. We focus on this area as it involves estimation uncertainty by the management in determining the accuracy of inventories written down and in assessing the adequacy of inventories not stated at the lower of cost and net realisable value.	Our audit procedures in relation to the valuation of inventories included, amongst others, the following: • Obtained an understanding of: - the Group's inventory management process; - how the Group identifies and assesses inventories write-downs; and - how the Group makes the accounting estimates for inventories write-downs; • Reviewed the consistency of the application of management's methodology in determining and estimating the inventories written down from year to year; • Attended the year end physical inventory counts to identify whether any inventories are slow moving or obsolete; • Reviewed and tested the net realisable value of inventories on a sampling basis; • Reviewed the ageing analysis of inventories and tested the reliability thereof; • Made inquiries of management regarding the action plans to clear the aged inventories; • Reviewed the costing method used by the Group and whether it is consistent with prior year. This process involved understanding how material, labour and overhead cost are allocated to the inventories and whether the data used by the management was up-to-date; and • Evaluated the reasonableness and adequacy of the inventories written down recognised for identified exposure.

Independent Auditors' Report (cont'd)

To The Members Of Aurelius Technologies Berhad
Registration No. 202101005015 (1405314-D)
(Incorporated in Malaysia)

Key Audit Matters (Cont'd)

Key Audit Matters	How our audit addressed the Key Audit Matters
Revenue recognition *(Note 24 to the financial statements)* The Group's revenue is mainly derived from the provision of electronic manufacturing services and is recognised at a point in time. We focus on this area due to the magnitude and voluminous transactions which may give rise to a higher risk of material misstatements in respect of the timing and amount of revenue recognised. In addition, different customers with different deliverable arrangements could impact the point at which the control of the goods is passed on to the customers.	Our audit procedures in relation to the revenue recognition included, amongst others, the following: • Obtained an understanding of the Group's revenue recognition process and application and thereafter tested controls on the occurrence of revenue; • Performed analytical procedures on the trend of revenue recognised to identify for any abnormalities; • Performed substantive testing on a sampling basis to verify that revenue recognition criteria was properly applied by checking to the documents which evidenced the delivery of goods to the customers; • Assessed whether revenue was recognised in the correct period by testing cut-off through assessing sales transaction taking place at either side of the reporting date as well as reviewing credit notes and sales returns issued after the reporting date; • Inspected the terms stated in the Master Sales Agreement with the major customers to determine the point of transfer of control to the customers; and • Reviewed the sales ledger to identify any sales transactions that were entered using journals or non-sales invoices references and evaluated the nature of the transactions to determine whether they were *bona fide* transactions.

There are no key audit matters to be communicated in respect of the 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.

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 the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report (cont'd)

To The Members Of Aurelius Technologies Berhad
Registration No. 202101005015 (1405314-D)
(Incorporated in Malaysia)

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than from 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 and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

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

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

Independent Auditors' Report (cont'd)

To The Members Of Aurelius Technologies Berhad
Registration No. 202101005015 (1405314-D)
(Incorporated in Malaysia)

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

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/period 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 Matter

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

Grant Thornton Malaysia PLT
AF: 0737
201906003682 (LLP0022494-LCA)
Chartered Accountants

Loo Wei Teng
No. 03487/03/2024 J
Chartered Accountant

Penang

Date: 19 May 2023

STATEMENTS OF FINANCIAL POSITION
As At 31 January 2023

		GROUP		COMPANY	
	NOTE	2023 RM	2022 RM	2023 RM	2022 RM
ASSETS					
Non-current assets					
Property, plant and equipment	4	**115,374,459**	83,962,896	**-**	-
Right-of-use asset	5	**1,848,088**	-	**-**	-
Investment in a subsidiary	6	**-**	-	**182,947,199**	84,351,000
		117,222,547	83,962,896	**182,947,199**	84,351,000
Current assets					
Inventories	7	**101,739,307**	133,500,019	**-**	-
Trade receivables	8	**131,825,689**	90,580,658	**-**	-
Other receivables, deposits and prepayments	9	**4,310,579**	2,520,959	**4,500**	257,553
Contract assets	10	**12,241,534**	23,510,090	**-**	-
Amount due from a subsidiary	11	**-**	-	**-**	59,734,003
Current tax assets		**1,145,547**	938,223	**-**	-
Short term investments	12	**1,965,053**	-	**337,985**	-
Fixed deposits with licensed banks	13	**7,216,508**	41,707,008	**-**	30,000,000
Cash and bank balances	14	**41,707,054**	34,632,313	**199**	7,623,901
		302,151,271	327,389,270	**342,684**	97,615,457
TOTAL ASSETS		**419,373,818**	411,352,166	**183,289,883**	181,966,457
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	15	**182,946,490**	182,946,490	**182,946,490**	182,946,490
Merger deficit	16	**(38,486,932)**	(38,486,932)	**-**	-
Revaluation reserve	17	**6,188,182**	6,375,701	**-**	-
Employees' Share Scheme ("ESS") reserve	18	**96,199**	-	**96,199**	-
Retained profits/(Accumulated losses)	19	**80,851,432**	50,582,927	**178,347**	(1,248,870)
Total equity		**231,595,371**	201,418,186	**183,221,036**	181,697,620
Non-current liabilities					
Borrowings	20	**21,109,773**	15,862,145	**-**	-
Lease liability	5	**905,609**	-	**-**	-
Deferred tax liabilities	21	**8,691,000**	7,881,000	**-**	-
		30,706,382	23,743,145	**-**	-
Current liabilities					
Trade payables	22	**69,041,435**	75,496,126	**-**	-
Other payables and accruals	23	**13,343,109**	12,175,791	**43,577**	221,837
Borrowings	20	**72,704,172**	98,471,918	**-**	-
Lease liability	5	**1,038,387**	-	**-**	-
Current tax liabilities		**944,962**	47,000	**25,270**	47,000
		157,072,065	186,190,835	**68,847**	268,837
Total liabilities		**187,778,447**	209,933,980	**68,847**	268,837
TOTAL EQUITY AND LIABILITIES		**419,373,818**	411,352,166	**183,289,883**	181,966,457

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

STATEMENTS OF COMPREHENSIVE INCOME
For The Financial Year Ended 31 January 2023

	NOTE	GROUP 2023 RM	GROUP 2022 RM	COMPANY 1.2.2022 to 31.1.2023 RM	COMPANY 9.2.2021 to 31.1.2022 RM
Revenue	24	**482,361,655**	367,286,324	**8,217,470**	-
Cost of sales		**(422,118,498)**	(326,756,364)	**-**	-
Gross profit		**60,243,157**	40,529,960	**8,217,470**	-
Other income	25	**850,780**	163,244	**483,030**	-
Administrative expenses		**(17,225,212)**	(10,991,791)	**(511,609)**	(1,489,277)
Selling and distribution expenses		**(256,247)**	(176,202)	**-**	-
Operating profit/(loss)		**43,612,478**	29,525,211	**8,188,891**	(1,489,277)
Finance income	26	**544,197**	277,666	**515,984**	287,407
Finance costs	27	**(3,878,113)**	(3,897,402)	**-**	-
Profit/(Loss) before tax	28	**40,278,562**	25,905,475	**8,704,875**	(1,201,870)
Income tax expense	30	**(3,033,976)**	(3,872,853)	**(114,058)**	(47,000)
Profit/(Loss) for the financial year/period		**37,244,586**	22,032,622	**8,590,817**	(1,248,870)
Total other comprehensive income, net of tax:					
Items that will not be reclassified subsequently to profit or loss:					
Transfer of revaluation surplus to retained profits		**187,519**	187,519	**-**	-
Realisation of revaluation surplus upon depreciation		**(187,519)**	(187,519)	**-**	-
		-	-	**-**	-
Total comprehensive income/(loss) for the financial year/period		**37,244,586**	22,032,622	**8,590,817**	(1,248,870)
Earnings per share attributable to owners of the Company (sen)					
- Basic and diluted	31	**10.40**	7.57		

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Financial Year Ended 31 January 2023

		I---------- Attributable to owners of the Company						
				I---------- Non-distributable		----------I	Distributable	
	NOTE	Share Capital RM	Invested equity RM	Merger Deficit RM	Revaluation Reserve RM	ESS Reserve RM	Retained Profits RM	Total Equity RM
2023								
Balance at beginning		**182,946,490**	**-**	**(38,486,932)**	**6,375,701**	**-**	**50,582,927**	**201,418,186**
Total comprehensive income for the financial year		**-**	**-**	**-**	**(187,519)**	**-**	**37,432,105**	**37,244,586**
Transaction with owners of the Company:								
Grant of ESS to employees		**-**	**-**	**-**	**-**	**96,199**	**-**	**96,199**
Dividends	**32**	**-**	**-**	**-**	**-**	**-**	**(7,163,600)**	**(7,163,600)**
Total transaction with owners		**-**	**-**	**-**	**-**	**96,199**	**(7,163,600)**	**(7,067,401)**
Balance at end		**182,946,490**	**-**	**(38,486,932)**	**6,188,182**	**96,199**	**80,851,432**	**231,595,371**
2022								
Balance at beginning		-	45,864,068	-	6,563,220	-	31,649,774	84,077,062
At date of incorporation		1	-	-	-	-	-	1
Total comprehensive income for the financial year		-	-	-	(187,519)	-	22,220,141	22,032,622
Transaction with owners of the Company:								
Adjustment on the acquisition of a subsidiary	15	-	(45,864,068)	45,864,068	-	-	-	-
Issuance of shares pursuant to:								
- acquisition of a subsidiary	15	84,351,000	-	(84,351,000)	-	-	-	-
- public issue	15	104,733,600	-	-	-	-	-	104,733,600
Shares issuance expenses for the public issue	15	(6,138,111)	-	-	-	-	-	(6,138,111)
Dividends	32	-	-	-	-	-	(3,286,988)	(3,286,988)
Total transaction with owners		182,946,489	(45,864,068)	(38,486,932)	-	-	(3,286,988)	95,308,501
Balance at end		182,946,490	-	(38,486,932)	6,375,701	-	50,582,927	201,418,186

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

STATEMENTS OF CHANGES IN EQUITY
For The Financial Period Ended 31 January 2023

	NOTE	Share Capital RM	Non-distributable ESS Reserve RM	Retained profits/ (Accumulated losses) RM	Total Equity RM
2023					
Balance at beginning		**182,946,490**	**-**	**(1,248,870)**	**181,697,620**
Total comprehensive income for the financial year		**-**	**-**	**8,590,817**	**8,590,817**
Transaction with owners of the Company:					
Grant of ESS to employees		**-**	**96,199**	**-**	**96,199**
Dividends	**32**	**-**	**-**	**(7,163,600)**	**(7,163,600)**
Total transaction with owners		**-**	**96,199**	**(7,163,600)**	**(7,067,401)**
Balance at end		**182,946,490**	**96,199**	**178,347**	**183,221,036**
2022					
Balance at 9.2.2021, date of incorporation		1	-	-	1
Total comprehensive loss for the financial period		-	-	(1,248,870)	(1,248,870)
Transaction with owners of the Company:					
Issuance of shares pursuant to:					
- acquisition of a subsidiary	15	84,351,000	-	-	84,351,000
- public issue	15	104,733,600	-	-	104,733,600
Shares issuance expenses for the public issue	15	(6,138,111)	-	-	(6,138,111)
Total transaction with owners		182,946,489	-	-	182,946,489
Balance at end		182,946,490	-	(1,248,870)	181,697,620

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

STATEMENTS OF CASH FLOWS
For The Financial Year Ended 31 January 2023

	NOTE	GROUP 2023 RM	GROUP 2022 RM	COMPANY 1.2.2022 to 31.1.2023 RM	COMPANY 9.2.2021 to 31.1.2022 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		**40,278,562**	25,905,475	**8,704,875**	(1,201,870)
Adjustments for:					
Accretion of interest on lease liability		**17,175**	-	**-**	-
Depreciation of property, plant and equipment		**8,481,307**	5,609,204	**-**	-
Depreciation of right-of-use asset		**264,013**	-	**-**	-
Dividend income		**-**	(23,485)	**(8,217,470)**	-
Equity-settled share-based payments		**96,199**	-	**-**	-
Fair value gain on short term investments		**(572,786)**	-	**(482,969)**	-
Interest expenses		**3,701,820**	3,716,006	**-**	-
Interest income		**(544,197)**	(277,666)	**(515,984)**	(287,407)
Loss/(Gain) on disposal of property, plant and equipment		**300**	(3,881)	**-**	-
(Reversal)/Addition of inventories written down		**(193,437)**	463,353	**-**	-
Unrealised loss on foreign exchange		**4,156,190**	240,282	**-**	-
Operating profit/(loss) before working capital changes		**55,685,146**	35,629,288	**(511,548)**	(1,489,277)
Changes in:					
Inventories		**31,954,149**	(61,431,291)	**-**	-
Receivables		**(50,308,404)**	9,419,838	**253,053**	(257,553)
Contract assets		**11,268,556**	1,662,993	**-**	-
Payables		**(2,370,676)**	31,721,133	**(178,260)**	221,837
Cash generated from/(used in) operations		**46,228,771**	17,001,961	**(436,755)**	(1,524,993)
Income tax paid		**(1,533,338)**	(2,147,493)	**(135,788)**	-
Interest paid		**(3,701,820)**	(3,716,006)	**-**	-
Net cash from/(used in) operating activities		**40,993,613**	11,138,462	**(572,543)**	(1,524,993)
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend received		**-**	23,485	**8,217,470**	-
Interest received		**410,942**	172,310	**515,984**	287,407
Placement of fixed deposits pledged to licensed banks		**(378,908)**	(1,392,337)	**-**	-
Net change in short term investments		**(1,392,267)**	-	**144,984**	-
Proceeds from disposal of property, plant and equipment		**14,700**	9,570	**-**	-
Purchase of property, plant and equipment		**(39,601,092)**	(33,379,802)	**-**	-
Net cash (used in)/from investing activities		**(40,946,625)**	(34,566,774)	**8,878,438**	287,407

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

Statements Of Cash Flows For The Financial Year Ended 31 January 2023 (cont'd)

	NOTE	GROUP 2023 RM	GROUP 2022 RM	COMPANY 1.2.2022 to 31.1.2023 RM	COMPANY 9.2.2021 to 31.1.2022 RM
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		**(7,163,600)**	(555,934)	**(7,163,600)**	-
Repayment of finance lease liabilities	B	**(155,224)**	98,595,489	**-**	98,595,489
Repayment of lease liabilities	B	**(185,280)**	(7,376,031)	**-**	-
Drawdown of term loans	B	**9,456,947**	19,242,584	**-**	-
Repayment of term loans	B	**(2,708,163)**	(40,139,095)	**-**	-
Net changes in bankers acceptances and onshore foreign currency loan	B	**(20,895,406)**	1,198,640	**-**	-
Net changes in revolving credit	B	**(5,000,000)**	5,000,000	**-**	-
Net changes in a subsidiary's balance		**-**	-	**(38,765,997)**	(59,734,003)
Net cash (used in)/from financing activities		**(26,650,726)**	75,965,653	**(45,929,597)**	38,861,486
Net (decrease)/increase in cash and cash equivalents		**(26,603,738)**	52,537,341	**(37,623,702)**	37,623,900
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE		**(1,324,184)**	(10,937)	**-**	-
CASH AND CASH EQUIVALENTS AT BEGINNING/DATE OF INCORPORATION		**69,634,976**	17,108,572	**37,623,901**	1
CASH AND CASH EQUIVALENTS AT END	A	**41,707,054**	69,634,976	**199**	37,623,901
Represented by:					
Fixed deposits with licensed banks		**7,216,508**	41,707,008	**-**	30,000,000
Cash and bank balances		**41,707,054**	34,632,313	**199**	7,623,901
		48,923,562	76,339,321	**199**	37,623,901
Less: Fixed deposits pledged with licensed banks		**(7,216,508)**	(6,704,345)	**-**	-
		41,707,054	69,634,976	**199**	37,623,901

A. Acquisition of property, plant and equipment

	NOTE	GROUP 2023 RM	GROUP 2022 RM
Total acquisition cost		**39,907,870**	33,379,802
Acquired under finance lease liabilities	B	**(306,778)**	-
		39,601,092	33,379,802

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

Statements Of Cash Flows
For The Financial Year Ended 31 January 2023 (cont'd)

B. Liabilities arising from financing activities

Reconciliation between the opening and closing balances in the statements of financial position for liabilities arising from financing activities is as follows:

	Balance at beginning RM	Cash flows RM	Others [1] RM	Balance at end RM
GROUP				
2023				
Borrowings	**114,334,063**	**(18,995,068)**	**(1,525,050)**	**93,813,945**
Lease liabilities	**-**	**(185,280)**	**2,129,276**	**1,943,996**
Total liabilities arising from financing activities	**114,334,063**	**(19,180,348)**	**604,226**	**95,757,941**
2022				
Borrowings, representing total liabilities arising from financing activities	136,317,263	(22,073,902)	90,702	114,334,063

[1] Others consist of non-cash movement as follows:

	GROUP 2023 RM	2022 RM
Accretion of interest on lease liability	**17,175**	-
Addition of lease liability	**2,112,101**	-
Unrealised (gain)/loss on foreign exchange	**(1,525,050)**	90,702
	604,226	90,702

NOTES TO THE FINANCIAL STATEMENTS
31 January 2023

1. CORPORATE INFORMATION

General

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

The registered office of the Company is located at Level 13A-6, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur, Wilayah Persekutuan.

The principal place of business is located at Plot 21, Jalan Hi-Tech 4, Kulim Hi-Tech Park Phase 1, 09090 Kulim, Kedah Darul Aman.

The financial statements were authorised for issue by the Board in accordance with a resolution of the directors on 19 May 2023.

PRINCIPAL ACTIVITIES

The principal activity of the Company consists of investment holding.

The principal activity of the subsidiary is principally involved as the provider of EMS which provides integrated manufacturing services that includes PCBA, sub-assembly and box build.

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

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention unless otherwise indicated in the summary of accounting policies as set out in Note 3 to the financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and by the Company.

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

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

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

Notes to the Financial Statements
31 January 2023 (cont'd)

2. BASIS OF PREPARATION (Cont'd)

2.2 Basis of Measurement (Cont'd)

Fair Value Measurement (Cont'd)

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

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
Level 3: Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and Presentation Currency

Ringgit Malaysia ("**RM**") is the presentation currency of the Group and of the Company.

RM is also the functional currency of the Company. The functional currency is the currency of the primary economic environment in which the Company operates.

2.4 Adoption of Amendments/Improvements to MFRSs

The accounting policies adopted by the Group and by the Company are consistent with those of the previous financial years except for the adoption of the following amendments/improvements to MFRSs that are mandatory for the current financial year:

Effective for annual period beginning on or after 1 April 2021
Amendment to MFRS 16 Leases: Covid-19 - Related Rent Concessions beyond 30 June 2021

Effective for annual periods beginning on or after 1 January 2022
Amendments to MFRS 3 Business Combination: Reference to the Conceptual Framework
Amendments to MFRS 116 Property, Plant and Equipment: Property, Plant and Equipment - Proceeds before Intended Use
Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract
Annual Improvements to MFRS Standards 2018 - 2020

Initial application of the above amendments/improvements to MFRSs did not have any material impact to the financial statements of the Group and of the Company upon adoption.

2.5 Standards Issued But Not Yet Effective

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board ("**MASB**") but are not yet effective for the Group and for the Company:

Effective for annual periods beginning on or after 1 January 2023
MFRS 17 Insurance Contracts and Amendments to MFRS 17 Insurance Contracts
Amendments to MFRS 17 Insurance Contracts: Initial application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101 Presentation of Financial Statements: Disclosure of Accounting Policies
Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
Amendments to MFRS 112 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

Notes to the Financial Statements 31 January 2023 (cont'd)

2. BASIS OF PREPARATION (Cont'd)

2.5 Standards Issued But Not Yet Effective

The following are accounting standards that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group and for the Company: (Cont'd)

Effective for annual periods beginning on or after 1 January 2024
Amendments to MFRS 16 Leases: Lease Liability in a Sale and Leaseback
Amendments to MFRS 101 Presentation of Financial Statements: Non-Current Liabilities with Covenants

Effective date yet to be confirmed
Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The initial application of the above standards and amendments to MFRSs is not expected to have any material impacts to the financial statements of the Group and of the Company upon adoption.

2.6 Significant Accounting Estimates and Judgements

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

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

2.6.1 Judgements made in applying accounting policies

In the process of applying the Group's and the Company's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Determining the lease term of contracts with renewal and termination options - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has a lease contract that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Group has not included the extension options period as part of the lease term for lease of warehouse as there is no extension options available. The periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Notes to the Financial Statements
31 January 2023 (cont'd)

2. BASIS OF PREPARATION (Cont'd)

2.6 Significant Accounting Estimates and Judgements (Cont'd)

2.6.2 Key sources of estimation uncertainty

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

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable value, management takes into account the most reliable evidence available at the time the estimate is made. Possible changes in these estimates could result in revisions to the valuation of inventories.

(ii) Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate expected credit losses for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar credit risk characteristics.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the expected credit losses on the Group's trade receivables is disclosed in Note 37.3.1 to the financial statements.

(iii) Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("**IBR**") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

Notes to the Financial Statements 31 January 2023 (cont'd)

3. ACCOUNTING POLICIES

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

3.1 Consolidation

(i) Subsidiary

Subsidiary is entity, including structured entity, controlled by the Company. The financial statements of subsidiary is included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, 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.

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

Upon disposal of an investment in a subsidiary, the difference between the net disposal proceed and its carrying amount is recognised in profit or loss.

(ii) Basis of consolidation

The Group's financial statements consolidate the audited financial statements of the Company and its subsidiary, which have been prepared in accordance with the Group's accounting policies. Amounts reported in the financial statements of subsidiary have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group. The financial statements of the Company and its subsidiary are all drawn up to the same reporting date.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in asset, such as inventory and property, plant and equipment) are eliminated in full in preparing the consolidated financial statements. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Temporary differences arising from the elimination of profits and losses resulting from intragroup transactions will be treated in accordance to Note 3.12 to the financial statements.

Subsidiary is consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

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

(iii) Business combination

Business combinations are accounted for using the acquisition method from the acquisition date which is the date on which control is transferred to the Group.

The Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred, plus
- the recognised amount of any non-controlling interest in the acquiree, plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree, less
- the net recognised amount at fair value of the identifiable assets acquired and liabilities assumed.

Notes to the Financial Statements
31 January 2023 (cont'd)

3. ACCOUNTING POLICIES (Cont'd)

3.1 Consolidation (Cont'd)

(iii) Business combination (Cont'd)

When the excess is negative, a bargain purchase gain is recognised in profit or loss.

For each business combination, the Group elects whether to recognise non-controlling interest in the acquiree at fair value, or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iv) Acquisition from entity under common control

Business combinations arising from transfers of interest in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any resulting gain/loss is recognised directly in equity.

On consolidation, the cost of the merger is cancelled with the values of the shares received. Any resulting debit difference is adjusted against the merger reserve.

(v) Loss of control

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

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra group transactions, are eliminated in preparing the consolidated financial statements.

3.2 Property, Plant and Equipment

Property, plant and equipment, except for land and building, are initially stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the financial year in which they are incurred.

Land and buildings are measured at fair value less accumulated depreciation and impairment loss, if any. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the land and buildings at the end of the reporting period.

3. ACCOUNTING POLICIES (Cont'd)

3.2 Property, Plant and Equipment (Cont'd)

As at the date of revaluation, accumulated depreciation, if any, is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Any revaluation surplus arising upon appraisal of land is recognised in other comprehensive income and credited to the 'revaluation reserve' in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluation of land and buildings is recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to other comprehensive income.

Leasehold land and building are depreciated on a straight line basis over the remaining lease period of the land of 33 years.

Depreciation on other property, plant and equipment is calculated on the straight line method to write off the cost of each asset to its residual value over its estimated useful life at the following annual rates:

Plant and machinery	10%
Furniture, fittings and equipment	10% - 20%
Motor vehicles	20%

Capital work-in-progress represents assets under construction, and which are ready for commercial use at the end of the reporting period. Capital work-in-progress is stated at cost, and is transferred to the relevant category of assets and depreciated accordingly when the assets are completed and ready for commercial use. Capital work-in-progress are not depreciated until the assets are ready for their intended use.

The residual value, useful life and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use. Gains or losses from disposal of property, plant and equipment are recognised in profit or loss.

3.3 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.3.1 As a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.3.1.1 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Warehouse	2 years

Notes to the Financial Statements
31 January 2023 (cont'd)

3. ACCOUNTING POLICIES (Cont'd)

3.3 Leases (Cont'd)

3.3.1 As a lessee (Cont'd)

3.3.1.1 Right-of-use assets (Cont'd)

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

3.3.1.2 Lease liabilities

At the commencement date of the lease, lease liabilities are recognised and measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

3.3.1.3 Short term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of hostel and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

3.3.2 As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statements of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Notes to the Financial Statements
31 January 2023 (cont'd)

3. ACCOUNTING POLICIES (Cont'd)

3.4 Impairment of Non-Financial Assets

The Group and the Company assess at the end of each reporting period whether there is an indication that an asset may be impaired. For the purpose of impairment testing, recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating units ("**CGU**") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the profit or loss except for assets that were previously revalued where the revaluation surplus was taken to other comprehensive income. In this case the impairment loss is also recognised in other comprehensive income up to the amount of any previous revaluation surplus.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

3.5 Financial Instruments

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

3.5.1 Financial assets

(i) Initial recognition and measurement

Financial assets are measured at initial recognition at fair value and subsequently measured at amortised cost ("**AC**"), fair value through other comprehensive income ("**FVOCI**") or fair value through profit or loss ("**FVTPL**").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, at its transaction costs.

In order for a financial asset to be classified and measured at AC or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("**SPPI**")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at FVTPL, irrespective of the business model.

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at AC are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group or the Company commits to purchase or sell the asset.

Notes to the Financial Statements
31 January 2023 (cont'd)

3. ACCOUNTING POLICIES (Cont'd)

3.5 Financial Instruments (Cont'd)

3.5.1 Financial assets (Cont'd)

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at AC (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

The Group and the Company do not have any financial assets at FVOCI as at the end of the reporting period.

Financial assets at AC

Financial assets at AC are subsequently measured using the effective interest rate ("**EIR**") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's and the Company's financial assets at AC include cash and cash equivalents, trade and other receivables and amount due from a subsidiary.

Financial assets at FVTPL

Financial assets at FVTPL are carried in the statements of financial position at fair value with net changes in fair value recognised in the statements of comprehensive income.

This category includes derivative instruments and listed equity investments which the Group and the Company had not irrevocably elected to classify at FVOCI. Dividends on listed equity investments are recognised as other income in the statements of comprehensive income when the right of payment has been established.

The Group's and the Company's finance assets at FVTPL includes short term investments.

(iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's and the Company's statements of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and the Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, it evaluates if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Notes to the Financial Statements
31 January 2023 (cont'd)

3. ACCOUNTING POLICIES (Cont'd)

3.5 Financial Instruments (Cont'd)

3.5.1 Financial assets (Cont'd)

(iii) Derecognition (Cont'd)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company could be required to repay.

(iv) Impairment

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

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

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

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

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

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

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

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

Notes to the Financial Statements 31 January 2023 (cont'd)

3. ACCOUNTING POLICIES (Cont'd)

3.5 Financial Instruments (Cont'd)

3.5.2 Financial liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value, and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include borrowings, trade and other payables.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at FVTPL
- Financial liabilities at AC

The Group and the Company do not have any financial liabilities measured at FVTPL as at the end of the reporting period.

Financial liabilities at AC

This is the category most relevant to the Group and to the Company. After initial recognition, trade and other payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. AC is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statements of comprehensive income.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statements of comprehensive income.

3.5.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value and after adequate allowance is made for any obsolete and slow moving items.

Cost of work-in-progress and finished goods include direct materials, direct labour and an appropriate proportion of manufacturing overheads.

Cost of all inventories is determined on the first-in, first-out basis.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Notes to the Financial Statements 31 January 2023 (cont'd)

3. ACCOUNTING POLICIES (Cont'd)

3.7 Cash and Cash Equivalents

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

3.8 Provisions

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

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

3.9 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The performance obligations to recognise revenue are as follows:

(i) Sale of goods

Revenue from sale of goods is recognised at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

(ii) Interest income

Interest income is recognised as it accrues using the effective interest rate in profit or loss.

(iii) Dividend income

Dividend income is recognised when the Company's right to receive payment is established.

3.9.1 Contract balances

This refers to the closing balances of the trade receivables and contract assets as at the end of the reporting period.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are recorded when the revenue is recognised prior to invoicing a customer.

Contract assets will be reclassified to trade receivables when the invoicing are issued to the customer. Contract assets are subject to impairment assessment.

Notes to the Financial Statements
31 January 2023 (cont'd)

3. ACCOUNTING POLICIES (Cont'd)

3.10 Employee Benefits

Short term benefits

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

Defined contribution plan

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("**EPF**"). Such contributions are recognised as an expense as incurred.

Equity-settled share-based payment transactions

Eligible employees of the Group and the Company received remuneration in the form of share grant as consideration for services rendered. The cost of these equity-settled transactions with employees is measured by reference to the fair value of the share grant at the date on which the share grant is granted and accepted by the employees. This cost is recognised in profit or loss, with a corresponding increase in the employees' share scheme reserve over the vesting period.

The cumulative expenses recognised at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of share grant that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised at the beginning and end of the period.

No expense is recognised for share grant that do not ultimately vest, except for share grant where vesting is conditional upon market or non-vesting condition, which are tested as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. The employees' share scheme reserve is transferred to retained profits upon expiry of the share grant.

The proceeds received net of any directly attributable transaction costs are credited to share capital when the share grant is issued.

3.11 Borrowing Costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest rate method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that will take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Notes to the Financial Statements
31 January 2023 (cont'd)

3. ACCOUNTING POLICIES (Cont'd)

3.12 Income Tax

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

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

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statements of financial position and their tax bases. Deferred tax is not recognised for temporary differences arising from the initial recognition of goodwill and of assets or liabilities in a transaction that is not a business combination and which it the initial recognition affects neither accounting nor taxable profit or loss.

The deferred tax on the revaluation surplus of the property measured at fair value in accordance with the accounting policy as disclosed in Note 3.2 to the financial statements, is recognised using tax rates enacted or substantively enacted at the reporting date.

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

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

Unutilised reinvestment allowance being tax incentive that is not a tax base of an asset, is recognised as a deferred tax asset to the extent that it is probable that future taxable profits will be available against which the unutilised reinvestment allowance can be utilised.

3.13 Sales and Services Tax ("SST")

SST is recognised as part of the expense or cost of acquisition of the asset as SST is not recoverable.

Revenue is recognised net of the amount of SST billed as it is payable to the taxation authority.

The net SST payable to the taxation authority is included as part of payables in the statements of financial position. The rate for Sales Tax is fixed at 5% or 10%, while the rate for Service Tax is fixed at 6%.

3.14 Foreign Currency Translations

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

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

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

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

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

Notes to the Financial Statements
31 January 2023 (cont'd)

3. ACCOUNTING POLICIES (Cont'd)

3.15 Share Capital, Share Issuance Costs and Dividends

Classification

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

Share issuance costs

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

Dividends

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

3.16 Operating Segments

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

3.17 Contingencies

Where it is not probable that an inflow or an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the statements of financial position and is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

3.18 Related Parties

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

(a) A person or a close member of that person's family is related to the Group if that person:

- (i) Has control or joint control over the Group;
- (ii) Has significant influence over the Group; or
- (iii) Is a member of the key management personnel of the Group.

(b) An entity is related to the Group if any of the following conditions applies:

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

Notes to the Financial Statements
31 January 2023 (cont'd)

4. PROPERTY, PLANT AND EQUIPMENT

GROUP

	At valuation		At cost				
	Leasehold land RM	Building RM	Plant and machinery RM	Furniture, fittings and equipment RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
2023							
At valuation/cost							
Balance at beginning	10,000,000	18,000,000	58,791,748	18,720,976	1,471,554	15,689,556	122,673,834
Additions	-	1,891,390	33,110,861	4,225,082	680,537	-	39,907,870
Disposals	-	-	(849,446)	(237,000)	-	-	(1,086,446)
Reclassification	-	15,535,156	-	-	-	(15,535,156)	-
Balance at end	10,000,000	35,426,546	91,053,163	22,709,058	2,152,091	154,400	161,495,258
Accumulated depreciation							
Balance at beginning	279,720	503,497	23,172,662	13,530,726	1,224,333	-	38,710,938
Current charge	279,720	923,413	5,556,970	1,526,242	194,962	-	8,481,307
Disposals	-	-	(834,446)	(237,000)	-	-	(1,071,446)
Balance at end	559,440	1,426,910	27,895,186	14,819,968	1,419,295	-	46,120,799
Carrying amount	9,440,560	33,999,636	63,157,977	7,889,090	732,796	154,400	115,374,459

Notes to the Financial Statements
31 January 2023 (cont'd)

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

GROUP

	At valuation		At cost				
	Leasehold land RM	**Building RM**	**Plant and machinery RM**	**Furniture, fittings and equipment RM**	**Motor vehicles RM**	**Capital work-in-progress RM**	**Total RM**
2022							
At valuation/cost							
Balance at beginning	10,000,000	18,000,000	45,413,475	17,702,010	1,471,554	-	92,587,039
Additions	-	-	12,572,990	845,151	-	19,961,661	33,379,802
Disposals	-	-	(3,274,415)	(18,592)	-	-	(3,293,007)
Reclassification	-	-	4,079,698	192,407	-	(4,272,105)	-
Balance at end	10,000,000	18,000,000	58,791,748	18,720,976	1,471,554	15,689,556	122,673,834
Accumulated depreciation							
Balance at beginning	-	-	23,110,601	12,200,700	1,077,751	-	36,389,052
Current charge	279,720	503,497	3,330,787	1,348,618	146,582	-	5,609,204
Disposals	-	-	(3,268,726)	(18,592)	-	-	(3,287,318)
Balance at end	279,720	503,497	23,172,662	13,530,726	1,224,333	-	38,710,938
Carrying amount	9,720,280	17,496,503	35,619,086	5,190,250	247,221	15,689,556	83,962,896

Notes to the Financial Statements
31 January 2023 (cont'd)

4. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(i) The leasehold land and building were revalued to fair values based on the valuations performed by independent professional valuers using the cost approach. Had the leasehold land and building been carried under the cost model, the total carrying amounts of their entire classes that would have been recognised in the financial statements are as follows:

	GROUP	
	2023	**2022**
	RM	**RM**
Leasehold land	**2,213,826**	2,279,421
Building	**32,755,013**	16,214,985
	34,968,839	18,494,406

(ii) The carrying amount of motor vehicles of the Group and of the Company which are pledged as securities for the finance lease liabilities as disclosed in Note 20 to the financial statements are RM338,093 (2022: RM247,221).

(iii) The carrying amount of property, plant and equipment which are pledged to licensed banks as securities for banking facilities granted to the Group as disclosed in Note 20 to the financial statements are as follows:

	GROUP	
	2023	**2022**
	RM	**RM**
Leasehold land	**9,440,560**	9,720,280
Building	**33,999,636**	17,496,503
Plant and machinery	**7,744,393**	8,647,768
	51,184,589	35,864,551

(iv) Included in the property, plant and equipment is a motor vehicle with carrying amount of **RM332,194** (2022: RM NIL) being held by a key management personnel in trust for the Group.

(v) The information of right-of-use assets which are included in the property, plant and equipment is as follows:

	GROUP	
	Carrying amount RM	**Current depreciation RM**
2023		
Leasehold land	**9,440,560**	**279,720**
2022		
Leasehold land	9,720,280	279,720

Notes to the Financial Statements
31 January 2023 (cont'd)

5. RIGHT-OF-USE ASSET AND LEASE LIABILITY

The Group has a lease contract for the rental of warehouse used in its operations that has lease term of 2 years. Generally, the Group is restricted from assigning and subleasing the leased asset.

The Group and the Company have certain leases of hostel and equipment with lease terms of 12 months or less and lease of office equipment with low value. The Group and the Company apply the 'short-term lease' and 'lease of low-value asset' recognition exemptions for these leases.

Right-of-use asset

Set out below are the carrying amount of right-of-use asset recognised and the movements during the financial year:

GROUP

	Warehouse 2023 RM
Balance at beginning	**-**
Addition	**2,112,101**
Depreciation	**(264,013)**
Balance at end	**1,848,088**

Lease liability

Set out below are the carrying amount of the lease liability and the movements during the financial year:

	GROUP 2023 RM
Balance at beginning	**-**
Addition	**2,112,101**
Accretion of interest on lease liability	**17,175**
Payments	**(185,280)**
Balance at end	**1,943,996**
Analysed as:	
Current	**1,038,387**
Non-current	**905,609**
	1,943,996

The maturity analysis of lease liability is disclosed in Note 37.4 to the financial statements.

Notes to the Financial Statements 31 January 2023 (cont'd)

5. RIGHT-OF-USE ASSET AND LEASE LIABILITY (Cont'd)

The following are the amounts recognised in profit or loss:

	GROUP		COMPANY
	2023 RM	2022 RM	2023 RM
Depreciation of right-of-use asst	**264,013**	-	**-**
Accretion of interest on lease liability	**17,175**	-	**-**
Expenses relating to lease of low value asset	**26,504**	46,518	**4,664**
Expenses relating to short term leases	**80,928**	62,562	**-**
Total amount recognised in profit or loss	**388,620**	109,080	**4,664**

The total cash outflows for leases of the Group and of the Company during the financial year are RM292,172 (2022: RM109,080) and RM4,664 (2022: RM Nil) respectively.

6. INVESTMENT IN A SUBSIDIARY

	COMPANY	
	2023 RM	2022 RM
Unquoted shares, at cost	**84,351,000**	84,351,000
Unquoted redeemable preference shares, at cost	**98,500,000**	-
ESS granted to employees of a subsidiary	**96,199**	-
	182,947,199	84,351,000

Details of the subsidiary, which was incorporated and principal place of business in Malaysia, are as follows:

Name of Subsidiary	Effective Equity Interest 2023	Effective Equity Interest 2022	Principal Activities
BCM Electronics Corporation Sdn. Bhd.	**100%**	100%	EMS, which provides integrated manufacturing services that includes PCBA, sub-assembly, and box build.

Subscription of redeemable preference shares ("RPS") in a subsidiary

During the financial year, the Company has subscribed for 98,500,000 RPS by way of converting amount due from BCM of RM98,500,000.

Notes to the Financial Statements
31 January 2023 (cont'd)

7. INVENTORIES

	GROUP	
	2023	**2022**
	RM	**RM**
At cost		
Raw materials	**88,798,587**	120,561,278
Work-in-progress	**1,916,118**	1,604,191
Finished goods	**1,529,176**	4,776,506
Goods in transit	**9,495,426**	6,558,044
	101,739,307	133,500,019

	GROUP	
	2023	**2022**
	RM	**RM**
Cost of inventories recognised in profit or loss:		
Inventories recognised as cost of sales	**422,311,935**	326,293,011
(Reversal)/Addition of inventories written down	**(193,437)**	463,353

The reversal of inventories written down was made in the current financial year when the related inventories were sold above their carrying amounts.

8. TRADE RECEIVABLES

The currency profile of trade receivables is as follows:

	GROUP	
	2023	**2022**
	RM	**RM**
Ringgit Malaysia	**54,797**	39,985
United States Dollar	**131,770,892**	90,540,673
	131,825,689	90,580,658

The normal credit terms granted to trade receivables range from 30 to 90 days (2022: 30 to 80 days). The trade receivables are recognised at their original invoice amounts which represent the fair value on initial recognition.

Notes to the Financial Statements 31 January 2023 (cont'd)

9. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
	RM	**RM**	**RM**	**RM**
Other receivables	**192,256**	304,546	**-**	-
Deposits	**302,133**	46,473	**4,500**	4,500
Prepayments	**3,816,190**	2,169,940	**-**	253,053
	4,310,579	2,520,959	**4,500**	257,553

The currency profile of other receivables, deposits and prepayment is as follows:

	GROUP		COMPANY	
	2023	**2022**	**2023**	**2022**
	RM	**RM**	**RM**	**RM**
Ringgit Malaysia	**4,137,644**	2,489,355	**4,500**	257,553
United States Dollar	**172,935**	31,604	**-**	-
	4,310,579	2,520,959	**4,500**	257,553

10. CONTRACT ASSETS

	GROUP	
	2023	**2022**
	RM	**RM**
Contract assets arising from revenue recognised during the financial year	**12,241,534**	23,510,090

Contract assets are in respect of goods delivered but not yet invoiced. Provisions of the contract entered with the customer enables the Group to have the right to invoice goods delivered to the customer's designated point 60 days from the date of delivery regardless of whether the goods are picked up by the customer. As such, revenue is recognised at the point of delivery since the Group has satisfied all its performance obligations.

11. AMOUNT DUE FROM A SUBSIDIARY

COMPANY

The amount due from a subsidiary is non-trade related, unsecured, non-interest bearing and classified based on the expected timing of realisation except for **RM Nil** (2022: RM59,581,498) on which interest is charged at **Nil** (2022: 3.45%) per annum as at the end of the reporting period.

Notes to the Financial Statements
31 January 2023 (cont'd)

12. SHORT TERM INVESTMENTS

GROUP AND COMPANY

The short term investments represent the fund investments with licensed financial institutions in a mixture of money market instruments and fixed deposits with different maturity profile. The funds can be redeemed at any point in time upon request.

13. FIXED DEPOSITS WITH LICENSED BANKS

GROUP AND COMPANY

The effective interest rates per annum and maturities of the fixed deposits with licensed banks as at the end of the reporting period range from **1.75% to 2.80%** (2022: 1.40% to 2.00%) per annum and 1 **month to 12 months** (2022: 1 month to 12 months) respectively.

Included in the fixed deposits with licensed banks of the Group is an amount of RM7,216,508 (2022: RM6,704,345) which are pledged to financial institutions for the banking facilities granted to the Group as disclosed in Note 20 to the financial statements.

14. CASH AND BANK BALANCES

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Cash in hand and at banks	**1,934,292**	10,528,196	**199**	25,887
Short term money market deposit	**39,772,762**	24,104,117	**-**	7,598,014
	41,707,054	34,632,313	**199**	7,623,901

The effective interest rates per annum and maturities of the short term money market deposit of the Group as at the end of the reporting period range from **3.40% to 4.28%** (2022: 1.35% to 1.60%) per annum and **3 to 21 days** (2022: 17 to 30 days) respectively.

In prior year, the effective interest rate per annum and maturity of the short term money market deposit of the Company as at the end of the reporting period was 1.60% per annum and 30 days respectively.

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

	GROUP		COMPANY	
	2023 RM	**2022 RM**	**2023 RM**	**2022 RM**
Ringgit Malaysia	**217,337**	26,383,890	**199**	7,623,901
United States Dollar	**39,898,527**	8,205,959	**-**	-
Japanese Yen	**1,588,880**	2,712	**-**	-
Others	**2,310**	39,752	**-**	-
	41,707,054	34,632,313	**199**	7,623,901

Notes to the Financial Statements 31 January 2023 (cont'd)

15. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2023	2022	2023 RM	2022 RM
Issued and fully paid with no par value:				
Balance at beginning/date of incorporation	**358,180,000**	1	**182,946,490**	1
Issuance of shares pursuant to:				
- acquisition of a subsidiary	**-**	281,169,999	**-**	84,351,000
- public issue	**-**	77,010,000	**-**	104,733,600
Share issuance expenses for the public issue	**-**	-	**-**	(6,138,111)
Balance at end	**358,180,000**	358,180,000	182,946,490	182,946,490

16. MERGER DEFICIT

The merger deficit comprises the differences between the cost of acquisition and the share capital of BCM Electronics Corporation Sdn. Bhd. during the restructuring among common shareholders.

17. REVALUATION RESERVE

	GROUP	
	2023 RM	2022 RM
Balance at beginning	**6,375,701**	6,563,220
Realisation of revaluation surplus upon depreciation	**(187,519)**	(187,519)
Balance at end	**6,188,182**	6,375,701

This is in respect of revaluation surplus net of deferred tax arising from the revaluation of the Group's leasehold land and buildings and is non-distributable.

18. EMPLOYEES' SHARE SCHEME ("ESS") RESERVE

GROUP AND COMPANY

The ESS reserve represents the equity-settled share grants awarded to the eligible employees of a subsidiary. The reserve is made up of the cumulative value of services received from the eligible employees recorded on the grant date of share grants, and is reduced by the expiry or exercise or lapse of share grants.

19. RETAINED PROFITS

COMPANY

The franking of dividends of the Company is under the single tier system and therefore there is no restriction on the Company to distribute dividends subject to the availability of retained profits.

Notes to the Financial Statements 31 January 2023 (cont'd)

20. BORROWINGS

	GROUP	
	2023 RM	2022 RM
Non-current liabilities		
Secured:		
Finance lease liabilities		
Minimum payments:		
Within one year	**73,216**	115,427
More than one year and less than two years	**61,356**	11,860
More than two years and less than five years	**168,727**	-
	303,299	127,287
Future finance charges	**(26,958)**	(2,500)
	276,341	124,787
Amount due within one year included under current liabilities	**(63,100)**	(112,987)
	213,241	11,800
Term loans		
Total amount repayable	**25,742,940**	18,994,156
Amount due within one year included under current liabilities	**(4,846,408)**	(3,143,811)
	20,896,532	15,850,345
Balance carried forward	**21,109,773**	15,862,145
Current liabilities		
Secured:		
Finance lease liabilities	**63,100**	112,987
Term loans	**4,846,408**	3,143,811
Bankers acceptances and onshore foreign currency loan ("**OFCL**")	**67,794,664**	90,215,120
Revolving credit	**-**	5,000,000
	72,704,172	98,471,918
Total borrowings	**93,813,945**	114,334,063

The borrowings are secured by way of:

(i) legal charges over the Group's leasehold land and building as disclosed in Note 4 to the financial statements;
(ii) legal charges over certain plant and machinery as disclosed in Note 4 to the financial statements;
(iii) debenture over all the Group's present and future assets;
(iv) leased assets as disclosed in Note 4 to the financial statements;
(v) fixed deposits with licensed banks of the Group as disclosed in Note 13 to the financial statements; and
(vi) corporate guarantee of the Company.

Notes to the Financial Statements 31 January 2023 (cont'd)

20. BORROWINGS (CONT'D)

A summary of the effective interest rates and the maturities of the borrowings is as follows:

	Effective interest rates per annum (%)	Total RM	Within one year RM	More than one year and less than two years RM	More than two years and less than five years RM	More than five years RM
GROUP						
2023						
Finance lease liabilities	**2.15 to 2.31**	**276,341**	**63,100**	**53,643**	**159,598**	**-**
Term loans	**4.74 to 5.90**	**25,742,940**	**4,846,408**	**5,264,758**	**13,403,300**	**2,228,474**
Bankers acceptances and OFCL	**3.63 to 5.95**	**67,794,664**	**67,794,664**	**-**	**-**	**-**
2022						
Finance lease liabilities	1.88 to 2.31	124,787	112,987	11,800	-	-
Term loans	3.55 to 4.90	18,994,156	3,143,811	4,006,878	11,843,467	-
Bankers acceptances and OFCL	1.20 to 3.50	90,215,120	90,215,120	-	-	-
Revolving credit	3.18	5,000,000	5,000,000	-	-	-

The currency profile of the borrowings is as follows:

	GROUP 2023 RM	GROUP 2022 RM
Ringgit Malaysia	**53,776,281**	47,985,943
United States Dollar	**40,037,664**	66,348,120
	93,813,945	114,334,063

21. DEFERRED TAX LIABILITIES

	GROUP 2023 RM	GROUP 2022 RM
Balance at beginning	**7,881,000**	5,068,000
Recognised in profit or loss	**196,727**	2,425,000
Under provision in prior year	**613,273**	388,000
Balance at end	**8,691,000**	7,881,000

Notes to the Financial Statements
31 January 2023 (cont'd)

21. DEFERRED TAX LIABILITIES (Cont'd)

The deferred tax liabilities as at the end of the reporting period are made up of the temporary differences arising from:

	GROUP	
	2023 RM	2022 RM
Property, plant and equipment	**11,782,263**	7,635,040
Revaluation reserve	**1,951,180**	2,010,307
Unabsorbed reinvestment allowance	**(4,073,113)**	(1,482,000)
Provisions	**(969,330)**	(282,347)
	8,691,000	7,881,000

22. TRADE PAYABLES

The currency profile of trade payables is as follows:

	GROUP	
	2023 RM	2022 RM
Ringgit Malaysia	**5,384,029**	1,101,101
United States Dollar	**63,494,397**	74,255,281
Japanese Yen	**14,534**	104,635
Others	**148,475**	35,109
	69,041,435	75,496,126

The normal credit terms granted by trade payables range from **14 to 90 days** (2022: 14 to 90 days).

23. OTHER PAYABLES AND ACCRUALS

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
Other payables	**6,420,312**	8,011,133	**-**	-
Accruals	**6,922,797**	4,164,658	**43,577**	221,837
	13,343,109	12,175,791	**43,577**	221,837

The currency profile of other payables and accruals is as follows:

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
Japanese Yen	**4,657,298**	6,798,627	**-**	-
Ringgit Malaysia	**8,677,226**	5,369,153	**43,577**	221,837
United States Dollar	**8,585**	8,011	**-**	-
	13,343,109	12,175,791	**43,577**	221,837

Notes to the Financial Statements 31 January 2023 (cont'd)

24. REVENUE

24.1 Disaggregated revenue information

	GROUP		COMPANY	
	2023 RM	2022 RM	1.2.2022 to 31.1.2023 RM	9.2.2021 to 31.1.2022 RM
Sales of goods recognised at a point in time, representing total revenue from contracts with customers	**482,361,655**	367,286,234	**-**	-
Dividend income, representing other revenue	**-**	-	**8,217,470**	-
Total revenues	**482,361,655**	367,286,234	**8,217,470**	-
Geographical markets				
United States of America	**238,634,196**	170,935,692	**-**	-
Malaysia	**137,534,572**	127,887,567	**-**	-
Europe	**48,687,287**	30,145,453	**-**	-
Asia-Pacific	**57,505,600**	38,317,612	**-**	-
Total revenue from contracts with customers	**482,361,655**	367,286,324	**-**	-

24.2 Performance obligation

The performance obligation of the revenue is spelt out in Note 3.9 to the financial statements.

25. OTHER INCOME

	GROUP		COMPANY	
	2023 RM	2022 RM	1.2.2022 to 31.1.2023 RM	9.2.2021 to 31.1.2022 RM
Dividend income	**-**	23,485	**-**	-
Fair value gain on short term investments	**572,786**	-	**482,969**	-
Gain on disposal of property, plant and equipment	**-**	3,881	**-**	-
Realised gain on foreign exchange	**61**	-	**61**	-
Scrap sales	**277,933**	135,878	**-**	-
	850,780	163,244	**483,030**	-

Notes to the Financial Statements 31 January 2023 (cont'd)

26. FINANCE INCOME

	GROUP		COMPANY	
			1.2.2022 to 31.1.2023	9.2.2021 to 31.1.2022
	2023 RM	2022 RM	RM	RM
Interest income	**544,197**	277,666	**515,984**	287,407

27. FINANCE COSTS

	GROUP	
	2023 RM	2022 RM
Accretion of interest on lease liability	**17,175**	-
Interest expenses on:		
- Finance lease liabilities	**5,413**	544,185
- Term loans	**1,062,334**	1,612,535
- Bankers acceptances and OFCL	**2,540,572**	1,401,209
- Revolving credit	**93,501**	157,340
- Bank overdraft	**-**	737
Bank commission and charges	**159,118**	181,396
	3,878,113	3,897,402

28. PROFIT/(LOSS) BEFORE TAX

This is arrived at:

	GROUP		COMPANY	
			1.2.2022 to 31.1.2023	9.2.2021 to 31.1.2022
	2023 RM	2022 RM	RM	RM
Auditors' remuneration				
- Statutory audit				
- Grant Thornton Malaysia PLT	**83,000**	73,000	**30,000**	30,000
- Assurance related and non-audit services				
- Grant Thornton Malaysia PLT	**14,000**	223,552	**5,000**	221,152
- Affiliate of Grant Thornton Malaysia PLT	**12,000**	33,513	**3,000**	20,913
Depreciation of property, plant and equipment	**8,481,307**	5,609,204	**-**	-
Depreciation of right-of-use asset	**264,013**	-	**-**	-
Directors' fees	**177,000**	48,000	**177,000**	48,000
Employee benefits expense (Note 29)	**50,690,392**	38,418,693	**42,400**	8,000
Expenses relating to lease of low value assets	**26,504**	46,518	**4,664**	-
Expenses relating to short-term leases	**80,928**	62,562	**-**	-
Loss on disposal of property, plant and equipment	**300**	-	**-**	-
Loss on foreign exchange				
- realised	**3,228,894**	986,794	**-**	-
- unrealised	**4,156,190**	240,282	**-**	-
(Reversal)/Addition of inventories written down	**(193,437)**	463,353	**-**	-

Notes to the Financial Statements 31 January 2023 (cont'd)

29. EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2023 RM	2022 RM	1.2.2022 to 31.1.2023 RM	9.2.2021 to 31.1.2022 RM
Salaries, allowances, bonus, overtime and wages	**45,548,802**	34,182,115	**42,400**	8,000
Defined contribution plan	**4,082,792**	3,422,794	**-**	-
Social security contribution	**659,777**	568,038	**-**	-
Other staff related expenses	**302,822**	245,746	**-**	-
Equity-settled share-based payment	**96,199**	-	**-**	-
	50,690,392	38,418,693	**42,400**	8,000

The directors' emoluments of the Group and of the Company are as follows:

	GROUP		COMPANY	
	2023 RM	2022 RM	1.2.2022 to 31.1.2023 RM	9.2.2021 to 31.1.2022 RM
Executive directors of the Company:				
- Fees	**177,000**	48,000	**177,000**	48,000
- Salaries, allowances and bonus	**822,428**	944,000	**42,400**	8,000
- Defined contribution plan	**92,283**	81,360	**-**	-
- Social security contribution	**1,682**	1,516	**-**	-
	1,093,393	1,074,876	**219,400**	56,000
- Benefits-in-kind	**25,328**	47,900	**-**	-
	1,118,721	1,122,776	**219,400**	56,000

30. INCOME TAX EXPENSE

	GROUP		COMPANY	
	2023 RM	2022 RM	1.2.2022 to 31.1.2023 RM	9.2.2021 to 31.1.2022 RM
Malaysian income tax:				
Based on results for the financial year/period				
- Current tax	**(2,238,200)**	(978,000)	**(113,200)**	(47,000)
- Deferred tax relating to origination and reversal of temporary differences	**(196,727)**	(2,425,000)	**-**	-
Balance carried forward	**(2,434,927)**	(3,403,000)	**(113,200)**	(47,000)
(Under)/Over provision in prior year				
- Current tax	**14,224**	(81,853)	**(858)**	-
- Deferred tax	**(613,273)**	(388,000)	**-**	-
	(599,049)	(469,853)	**(858)**	-
	(3,033,976)	(3,872,853)	**(114,058)**	(47,000)

Notes to the Financial Statements
31 January 2023 (cont'd)

30. INCOME TAX EXPENSE (CONT'D)

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

	GROUP		COMPANY	
	2023 RM	2022 RM	1.2.2022 to 31.1.2023 RM	9.2.2021 to 31.1.2022 RM
Profit/(Loss) before tax	**40,278,562**	25,905,475	**8,704,875**	(1,201,870)
Income tax at Malaysian statutory tax rate of 24%	**(9,666,855)**	(6,217,314)	**(2,089,170)**	288,449
Income not subject to tax	**168,676**	21,945	**2,088,105**	-
Expenses not deductible for tax purposes	**(429,695)**	(859,819)	**(112,135)**	(335,449)
Utilisation of reinvestment allowance	**2,869,000**	2,111,416	**-**	-
Deferred tax assets recognised on reinvestment allowance	**4,564,820**	1,481,645	**-**	-
Annual crystallisation of deferred tax on revaluation reserve	**59,127**	59,127	**-**	-
	(2,434,927)	(3,403,000)	**(113,200)**	(47,000)
Under provision in prior year	**(599,049)**	(469,853)	**(858)**	-
	(3,033,976)	(3,872,853)	**(114,058)**	(47,000)

31. EARNINGS PER SHARE

31.1 Basic earnings per share

Basic earnings per share of the Group is calculated by dividing the profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year as follows:

	GROUP	
	2023	2022
Profit for the financial year (RM)	**37,244,586**	22,032,622
Weighted average number of shares in issue	**358,180,000**	291,086,356 [(i)]
Basic earnings per ordinary share (sen)	**10.40**	7.57

[(i)] Based on the weighted average number of issued share capital of 281,170,000 ordinary shares after the completion of the acquisition of a subsidiary but before the public issue and 358,180,000 ordinary shares after the completion of the public issue.

Notes to the Financial Statements 31 January 2023 (cont'd)

31. EARNINGS PER SHARE (CONT'D)

31.2 Diluted earnings per share

The calculation of diluted earnings per share is calculated by dividing the profit attributable to owners of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year after adjusting for the dilutive effects of all potential ordinary shares as follows:

	GROUP	
	2023	**2022**
Profit attributable to owners of the Company (RM)	**37,244,586**	22,032,622
Weighted average number of ordinary shares in issue	**358,180,000**	291,086,356
Adjustment for conversion of ESS	**6,137**	-
	358,186,137	291,086,356
Diluted earnings per ordinary share (sen)	**10.40**	7.57

32. DIVIDENDS

	GROUP AND COMPANY	
	2023	**2022**
	RM	**RM**
In respect of the financial year ended 31 January 2023:		
- First interim single tier dividend of 2 sen per ordinary share	**7,163,600**	-
In respect of the financial year ended 31 January 2022:		
- First interim single tier dividend [(i)]	**-**	3,286,988
	7,163,600	3,286,988

(i) BCM Electronics Corporation Sdn. Bhd., a wholly owned subsidiary of the Company, has paid the said dividend to Main Stream Holdings Sdn. Bhd. (formerly known as Aurelius Holdings Sdn. Bhd.), a former sale shareholder of BCM Electronics Corporation Sdn. Bhd., on 20 October 2021 by way of dividend in specie of shares quoted outside Malaysia amounting to RM2,731,054 and cash dividend of RM555,934.

On 28 March 2023, the Company has declared a final single tier dividend of 2 sen per ordinary share amounting to RM7,879,960 in respect of the financial year ended 31 January 2023 and paid on 9 May 2023. The financial statements for the current financial year do not reflect this declared dividend. Such dividend will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 January 2024.

Notes to the Financial Statements 31 January 2023 (cont'd)

33. RELATED PARTY DISCLOSURES

(i) **Identity of related parties**

The Group has related party relationship with its corporate shareholder, a subsidiary and key management personnel.

(ii) **Related party transactions**

	COMPANY	
	1.2.2022 to 31.1.2023 RM	9.2.2021 to 31.1.2022 RM
Dividends paid to Main Stream Holdings Sdn. Bhd.	**-**	3,286,988
Dividends received from a subsidiary	**8,217,470**	-
Interest received from a subsidiary	**385,239**	152,505

(iii) **Compensation of key management personnel**

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

The remuneration of the directors and members of key management during the financial year/period is as follows:

	GROUP		COMPANY	
	2023 RM	2022 RM	1.2.2022 to 31.1.2023 RM	9.2.2021 to 31.1.2022 RM
Fees	**177,000**	48,000	**177,000**	48,000
Salaries, allowances and bonus	**2,484,912**	2,265,236	**42,400**	8,000
Defined contribution plan	**283,851**	240,120	**-**	-
Social security contribution	**8,008**	7,056	**-**	-
Benefits-in-kind	**31,890**	47,900	**-**	-
Equity-settled share-based payment	**73,999**	-	**-**	-
	3,059,660	2,608,312	**219,400**	56,000
Analysed as:				
- Directors	**1,118,719**	1,122,776	**219,400**	56,000
- Other key management personnel	**1,940,941**	1,485,536	**-**	-
	3,059,660	2,608,312	**219,400**	56,000

The key management personnel have been granted with the following number of share grants:

	GROUP Number of share grants	
	2023	2022
Granted/Balance at end	**250,000**	-

The share grants were granted on the same terms and conditions as those offered to other employees of the Group, as disclosed in Note 34 to the financial statements.

34. EMPLOYEES' SHARE SCHEME ("ESS")

The Company's ESS is governed by the By-Laws which is established in conjunction with the listing on the Main Market of Bursa Securities on 15 December 2021. The ESS is to be in force for a period of 5 years from 1 April 2022. The Board will have the discretion upon the recommendation of the ESS Committee to extend the ESS for another 5 years or such shorter period as it deemed fit immediately from the expiry of the first 5 years, provided that the ESS does not exceed a maximum period of 10 years in its entirety. ESS entails the granting of Employees' Share Option Scheme ("**ESOS**") and Employees' Share Grant Plan ("**ESGP**") to the eligible directors and employees of the Group.

The salient features of the ESS are as follows:

(i) Eligible persons are employees of the Group (including executive and non-executive directors) who have been confirmed in the employment of the Group and have served at least 12 months of continuous services prior to and up to date of offer, including service during the probation period. ESS Committee may determine any other criteria for the eligible person from time to time.

(ii) The maximum number of new shares which may be issued and allotted pursuant to the exercise of the ESS shall not in aggregate exceed 10% of total number of issued shares of the Company (excluding treasury shares) at any point of time during the duration of the ESS.

(iii) The ESS price shall be determined by the ESS Committee based on the 5 day volume weighted average market price of the shares immediately preceding the date of offer with a discount, if any, of not more than 10% or such other percentage of discount as may be permitted by Bursa Malaysia Securities Berhad or any other relevant authorities from time to time during the duration of the ESS.

(iv) An offer shall be accepted by an eligible person within the offer period accompanied by a payment to the Company of a nominal non-refundable consideration of RM1 only in the event the offer comprises ESOS. If the eligible person fails to accept the offer within the offer period, the offer will automatically lapse and will then be null and void provided that the ESS Committee will not be precluded from making a fresh offer on such terms as the ESS Committee may so decide to the eligible person subsequently.

(v) A grantee shall not be entitled to any dividends, rights and/or other distributions on his/her unexercised ESOS options.

(vi) The new shares to be allotted upon any exercise of the ESOS will upon allotment and issuance, rank pari passu in all respects with the existing shares of the Company.

(vii) The number of ESS and the ESGP/ESOS price may be adjusted as a result of any alteration in the capital structure of the Company by way of a rights issue, bonus issue or other capitalisation issue, consolidation or subdivision of shares or reduction of capital, if any, made by the Company.

(viii) The ESS may be terminated by the Company at any time before the date of expiry without obtaining the approvals or consents from the eligible persons or shareholders.

Movement of share grants during the financial year

The movement of the share grants during the financial year is as follows:

	Number of share grants			
Date of Offer	**Balance at 1.2.2022**	**Granted**	**Issued**	**Balance at 31.1.2023**
4.11.2022	-	325,000	-	**325,000**

The weighted average fair value of the share grants during the financial year is **RM1.5799** (2022: RM Nil). The eligible persons will be awarded ordinary shares in the Company without any consideration payable by them.

Notes to the Financial Statements
31 January 2023 (cont'd)

35. CAPITAL COMMITMENT

	GROUP 2023 RM	2022 RM
Contracted but not provided for:		
- Property, plant and equipment	**5,259,402**	1,387,262
Approved but not provided for:		
- Property, plant and equipment	**31,544,324**	53,542,600

36. SEGMENTAL INFORMATION

Business segments

The management determines the business segments based on the reports reviewed and used by the directors for strategic decisions making and resources allocation.

The Group has only one reportable business segment of manufacturing which relates principally to the provision of EMS which provides integrated manufacturing services that include PCBA, sub-assembly and box build. Accordingly, no business segmental information is presented.

Geographical segments

Revenue information based on the geographical location of the customers are disclosed in Note 24.1 to the financial statements.

Location of assets

The Group's non-current assets are maintained entirely in Malaysia.

Information of major customers

The revenue from **3** (2022: 3) major customers which individually contributed to more than 10% of the Group's total revenue amounted to **RM354,647,527** (2022 : RM314,748,781).

Notes to the Financial Statements 31 January 2023 (cont'd)

37. FINANCIAL INSTRUMENTS

37.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost and fair value through profit or loss.

	Carrying amount RM	AC RM	FVTPL RM
GROUP			
2023			
Financial assets			
Trade receivables	**131,825,689**	**131,825,689**	**-**
Other receivables and refundable deposits	**494,389**	**494,389**	**-**
Short term investments	**1,965,053**	**-**	**1,965,053**
Fixed deposits with licensed banks	**7,216,508**	**7,216,508**	**-**
Cash and bank balances	**41,707,054**	**41,707,054**	**-**
	183,208,693	**181,243,640**	**1,965,053**
Financial liabilities			
Trade payables	**69,041,435**	**69,041,435**	**-**
Other payables and accruals	**13,343,109**	**13,343,309**	**-**
Borrowings	**93,813,945**	**93,813,945**	**-**
	176,198,489	**176,198,489**	**-**
2022			
Financial assets			
Trade receivables	90,580,658	90,580,658	-
Other receivables and refundable deposits	351,019	351,019	-
Fixed deposits with licensed banks	41,707,008	41,707,008	-
Cash and bank balances	34,632,313	34,632,313	-
	167,270,998	167,270,998	-
Financial liabilities			
Trade payables	75,496,126	75,496,126	-
Other payables and accruals	12,175,791	12,175,791	-
Borrowings	114,334,063	114,334,063	-
	202,005,980	202,005,980	-

Notes to the Financial Statements
31 January 2023 (cont'd)

37. FINANCIAL INSTRUMENTS (CONT'D)

37.1 Categories of financial instruments (cont'd)

	Carrying amount RM	AC RM	FVTPL RM
COMPANY			
2023			
Financial assets			
Other receivables and refundable deposits	**4,500**	**4,500**	**-**
Short term investments	**337,985**	**-**	**337,985**
Cash and bank balances	**199**	**199**	**-**
	342,684	**4,699**	**337,98**
Financial liability			
Other payables and accruals	**43,577**	**43,577**	**-**
2022			
Financial assets			
Other receivables and refundable deposits	4,500	4,500	-
Amount due from subsidiary	59,734,003	59,734,003	-
Fixed deposits with licensed banks	30,000,000	30,000,000	-
Cash and bank balances	7,623,901	7,623,901	-
	97,362,404	97,362,404	-
Financial liability			
Other payables and accruals	221,837	221,837	-

37.2 Financial risk management

The Group and the Company are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative activities.

Notes to the Financial Statements 31 January 2023 (cont'd)

37. FINANCIAL INSTRUMENTS (CONT'D)

37.3 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group's exposure to credit risk arises principally from its trade receivables whilst the Company's exposure to credit risk arises principally from advances to its subsidiary and financial guarantees provided to financial institutions in respect of credit facilities granted to a subsidiary.

37.3.1 Trade receivables

The Group gives its customers credit terms that range between 30 to 90 days (2022: 30 to 80 days). In deciding whether credit shall be extended, the Group will take into consideration factors such as relationship with the customer, its payment history and credit worthiness. The Group subjects new customers to credit verification procedures. In addition, receivables balances are monitored on an on-going basis with the result that the Group's exposure to bad debts is not significant.

The maximum exposure to credit risk arising from trade receivables is represented by the carrying amount in the statements of financial position.

The ageing analysis of trade receivables of the Group at the end of the reporting period is as follows:

	2023 RM	**2022 RM**
Not past due	**121,026,922**	88,013,813
1 to 30 days past due	**9,939,418**	2,122,413
31 to 60 days past due	**134,334**	140,695
61 to 90 days past due	**409,772**	20,840
91 to 180 days past due	**297,289**	223,069
More than 180 days past due	**17,954**	59,828
	10,798,767	2,566,845
Total	**131,825,689**	90,580,658

Trade receivables that are neither past due nor impaired are creditworthy customers with good payment record with the Group. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

The Group has trade receivables amounting to **RM10,798,767** (2022: RM2,566,845) that are past due but not impaired as the management is of the view that these debts will be collected in due course.

The Group has significant concentration of credit risk in the form of outstanding balance due from **2 customers** (2022: 2 customers) representing 72% (2022: 83%) of the total trade receivables.

Maximum exposure to credit risk

The Group regards the entire trade receivables and contract assets to be low risk as there is minimal overdue balances.

In managing the credit risk of the trade receivables and contract assets, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. The Group measures the allowance for expected credit losses ("**ECL**") of trade receivables and contract assets at an amount equal to lifetime ECL using a simplified approach. The expected credit losses on trade receivables and contract assets are estimated based on past default experience and an analysis of the trade receivables' and contract assets' current financial position, adjusted for factors that are specific to the trade receivables and contract assets such as liquidation and bankruptcy. Forward looking information such as country risk assessment has been incorporated in determining the expected credit losses.

Notes to the Financial Statements
31 January 2023 (cont'd)

37. FINANCIAL INSTRUMENTS (CONT'D)

37.3 Credit risk (cont'd)

37.3.1 Trade receivables (cont'd)

Trade receivables and contract assets are usually collectible and the Group does not have much historical bad debts written off or impairment of trade receivables. There are circumstances where the settlement of trade receivables will take longer than the credit terms given to the customers. The delay in settlement is mainly due to disagreement of pricing and quality issue or administrative matter. Based on the above assessment, the ECL computed is insignificant and accordingly no allowance for ECL is recognised during the financial year.

37.3.2 Intercompany balances

The Company provides advances to its subsidiary and monitors its results regularly.

The maximum exposure to credit risk is represented by the carrying amount in the statements of financial position.

As at the end of the reporting period, there was no indication that the advances to its subsidiary is not recoverable. The Company does not specifically monitor the ageing of these advances.

37.3.3 Financial guarantees

The Company has issued financial guarantees to financial institutions for banking facilities granted to a subsidiary.

	2023 RM	2022 RM
Corporate guarantees issued to financial institutions for banking facilities granted to a subsidiary		
- Limit	**139,821,000**	139,821,000
- Maximum exposure	**93,537,604**	114,209,276

The Company monitors on an ongoing basis the results of the subsidiary and repayments made by the subsidiary. As at the end of the reporting period, there was no indication that the subsidiary would default on repayment. The directors considered that the fair value of the financial guarantee contracts on initial recognition is insignificant.

Notes to the Financial Statements
31 January 2023 (cont'd)

37. FINANCIAL INSTRUMENTS (CONT'D)

37.4 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as and when they fall due. The Group and the Company actively manage their debt maturity profile, operating cash flows and availability of funding so as to ensure that all repayment and funding needs are met. As part of their overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash and cash equivalents to meet their working capital requirements.

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on the undiscounted contractual payments:

	Carrying amount RM	Contractual cash flows RM	Within one year RM	More than one year and less than five years RM	More than five years RM
GROUP					
2023					
Non-derivative financial liabilities					
Trade payables	**69,041,435**	**69,041,435**	**69,041,435**	**-**	**-**
Other payables and accruals	**13,343,109**	**13,343,109**	**13,343,109**	**-**	**-**
Borrowings	**93,813,945**	**97,105,453**	**73,855,579**	**20,971,073**	**2,278,800**
Total undiscounted financial liabilities	**176,198,489**	**179,489,997**	**156,240,123**	**20,971,073**	**2,278,800**
2022					
Non-derivative financial liabilities					
Trade payables	75,496,126	75,496,126	75,496,126	-	-
Other payables and accruals	12,175,791	12,175,791	12,175,791	-	-
Borrowings	114,334,063	116,131,634	99,105,806	17,025,828	-
Total undiscounted financial liabilities	202,005,980	203,803,551	186,777,723	17,025,828	-

Notes to the Financial Statements 31 January 2023 (cont'd)

37. FINANCIAL INSTRUMENTS (CONT'D)

37.4 Liquidity risk (cont'd)

	Carrying amount RM	Contractual cash flows RM	Within one year RM	More than one year and less than five years RM	More than five years RM
COMPANY					
2023					
Non-derivative financial liabilities					
Other payables and accruals	**43,577**	**43,577**	**43,577**	**-**	**-**
* Financial guarantees	**-**	**93,537,604**	**93,537,604**	**-**	**-**
Total undiscounted financial liabilities	**43,577**	**93,581,181**	**93,581,181**	**-**	**-**
2022					
Non-derivative financial liabilities					
Other payables and accruals	221,837	221,837	221,837	-	-
* Financial guarantees	-	114,209,276	114,209,276	-	-
Total undiscounted financial liabilities	221,837	114,431,113	114,431,113	-	-

* This has been included for illustration purpose only as the related financial guarantees have not crystallised as at the end of the reporting period.

37.5 Interest rate risk

The Group and the Company's fixed rate instruments are exposed to a risk of change in their fair value due to changes in interest rates. The Group's floating rate instruments are exposed to a risk of change in cash flows due to changes in interest rates.

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

	GROUP		COMPANY	
	2023 RM	2022 RM	2023 RM	2022 RM
Fixed rate instruments				
Financial assets	**7,216,508**	65,811,125	**-**	97,179,512
Financial liabilities	**68,071,005**	95,339,907	**-**	-
Floating rate instruments				
Financial liabilities	**25,742,940**	18,994,156	**-**	-

Notes to the Financial Statements
31 January 2023 (cont'd)

37. FINANCIAL INSTRUMENTS (CONT'D)

37.5 Interest rate risk (con'd)

Sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and financial liabilities at fair value through profit or loss, and the Group and the Company do not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Sensitivity analysis for variable rate instruments

An increase of 25 basis point at the end of the reporting period would have decreased the Group's profit before tax and equity by the amount shown below, and a decrease would have an equal but opposite effect. These changes are considered to be reasonably possible based on observation of current market conditions. This analysis assumes that all other variables remain constant.

	GROUP	
	2023 RM	2022 RM
Decrease in profit before tax	**76,188**	121,061
Decrease in equity	**57,903**	92,006

37.6 Foreign currency risk

The objectives of the Group's foreign exchange policies are to allow the Group to manage exposures that arise from trading activities effectively within a framework of controls that does not expose the Group to unnecessary foreign exchange risks.

The Group is exposed to foreign currency risk mainly on sales and purchases that are denominated in currencies other than the functional currency of the Group entities. The Group also holds cash and bank balances denominated in foreign currencies for working capital purposes. The currencies giving rise to this risk are primarily United States Dollar ("**USD**") and Japanese Yen ("**JPY**").

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonable possible change in the foreign currency exchange rates against Ringgit Malaysia, with all other variables held constant, of the Group's profit before tax. A 5% strengthening of the RM against the following currencies at the end of the reporting period would have decreased/(increased) the profit before tax by the amount shown below and a corresponding weakening would have an equal but opposite effect. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period.

	GROUP	
	2023 RM	2022 RM
USD	**3,415,085**	(2,091,659)
JPY	**(154,148)**	(345,163)
Others	**(7,308)**	(377)
Decrease/(Increase) in profit before tax	**3,253,629**	(2,437,199)
Decrease/(Increase) in equity	**2,472,758**	(1,852,271)

Notes to the Financial Statements 31 January 2023 (cont'd)

37. FINANCIAL INSTRUMENTS (CONT'D)

37.7 Equity price risk

Equity price risk is the risk that the fair value or future cash flows of the Group's financial assets designated at FVTPL will fluctuate because of changes in market prices. Equity price risk arises from the Group's short term funds with licensed financial institutions.

Management of the Group monitors the equity investments on a portfolio basis. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board. While for the short term funds with licensed financial institutions, the management of the Group monitors the short term funds and it can be redeemed at any time upon notice given to the financial institutions.

Sensitivity analysis for equity price risk

A 1% increase in prices of the short term funds at the end of the reporting period, with all other variables held constant, would have an insignificant to impact the Group's and the Company's profit before tax and equity, arising as a result of higher/lower fair value gain on short term funds.

38. FAIR VALUE INFORMATION

The carrying amounts of the financial assets and financial liabilities as at the end of the reporting period approximate their fair values due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near to the end of the reporting period.

The carrying amounts of the non-current portion of finance lease liabilities are reasonable approximation of fair values due to the insignificant impact of discounting.

38.1 Non-financial assets that are measured at fair value

The directors determine the recurring fair values of the Group's leasehold land and buildings with reference to valuation report by an external independent professional valuer using the cost approach.

Details of the Group's leasehold land and buildings and information about the fair value hierarchy are as follows:

	Level 1 RM	Level 2 RM	Level 3 RM	Total fair value RM	Carrying amount RM
GROUP					
2023					
Leasehold land	**-**	**-**	**10,000,000**	**10,000,000**	**9,440,560**
Building	**-**	**-**	**35,426,546**	**35,426,546**	**33,999,636**
2022					
Leasehold land	-	-	10,000,000	10,000,000	9,720,280
Building	-	-	18,000,000	18,000,000	17,496,503

Notes to the Financial Statements 31 January 2023 (cont'd)

38. FAIR VALUE INFORMATION (CONT'D)

38.1 Non-financial assets that are measured at fair value (cont'd)

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the leasehold land and building.

Level 3 fair value of leasehold land and building has been derived using the cost approach. The leasehold land is valued by reference to transactions of similar lands in the surrounding with adjustments made for differences in size, accessibility, frontage, site improvement, tenure if any and other relevant characteristics. The building is valued by reference to their depreciated replacement costs, i.e. the replacement cost less an appropriate adjustment for depreciation or obsolescence to reflect the existing condition of the building at the date of valuation. The land and building values are the summated to arrive at the fair value.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

38.2 Financial assets that are measured at fair value on a recurring basis

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy:

	Level 1 RM	Level 2 RM	Level 3 RM	Total fair value RM	Carrying amount RM
GROUP					
2023					
Financial asset					
Short term investments	**1,965,053**	**-**	**-**	**1,965,053**	**1,965,053**
COMPANY					
2023					
Financial asset					
Short term investments	**337,985**	**-**	**-**	**337,985**	**337,985**

Level 1 fair value

Level 1 fair value of the short term investments is derived by reference to their quoted market prices in active markets at the end of the reporting period.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as at the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1, Level 2 and Level 3 during the financial year.

Notes to the Financial Statements
31 January 2023 (cont'd)

39. CAPITAL MANAGEMENT

The primary objective of the Group's capital management policy is to maintain a strong capital base to support its businesses and to maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions or expansion of the Group. The Group may adjust the capital structure by issuing new shares, returning capital to shareholders or adjusting the amount of dividends to be paid to shareholders or sell assets to reduce debts. No changes were made in the objective, policy and process during the financial year under review as compared to the previous financial year.

The Group considers its total equity and total loans and borrowings to be the key components of its capital structure. The Group monitors capital using a debt to equity ratio, which is calculated as total borrowings divided by total equity as follows:

	GROUP	
	2023 RM	**2022 RM**
Total borrowings	**93,813,945**	114,334,063
Less: Fixed deposits with licensed banks	**7,216,508**	41,707,008
Cash and bank balances	**41,707,054**	34,632,313
	(48,923,562)	(76,339,321)
Net debt	**44,890,383**	37,994,742
Total equity	**231,595,371**	201,418,186
Gearing ratio	**0.19**	0.19

40. SIGNIFICANT EVENT

On 13 January 2023, the Company has signed the acceptance of the letter of offer from Northern Technocity Sdn. Bhd. to acquire a vacant freehold industrial land at Kulim, Kedah for a total cash consideration of RM13,584,330. On 10 May 2023, the subsidiary of the Company has entered into a Sale and Purchase Agreement with Northern Technocity Sdn. Bhd. for the abovementioned acquisition transaction.

41. EVENT AFTER THE REPORTING PERIOD

On 2 February 2023, the Company has issued 35,818,000 new ordinary shares through a private placement at an issue price of RM2.17 per ordinary share for cash consideration of RM77,725,060. The new ordinary shares rank *parri passu* in all respects with the existing ordinary shares of the Company.

ANALYSIS OF SHAREHOLDINGS
As at 10 May 2023

Issued and paid-up share capital	:	RM266,809,660.70 comprised 393,998,000 ordinary shares
Class of shares	:	Ordinary shares
Voting right	:	One (1) vote per ordinary share

Analysis by Size of Shareholdings

Size of shareholdings	No. of shareholders	%	No. of issued shares	%
Less than 100 shares	13	0.66	99	0.00
100 to 1,000 shares	520	26.44	335,901	0.09
1,001 to 10,000 shares	938	47.69	4,174,000	1.06
10,001 to 100,000 shares	329	16.72	10,827,200	2.75
100,001 to 19,699,899 shares (less than 5%)	162	8.24	137,992,700	35.02
19,699,900 shares (5%) and above	5	0.25	240,668,100	61.08
Total	**1,967**	**100.00**	**393,998,000**	**100.00**

Substantial Shareholders (Based on the Register of Substantial Shareholders)

Name of shareholders	Direct No. of issued shares	Direct %	Indirect No. of issued shares	Indirect %
Main Stream Holdings Sdn. Bhd. (“**MSH**”)	78,979,900	20.05	-	-
Main Stream Limited (“**MSL**”)	76,293,000	19.36		
Lee Chong Yeow @ Lee Chong Yan (*Deceased*)	30,545,300	7.75	155,272,900 [(1)]	39.41
Loh Hock Chiang	30,545,300	7.75	155,272,900 [(1)]	39.41
Pixel Advisers Pte. Ltd. (“**PAPL**”)	24,304,600	6.17	-	-
Tan Chong Hin	-	-	24,304,600 [(2)]	6.17

(1) *Deemed interested by virtue of his direct interest in MSH and MSL pursuant to Section 8(4) of the Companies Act 2016 (the “**Act**”).*

(2) *Deemed interested by virtue of his direct interest in PAPL pursuant to Section 8(4) of the Act.*

Directors’ Shareholdings (Based on the Register of Directors’ Shareholdings)

Name of Directors	Direct No. of issued shares	Direct %	Indirect No. of issued shares	Indirect %
Datin Normaliza binti Kairon	190,000	0.05	-	-
Loh Hock Chiang	30,545,300	7.75	155,272,900 [(1)]	39.41
Nor Shahmir bin Nor Shahid	-	-	-	-
Dato’ F’ng Meow Cheng	13,800	0.00	-	-
Yee Swee Meng	-	-	-	-
Tan Chong Hin	-	-	24,304,600 [(2)]	6.17
Jamie Hwe Ping Lee	-	-	-	-
Jonathan Ming Chian Lee (Alternate Director to Jamie Hwe Ping Lee)	-	-	185,818,200 [(3)]	47.16

(1) *Deemed interested by virtue of his direct interest in MSH and MSL pursuant to Section 8(4) of the Act.*

(2) *Deemed interested by virtue of his direct interest in PAPL pursuant to Section 8(4) of the Act.*

(3) *He is the Administrator of the Estate of Lee Chong Yeow @ Lee Chong Yan, as such he is deemed interested by virtue of the late Lee Chong Yeow @ Lee Chong Yan’s direct shareholdings in the Company, and direct interest in MSH and MSL pursuant to Section 8(4) of the Act.*

Analysis Of Shareholdings
As at 10 May 2023 (cont'd)

List of 30 Largest Shareholders

No.	Name of Shareholders	No. of Shares Held	%
1	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR MAIN STREAM HOLDINGS SDN. BHD. (12021572) (434712)	78,979,900	20.05
2	DB (MALAYSIA) NOMINEE (ASING) SDN BHD DEUTSCHE BANK AG SINGAPORE DCS CLT ACC FOR MAIN STREAM LIMITED (MAYBANK SG)	76,293,000	19.36
3	LEE CHONG YEOW@ LEE CHONG YAN ESTATE (HELD- BY JONATHAN MING CHIAN LEE ON BEHALF OF THE ESTATE)*	30,545,300*	7.75*
4	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK PRIVATE WEALTH MANAGEMENT FOR LOH HOCK CHIANG (12022325) (443594)	30,545,300	7.75
5	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PIXEL ADVISERS PTE LTD	24,304,600	6.17
6	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA BHD.	17,011,900	4.32
7	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TITANIUM GOODWILL SDN BHD	11,510,700	2.92
8	AMANAHRAYA TRUSTEES BERHAD PMB SHARIAH GROWTH FUND	4,500,000	1.14
9	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (BNP NAJMAH EQ)	4,452,400	1.13
10	CITIGROUP NOMINEES (ASING) SDN BHD UBS AG	4,117,000	1.04
11	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD CMY INCUBATOR SDN BHD	3,791,900	0.96
12	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (ABERDEEN 2)	3,694,100	0.94
13	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD FOR KENANGA SHARIAH GROWTH OPPORTUNITIES FUND (50156 TR01)	3,682,400	0.93
14	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (AHAM AM 2)	3,426,500	0.87
15	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (GROWTH)	3,308,800	0.84
16	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (ABERISLAMIC)	3,218,000	0.82
17	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA GROWTH FUND	3,162,300	0.80
18	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD CIMB COMMERCE TRUSTEE BERHAD - KENANGA MALAYSIAN INC FUND	2,085,700	0.53

Analysis Of Shareholdings
As at 10 May 2023 (cont'd)

List of 30 Largest Shareholders (Cont'd)

No.	Name of Shareholders	No. of Shares Held	%
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD ETIQA LIFE INSURANCE BERHAD (DANA EKT PRIMA)	2,020,100	0.51
20	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (ABERDEEN)	1,886,300	0.48
21	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (ABDN EQ ABSR FD)	1,856,400	0.47
22	MAYBANK NOMINEES (TEMPATAN) SDN BHD NATIONAL TRUST FUND (IFM KAF) (446190)	1,850,000	0.47
23	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (AIIMAN IS EQ)	1,654,900	0.42
24	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA PUBLIC TAKAFUL BHD.	1,599,500	0.40
25	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD AIIMAN ASSET MANAGEMENT SDN BHD FOR LEMBAGA TABUNG HAJI	1,486,000	0.38
26	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PETROLIAM NASIONAL BERHAD (ACF-AFFIN-EQ)	1,385,500	0.35
27	CITIGROUP NOMINEES (TEMPATAN) SDN BHD KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (KENANGA)	1,333,300	0.35
28	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD EXEMPT AN FOR AHAM ASSET MANAGEMENT BERHAD (TSTAC/CLNTT)	1,309,500	0.34
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR SAHAM AMANAH SABAH (ACC 2-940410)	1,291,800	0.33
30	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD CHUA RAY MEN	1,244,300	0.31
	Total	**327,547,400**	**83.13**

Note:
* *Jonathan Ming Chian Lee is the Administrator of the Estate of Lee Chong Yeow @ Lee Chong Yan*

LIST OF PROPERTIES

No	Title No.	Property Address	Tenure	Description of property/ Existing Use	Category of land use/ Land area/ Built-up area S.Q. Metre	Acquisition Date	Approximate age of Building	Audited NBV as at 31 January 2023 (RM)
1	GRN 210066	Plot 21, Jalan Hi-Tech 4, Industrial Zone Phase 1, Kulim Hi-Tech Park, 09090 Kulim, Kedah Darul Aman	Term in perpetuity	An industrial complex in Industrial Zone Phase 1, Kulim Hi-Tech Park/ Own use for business operation	Industrial/ 40,627/ 24,117.79	29 October 1996	23 years for Phase 1 21 years for Phase 2 10 months for Phase 3	43,440,196.00

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Second Annual General Meeting of the Company will be held at **Townhall of Aurelius Technologies Berhad, Plot 21, Jalan Hi-Tech 4, Phase 1, Kulim Hi-Tech Park, 09090 Kulim, Kedah** on **Wednesday, 28 June 2023 at 10.00 a.m.** or at any adjournment thereof for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1.	To receive Audited Financial Statements for the financial year ended 31 January 2023 together with the Reports of the Directors and Auditors thereon.	Please refer to Explanatory Note 1
2.	To approve the payment of Directors' fees up to an amount of RM180,000 from 1 July 2023 until the next Annual General Meeting of the Company.	Ordinary Resolution 1
3.	To approve the payment of Directors' benefits up to an amount of RM122,700 from 1 July 2023 until the next Annual General Meeting of the Company.	Ordinary Resolution 2
4.	To re-elect the following Directors who retire in accordance with Clause 91 of the Company's Constitution:	
	(a) Mr Loh Hock Chiang	Ordinary Resolution 3
	(b) Datin Normaliza Binti Kairon	Ordinary Resolution 4
5.	To re-elect Ms Jamie Hwe Ping Lee who retires in accordance with Clause 98 of the Company's Constitution.	Ordinary Resolution 5
6.	To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company and authorise the Directors to fix their remuneration.	Ordinary Resolution 6

AS SPECIAL BUSINESS

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

7. **Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act") and Waiver of Pre-emptive Rights pursuant to Section 85 of the Act** — Ordinary Resolution 7

   "THAT subject to Sections 75 and 76 of the Act and the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this Resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at any point in time.

   THAT pursuant to Section 85 of the Act, read together with Clause 53 of the Company's Constitution, the shareholders of the Company do hereby waive the pre-emptive rights to be offered new shares ranking equally to the existing issued shares of the Company arising from the exercise of the authority granted pursuant to Sections 75 and 76 of the Act."

Notice Of Annual General Meeting (cont'd)

8. **Authority to Purchase its Own Shares** Ordinary Resolution 8

"THAT subject to the Companies Act 2016 ("**Act**"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and requirements of any other relevant authorities, the Directors of the Company be and are hereby authorised to purchase its own shares through Bursa Securities, subject to the following:

(a) The maximum number of shares which may be purchased by the Company does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company at any point in time;

(b) The maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the retained profits of the Company;

(c) The authority conferred by this resolution will be effective upon passing of this resolution and will continue in force until:

(i) the conclusion of the next Annual General Meeting ("**AGM**"), at which time the said authority will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
(ii) the expiry of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340 of the Act; or
(iii) the authority is revoked or varied by an ordinary resolution passed by the shareholders in a general meeting;

whichever occurs first;

THAT the Directors be and are hereby authorised to deal with the shares purchased in their absolute discretion (which may be retained as treasury shares, distributed as dividends, resold, transferred, cancelled and/or in any other manner as prescribed by the Act, and the relevant rules, regulations and/or requirements).

THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary or expedient to implement or to effect the purchase of the shares."

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

BY ORDER OF THE BOARD

TAN AI PENG
(SSM PC No. 201908003179)
Company Secretary

Kuala Lumpur

30 May 2023

Notice Of Annual General Meeting (cont'd)

Notes:

*(i) For the purpose of determining who shall be entitled to attend this Second Annual General Meeting ("**2nd AGM**"), the Company shall request from Bursa Malaysia Depository Sdn. Bhd., to make available to the Company, pursuant to Clause 61 of the Company's Constitution, Paragraph 7.16 of the Bursa Malaysia Securities Berhad ("**Bursa Securities**") Main Market Listing Requirements ("**MMLR**") and Subsection 34(1) of the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), a Record of Depositors ("**ROD**") as at 21 June 2023 and only Depositors whose names appear on such ROD shall be regarded as a member and entitled to attend, speak and vote at the 2nd AGM.*

(ii) A member who can participate can appoint one (1) or more proxies to participate for him but where that member appoints more than one (1) proxy, he must specify the proportion of his shareholdings represented by each proxy failing which the appointment will be deemed invalid.

(iii) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised by the corporation.

(iv) A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

(v) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited with the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

*(vi) Members may deposit the instrument appointing the proxy by electronic means by way of submitting the instrument with the Share Registrar via TIIH Online website at **https://tiih.online** not later than 26 June 2023 at 10.00 a.m. Please follow the procedure as set out in the Administrative Guide of the 2nd AGM for further information on electronic submission of proxy form.*

(vii) Where a member of the Company is an authorised nominee as defined under the SICDA, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

*(viii) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from complying with the provisions of Section 25A(1) of the SICDA.*

(ix) Pursuant to Paragraph 8.29(A) of MMLR, all resolutions set out in this Notice are to be voted by poll.

Explanatory Notes:

1. Item 1 of the Agenda
Audited Financial Statements for the financial year ended 31 January 2023 ("AFS")

*The AFS are for discussion only as they do not require shareholders' approval pursuant to Section 340(1)(a) of the Companies Act 2016 ("**Act**"). Hence, this Agenda item will not be put forward for voting.*

2. Ordinary Resolution 1
Directors' fees payable to Non-Executive Directors

The proposed Ordinary Resolution 1 is to facilitate the payment of Non-Executive Directors' fees based on the current Board size. In the event the Non-Executive Directors' fees proposed are insufficient, due to enlarged Board size, approval will be sought at the next AGM for the shortfall.

Payment of the Non-Executive Directors' fees will be made by the Company as and when incurred if the proposed Ordinary Resolutions 1 & 2 are passed at the 2nd AGM. The Board is of the view that it is just and equitable for the Non-Executive Directors to be paid with the Directors' fees as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company for the relevant period.

Notice Of Annual General Meeting (cont'd)

3. Ordinary Resolution 2
Directors' benefits payable to Non-Executive Directors

The Directors' benefits comprise insurance and meeting allowance which are calculated based on the current Board size and number of scheduled Board and Board Committee meetings for the period commencing 1 July 2023 until the next AGM of the Company. In the event the proposed amount is insufficient, due to additional meetings or enlarged Board size, approval will be sought at the next AGM for the shortfall.

4. Ordinary Resolution 7
Authority to issue and allot shares pursuant to Sections 75 and 76 of the Act ("General Mandate") and waiver of pre-emptive rights pursuant to Section 85 of the Act

At last year's AGM, mandate was given to Directors to issue and allot new shares not exceeding 20% of the total number of issued shares up to 31 December 2022 and thereafter, not exceeding 10% of the total number of issued shares pursuant to the General Mandate which will continue to be in force until the conclusion of the Company's next AGM.

At the Company's extraordinary general meeting held on 11 January 2023, the Company obtained its shareholders' approval to waive their pre-emptive rights to be offered any new shares ranking equally to the existing issued shares arising from any issuance of new shares pursuant to the General Mandate under Section 85 of the Act and Clause 53 of the Company's Constitution.

As at the date of this Notice, 35,818,000 new ordinary shares, representing 10% of the total number of issued shares of the Company, were issued at an issue price of RM2.17 per ordinary share via private placement and subsequently listed on the Main Market of Bursa Securities on 7 February 2023. That authority granted will expire at the conclusion of the forthcoming 2nd AGM.

As such, the Board would like to seek a new mandate. The Ordinary Resolution 7 is proposed pursuant to the Sections 75 and 76 of the Act, and if passed, will give the Directors of the Company, the authority to issue and allot not exceeding 10% of the total number of issued shares of the Company for purpose of funding current/ future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration or such other application as the Directors may deem fit in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

By voting in favour of this proposed Ordinary Resolution 7, the shareholders of the Company will be waiving their statutory pre-emptive rights under Section 85 of the Act and will allow the Directors to issue shares to any person without having to offer the new shares to all existing shareholders of the Company prior to the issuance of the new shares.

5. Ordinary Resolution 8
Authority to Purchase its Own Shares

*The details of the proposal are set out in the Share Buy-Back Statement dated 30 May 2023, which is available at the Company's website at **www.atechgroup.com.my** as well as Bursa Securities' website.*

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

1. **Details of Individuals who are Seeking Election**

   As at the date of this notice, there are no individuals who are standing for election or appointment as Directors at the Second Annual General Meeting ("**2nd AGM**").

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**

   The General Mandate as set out in Ordinary Resolution 7 in the Notice of the 2nd AGM of the Company is to provide flexibility to the Company for any fundraising exercises, including but not limited to placement of new shares for the purposes of funding current and/or future investment project(s), working capital, repayment of borrowings and/or acquisition(s).

   As at the date of this Notice, 35,818,000 new ordinary shares, representing 10% of the total number of issued shares of the Company, were issued at an issue price of RM2.17 per ordinary share via private placement and subsequently listed on the Main Market of Bursa Malaysia Securities Berhad on 7 February 2023. That authority granted will expire at the conclusion of the forthcoming 2nd AGM.

   The proceeds raised, details and status of the utilisation of proceeds are set out in item (2) of the Additional Disclosure Requirements on page 56.

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PROXY FORM

CDS ACCOUNT NO.	
NO. OF SHARES HELD	

AURELIUS TECHNOLOGIES BERHAD
Registration No. 202101005015 (1405314-D)
(Incorporated in Malaysia under the Companies Act 2016)

*I/*We, ____ Tel: ____________________
(Full name in block, NRIC/Passport/Company No.)

of ____
(Full Address)

being member(s) of **Aurelius Technologies Berhad**, hereby appoint:

FULL NAME (IN BLOCK)	NRIC/PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%
ADDRESS			

*and/or

FULL NAME (IN BLOCK)	NRIC/PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%
ADDRESS			

or failing him/her, the Chairperson of the meeting, as *my/*our proxy to vote for *me/*us on *my/*our behalf at the Second Annual General Meeting of the Company to be held at **Townhall of Aurelius Technologies Berhad, Plot 21, Jalan Hi-Tech 4, Phase 1, Kulim Hi-Tech Park, 09090 Kulim, Kedah** on **Wednesday, 28 June 2023 at 10.00 a.m.** or at any adjournment thereof, and to vote as indicated below:

*(*strike out whichever is not applicable)*

NO.	ORDINARY RESOLUTION	FOR	AGAINST
1.	To approve the payment of Directors' fees up to an amount of RM180,000 from 1 July 2023 until the next Annual General Meeting of the Company.		
2.	To approve the payment of Directors' benefits up to an amount of RM122,700 from 1 July 2023 until the next Annual General Meeting of the Company.		
3.	To re-elect Mr Loh Hock Chiang who is retiring in accordance with Clause 91 of the Company's Constitution.		
4.	To re-elect Datin Normaliza Binti Kairon who is retiring in accordance with Clause 91 of the Company's Constitution.		
5.	To re-elect Ms Jamie Hwe Ping Lee who is retiring in accordance with Clause 98 of the Company's Constitution.		
6.	To re-appoint Grant Thornton Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
7.	To approve the authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 and waiver of pre-emptive rights.		
8.	To approve the authority to purchase its own shares.		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit.

Signed this ________ day of ______________ 2023

____
Signature of Shareholder/Common Seal

Notes:

*(i) For the purpose of determining who shall be entitled to attend this Second Annual General Meeting ("**2nd AGM**"), the Company shall request from Bursa Malaysia Depository Sdn. Bhd., to make available to the Company, pursuant to Clause 61 of the Company's Constitution, Paragraph 7.16 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("**MMLR**") and Subsection 34(1) of the Securities Industry (Central Depositories) Act 1991 ("**SICDA**"), a Record of Depositors ("**ROD**") as at **21 June 2023** and only Depositors whose names appear on such ROD shall be regarded as a member and entitled to attend, speak and vote at the 2nd AGM.*

(ii) A member who can participate can appoint one (1) or more proxies to participate for him but where that member appoints more than one (1) proxy, he must specify the proportion of his shareholdings represented by each proxy failing which the appointment will be deemed invalid.

(iii) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised by the corporation.

(iv) A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

(v) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited with the Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty eight (48) hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

*(vi) Members may deposit the instrument appointing the proxy by electronic means by way of submitting the instrument with the Share Registrar via TIIH Online website at **https://tiih.online** not later than 26 June 2023 at 10.00 a.m. Please follow the procedure as set out in the Administrative Guide of the 2nd AGM for further information on electronic submission of proxy form.*

(vii) Where a member of the Company is an authorised nominee as defined under the SICDA, it may appoint one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

*(viii) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from complying with the provisions of Section 25A(1) of the SICDA.*

(ix) Pursuant to Paragraph 8.29(A) of MMLR, all resolutions set out in this Notice are to be voted by poll.

Affix
Stamp

The Share Registrar

AURELIUS TECHNOLOGIES BERHAD
[Registration No. 202101005015 (1405314-D)]

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A, Vertical Business Suite,
Avenue 3, Bangsar South, No. 8 Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia

AURELIUS TECHNOLOGIES BERHAD
(Registration No. 202101005015 (1405314-D))
(Incorporated in Malaysia under the Companies Act 2016)

Plot 21, Jalan Hi-Tech 4,
Kulim Hi-Tech Park, Phase 1,
09090 Kulim, Kedah, Malaysia.
Tel (604) 403 3180

www.atechgroup.com.my